

AGENDA

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CRYSTAL

**• REGULAR MEETING •
TUESDAY, MARCH 4, 2014**

6:50 P.M.

**CRYSTAL CITY HALL
COUNCIL CHAMBERS**

1. Call to order
2. Roll call
3. Consider approval of minutes from the February 18, 2014 special meeting *
4. Consider tentative acceptance of a proposal from Novak-Fleck to purchase a lot at 5335 Corvallis Avenue North for construction of a new house *
5. Other business
6. Adjournment

** Materials attached*

**Minutes of the
Crystal Economic Development Authority
Special Meeting
February 18, 2014**

President Deshler called the special 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, John Budziszewski, Julie Deshler, Mark Hoffmann, Laura Libby, Casey Peak and Joe Selton.

The following staff members were present: Anne Norris, Executive Director; John Sutter, City Planner/Assistant Community Development Director; and Mike Norton, City Attorney.

Motion by Commissioner Adams (Peak) to approve the minutes from the February 3, 2014 regular meeting.

Motion carried.

The EDA considered a resolution approving a subordination agreement between the Crystal Economic Development Authority and U.S. Bank National Association (for The Cavanagh Apartments).

Motion by Commissioner Adams (Budziszewski) to adopt Resolution 2014-02 approving a subordination agreement between the Crystal Economic Development Authority and U.S. Bank National Association (for The Cavanagh Apartments).

Motion carried.

Motion by Commissioner Peak (Budziszewski) to adjourn the regular meeting.

Motion carried.

The meeting adjourned at 6:48 p.m.

Julie Deshler, President

ATTEST:

Mark Hoffmann, Vice President



EDA STAFF REPORT
5335 Corvallis
New home proposal from Novak-Fleck

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

DEPARTMENT HEAD REVIEW: Patrick Peters, Community Development Director

DATE: February 25, 2014

TO: Anne Norris, Executive Director (for March 4, 2014 EDA meeting)

SUBJECT: Consider tentative acceptance of a proposal from Novak-Fleck for the lot at 5335 Corvallis Avenue North (public hearing to be held on March 18)

Novak-Fleck has submitted a proposal to purchase the lot at 5335 Corvallis Avenue North for \$50,000. Attached are the builder's proposal form, 2012 aerial photo, and preliminary site and house plans.

The house would be a split entry with an attached three car garage. It would have 1,401 sq. ft. on the upper level, with an open living-dining-kitchen area, three bedrooms and two bathrooms. It would also have 1,288 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 custom-built for a specific homebuyer. The size and floor plan would be very similar to the house built at 3548 Welcome, but garage-left instead of 3548's garage-right plan, and with a three-car garage instead of 3548's two-car.

The required public hearing prior and consideration of a resolution approving the lot sale is scheduled for the March 18 EDA meeting. Staff expects that the lot sale would close in late March and the house would be completed in summer 2014.

REQUESTED EDA ACTION: EDA approval of a motion tentatively accepting the proposal for the EDA lot at 5335 Corvallis Avenue North.

PROPOSAL FORM
PROPOSAL TO THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CRYSTAL
5335 CORVALLIS 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, Incorporated State License Number: BC001631
Tel (1): 763-424-4955 Tel (2): _____ Fax: 763-424-1630
Address: 8857 Zealand Avenue N City/State/Zip: Brooklyn Park MN 55445
Email: johnson@novak-fleck.com Candy Johnson 02/10/2014
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: 3504 Welcome Avenue N
House #2: 6510 Brentwood Avenue N
House #3: 5657 Adair Avenue 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

**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.**

* City will install/provide water and sewer stubs to property line.



