

## AGENDA

**ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CRYSTAL  
• REGULAR MEETING •  
TUESDAY, FEBRUARY 3, 2015  
FOLLOWING THE 7:00 P.M. CITY COUNCIL MEETING  
CRYSTAL CITY HALL  
COUNCIL CHAMBERS**

1. Call to order
2. Roll call
3. Approval of minutes from the January 6, 2015 annual organizational meeting and January 20, 2015 work session \*
4. Consider tentative acceptance of a proposal from Novak-Fleck for the lot at 5700 Regent Avenue North \*
5. Other business
6. Adjournment

\* *Materials attached*

**Minutes of the  
Crystal Economic Development Authority  
Annual Meeting  
January 6, 2015**

President Deshler called the annual organizational meeting of the Crystal Economic Development Authority to order at 6:45 p.m.

Upon call of the roll, the following members were present: Jim Adams, Elizabeth Dahl, Julie Deshler, Jeff Kolb, Olga Parsons and Casey Peak.

The following staff members were present: Anne Norris, Executive Director; Patrick Peters, Deputy Executive Director; and Mike Norton, City Attorney.

City Clerk Chrissy Serres administered the oath of office to Commissioners Dahl, Kolb and Parsons.

President Deshler placed into nomination a slate of EDA officers for 2015 as recommended by Mayor Adams.

Motion by Commissioner Adams (Deshler) to approve the following slate of officers for 2015:  
President: Casey Peak  
Vice President: Olga Parsons  
Secretary: Elizabeth Dahl  
Treasurer: Jeff Kolb

Motion carried.

President Peak requested EDA consideration of the 2015 meeting calendar as presented.

Motion by Commissioner Adams (Deshler) to approve the 2015 meeting calendar as presented.  
Motion carried.

Motion by Commissioner Deshler (Dahl) to approve the minutes of the December 16, 2014, Special Meeting.  
Motion carried.

Motion by Commissioner Adams (Deshler) to adjourn the annual meeting.  
Motion carried.

The meeting adjourned at 6:50 p.m.

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Casey Peak, President

ATTEST:

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Olga Parsons, Vice President

**Minutes of the  
Crystal Economic Development Authority  
Work Session  
January 20, 2015**

President Peak called the Work Session of the Crystal Economic Development Authority to order at 7:50 p.m.

Upon call of the roll, the following members were present: Jim Adams, Elizabeth Dahl, Julie Deshler, Jeff Kolb, Laura Libby, Olga Parsons and Casey Peak.

The following staff members were present: Anne Norris, Executive Director; Patrick Peters, Deputy Executive Director; John Sutter, Assistant Community Development Director/City Planner; and Troy Gilchrist, City Attorney.

The EDA reviewed drafts of the 2014 Annual Report and 2015 Work Program.

Mr. Sutter offered a detailed review of the draft Annual Report. It was the consensus of the EDA members:

- After discussion of other uses for the city's Community Development Block Grant (CDBG) allocation, that 100% of the 2015 allocation continue to be dedicated to funding of the Deferred Home Improvement Loan Program administered by Hennepin County.
- That the EDA-owned lots at 3556 Major Avenue North and 3122 Douglas Drive North be moved from "land banking for future redevelopment" to the list of EDA-owned lots for sale in 2015; and
- That a Request for Proposal (RFP) be prepared in 2015 to seek development interest in the EDA-owned lots at 3401 and 3415 Douglas Drive North that are currently on the "land banking for future development."

Staff indicated that these changes would be incorporated into the 2015 Work Program to be considered for approval along with the 2014 Annual Report at an EDA Special Meeting on February 17, 2015.

The EDA discussed the replatting of 4724 Lakeland Avenue North to create two outlots to sell to adjacent homeowners. The EDA members had no objections to moving forward with preparation of the plat under Scenario B in the staff report.

Mr. Sutter offered a status update on 4553 Yates Avenue North. The lot was sold by the EDA in 2013 for construction of a new house. The buyer has failed to initiate construction on the house and is in default of the Purchase and Redevelopment Agreement. The EDA members had no objections to exercising the reverter clause, taking title to the subject property and placing it back on the list of EDA lots for sale in 2015.

The work session adjourned at 9:22 p.m.

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Casey Peak, President

ATTEST:

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Olga Parsons, Vice President



**EDA STAFF REPORT**  
**5700 Regent**  
**New home proposal from Novak-Fleck**

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**FROM:** John Sutter, City Planner/Assistant Community Development Director *JSS*

**DEPARTMENT HEAD REVIEW:** Patrick Peters, Community Development Director *pap*

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**DATE:** January 28, 2015

**TO:** Anne Norris, Executive Director (for February 3 EDA meeting)

**SUBJECT:** Consider tentative acceptance of a proposal from Novak-Fleck for the lot at 5700 Regent Avenue North

Novak-Fleck has submitted a proposal to purchase the lot at 5700 Regent Avenue North for \$50,000. Attached are the builder's proposal form, 2012 aerial photo, and preliminary site and house plans.

The house plan is a split entry with an attached three car garage. It would have 1,237 sq. ft. on the upper level, with an open living-dining-kitchen area, three bedrooms and two bathrooms. It would also have 1,144 unfinished sq. ft. on the lower level, which could be finished in the future with two bedrooms, a bathroom, laundry room and very large family room. The house would be similar to houses completed and sold at 3556 Welcome, 5332 50<sup>th</sup> and 4720 Douglas Dr. It would be essentially identical to the nearly-complete house at 5824 Regent which has a buyer and a closing anticipated in early March.

For 5700 Regent, if the EDA tentatively accepts the proposal on February 3, then the required public hearing would occur on March 3 and the EDA would consider a resolution approving the lot sale. Closing and construction start are anticipated in March with completion in summer 2015. The builder does not yet have a buyer for the house.

**REQUESTED EDA ACTION:** EDA approval of a motion tentatively accepting the proposal from Novak-Fleck for the EDA lot at 5700 Regent Avenue North.

**PROPOSAL FORM**  
**PROPOSAL TO THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CRYSTAL**  
**5700 REGENT AVENUE NORTH**

CHECK ONE:  **BUILDER OFFERS \$50,000 TO PURCHASE THIS LOT**  
 **BUILDER OFFERS \$500 FOR A SIX-MONTH OPTION TO PURCHASE THIS LOT FOR \$50,000**

This proposal is not a purchase agreement or other binding contract. At this time, the Builder is submitting a proposal to purchase this lot and build a new single family house in accordance with the RFP Guidelines, or is requesting a six-month option for same.

If a builder's proposal is tentatively accepted by the EDA board, then EDA staff would work with the Builder to determine the specific house plan and present it at the next EDA meeting. If the EDA board gives final approval at that time, the Builder would sign a Purchase & Redevelopment Agreement and provide \$2,000 earnest money for the lot. Only after such an Agreement is signed would a binding contract exist between the EDA and the Builder.

Builders may purchase a 6-month option on a lot for \$500, renewable for an additional 6 months for an additional \$500. The option provides the builder with exclusive rights to purchase the lot and build a house subject to the normal EDA process, requirements and guidelines. As a condition of the option, the builder must list the lot with a to-be-built house on the MLS for the duration of the option. The number of options is limited: No builder may have options on more than 10% of the EDA's lots, and no more than 50% of the EDA's lots may be under option at any time.

**BUILDER:** *(Builder is required to be a Residential Building Contractor licensed by the State of Minnesota.)*

Name: NOVAK-FLECK INC. State License Number BC0011631  
Tel (1): 763-424-4955 Tel (2): \_\_\_\_\_ Fax: (763) 424-1030  
Address: 8857 ZEALAND AVE N. City/State/Zip: Brooklyn Park MN  
Email: C.johnson@NOVAK-FLECK.COM Claudia Johnson 01/15/2015  
Signature Date

**REQUIRED ATTACHMENTS AND ADDITIONAL INFORMATION:**

- Attach one representative example of a house you would plan to build on this lot if your proposal is selected. It does not need to show exactly how it would be placed on the lot; it just needs to show the approximate size, quality and features you would anticipate a new house would have on this lot. A specific house plan would be determined after a proposal is tentatively accepted by the EDA.
- The EDA will only sell lots to builders who have experience in house construction in Minnesota. Please list the addresses of three houses you have built in Minnesota within the last five years, or attach other evidence of qualification for review by the EDA:

House #1: <sup>5824</sup>5524 REGENT AVE N.  
House #2: 4720 Douglas Drive N.  
House #3: 3564 Welcome Ave N.

**SUBMIT PROPOSAL TO:** Attn: John Sutter, Crystal EDA, 4141 Douglas Dr N, Crystal MN 55422  
TEL: 763.531.1142 FAX: 763.531.1188 [john.sutter@crystalmn.gov](mailto:john.sutter@crystalmn.gov)

**PROPOSALS MAY BE SUBMITTED BY HAND DELIVERY, U.S. MAIL, FAX, OR EMAIL (.pdf format).  
PROPOSALS MAY BE SUBMITTED AT ANY TIME AND WILL BE CONSIDERED ON A "FIRST COME,  
FIRST SERVED" BASIS UNLESS THE LOT HAS BEEN OPTIONED BY ANOTHER BUILDER.**

# 2012 Aerial Photo









