

# JORDAN ECONOMIC DEVELOPMENT AUTHORITY

## SPECIAL MEETING

### MINUTES

**JUNE 1, 2006**

Chair Ray Sandey called the meeting to order at 6:15 p.m.

**Roll Call:** Present: Ray Sandey, Ron Jabs, John Mulcahy and Paul Carey. Absent: Barry Ullman, Dave Wolf and Greg Sticha. Also Present: Jamie Thelen, President, Sand Companies, Inc.; Jim Sand, Vice President of Development/Risk Manager, Sand Companies, Inc.; Joe Janish, Senior Planner; Tom Nikunen, Finance Director; and Ed Shukle, Executive Director/City Administrator.

Sandey indicated that he would participate in the discussion but would abstain from voting on the matter since his company is representing the seller of the property (Bob Wolf) to Sand Companies, Inc.

**Development Proposal – Jordan Valley Townhomes:** Ed Shukle introduced the purpose of tonight's special meeting. Sand Companies, Inc., is proposing a 46-unit rental townhome development on property at Old Highway 169 and Hope Avenue. The development will be affordable housing and is eligible for the Minnesota Housing Finance Agency (MHFA) tax credit program. Sand Companies, Inc., is applying for tax credits to assist in the financing of the project. Sand Companies, Inc., would like a letter of support from the City of Jordan for their application. The development proposal also includes a request to have the City of Jordan provide Tax Increment Financing (TIF) for the project. Sand Companies, Inc., indicated that the project is valued at \$8.5 million. Both the EDA and the City Council are being asked for overall city support for the project. Sand Companies, Inc., will be making a similar presentation and request at the City Council meeting of June 5, 2006. Deadline for the MHFA tax credit program application is June 20, 2006.

Discussion focused on the need for this type of housing and whether the city ought to be providing TIF for this project. Information was reviewed from the city's current comprehensive plan, which indicates that there is a need for affordable housing. The Metropolitan Council has also indicated that the city has not met its affordable housing goals established in 1996.

Discussion then centered on the suggested letter of support for the city to approve and have included with Sand Companies, Inc., MHFA application. The EDA felt comfortable with the proposed letter of support with two exceptions:

- Third paragraph, third sentence should read: “The TIF structure is proposed to be pay-as-you-go, not to exceed \$390,000 with the increment years to be approved in the final TIF plan and development agreement.”
- Third paragraph, fourth sentence should read: “As part of the TIF, the project will need to meet the state guidelines for tax increment financing including the ‘but for test’ and contingent upon award of tax credits from MHFA.”

It was moved by Mulcahy, seconded by Jabs to approve the letter of support as revised. Motion passed with Mulcahy, Jabs and Carey voting in favor. Opposed: none. Abstain: Sandey.

**Other Business:** None.

**Adjournment:** It was moved by Sandey, seconded by Jabs to adjourn the meeting. Motion passed. The meeting was adjourned at 7:40 p.m.

Respectfully submitted,

Ed Shukle  
Executive Director/City Administrator