



**NYA Economic Development Authority
Special Meeting AGENDA
Monday, May 27, 2025 - 4:30 pm Meeting
City Council Chambers, 310 Elm Street W, Norwood Young America, MN 55368**

1. CALL A MEETING OF THE CITY COUNCIL TO ORDER

1.1. Pledge of Allegiance

2. APPROVE AGENDA

3. APPROVE MINUTES

3.1. Approve May 12, 2025, Minutes

4. INTRODUCTIONS, PRESENTATIONS, PROCLAMATIONS, AWARDS, AND PUBLIC COMMENT

(Individuals may address the Economic Development Authority about any non-agenda item of concern. Speakers must state their name and address and limit their remarks to three minutes. The Economic Development Authority will not take official action on these items but may refer the matter to staff for a future report or direct that the matter be scheduled for a future meeting agenda.)

5. PUBLIC HEARING

5.1. Resolution 2025-03: Approval of Purchase Agreement and Development Assistance Agreement with NYA Investors, LLC Including the Conveyance of Land and Approving an Interfund Loan – Nick Anhut, Ehlers

5.1.1. Motion to Open the Public Hearing

5.1.2. Public Comment—State your name and address

5.1.3. Motion to Close the Public Hearing

5.1.4. City Council Discussion

5.1.5. Resolution 2025-03: Approval of Purchase Agreement and Development Assistance Agreement with NYA Investors, LLC Including the Conveyance of Land and Approving an Interfund Loan – Nick Anhut, Ehlers

6. OLD BUSINESS

7. NEW BUSINESS

8. STAFF REPORTS

9. ADJOURNMENT

Next Meeting – Monday, June 9, 2025, 4:30pm at City Hall

UPCOMING MEETINGS / EVENTS

June 3 rd	Planning Commission Meeting	6:00 PM
June 9 th	Economic Development Authority (EDA)	4:30 PM
June 9 th	City Council Meeting	6:00 PM
June 11 th	NYA Food Distribution	12:00 PM – 1:00 PM
June 13 th	“NEW” Old Town Dedication & Events	Starting@5:30 PM
June 18 th	Park and Recreation Commission Meeting	5:30 PM
June 23 rd	City Council Workshop/Meeting	5:00 PM/6:00 PM
July 1 st	Planning Commission Meeting	6:00 PM
July 4 th	NYA City Hall Closed	
July 14 th	City Council Meeting (NO EDA)	6:00 PM



ECONOMIC DEVELOPMENT AUTHORITY MINUTES

May 12, 2025

City Council Chambers

310 Elm Street West

Norwood Young America MN 55368

Attendance:

ATTENDEES: Connor Smith, Andrew Storms, Jason Martens, Sandi Harms, Dan Traxler, Mike Eggers, Stacie Thomes

STAFF: Andrea Aukrust, City Administrator; Karen Hallquist, Community and Economic Development Director

1. Call EDA Meeting to Order

President Martens called the EDA meeting to order at 4:30 PM.

1.1 Pledge of Allegiance

The Pledge of Allegiance was said by all.

2. Oath of Office

Stacie Thomas took the Oath of Office.

3. Approve Agenda

Motion: CS/AS to approve the agenda with the addition of 3.a April 14, 2025, minutes. Motion passed 7-0.

3.1 Approve minutes of April 14, 2025

Motion: AS/CS to approve minutes as written. Motion passed 7-0.

4. Introductions, Presentations, Proclamations, Awards, and Public Comment – none

5. Public Hearing – none

6. Old Business

7. New Business

7.1 Proposed 2025 Goals

- Hallquist presented proposed goals that support and will implement the City Council's strategic short and long-term goals. The goals are categorized into four development functions of the EDA: Organizational, Market, Infrastructure, and Business.

Motion: AS/SH to approve the 2025 NYA Economic Development Authority Goals. Motion passed 7-0.

7.2 Tacoma West Industrial Park Phase 2 Marketing Plan

- Hallquist presented the marketing plan for TWIP2. The development's unique selling points include its strategic location, shovel-ready, competitive pricing, rail advantage, workforce pipeline with proximity to tech schools, growth-ready city, and visibility and access to Hwy 212/5.
- Marketing efforts will ramp up now that the WWTF location and size has been identified within TWIP2.

8. Staff Comments - none

9. Adjournment

Motion: AS/ME to adjourn at 5:25 pm. Motion passed 7-0.

Respectfully submitted,

Jason Martens, President

Karen Hallquist, Community & Economic Development Director



TO: President Martens and NYA EDA Board of Commissioners

FROM: Karen Hallquist, Community & Economic Development Director
Nick Anhut, Ehlers

DATE: May 27, 2025

SUBJECT: Public Hearing – Land Sale of 123 Reform Street N
Resolution 2025-03: Approval of Purchase Agreement and Development
Assistance Agreement with NYA Investors, LLC Including the Conveyance of Land
and Approving an Interfund Loan

The purpose of this meeting is to conduct a public hearing regarding the proposed sale of property owned by the Economic Development Authority (EDA), located at 123 Reform Street N, and to consider approval of a Purchase Agreement, Development Assistance Agreement, and Interfund Loan in support of a proposed multifamily redevelopment project.

Property Overview:

- Location: 123 Reform Street
 - Parcels: PID #58-0144550 and #58-0500700
 - Proposed Buyer: NYA Investors LLC (an affiliate of Community Asset Development Group)
-

Project Summary:

NYA Investors LLC proposes the development of a three-story, 43-unit apartment building on the site. The proposed development received the following land use approvals:

- May 6, 2025 – Planning Commission recommended approval of site plan, conditional use permit, and variance request
 - May 12, 2025 – City Council conditionally approved the project's site plan, CUP, and variance
-

Purchase Agreement Terms:

The EDA engaged Kutak Rock, LLP, to draft a Purchase Agreement, which includes the following terms:

- Purchase Price: \$490,650
 - \$1 in cash at closing
 - \$490,649 Purchase Price Note (seller financing), payable solely from Tax Increment Financing (TIF) generated by the redevelopment
 - Due Diligence Period: 30 days
 - Buyer to conduct inspections/testing at its own expense
 - Obtain final land use approvals and secure development financing (including public financial assistance)
 - Closing Deadline: No later than July 31, 2025
 - Buyer is responsible for title work, surveys, recording, and associated costs
 - Submission and approval of construction plans and issuance of building permits are required before closing
 - "As-Is" Sale: Buyer assumes all environmental and other risks/liabilities at closing
 - Reversion Clause: Property shall revert to EDA if Buyer fails to commence foundation construction by October 31, 2025
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Post-Hearing Actions – Consideration of Resolution 2025-03

Following the public hearing, the EDA is asked to consider Resolution 2025-03, which would approve:

1. Purchase Agreement

As described above, the conveyance of 123 Reform Street to NYA Investors, LLC.

2. Interfund Loan

An interfund loan up to \$70,000 from the EDA Fund to do the following:

- To fund the completion of the Phase II Environmental Assessment and demolition of existing structures on the property
- Loan to be repaid solely from TIF revenue, with 4.0% interest
- Formal action provides evidence of internal borrowing for TIF compliance and expenditure eligibility

3. Development Assistance Agreement

EDA and City will jointly execute an agreement with NYA Investors LLC for financial assistance, including:

- Compliance Requirements:
 - Must adhere to approved land use entitlements and building codes
 - Construction starts by August 1, 2025, and substantial completion by December 31, 2026
- Public Grants Available:
 - \$238,500 from MN DEED
 - \$100,000 from Carver County CDA

- Subject to conditions within each grant agreement
 - Pay-As-You-Go TIF Note:
 - Up to \$858,000, reimbursing qualified redevelopment costs
 - Payable solely from TIF revenue within TIF District 1-6
 - Interest at the lesser of 6.0% or the developer's financing rate
 - Payments semi-annually for up to 11 years; any unpaid balance thereafter is forgiven
 - Soil Correction Loan:
 - EDA loan of \$111,500 to support soil correction work
 - Issued at closing upon confirmation of private financing
 - Interest at 6.0%, secured by subordinated mortgage
 - Deferred payment until the earlier of:
 - 10 years from closing
 - Refinancing of primary project financing
 - Sale of the project to a third party
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Recommended Motion

Motion to Adopt Resolution 2025-03: Approving a Purchase Agreement and Development Assistance Agreement with NYA Investors, LLC, including the conveyance of land, and approving an interfund loan. Approval is contingent upon the City Council's approval of the TIF District and Development Assistance Agreement.