

In 2013 and 2014, Edina City Council members met with the current developer<sup>1</sup> of Pentagon Park in private “2 x 2” meetings that were arranged with the knowledge and assistance of city staff. Email correspondence regarding some of these meetings is included below.

During this same time period, city staff and the developer met regularly to discuss the project. Agendas for these meetings were distributed by the developer. At least 11 of the agendas include discussion of the private 2 x 2 meetings with Council members. Excerpts from these agendas are included below.

The City Council and HRA approved a tax increment financing (TIF) plan for Pentagon Park in February 2014 and a master development agreement with the developer in May 2014. These approvals took place in open City Council meetings. Leading up to these approvals, there were also open Planning Commission and City Council discussions regarding rezoning, redevelopment plans, and potential TIF financing. Three communications (two from developer, one from city staff) showed the private 2 x 2 meetings with Council members in a timeline along with a schedule of open meetings.

The following gives a glimpse into what happened “behind the scenes” as city staff and the developer orchestrated a series of private 2 x 2 meetings with City Council members about the proposed Pentagon Park redevelopment. All information excerpted below was provided by the City of Edina in response to a data request.

## Emails

### **The idea of 2x2 meetings came from a meeting between the developer and city staff:**

*From developer Scott Takenoff's<sup>2</sup> emails to Council members Bennett and Sprague, and Council members Swenson and Brindle on May 6, 2013:*

“When we met last week at the City of Edina with Cary Teague, Bill Neuendorf, and Scott Neal<sup>3</sup> we reviewed together some possibilities for discussions for Pentagon Park. All of us felt that it would be beneficial for Cary and/or Bill, Mark Rauenhorst<sup>4</sup> & myself to meet together with two (2) of the Edina City Councilmembers to engage in a discussion regarding the current conditions of Pentagon Park, as well as possible directions for its redevelopment.”

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<sup>1</sup> Representatives of Hillcrest Development and related entities.

<sup>2</sup> Managing Partner, Hillcrest Development.

<sup>3</sup> Cary Teague, Edina Community Development Director; Bill Neuendorf, Edina Economic Development Manager; Scott Neal, Edina City Manager.

<sup>4</sup> Investor/development partner.

**Feedback from the 2x2 meetings was integrated into the planning process:**

*From Scott Takenoff's emails to Council members Joni Bennett and Josh Sprague, and Ann Swenson and Mary Brindle on July 10, 2013:*

"Since our May 20, 2013 meeting together, we have been working diligently on the Pentagon Park redevelopment process with Cary, Bill, and other City of Edina Staff. Since our meeting with the two of you and also the similar meeting we have with Josh and Joni [alternatively "Mary and Ann"], we have been focusing on integrating feedback from both of these meetings. We would like to schedule a brief meeting with the two of you to provide you with some of the information and results of these efforts since late May when we last met."

*From Scott Tankenoff's emails to Council members Bennett and Sprague, Swenson and Brindle, and Mayor Hovland on December 2, 2013:*

"I wanted to update both of you on the continuing efforts to redevelop Pentagon Park as it has been a few months since the September 3, 2013 joint City Council/Planning Commission Work-Session. We continue to meet with Cary & Bill several times per month regarding planning and economic development items, and we have also recently participated in a work session meeting at the Planning Commission.... We have several meetings that are scheduled for the next couple of months, including [list of upcoming Planning Commission and City Council meetings].... I would like to suggest that we schedule one more 2x2 session together to further update both of you and most importantly to continue to see what additional suggestions, comments, or concerns that you may have."

*Also see July 13, 2013 email to Mayor Hovland below.*

*Also see August 27, 2013 email to Council member Bennett below.*

**Council members received the same content at the meetings:**

*From Jim Nelson's<sup>5</sup> email to Mayor Hovland and City Manager Scott Neal, referring to the May 20, 2013 2 x 2 meeting with Council members Swenson and Brindle on May 28, 2013:*

"We had Scott T., Mark R., Charlie Nestor, myself, planning architects Bob Close and Tom Whitlock,<sup>6</sup> along with City staff in attendance. Bob Close in his very calm,

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<sup>5</sup> Consultant for Hillcrest Development.

<sup>6</sup> Scott Takenoff, developer; Mark Ruff, Ehlers (City of Edina financial advisor); Charlie Nestor, Hillcrest Development listing agent; Bob Close and Tom Whitlock, planning architects for developer.

accommodating style was key to making our presentation come off as open, inviting, and accepting of comments and ideas. We plan on having the same format and cast of characters on hand for the Wednesday meeting with Josh and Joni.”

*From Scott Tankenoff’s email to Council member Bennett on August 27, 2013:*

“We are presenting at the September 3<sup>rd</sup> Council work-session, however, I do not think that there is a packet that will be presented before the meeting, but a more interactive presentation by Bob Close & Damon Farber & Associates at the work-session. The presentation will be similar in nature to the recent 2x2 sessions that we have had with the other City Council Members, however it will incorporate some of their comments as well.”

*From Scott Tankenoff’s email to Council member Bennett on August 27, 2013:*

“I wanted to check in with you to see if you could attend a different meeting that we are having on Wednesday, August 28<sup>th</sup>, at 8am at Edina City Hall. This meeting is scheduled with Mayor Hovland and Scott Neal, and is the same content as yesterday’s meeting with Josh Sprague.”

*From Scott Takenoff’s email to Mayor Hovland and Manager Neal on December 16, 2013:*

“I think we should actually meet at the City of Edina for this meeting, as it is intended to cover the same materials as the other Councilpersons will see in their 2x2 meeting with us.”

**Council member feedback from 2 x 2 meetings was discussed with other council members (or at least with the mayor):**

*From Jim Nelson’s email to Mayor Hovland and Manager Neal on May 28, 2013:*

“I wanted to follow up with you to suggest that we meet with Scott Takenoff in the next week or so to review with the two of you the results of our meetings with the 4 City Council members to try to reverse the damages from our workshop session on April 16<sup>th</sup>.”

*From Scott Tankenoff’s email to Mayor Hovland on July 13, 2013:*

“Bob and Tom<sup>7</sup> will be presenting the next version of planning based in part on our input and feedback that we have received from the four other Councilpersons

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<sup>7</sup> Bob Close and Tom Whitlock, planning architects for Hillcrest Development.

from when we met with them in late May, 2013, as well as their feedback from upcoming meetings on August 21<sup>st</sup> & August 26<sup>th</sup>."

**2 x 2s were scheduled in advance of important formal City Council meeting dates:**

*From Jim Nelson's email to Mayor Hovland and Manager Neal on April 5, 2013:*

"Scott Takenoff and I would like, if possible, to meet with the two of you on Monday, April 15<sup>th</sup> the day before the Council/Planning Commission Workshop on Pentagon Park. The purpose would be to give the two of you a preview of the sketch plans that would be part of the Workshop and Q & A session on Tuesday evening, prior to the City Council meeting."

*From Jim Nelson's email to Mayor Hovland and Manager Neal on November 14, 2013:*

"Because our next steps in the Public process will occur at the December 3<sup>rd</sup> City Council Meeting (Request for establishing TIF District; request to modify Project Boundary, among others), Scott Takenoff and I are hoping to set a date for our next update with you and Scott Neal for a time between now and December 3<sup>rd</sup>."

*From Scott Takenoff's email to Mayor Hovland and Manager Neal on February 1, 2014:*

"I understand that both of you have a trip scheduled to Washington DC around the dates that I had suggested for our next 2x2 Meeting regarding Pentagon Park. Would it help if we looked to meet on Thursday, March 13<sup>th</sup>, Friday, March 14<sup>th</sup>, or Monday, March 17<sup>th</sup> instead? It is important that we meet sometime before March 18 as that is the City Council meeting regarding PUD and TIF."

*From Mayor Hovland's email to Scott Takenoff on February 12, 2014:*

"Thanks, Scott. What date do you present again to the Council? That may help determine whether a meeting in addition to the one on the 13<sup>th</sup> of March has value."

*From Scott Tankenoff's email reply to Mayor Hovland on February 12, 2014:*

"We are scheduled to present our Preliminary PUD and TIF plans to the City Council on March 18 for final consideration/approval. It might make sense for us to schedule another meeting anyway, we could always release the date and time if we don't need it."

## Agendas

City staff and the developer met regularly during 2013 and 2014. Meeting agendas were distributed by Scott Tankenoff.

At least 11 meeting agendas included Council 2 x 2 meetings as a topic for discussion. Excerpts from these agendas are below.

### **April 30, 2013:**

Meetings with Edina Councilpersons at Pentagon Park:

a. Mary Brindle and Ann Swenson: May 20, 2013 1:00 PM at 4600 West 77<sup>th</sup> Street.

b. Joni Bennett and Josh Sprague: May 24, 2013 3:00 p.m. at 4600 West 77<sup>th</sup> Street.

Discuss agenda, talking points for these two (2) meetings.

### **May 14, 2013:**

Same text as April 30, 2013 agenda.

### **May 28, 2013:**

Feedback/comments from the meetings with Edina Councilpersons at Pentagon Park:

a. Mary Brindle and Ann Swenson: Meeting held on May 20, 2013 1:00 PM at 4600 West 77<sup>th</sup> Street- -- follow up thoughts from meeting:

b. Joni Bennett and Josh Sprague: May 29, 2013 3:00 PM at 4600 West 77<sup>th</sup> Street.

Evaluation and decision by City of Edina for use of Richards: As discussed with Joni Bennett and Josh Sprague on May 29, 2013, both Joni and Josh believe the timetable for a Richards land use decision should be prioritized for 2013.

### **August 20, 2013:**

2 + 2 Councilperson Sessions:

- DATE AND TIME CHANGE: Tuesday, August 20, 2013 9:30 AM – Mary Brindle and Ann Swenson, Cary T., Bill N., at the City of Edina (Cary or Bill to confirm the conference room).
- August 26, 2013 1:00 PM – Joni Bennett and Josh Sprague, Cary T., Bill N. at the City of Edina Mayor's conference room.

- August 28, 2013 8:00 AM – Mayor Hovland and Scott Neal, Cary T., Bill N., at the City of Edina Mayor’s conference room.

For the three 2 + 2 Council person sessions, Bob Close and Tom Whitlock (Damon Farber & Associates) will lead the presentation and the discussion.

Review and discuss the meeting that took place with Mark Ruff and Nick Anhut of Ehlers on July 23, 2013. Further discuss the introduction of economic benefits for the Edina Community based upon a public/private partnership, specifically at the upcoming September 3, 2013 work session at the 2 = 2 Councilperson sessions.

**September 4, 2013:**

2 + 2 Councilperson Sessions:  
Still waiting to hear back from Joni Bennett regarding scheduling 2 + 2 Councilperson session. For Joni’s 2 = 2 Council person session, Bob Close and Tom Whitlock (Damon Farber & Associates will lead the presentation and the discussion.

**September 17, 2013:**

2 + 2 Councilperson Sessions: Joni Bennett’s 2 + 2 council session is scheduled for Thursday, October 3<sup>rd</sup> at 4:00 PM (City of Edina – Minnehaha room)

**December 10, 2013:**

City Council 2 x 2 sessions: 2 x 2 meetings are scheduled to discuss the planning (PUD) and TIF process and plans with council members.  
Ann Swenson and Mary Brindle: 9:00 AM Friday, January 10, 2014 at City Hall (Minnehaha Room)  
Josh Sprague and Joni Bennett: being scheduled  
Mayor Hovland: being scheduled

**December 17, 2013:**

City Council 2 x 2 sessions: 2 x 2 meetings are scheduled to discuss the planning (PUD) and TIF process and plans with council members.  
Ann Swenson and Mary Brindle: 9:00 AM Friday, January 10, 2014 at City Hall (Minnehaha Room)  
Josh Sprague and Joni Bennett: 3:00 PM Wednesday, December 1, 2013 at City Hall (Mayor’s Conference Room).  
Mayor Hovland: being scheduled

**February 4, 2014:**

City Council 2 x 2 sessions: 2 x 2 meetings are scheduled to discuss the planning (PUD) and TIF process and plans with council members.  
Joni Bennett & Josh Sprague: 10:00 AM Thursday, March 6, 2014  
Minnehaha Room  
Ann Swenson and Mary Brindle: 9:00 AM Friday, March 7, 2014  
Minnehaha Room

**February 18, 2014:**

City Council 2 x 2 sessions: 2 x 2 meetings are scheduled to discuss the planning (PUD) and TIF process and plans with council members. Please see upcoming meetings (#3) below.

Review upcoming meetings for PUD and TIF through March 18, 2014.

February 18<sup>th</sup>: TIF Master Term Sheet Discussion: City staff and City consultants, Pentagon and Pentagon consultants 8:30 AM – 10:30 AM, City of Edina

February 18<sup>th</sup>: Public Hearing City Council/HRA 7:00 PM – 10:00 PM City of Edina Council Chambers.

February 25<sup>th</sup>: TIF Master Term Sheet Discussion: City Staff and City consultants, Pentagon, Pentagon consultants 3:30 PM – 5:00 PM, City of Edina

February 26<sup>th</sup>: City of Edina Planning Commission preliminary PUD review/Public Hearing: 7:00 PM – 10:00 PM, City of Edina Council Chambers

March 6<sup>th</sup>: Joni Bennett and Josh Sprague 2 x 2 meeting 10:00 AM – 11:30 AM, City of Edina (Bill N., Cary T., Scott T., Mark R. Jim N., Tom W., Bob C.)

March 7<sup>th</sup>: Mary Brindle and Ann Swenson 2 x 2 meeting 9:00 AM – 10:30 AM, City of Edina (Bill N., Cary T., Scott T., Mark R., Jim N., Tom W., Bob C.)

March 18<sup>th</sup>: City Council and HRA review and action on preliminary PUD and TIF plans 7:00 PM – 10:00 PM, City of Edina Council Chambers

**March 4, 2014:**

March 6<sup>th</sup>: Joni Bennett and Josh Sprague 2 x 2 meeting 10:00 AM – 11:30 AM, City of Edina (Bill N., Cary T., Scott T., Mark R., Jim N., Tom W., Bob C.)

March 7<sup>th</sup>: Mary Brindle and Ann Swenson 2 x 2 meeting 9:00 AM – 10:30 AM, City of Edina (Bill N., Cary T., Scott T., Mark R., Jim N., Tom W., Bob C.)

March 18<sup>th</sup>: City Council and HRA review and action on preliminary PUD and TIF plans 7:00 PM – 10:00 PM, City of Edina Council Chambers

**Timelines**

The Pentagon Park development required discussion and formal approvals by the Planning Commission and City Council, which took place in open meetings.

At least 3 communications between the developer and city staff showed the private 2 x 2 meetings in a timeline along with scheduled open meetings.

**See February 18, 2014 agenda above.**

**From City Planner Cary Teague's email to Scott Tankenoff, Jim Nelson and Bill Neuendorf on December 11, 2013:**

“Per our discussion earlier this week, below is a schedule/timing of upcoming meetings:

- December 11, 2013 – 7pm Planning Commission Sketch Plan
- December 17, 2013 3 pm 2x2 Session with Joni Bennett & Josh Sprague
- January 7, 2014 – 7pm City Council Sketch Plan
- January 10, 2014 9am 2x2 Session with Mary B & Ann S
- January 24, 2014 – Deadline for submittal of PUD Preliminary Rezoning application
- February 26, 2014 7pm – Planning Commission review of Preliminary Rezoning
- March 18, 2014 – 7pm City Council review and action on Preliminary Rezoning

This schedule to [sic] does not account for any “tabling” of the application.

**See attached.**



Courtesy confidential 3rd Party to Edina Talks

Date	Action	City	Revival	All	Outcome
Tuesday, March 18, 2014	authorize preparation of RDA	City Council			
Wednesday, March 19, 2014	coordinate schedules for next meeting			Scott & Bill	
Thursday, March 20, 2014	review financials			Ehlers / Shenehon	produce sample pro-forma
Wednesday, March 26, 2014	prepare rough draft of RDA	Dorsey			deliver rough draft for City review
Thursday, March 27, 2014	review rough draft	City Team			
Friday, March 28, 2014	conf call to discuss & edit rough draft	City Team			deliver 1st draft to Revival for review by 5 pm
Friday, March 28, 2014	deliver 1st draft to Revival for review by 5pm	Dorsey			
Monday, March 31, 2014	review first draft		Revival		
Tuesday, April 08, 2014	comments / issues on first draft to City		Revival		
Wednesday, April 09, 2014	review comments	City Team			
Thursday, April 10, 2014	face to face to discuss			All, except finance	identify unresolved issues; assign sub-teams to negotiate
Tuesday, April 15, 2014	deliver 2nd draft for review	Dorsey			
Wednesday, April 16, 2014	conf call to discuss draft	City Team			
Thursday, April 17, 2014	face to face to discuss Tier 1 issues			All	
Tuesday, April 22, 2014	2 x 2 updates with City Council members (tentative date)				
Thursday, April 24, 2014	face to face to discuss Tier 2 issues			All	
Thursday, May 01, 2014	face to face to discuss Tier 3 issues			All	
Thursday, May 08, 2014	face to face to discuss final issues			All	
Monday, May 12, 2014	face to face to wrap up loose ends			All	
Wednesday, May 14, 2014	submittal of final agreement; signed by Developer				
Tuesday, May 20, 2014	presentation to City Council			All	