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On behalf of departmental staff, it is my privilege to present the 2018 Community Development Department annual report. Last year was another strong year for development activity and new construction permits – a positive sign that people, businesses and institutions are investing in Coon Rapids for the long term. And more investment is on the horizon as noted below.

There were some lesser known things going in the department too, including the re-organization of several program areas to better serve our customers. In response to staffing changes in late 2017, the Neighborhood Reinvestment Division was re-tweaked and split into two components: Property Maintenance (responsible for code compliance) and Housing Programs (responsible for housing incentive programs and rental licensing). These moves streamlined operations; better aligned staff/resources to address workload demands; and hopefully made it easier for the public to find the services they need. In short, it reflected the ability of our staff to adapt to a changing community. I want to acknowledge their hard work through this process.

We anticipate that there will be more development progress in 2019 with the expected groundbreaking for a new single-family housing project in the Port Riverwalk area; plans for a second phase of housing at the Riverdale Station TOD site; the construction of additional multifamily housing in Port Evergreen and the opening of a new call center by the Allina Health system that will eventually consolidate 500 jobs in Coon Rapids. We think the future looks very bright.

In closing, I am proud to work with a dedicated group of professionals who work every day to provide responsive, professional and cost-effective services to the community.

Sincerely,

Grant Fernelius

Grant Fernelius
Community Development Director
Business Development

Allina Health selected Coon Rapids for the site of its new Customer Experience Center, which will centralize Allina Health call centers and integrate phone and digital capabilities into one location. By 2020, the center, located at 8880 Evergreen Blvd., is expected to employ up to 500 people.

Notable new commercial tenants included: Xperience Fitness at 3340 124th Ave., Kyoto Sushi at 3500 124th Ave., Raising Cane’s Chicken Fingers, at 13001 Round Lake Blvd., Chipotle at 2710 Northdale Blvd., Diaohs First Choice Coffee at 8560 Cottonwood St.

Coon Rapids Chrysler began redevelopment of its site at 10541 Woodcrest Dr. and Rapids Honda began construction of a new car dealership near Hanson Blvd. and Gateway Dr.

Nystrom & Associates began construction of a new medical office building on Round Lake Blvd. and construction began on WellHaven Pet Health at 3550 River Rapids Dr.

The City continued participation in the Metropolitan Consortium of Community Developers’ Open to Business program, which provides technical assistance to existing and aspiring business owners, as well as financial resources for businesses that may not qualify for conventional financing. Several dozen Coon Rapids residents and businesses participated in the program.

Housing Development and Redevelopment

Construction began on a new 251-unit transit-oriented residential development next to the Northstar Commuter Rail Station on Northdale Boulevard on land previously owned by the Anoka County Regional Rail Authority. Minneapolis-based Sherman Associates is leading the project which includes a four-story market rate apartment building and a four-story mixed-income apartment building.

The City’s Housing and Redevelopment Authority entered into a purchase agreement with Centra Homes to develop about 140 detached townhomes on HRA-owned property near Coon Rapids Blvd. and Avocet St.

Mercy Hospital continued an expansion of its building and parking capacity at its current location on Coon Rapids Boulevard. The multi-year project will enhance critical care and surgical services at the facility. Mercy and Unity Hospitals, owned by Allina Health, are working to enhance patient care by operating as a single system on two campuses.

Tumble Fresh Coin Laundry opened in a redeveloped former restaurant building at 2453 Coon Rapids Blvd.
Marketing and Outreach

Staff attended the Minnesota Commercial Association of Realtors (MNCAR) Commercial Real Estate Expo to market the City and its development opportunities and build relationships with commercial real estate brokers. The City was a MNCAR Sponsor in 2018, which provided increased exposure for Coon Rapids throughout the year.

Coon Rapids continued its participation in the Minnesota Marketing Partnership, a marketing consortium comprised of cities and regions throughout the state, which provides communities cost-effective marketing opportunities. The City is advertising in a State of Minnesota insert in Site Selector magazine that will be used at national trade shows and other events to promote business development in the state and partnering cities.

The “Business Update” newsletter continued to be published and mailed to all businesses in the city semi-annually, along with periodic e-newsletters.

The City continued a partnership with the Metro North Chamber of Commerce to host its Coon Rapids Business Council meetings, which help build relationships between the City and business community.

The City partnered with the St. Paul Area Association of Realtors on the Coon Rapids Realtor Forum in May. Over 60 real estate professionals attended the event, which was intended to promote Coon Rapids’ assets and educate attendees on City housing initiatives.

Ady Advantage, a national economic development consultant, was hired by the City to reorganize the economic development pages of the City’s website. Ady Advantage previously completed work on the Anoka County Business Recruitment Roadmap, which will guide economic development partners in the region as they work to retain and attract businesses to the region.

The Anoka County Regional Economic Development initiative, kicked off in 2018, which Coon Rapids is pleased to be apart of. The effort will provide economic development marketing and branding on a regional basis.

The City partnered with Anoka County and neighboring cities on the third annual UpRiver Commercial Real Estate Summit in October. Over 70 real estate professionals attended the event, which was intended to promote economic development in Anoka County.

City leadership conducted several business retention visits in 2018, including rms Company, Assurance Manufacturing, Inc., Delta ModTech, Kablooe Design, American Preclinical Services, Lexington Manufacturing, and ChemServ.
Over the course of 2018, the Building Inspections Division saw strong permit activity in both existing buildings and new construction. In addition, storm damage work not completed in 2017 was carried over to the summer months of 2018.

**Top 10 Projects**

- Riverdale Station Flats EAST $30,500,805
- Riverdale Station Flats WEST $12,520,095
- Chrysler Dealership $11,861,219
- Honda Dealership $10,000,000
- Coon Rapids High School $6,060,000
- Nystrom & Associates $3,170,000
- XPERIENCE FITNESS $2,000,000
- Sportsman’s Warehouse $1,699,930
- ALDI $1,290,000
- SPEC RETAIL $1,217,800

In the Riverdale shopping area Sportsman’s Warehouse returned to Coon Rapids opening a store in the old Sports Authority space and Xperience Fitness remodeled a large portion of the old Rainbow Foods and former Gordman’s space. The new buildings constructed in front of Home Depot were improved adding a sushi restaurant and a hair salon.
Construction started in 2018 on two new car dealerships in town, including a Chrysler dealership built on the existing site located on 105th and Woodcrest Drive, and a new Honda dealership built off Highway 10 and Hanson Boulevard. Other new construction includes the Riverdale Station Flats and a new building to house Nystrom & Associates, located at Round Lake Boulevard and Coon Rapids Boulevard.
Storm damage from the June 11th, 2017 hail storm continued to generate larger than normal roofing and siding permits in 2018. In 2017, there were over 5000 roofing and siding permits issued and in 2018 that trend continued. There were 1300 roofing and siding permits issued for storm damage with siding permits outweighing the roof permits. Many of these inspections were carried over into 2018 due to snow cover on the roofs. With all that additional work coming in over a short period of time, the inspectors are still working through the inspection backlog to get the permits finalized.
The Property Maintenance Division is tasked with handling residential and commercial code enforcement, long grass and weed inspections, monitoring of vacant properties, water waiver program and chicken licensing. Code enforcement concerns are addressed through City Code 2-1100 Administrative Procedures and Penalties, and Administrative Citations are used as the primary enforcement tool.

In 2018, Property Maintenance Inspectors issued 1,607 Administrative Citations (1,211 in 2017). The overall compliance rate in 2018 was at 77%. Vehicle issues (including parking off pavement and inoperable or unlicensed vehicles) are the top complaints, followed by prohibited exterior storage.

The number one complaint through the summer months continues to be long grass and weeds. In 2018, there were 515 properties that were inspected and 375 of them received a citation. There was a 5% increase in compliance from 2017 (83%) to 2018 (88%) with 2018 having the highest compliance rate since 2014. Long grass abatements were also down; 28 for the 2018 season (42 in 2017). Long grass abatement services are now done by a contractor and no longer provided in-house.

In 2018, the Neighborhood Reinvestment Division was separated into two divisions; Property Maintenance and Housing Services. In April 2018, Trevor White was hired as the Property Maintenance Coordinator and in July 2018, Laura LeVasseur was hired to replace Trevor White as a Property Maintenance Inspector.
Board of Adjustment and Appeals

The Property Maintenance Coordinator is the staff liaison to the Board of Adjustment and Appeals. The role of the Board is to conduct hearings to consider variances of the building or zoning ordinances, and consider appeals for special assessment objections and consider appeals from the decisions made by the Building Official or Zoning Administrator.

The Board meets the first Thursday of every month if there is business to conduct. In 2018, the Board of Adjustment and Appeals met seven times including a work session in November. The Board heard four variance requests, 24 special assessment objections and one appeal of the decision of the Hearing Examiner. The Board of Adjustment and Appeals is made up of five volunteer residents of the city that are appointed by City Council.
The City’s Rental Licensing Ordinance (City Code Chapter 12-900) continues to encourage and ensure safe and viable rental housing options in Coon Rapids. In 2018, there were 100 new rental licenses issued, resulting in 184 new rental units. Of the 100 new rental licenses, 59 of them were properties that had been converted from owner-occupied to rental. There are now a total of 5,709 licensed rental units in the city which is lower than it has been over the past three years, primarily because of the decrease in the number of single family homes being rented out.

**NUMBER OF LICENSED RENTAL UNITS BY YEAR**
includes apartment units, single family, twin and town homes

**RENTAL UNITS BY YEAR**

“Summer in the City”
Neighborhood Events

The “Summer in the City” neighborhood meetings in the parks continued to be a very popular alternative to more traditional, indoor meetings. Police squad cars, fire trucks, and Public Works equipment were on-site for kids and families to look at and climb into. Music, ice cream, resident surveys and raffle drawings were also offered. Representatives from most City departments and several commissions set up informational tables at each event at Boulevard Plaza, Burl Oaks Park, Marshland Park and Alder Park in 2018. It is likely that over 1,000 people attended the event at Boulevard Plaza, which doubled as the kick-off event for the city’s new splash pad.

North Suburban Home Improvement Show

The cities of Andover, Anoka and Coon Rapids celebrated its 20 year anniversary of the North Suburban Home Improvement Show in March 2018. The event has been held annually at the Andover YMCA Community Center. More than 100 vendors were in attendance, speaking with over 1,200 attendees about home improvements and related resources.

Home Remodeling Tour

Six homes recently remodeled through the Home for Generations II program were showcased in the 2018 Coon Rapids Home Remodeling Tour in May. The event was extremely successful with hundreds of people touring each home. This event is an exceptional opportunity to promote the City’s home improvement programs and services, while also showcasing the amazing remodeling projects taking place in Coon Rapids.
**Home Improvement Programs**

The City of Coon Rapids offers a number of home improvement programs that provide incentives to residents to maintain and improve their homes. These programs are funded through the City’s Housing and Redevelopment Authority (HRA) and the Coon Rapids Mortgage Assistance Foundation (CRMAF).

**HOME FOR GENERATIONS II**

The Home for Generations II Program was first made available in May 2013. This program offers subsidized consultations with architects, building permit rebates, grants up to $5,000 and 4.5% low-interest loans to homeowners planning to make a large, value-added improvement to the interior of their home valued at $35,000 or higher. There are no income limits for this program. In total, there have been 322 applications submitted and 119 projects subsidized through this program (2013-2018), leveraging just over $8 Million worth of home improvements! In 2018 alone, there were 66 applications, 52 architectural consultations, 25 recipients of the grants and rebates portion of this program and 5 recipients of the low-interest loan.

**CHANGES TO THE HOME IMPROVEMENT PROGRAMS**

Due to a declining interest in many of the City’s home improvement and homebuyer programs, City Staff worked with the Coon Rapids Mortgage Assistance Foundation to do a major overhaul of the programs offered to reflect the current market conditions and needs. Changes included eliminating the Two-Family Home Improvement Program and the ReGenerations Down Payment Assistance Program, restructuring and combining the Home Improvement Incentive Loan and Home Rehabilitation Assistance Loan Programs into one loan fund, maintaining the Emergency Deferred Loan Program, introducing a new On-Bill Payment Program with CEE and Centerpoint, creating a new Deferred Loan Program and a new streamlined Down Payment Assistance Program, and establishing a completely new exterior curb appeal grant program called “Front Door.” The Coon Rapids Mortgage Assistance Foundation was also renamed to the Coon Rapids Home Improvement Foundation which more clearly reflects the work they do and the programs they offer.

**REMODELING ADVISOR VISITS**

Coon Rapids contracts with the Center for Energy and Environment (CEE) to provide Remodeling Advisor Visits for its homeowners. This service assists homeowners in identifying and prioritizing improvements and is also a good source of objective remodeling advice. The service is free to all Coon Rapids homeowners. In 2018, Remodeling Advisor Visits were performed for 70 Coon Rapids homeowners by CEE’s team of experienced construction professionals.

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![Image of Home Improvement Programs](image_url)
HOME FOR GENERATIONS II

Project Value | Number of Projects
---|---
$1,119,077 | 10
$1,123,929 | 17
$1,135,427 | 16
$1,230,255 | 19
$1,669,650 | 20
$1,754,323 | 22

2013 2014 2015 2016 2017 2018

0 5 10 15 20 25 30 35
NUMBER OF PROJECTS

$0 $200,000 $400,000 $600,000 $800,000 $1,000,000 $1,200,000 $1,400,000 $1,600,000 $1,800,000 $2,000,000
PROJECT VALUE

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The role of the Planning Commission is to review land use applications, then make decisions, or recommendations to the City Council, regarding those applications. The Commission meets the third Thursday of every month; this year there were 11 meetings, February’s meeting was cancelled because there was no business to conduct. The Commission is appointed by the City Council and is made up of seven volunteer city residents. In May, Commissioner Denise Hosch resigned and Commissioner Don Heikkila was appointed to replace her.

In 2017 the Commission considered 41 Planning cases during 11 regularly scheduled Commission meetings.

The Commission’s review included 15 site plans. The site plan applications included:

- A place of worship for Answer in Jesus at 10535 Foley Boulevard;
- Two parking lot expansions for Anoka Hennepin School District, one at Adams and one at Hamilton elementary schools;
- A new building and parking lot for Coon Rapids Chrysler at 10541 Woodcrest Drive;
- A new car dealership, Sutton Honda, in Gateway Commerce Center;
- A new car dealership, Walser Nissan, in Gateway Commerce Center;
- Riverdale Station Flats, 252 apartment units in two buildings located next to the Northstar Commuter rail station;
- Redevelopment of the Pederson Floral property into a 128 unit apartment building;
- Two retail buildings totaling 15,800 square feet at 3550 124th Avenue, in the Home Depot parking lot.

The Commission also reviewed three code changes, two changes to the maximum size allowed for accessory structures and a change to allow animal clinics and pet hospitals in the Regional Shopping District. Seven subdivisions were considered, four preliminary plats, two lot splits and one registered land survey. The Commission approved three conditional use permits and revoked four. The Commission considered two Comprehensive Plan amendments and two zone changes.