



CITY OF SAINT ANTHONY VILLAGE

HOUSING AND REDEVELOPMENT AUTHORITY MEETING AGENDA

Tuesday, May 24, 2022 at 7:00PM

[Join Meeting via Zoom](#)

There is also a dial-in option available. Members of the public who wish to attend the meeting may do so in person.

- I. Call To Order
- II. Roll Call
- III. Approval Of Agenda
- IV. Consent Agenda
 - A. Approval Of HRA Meeting Minutes
 - Documents:
 - [HRA 04-26-2022.PDF](#)
- V. Public Hearings
- VI. General Policy Of Business Of The H.R.A.
 - A. HRA Resolution 22-07- Approving The First Amendment To The Land Swap Agreement Between Interstate Development Corp, Lowry Multifamily LLC, Lowry Retail LLC, Bremer Bank And The HRA Of St. Anthony
 - Charlie Yunker, Executive Director, presenting.
 - Documents:
 - [COVER MEMO.PDF](#)
 - [FIRST AMENDMENT TO LAND SWAP AGREEMENT - \(BREMER CITY OF ST. ANTHONY\)-V5.PDF](#)
 - [HRA RESOLUTION 22-07.PDF](#)
- VII. Staff Reports
- VIII. H.R.A. Commissioner Comments
- IX. Information And Announcements

X. Adjournment

If you would like to request special accommodations or alternative formats, please contact the City Clerk at 612-782-3313 or email city@savmn.com. People who are deaf or hard of hearing can contact us by using 711 Relay.

Our Mission is to be a progressive and welcoming Village that is walkable, sustainable and safe.

1 CITY OF ST. ANTHONY
2 HOUSING AND REDEVELOPMENT AUTHORITY MEETING
3 APRIL 26, 2022
4
5

6 **CALL TO ORDER.**

7
8 Chair Stille called the meeting to order at 8:25 p.m.
9

10 **ROLL CALL.**

11
12 Present: Chair Stille, Commissioners Jenson, Randle, Walker, and Webster.

13 Absent: None

14 Also Present: Executive Director Charlie Yunker

15 **I. APPROVAL OF APRIL 26, 2022 H.R.A. AGENDA.**

16
17 Motion by Commissioner Jenson, seconded by Commissioner Randle, to approve the April 26,
18 2022 Housing and Redevelopment Authority Agenda as presented.
19

20 **Motion carried 5-0.**

21
22 **II. CONSENT AGENDA.**

23
24 A. H.R.A. Meeting Minutes of April 12, 2022.

25
26 Motion by Commissioner Webster, seconded by Commissioner Walker, to approve the Consent
27 Agenda as presented.
28

29 **Motion carried 5-0.**

30
31 **III. PUBLIC HEARINGS.**

32
33 A. HRA Resolution 22-06 – Approving The Land Swap Agreement Between Interstate
34 Development Corp, Lowry Multifamily LLC, Lowry Retail LLC, Bremer Bank and The
35 Housing and Redevelopment Authority.
36

37 Chair Stille opened the public hearing at 8:33 p.m.
38

39 Executive Director Yunker reviewed on February 8, 2022, the HRA Board approved that certain
40 Land Swap Agreement between Interstate Development Corp, Lowry Multifamily LLC., Lowry
41 Retail LLC, Bremer Bank, and the HRA (the “Land Swap Agreement”). The parties are nearing
42 completion of due diligence and a possible closing under the Land Swap Agreement, which
43 would include the HRA’s sale of HRA’s sale of HRA-owned property located at 2654 Kenzie
44 Terrace in accordance with the Land Swap Agreement. In accordance, Minnesota Statutes
45 Section 369.029, any sale of property owned by a housing and redevelopment authority made
46 without public bidding first requires a public hearing. The public hearing is the final step in
47 approving the sale of 2654 Kenzie Terrace and such approval is a condition to closing under the
48 Land Swap Agreement. The parties are in the process of negotiating a possible amendment to the
49 Land Swap Agreement in connection with information obtained during each parties’ due

1 diligence of its respective parcel. Any such amendment will be considered at a future HRA
2 meeting.

3
4 Chair Stille closed the public hearing at 8:38 p.m.

5
6 Motion by Commissioner Jenson, seconded by Commissioner Walker, to approve Resolution 22-
7 06 – Resolution Approving the Land Swap Agreement Between Interstate Development Corp,
8 Lowry Multifamily LLC., Lowry Retail LLC, Bremer Bank and the Housing and Redevelopment
9 Authority of St. Anthony.

10
11 **Motion carried 5-0.**

12
13 **IV. GENERAL POLICY BUSINESS OF THE H.R.A. – NONE.**

14
15 **V. STAFF REPORTS – NONE.**

16
17 **VI. H.R.A. COMMISSIONER COMMENTS – NONE.**

18
19 **VII. INFORMATION AND ANNOUNCEMENTS – NONE.**

20
21 **VIII. ADJOURNMENT.**

22
23 Chair Stille adjourned the meeting at 8:40 p.m.

24
25 Respectfully submitted,
26 Debbie Wolfe
27 *TimeSaver Off Site Secretarial, Inc.*

28
29
30 ATTEST: _____
31 City Clerk

_____ Chair _____

32



MEMORANDUM

To: Saint Anthony Village Housing & Redevelopment Authority
From: Charlie Yunker, Executive Director
Date: May 24, 2022 Saint Anthony HRA Meeting
Resolution: Approval of First Amendment to Land Swap Agreement Between Interstate Development Corp, Lowry Multifamily LLC, Lowry Retail LLC, Bremer Bank and the Housing and Redevelopment Authority of St. Anthony

OVERVIEW

On February 8, 2022, by Resolution 22 -05, the HRA Board approved that certain Land Swap Agreement between Interstate Development Corp, Lowry Multifamily LLC., Lowry Retail LLC, Bremer Bank, and the HRA (the "Land Swap Agreement"). Due to the extended period of time the due diligence process has taken for all involved, the parties have requested an amendment to the Land Swap Agreement that has been reviewed by staff and the City's legal counsel.

The amendment provides for the following:

1. Closing on the sale of the "bowling alley" parcel to Interstate next week after the HRA approves this amendment.
2. As a condition to the "bowling alley" parcel closing, Interstate must confirm that it holds fee title to the Node parcel to subsequent transfer to the HRA, if the HRA elects.
3. The HRA has until June 30 to complete its due diligence on the Node parcel. It can elect to terminate its right/obligation to purchase the Node parcel at any time before June 30.
4. If the HRA acquires the Node parcel, closing will be no later than July 15.

Staff recommends approval of the amendment to allow the closing on the "bowling alley" parcel to proceed, and allow time for due diligence to be completed on the "entrance node" parcel for a future closing separately.

As of production of the meeting packet, the results of the Phase II environmental review on the "entrance node" parcel has yet to be received by staff. After receipt and review by staff, the results will be considered at a future HRA meeting.

ATTACHMENTS:

- Amendment

FIRST AMENDMENT TO LAND SWAP AGREEMENT

THIS FIRST AMENDMENT TO LAND SWAP AGREEMENT (this “**First Amendment**”) is made effective as of May 24, 2022 (the “**First Amendment Effective Date**”) between and among INTERSTATE DEVELOPMENT CORPORATION, a Minnesota corporation (“**Interstate**”), LOWRY MULTIFAMILY LLC, a Minnesota limited liability company (“**Lowry Multifamily**”), KENZIE MULTIFAMILY LLC, a Minnesota limited liability company (“**Kenzie Multifamily**”), LOWRY RETAIL LLC, a Minnesota limited liability company (“**Lowry Retail**”) and HOUSING AND REDEVELOPMENT AUTHORITY OF ST. ANTHONY, MINNESOTA, a public body corporate and politic under the laws of Minnesota (the “**HRA**”). The foregoing are hereinafter sometimes collectively referred to as the “**Parties**”.

RECITALS

A. Interstate, Lowry Multifamily, Lowry Retail, and the HRA are the current parties to that certain Land Swap Agreement dated February 8, 2022 (the “**Original Agreement**”) pertaining to certain property located in the City having addresses of 2534 Kenzie Terrace (referred to in the Original Agreement and herein as the “**Bremer Parcel**”), 2654 Kenzie Terrace (referred to in the Original Agreement and herein as the “**HRA Parcel**”), and 2401 Lowry Avenue NE (referred to in the Original Agreement and herein as the “**Redevelopment Parcel**”), as each such parcel is more particularly described in the Original Agreement.

B. In connection with the HRA’s ongoing inspection of the Bremer Parcel and Parties’ desire to accelerate Lowry Retail’s closing on the HRA Parcel and commencement of the New Bremer Project thereon, the Parties desire to amend the Original Agreement to modify certain terms and conditions related to the Parties to the transaction and the timing of the sale and conveyance of certain real estate as described herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto hereby agree as follows:

1. **Recitals; Definitions.** The Recitals set forth above are true and correct in all material respects and incorporated herein by reference. Unless otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the Original Agreement, unless the context clearly requires otherwise. For purposes of this First Amendment, the Original Agreement, as revised by this First Amendment, shall be collectively referred to as the “**Agreement**”.
2. **Obligations of Lowry Multifamily.** All references in the Land Swap Agreement to “Lowry Multifamily LLC” shall be replaced with “Kenzie Multifamily LLC”. Interstate, Lowry Retail, Kenzie Multifamily and the HRA hereby ratify and approve the Original Agreement, as amended by this First Amendment.
3. **Stand Alone Transactions.** The Parties agree each of the transactions contemplated by the Original Agreement may be consummated separately, such that it shall not be required that the HRA Parcel, the Bremer Parcel, and the Redevelopment Parcel be conveyed contemporaneously as is set forth in the Original Agreement. The Parties agree that the HRA Parcel, the Bremer Parcel, and the and the Redevelopment Parcel may be conveyed and sold at disparate times as is further set forth in this First Amendment. Further, regardless of whether Kenzie Multifamily closes on the purchase of the Redevelopment Property, Kenzie Multifamily will acquire the Bremer Parcel from Bremer on or before

the Closing Deadline for subsequent sale to the HRA, subject to and in accordance with the terms and conditions of this Agreement. For avoidance of doubt, (a) Lowry Multifamily hereby ratifies and confirms its obligation to convey the Bremer Parcel to the HRA by Limited Warranty Deed at the HRA Closing subject to, and upon the terms and conditions of, this Agreement, and (b) the HRA hereby ratifies and confirms its obligation to convey the HRA Parcel to Lowry Retail by Limited Warranty Deed at the Lowry Retail Closing subject to, and upon the terms and conditions of, this Agreement.

4. **Timing of Closing.** Section 4. "Timing of Closing" of the Original Agreement is hereby deleted in its entirety and be replaced with the following:

"Section 4. Timing of Closing. Subject to the following paragraphs of this Section 4, the closing of the conveyances referenced in Section 1 (each a "**Closing**") hereof shall occur as follows:

"(a) Lowry Retail Closing. Subject to the Bremer Parcel Acquisition Contingency and Bremer Lease Contingency and the Parties' respective rights to terminate this Agreement set forth herein, the Closing of the HRA Parcel to Lowry Retail (the "**Lowry Retail Closing**") shall occur on **May 25, 2022**, but in no event later than **May 31, 2022** (the "**Closing Deadline**").

(b) HRA Closing. Subject to the Parties' respective rights to terminate this Agreement set forth herein, the Closing of the Bremer Parcel to the HRA (the "**HRA Closing**") shall occur on a date mutually acceptable to the Parties, but no earlier than the date of the Lowry Retail Closing and no later than **July 15, 2022**.

(c) Closings Generally. Each reference to the "Closing" in this Agreement means either of the Lowry Retail Closing or HRA Closing, as applicable and as the context requires."

5. **Amendments to Conditions to Purchase of Parcels by each Party.**

(a) Bremer Parcel Acquisition Contingency. Notwithstanding anything to the contrary in the Original Agreement, the HRA's obligation to convey the HRA Parcel to Lowry Retail (or any other Party to the Agreement) under the Agreement shall be conditioned upon Kenzie Multifamily acquiring good and marketable fee title to the Bremer Parcel before, or simultaneously with, the Lowry Retail Closing and Kenzie Multifamily providing the HRA with reasonable evidence confirming the same (the "**Bremer Parcel Acquisition Contingency**"). If Kenzie Multifamily fails to timely satisfy the Bremer Parcel Acquisition Contingency, then the HRA shall have no obligation to consummate the Lowry Retail Closing and the HRA may terminate this Agreement at any time after the Closing Deadline and before Kenzie Multifamily otherwise cures such failure by acquiring such title to the Bremer Parcel.

(b) Lowry Retail Due Diligence Period. Lowry Retail hereby waives its Due Diligence Period and Due Diligence Extension Periods with respect to its purchase of the HRA Parcel, and hereby waives its corresponding Agreement termination rights under Section 5 of the Original Agreement, save and except that Lowry Retail may terminate its right and obligations to purchase the HRA Parcel under the Agreement by written notice to the HRA on or before the Closing Deadline if Bremer does not enter into a lease for the HRA Parcel with Lowry Retail (the "**Bremer Lease Contingency**") and, upon delivery of such notice, no Party hereunder shall have any further obligations with respect to the HRA Parcel under the Agreement.

- (c) HRA Due Diligence Period. Notwithstanding anything to the contrary in the Original Agreement, (i) the HRA's Due Diligence Period with respect to its purchase of the Bremer Parcel shall expire on **June 30, 2022** (without the right to further extend such Due Diligence Period pursuant to the Due Diligence Extension Periods described in the Original Agreement) and (ii) the HRA may, in its sole discretion, terminate its right and obligations to purchase the Bremer Parcel under the Agreement by written notice to Kenzie Multifamily at any time and in any event by no later than three (3) business days after the expiration of the Due Diligence Period and, upon delivery of such notice, no Party hereunder shall have any further obligations with respect to the Bremer Parcel under the Agreement.
- (d) Simultaneous Closing. Section 5(g) of the Original Agreement is hereby deleted in its entirety.
- (e) Plat Recording. Notwithstanding anything to the contrary in Section 5(h) of the Original Agreement, the Parties agree that the HRA Parcel may be conveyed to Lowry Retail as currently platted and in such event, Lowry Retail will be responsible to record the Plat after the Lowry Retail Closing, but in no event later than **August 31, 2022**. The HRA agrees to cooperate with Lowry Retail to the extent necessary to record the Plat after the Lowry Retail Closing.

6. Amendment to Title Evidence. Interstate, Kenzie Multifamily, and Lowry Retail hereby (a) waive any right to terminate the Agreement or extend the Lowry Retail Closing pursuant to Section 7 of the Original Agreement and (b) acknowledges and agrees that the HRA will undertake no actions to cure any title objections noted in those certain letters dated March 23, 2022 and April 5, 2022 from Anthony L. Barthel with respect to the Property except as expressly set forth in the HRA's title objection response letter dated April 6, 2022 from Dorsey & Whitney.

7. Amendment to Inspection Rights and Costs The Parties acknowledge that the Phase I Environmental Site Assessment Report received by the HRA with respect to the Bremer Parcel disclosed certain environmental issues with respect to the Bremer Parcel. The HRA intends to obtain a Phase II Environmental Site Assessment Report on the Bremer Parcel (the "**Phase II**"), and, notwithstanding anything to the contrary in the Original Agreement, the HRA and its environmental consultants are hereby authorized to perform subsurface soil borings on the Bremer Parcel necessary to complete such Phase II. Interstate, Kenzie Multifamily, and/or Lowry Multifamily, as applicable, have obtained all necessary approvals and consents from Bremer necessary for the HRA and its environmental consultants to access the Bremer Parcel and obtain such subsurface soil borings on the Bremer Parcel.

8. Amendment to Construction Conditions. The first and only sentence of Section 11 of the Original Agreement (Construction Conditions) is hereby be deleted in its entirety and replaced with the following sentence:

Construction will begin within thirty (30) days of the Lowry Retail Closing on the HRA Parcel for the development of the New Bremer Project, which is estimated to be completed by **September 1, 2022**, with an outside date of **December 31, 2022**.

9. Construction; Continuity of Agreement. Except as herein modified or amended, the provisions, conditions and terms of the Original Agreement will remain unchanged and in full force and effect. To the extent there shall exist a conflict between the Original Agreement and this First Amendment, the terms of this First Amendment shall control.

10. **Counterparts.** This First Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Email or facsimile signatures shall be binding as if an original signature page has been delivered.

[Signature Page to Follow]

[Signature Page to First Amendment to Purchase Agreement]

IN WITNESS WHEREOF, the undersigned has executed this First Amendment effective as of the First Amendment Effective Date.

**HOUSING AND REDEVELOPMENT
AUTHORITY OF ST. ANTHONY,
MINNESOTA**, a public body corporate
and politic under the laws of Minnesota

By: _____
Randy Stille, Chair

By: _____
Charlie Yunker, Executive Director

[Signature Page to First Amendment to Land Swap Agreement]

IN WITNESS WHEREOF, the undersigned have executed this First Amendment effective as of the First Amendment Effective Date.

INTERSTATE DEVELOPMENT CORPORATION,
a Minnesota corporation

By: _____
Lonnie L. Provencher
President

LOWRY MULTIFAMILY LLC,
a Minnesota limited liability company

By: _____
Lonnie L. Provencher
President

LOWRY RETAIL LLC,
a Minnesota limited liability company

By: _____
Lonnie L. Provencher
President

KENZIE MULTIFAMILY LLC,
a Minnesota limited liability company

By: _____
Lonnie L. Provencher
President

**HOUSING AND REDEVELOPMENT AUTHORITY
OF THE
CITY OF SAINT ANTHONY VILLAGE
RESOLUTION 22-07**

**A RESOLUTION APPROVING THE FIRST AMENDMENT TO THE LAND SWAP
AGREEMENT BETWEEN INTERSTATE DEVELOPMENT CORP, LOWRY
MULTIFAMILY LLC., LOWRY RETAIL LLC., BREMER BANK AND THE HOUSING
AND REDEVELOPMENT AUTHORITY OF ST. ANTHONY**

WHEREAS, the City of St. Anthony, is the owner of property located at 2654 Kenzie Terrace;
and

WHEREAS, Bremer Bank, is the owner of property located at the intersection of Kenzie
Terrace and Lowry Ave NE; and

WHEREAS, Bremer Bank and Interstate Development have entered into an agreement for
redevelopment of the property at 2401 Kenzie Terrace; and

WHEREAS, the land swap agreement that was approved by the HRA on April 26, 2022 as part
of the multi-party project that includes Interstate developing a multi-unit housing
development on the existing Bremer Bank site, a new Bremer Bank site
constructed at 2654 Kenzie Terrace, and the city acquiring the property at the
intersection of Kenzie Terrace and Lowry Ave NE for a new city gateway node;
and

NOW, THEREFORE, BE IT RESOLVED by Board of Commissioners of the Housing and
Redevelopment Authority of the City of Saint Anthony Village the follows:

Approve the first amendment to the land swap agreement between Interstate Development Corp,
Lowry Multifamily LLC., Lowry Retail LLC., Bremer Bank and the City of St. Anthony
Housing and Redevelopment Authority, with Bremer Bank acquiring city owned property at
2534 Kenzie Terrace, and the City of St. Anthony acquiring .32 acre parcel owned by Bremer
Bank located at the intersection of Kenzie Terrace and Lowry Ave NE.

Adopted by the Board of Commissioners of the Housing and Redevelopment Authority of the
City of Saint Anthony Village on this 26th day of April, 2022.

Randy Stille, Chair

ATTEST: _____
City Clerk

Review for Administration: _____
Charlie Yunker, Executive Director