

AGENDA
BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY
CITY HALL COUNCIL CHAMBERS
MONDAY, AUGUST 10, 2020
6:00 p.m.

- 1) CALL TO ORDER**
- 2) PLEDGE OF ALLEGIANCE**
- 3) ROLL CALL** (Members: J. Dickinson, K. Geroux, G. Green, A. Heidemann, M. Wallen, JB. Calva)
- 4) ADOPT AGENDA**
- 5) APPROVE BLEDA MINUTES OF JULY 13, 2020**
- 6) BLEDA BUSINESS ITEMS**
 - 6A. Big Lake COVID-19 Emergency Grant Program – Award Recommendation
 - 6B. Preliminary 2021 BLEDA Budget
 - 6C. BLEDA Budget Report and List of Claims - July, 2020
 - 6D. Community Development Department Update
- 7) OTHER**
- 8) ADJOURN**

Attendance at Meeting: All attendees are expected to follow CDC recommendations ensuring social distancing of at least 6 feet away from other persons.

Disclaimer: This agenda has been prepared to provide information regarding an upcoming meeting of the Big Lake Economic Development Authority. This document does not claim to be complete and is subject to change.

Notice of City Council Quorum: A quorum of the City Council members may be present at this meeting. No action will be taken by the Council.



AGENDA ITEM

Big Lake Economic Development Authority

Prepared By: Corrie Scott, BLEDA Secretary	Meeting Date: 8/10/2020	Item No. 5
Item Description: July 13, 2020 Big Lake Economic Development Authority Regular Meeting Minutes	Reviewed By: Hanna Klimmek, BLEDA Executive Director	
	Reviewed By: Clay Wilfahrt, City Administrator	

ACTION REQUESTED

Approve the July 13, 2020 Big Lake Economic Development Authority (BLEDA) Regular Meeting Minutes as presented.

BACKGROUND/DISCUSSION

The July 13, 2020 BLEDA Regular Meeting Minutes are attached for review.

ATTACHMENTS

07-13-20 BLEDA Regular Meeting Minutes

**BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES**

MONDAY, JULY 13, 2020

1. CALL TO ORDER

President Alan Heidemann called the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. ROLL CALL

Commissioners present: J. Brian Calva, Jim Dickinson via teleconference, Ken Geroux, Greg Green, Alan Heidemann, Rose Johnson, and Mike Wallen.

Also present: BLEDA Executive Director Hanna Klimmek, Finance Director Deb Wegeleben, and BLEDA Secretary Corrie Scott.

4. ADOPT AGENDA

Commissioner Wallen motioned to approve the agenda as presented. Seconded by Commissioner Green, unanimous ayes, motion carried.

5. APPROVE BLEDA MEETING MINUTES OF JUNE 8, 2020

Commissioner Johnson motioned to approve the June 8, 2020 BLEDA minutes. Seconded by Commissioner Geroux, unanimous ayes, motion carried.

6. BLEDA BUSINESS ITEMS

6A. CARES ACT FUNDING – COVID-19 EMERGENCY GRANT PROGRAM POLICY, APPLICATION, AND AGREEMENT PACKAGE

The State has approved a bill to distribute funding from the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. The bill distributes money to local governments to assist with the financial strain caused by plummeting tax revenues. The City of Big Lake is expected to receive \$863,098 in funds by the end of July 2020.

Federal guidance indicates that a City can have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of

business interruption caused by required closure should be tailored to assist those businesses in need of such assistance. Also, guidance indicates that fund payments may be used for economic support in the absence of the stay-at-home order if such expenditures are determined by the City to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 pandemic. With that being said, the City of Big Lake can provide the funding to businesses to cover business interruption.

The City of Big Lake has until November 15, 2020 to spend down the funds. If unable to meet the November 15, 2020 deadline, the funding will go to Sherburne County. Sherburne County has until December 1, 2020 to spend down the funds. If unable to meet the December 1, 2020 deadline, Sherburne County will have to provide their balance of funds to the State of MN.

Staff has consulted with other municipalities, Sherburne County, the City Attorney, and the Auditor to create a draft COVID-19 Emergency Grant Program Policy, Application, and Agreement package. With a recommendation from the BLEDA for approval (including any modifications/revisions the BLEDA would like to make), Staff will bring the recommendation to the City Council on July 22, 2020. After a formal approval by the City Council, Staff will heavily market the program immediately.

In an effort to meet the deadlines as before mentioned, Staff would recommend an application deadline of 4 pm on Wednesday, August 5, 2020. As soon as possible after the deadline, Staff will meet with Sherburne County (or their 3rd party administrator) to align efforts and discuss applications within the City of Big Lake. Staff will then meet with the BLEDA Finance Committee to generate a recommendation for approval during a Special BLEDA Meeting on August 17, 2020. This timeline will allow the City of Big Lake to enter into a Round Two of accepting applications and awarding grants in the event the funding isn't spend down in Round One.

Calva asked how many small businesses in the area qualify. Klimmek stated that she expects between 30-40 applications and that approximately \$100,000 will pay the City back for COVID related costs. Calva asked how many employees Options Inc. has. Klimmek stated that there are generally nearly 60 employees at Options, Inc. Geroux stated that today there are about 22 employees.

Klimmek stated that these funds cannot be used toward property tax payments. Geroux, referring to the draft stated that on page three he thinks the word 'direct' should be omitted, because it can be considered subjective. He recommends omitting the word 'direct.' Calva stated that businesses that have been shut down should be considered priority. Johnson stated that some businesses, for example Coborn's, has been positively affected. Calva stated that the word direct should be removed and not replaced because it is a word that can be used interchangeably. Johnson stated that the

Commission seems to all be in agreeance on which types of businesses are priority with the grant program. The Commission decided to remove the word 'direct' from the draft. Klimmek stated that Item 8 should be reviewed. Geroux stated that if businesses have survived this long, there is a good chance they have made the decision to push through rather than file for bankruptcy or close permanently. Geroux recommended that businesses that have closed should be priority but that there are other portions of the draft that address this. Dickinson recommended that the verbiage be changed to 'demonstrate how the use of funds will be used to assist in recovery of the business.'

Johnson stated that the purpose of these grant funds are meant to bring businesses back to where they were financially before the shutdown. Geroux stated that businesses who received PPP funding didn't necessarily receive a benefit to their bottom line. The funds that were given through PPP had to be spent by mid-July. Johnson stated that she doesn't want businesses to be able to 'double-dip the system.' She wants businesses to have an equal chance at all types of funding. Geroux agreed with Johnson, but stated that he doesn't want businesses to be discouraged from applying if they have received other funding but are still in need of help. Klimmek stated that she will add PPP to the language and will include a statement that businesses who have received other funding may still qualify for these grant funds.

Geroux stated that on page 5c. there should be some flexibility added to the language regarding eligible business types. Johnson and Dickinson agreed with this suggestion. Klimmek stated that an option would be to omit specific Executive Orders.

Geroux stated that page 5d. includes a typo on activities where property taxes are not eligible even though other portions of the application state that property taxes are considered eligible. Calva and Geroux stated that they don't feel it's necessary to punish businesses that have found innovative ways to avoid bankruptcy and closure regardless of the shutdown. Johnson stated that most businesses will be asking for a specific dollar amount and she would like some information on why they come up with that specific amount.

Klimmek stated that on page 6 there is a typo and that there was a suggestion by Geroux to omit proof of expenses. Johnson stated that the idea behind the grant is to cover the costs of expenses that are already incurred and that they should be able to provide proof of expenses. Heidemann asked if a business decided to change the use of funding if the state would require that BLEDA has documentation of this. Johnson stated that there will be a report turned in 60 days after funds are sent to businesses. Geroux commented that he wants to avoid putting a burden on businesses that might need to use funds for a qualifying purchase that wasn't originally outlined in their application. Johnson agreed that there should be flexibility for businesses as long as they are using funds on an approved expense. Geroux stated that businesses shouldn't need to provide proof of expense until they turn in their report.

Klimmek stated that on page 7 regarding reporting that Geroux asked whether businesses need to use the funds in 60 days. Johnson asked if paying back a loan is considered a qualifying expense. Wegeleben and Dickinson agreed that it is a qualifying expense. Johnson agreed as long as they are able to show proof of the loan. Heidemann asked where the verbiage on 60 days came from. Klimmek stated that it was pulled from another city's application. Wegeleben stated that the funds will need to be spent by November. Wegeleben stated that she feels 60 days is unnecessary for this type of application because the expenses have already been incurred and the grant is technically reimbursing these expenses. Geroux stated that he doesn't want requirements to become a burden to businesses who apply. Geroux asked if the EDA would be okay with a business applying to cover the costs of using their personal savings to pay off a previous expense. Johnson stated that she is okay with this as long as the business has proper documentation.

Johnson stated that it should be included in the document that applications will need to be received, not postmarked, for a certain date so that none of the applications get lost or are late to be received. Klimmek asked if federal tax returns should be required to be submitted with applications. Geroux stated that he is not comfortable with being responsible for that many businesses confidential information. Wegeleben stated that the only thing they would need is a Business ID number from the businesses that would be included in their W9.

Commissioner Johnson motioned to recommend to City Council approval of the COVID-19 Emergency Grant Program Policy, Application, and Agreement package with above outlined updates and calling a special meeting on August 17, 2020. Seconded by Commissioner Green, unanimous ayes, motion carried.

6B. BLEDA BUDGET AND LIST OF CLAIMS

Commissioner Wallen motioned to accept the budget report and approve the BLEDA List of Claims for June 2020 as presented. Seconded by Commissioner Johnson, unanimous ayes, motion carried.

6C. COMMUNITY DEVELOPMENT DEPARTMENT UPDATE

Klimmek reviewed the following:

1. Current Development Activity (as of 7/8/20):

Housing:

- Single-Family New Construction Issued Permits 24
- Single-Family New Construction in Review 02

- Multi-Family New Construction
 - The Crossings Phase II – 38 Affordable Townhome Rental Units

- Developer – Duffy Development
- Nearly Complete w/ Occupied Units
- Station Street Apartments Phase I and Phase II – 70 Market Rate Rental Units
 - Developer – Kuepers, Inc.
 - In Construction
- Sandhill Villas (HOA) – 12-Unit Single-Family Development Project
 - Developer – Troy Siemers
 - Fully Approved – Working on Development Agreement
- Avalon Estates – 108 Units for 55+ (Patio Homes, Twin Homes, Apt. Building)
 - Developer – Avalon Homes
 - Concept Phase
- Big Lake Station Apartments – 55 Affordable Multi-Family Units; 70 Affordable Units for 55+
 - Developer – Aeon
 - Concept Phase
- Marketplace Crossing I & II – 120 Affordable and Market Rate Multi-Family Rental Units (2, 60-unit buildings)
 - Developer – CommonBond
 - Concept Phase

Commercial/Industrial:

- ❖ Minnco Credit Union
 - Opened on June 22nd
- ❖ Big Lake Car Condo's
 - Project is on hold
- ❖ Wastewater Treatment Expansion Project
 - In Construction
- ❖ Great River Federal Credit Union
 - Waiting on Final Application Submission
- ❖ Nystrom & Associates Treatment Facility
 - Working Through Preliminary Application
- ❖ Blackbird Group, LLC
 - BLEDA Provided a 1-Year Extension

2. BLEDA:

- Kick-off for the Branding and Identity Design Project has been postponed until the community is ready to engage in the project.
- BLEDA Strategic Plan Committee will be working on creating strategies/framework for development, re-development, and repurposing.
- Working on developing a grant program policy and application process to disburse CARES Act funding to the Big Lake small business and non-profit community.

3. Planning & Zoning:

- Looking for a new City Planner.
- The Code Revision Task Force has been created. Kick-off meeting will be held within the first two weeks of August 2020.

4. Building:

PERMIT ACTIVITY REPORT – THROUGH JUNE 30, 2020

Permit Type	Permits Issued in June of 2020	2020 Total
Single-Family	11	23
Multi-Family	0	2
Commercial New / Remodel / Addition	4	14
Remodel / Decks / Misc.	40	153
HVAC / Mechanical	13	42
Plumbing	18	46
Zoning	27	98
Land Alteration	0	3
Fire	2	12
TOTAL	115	393

	Permit Fee	Plan Review	TOTAL
Total Fees in June 2020	\$91,850.22	\$32,256.42	\$124,109.64

YTD 2020 Total Valuation (through 6/30/20)	YTD 2020 Permit Fee + Plan Review (through 6/30/20)
\$19,288,779.50	\$247,852.59

PREVIOUS YEAR COMPARISON – THROUGH JUNE 30, 2019

Permit Type	Permits Issued in June of 2019	2019 Total
Single-Family	2	35

Multi-Family	0	0
Commercial New / Remodel / Addition	1	6
Remodel / Decks / Misc.	33	160
HVAC / Mechanical	8	43
Plumbing	6	26
Zoning	20	83
Land Alteration	0	0
Fire	0	0
TOTAL	70	353

	Permit Fee	Plan Review	TOTAL
Total Fees in June 2019	\$29,526.50	\$3,216.11	\$32,742.61

YTD 2019 Total Valuation (through 6/30/19)	YTD 2019 Permit Fee + Plan Review (through 6/30/19)
\$14,466,715.88	\$556,892.87

7. OTHER

Geroux recommended that the application should not be posted on the city’s Facebook page due to the potential for negativity and the amount of staff time that would be contributed to combating this potential negativity. Geroux stated that there is an opportunity to market to businesses in Minneapolis that could potentially be a good fit in the industrial park. Johnson asked if there is a publication the city could advertise this opportunity. Calva mentioned that the radio would be a good medium for advertising. Geroux stated another medium is direct mailing. Johnson stated that the City has a video that was made years ago that could be sent out to businesses.

8. ADJOURN

Commissioner Geroux motioned to adjourn the meeting at 7:24 p.m. Seconded by Commissioner Wallen, unanimous ayes, meeting adjourned.



AGENDA ITEM

Big Lake Economic Development Authority

Prepared By: <i>Hanna Klimmek, BLEDA Executive Director</i>	Meeting Date: 8/10/2020	Item No. <div style="font-size: 24pt; font-weight: bold; text-align: center;">6A</div>
Item Description: Big Lake COVID-19 Emergency Grant Program – Award Recommendation	Reviewed By: <i>Clay Wilfahrt, City Administrator</i>	
	Reviewed By: <i>Deb Wegeleben, Finance Director</i>	

ACTION REQUESTED

Consider providing a recommendation of Big Lake COVID-19 Emergency Grant Program awards, funded by the CARES Act, to the Big Lake City Council.

BACKGROUND/DISCUSSION

The State has approved a bill to distribute funding from the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. The bill distributes money to local governments to assist with the financial strain caused by plummeting tax revenues. The City of Big Lake has received \$863,098.

Federal guidance indicates that a City can have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closure should be tailored to assist those businesses in need of such assistance. Also, guidance indicates that fund payments may be used for economic support in the absence of the stay-at-home order if such expenditures are determined by the City to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 pandemic.

With that being said, the Big Lake City Council has approved a grant program to provide the CARES Act funding to businesses to cover business interruption, and the City Council has delegated the administration of the program to the Big Lake EDA. Out of the \$863,098 in CARES Act funding, Staff is comfortable with providing \$550,000 to the business community for a first round to ensure all City COVID expenses have been captured.

The Big Lake COVID-19 Emergency Grant Program application was released the evening of July 22, 2020 after the Big Lake City Council meeting and its approval. The application deadline was scheduled for 4:00 pm on Wednesday, August 5, 2020.

The Big Lake EDA has accepted 33 applications with a total request of \$1,513,698.91. Twenty-three (23) applications were from businesses/non-profits that were deemed non-essential when the executive order was executed. The 23 applications amount to a request of \$1,188,187.98. The remaining 10 applications are from businesses that never had to officially close their doors and stop production. Those 10 applications from essential businesses amount to a request of \$325,510.93.

Staff reviewed all applications to ensure they are eligible, the funds will be used correctly, and the proper documentation is included. From there, Staff met with the Big Lake EDA Finance Committee to define a

way to make the awards as impactful as possible knowing that it's impossible to provide the full amount of all grant requests.

The Big Lake EDA Finance Committee is recommending that non-essential businesses/non-profits should be first priority for the awards. The Committee is recommending that maximum grant amounts should be placed on 4 categories:

- Non-Profit that remains shut down (Options, Inc.) = \$100,000
- Restaurants/Bars = \$35,000
- Businesses that received no other Federal/State funding = \$20,000
- All other non-essential businesses/non-profits = \$10,000

The Big Lake EDA Finance Committee is also recommending to provide \$5,000 of funding to each of the 10 businesses deemed essential through the Governor's executive orders.

The City of Big Lake has until November 15, 2020 to spend down the funds. If unable to meet the November 15, 2020 deadline, the funding will go to Sherburne County. Sherburne County has until December 1, 2020 to spend down the funds. If unable to meet the December 1, 2020 deadline, Sherburne County will have to provide their balance of funds to the State of MN.

FINANCIAL IMPACT

(\$548,120.71) CARES Act Funding out of the \$863,098.00 received.

STAFF RECOMMENDATION

Staff recommends the EDA discuss and consider providing a recommendation of the Big Lake COVID-19 Emergency Grant Program awards, funded by the CARES Act, to the Big Lake City Council.

ATTACHMENTS

Big Lake EDA Finance Committee's Recommendation of Awards

Non-Essential Businesses/Non-Profits

non profit - still shut down - \$100,000
 restaurants/bar - \$35,000
 received no other funding - \$20,000
 all others \$10,000

Business Name	Grant Request	Amount of Grant	Supporting Documentation	Use of Grant Fund
Reed D. Dill DDS PA (Corner Oaks Family Dental)	25,000.00	10,000.00	Yes	Debt, Utls, Invnt
Bank Street Fitness DBA Snap Fitness	29,000.00	10,000.00	Yes	Rent, Debt, Utls
Diamond Distributing, Inc. (ProFusion CBD of Big Lake)	25,000.00	10,000.00	Yes	Rent, Debt, Inventory
Options, Inc.	225,760.00	100,000.00	Yes	Utls, COVID Supplies, Insurance
Paragon Store Fixtures, Inc.	141,000.00	10,000.00	Yes	Utls, Insurance, Equipment, Rent, Payroll
Day Dreamers LLC (Day Dreamers Boutique)	10,824.00	10,000.00	Yes	Rent
Advanced Styling LLC	14,850.00	10,000.00	Yes	Rent
Volkers, Inc. (Trails Grill & Sports Bar)	90,000.00	35,000.00	Yes	Rent, Payroll
Timat LLC DBA (The Lake Café)	64,000.00	35,000.00	No - W9	Payroll
MP of Big Lake (McPete's Sportsbar & Lanes)	60,000.00	35,000.00	Yes	Utls, Payroll, Debt
Racks Inc. (El Loro Mexican Restaurant)	10,000.00	10,000.00	No - Signature	Rent
LaFloyd's American Grill, Inc. (Russell's on the Lake)	35,000.00	35,000.00	Yes	Utl, Inventory, Insurance
Jaclyn Kasper Ink LLC (Kensho Salon)	53,902.38	20,000.00	Yes	Rent, Utl, Debt, Invnt
Hometown Eye Care, Inc.	9,892.00	9,892.00	Yes	Rent, Utl, COVID Supplies, Payroll
The Wave	38,760.55	10,000.00	Yes	Debt, COVID Supplies, Technology, Utl, Rent, Payroll
Style Catering	74,650.34	20,000.00	Yes	Debt, Rent, COVID Supplies
Lupulin Brewing LLC	150,000.00	35,000.00	Yes	Loss of Contracts, Debt, Equip, Rent, COVID Supplies, Payroll
Gess What's Cookin' Restaurant & Catering	40,000.00	20,000.00	Yes	COVID Supplies, Utl, Payroll, Equip
Nails 4 You	10,000.00	10,000.00	Yes	Rent
Arcadian Salon LLC	9,060.00	9,060.00	Yes	Rent, Utl, Insurance
Vivid Tan	30,000.00	20,000.00	Yes	Debt, Rent, Payroll, Utl
French Twist Salon & Boutique Inc.	27,320.00	20,000.00	Yes	Debt, Invnt, Equip
	1,174,019.27	483,952.00		

Non-Essential, Sole-Proprietor, Businesses

Business Name	Grant Request	Amount of Grant	Supporting Documentation
El Teca Barbershop	14,168.71	14,168.71	Yes
	\$ 1,188,187.98	\$ 498,120.71	
Esstential		\$ 50,000.00	
Grant Totals		\$ 548,120.71	
Received		863,098.00	
City Expenditures		314,977.29	



AGENDA ITEM

Big Lake Economic Development Authority

Prepared By: <i>Deb Wegeleben, Finance Director</i>	Meeting Date: 8/11/2020	Item No. 6B
Item Description: Preliminary 2021 BLEDA Budget	Reviewed By: <i>Hanna Klimmek, Community Development Director</i>	
	Reviewed By: <i>Clay Wilfahrt, City Administrator</i>	

ACTION REQUESTED

Review the proposed 2021 BLEDA Preliminary Budget

BACKGROUND/DISCUSSION

Attached is the first draft of the Preliminary 2021 BLEDA Budget, it includes the revenue and expenditure budget as well as a concept budget for 2022-2025.

The 2021 preliminary levy is at \$130,000, which is the same as 2020; the executive director salary and fringe is again split 50/50 between the BLEDA and General Fund budgets.

Total expenditures are \$45,831 less than 2020 budget, this is due to the \$50,000 Branding project that was budgeted in 2020. Again this year there is the \$46,362 transfer to the Industrial Park Land Expansion Fund. In the past the Industrial Park Land Expansion fund paid for the special assessment associated with the purchase of the industrial park, however the sewer fund had to subsidiary the fund as there has been no cash sales since the purchase of the property. The total outstanding indebtedness to the sewer fund pertaining to the industrial park land expansion is \$580,453.37. The long term plan of the City is to pay this interfund loan back using BLEDA funds and General Funds.

In regards to the projected cash balance, the board could choose to direct staff to allocate some of the projected fund balance to specific projects for the upcoming budget years.

FINANCIAL IMPACT

Sets 2021 spending authority

STAFF RECOMMENDATION

- Recommend to City Council approval of the proposed 2021 Preliminary BLEDA Budget as presented; or
- Make any changes deemed necessary and recommend to the City Council for approval of the 2021 Preliminary BLEDA Budget with revisions

ATTACHMENTS

Resolution
 2021 BLEDA Preliminary Budget

**CITY OF BIG LAKE
MINNESOTA**

A general meeting of the Economic Development Authority of the City of Big Lake, Minnesota, was called to order by President Alan Heidemann at 6:00 p.m. at the Big Lake City Council Chambers, Big Lake, Minnesota, on Monday, August 11, 2020 The following Board Members were present: and. The following Board Members were absent: A motion to adopt the following resolution was made by Commissioner and seconded by Commissioner

**ECONOMIC DEVELOPMENT AUTHORITY
FOR THE CITY OF BIG LAKE
COUNTY OF SHERBURNE
STATE OF MINNESOTA**

RESOLUTION NO. 2020-XX

**AUTHORIZING THE PROPOSED LEVY OF A SPECIAL BENEFIT LEVY
PURSUANT TO MINNESOTA STATUTES, SECTION 469.033, SUBDIVISION 6
AND APPROVAL OF A PROPOSED BUDGET FOR FISCAL YEAR 2021**

WHEREAS, pursuant to Minnesota Statutes, Section 469.090 to 469.108 (the "EDA Act"), the City Council of the City of Big Lake created the Big Lake Economic Development Authority (the "Authority"); and

WHEREAS, pursuant to the EDA Act, the City Council granted to the Authority all of the powers and duties of a housing and redevelopment authority under the provisions of the Minnesota Statutes, sections 469.001 to 469.047 (the "HRA Act"); and

WHEREAS, Section 469.033, Subdivision 6 of the HRA Act permits the Authority to levy and collect a special benefit levy of up to .0185 percent of the previous year's (Pay 2020) taxable market value in the City upon all taxable real property within the City; and

WHEREAS, the Authority desires to levy a special benefit levy in the amount of up to .0185 percent of taxable market value in the City for taxes payable in 2021; and

WHEREAS, pursuant to Minnesota Statutes, Section 275.065, the Authority is required to adopt a proposed budget and a proposed tax levy and submit the same to the County Auditor by September 30; and

WHEREAS, the Authority has before it for its consideration a copy of a proposed budget for its operations for the fiscal year 2021 and the amount of the proposed levy for collection in 2021 shall be based on this budget, subject to any adjustments in the budget as finally approved prior to certification of the final special benefit levy;

Economic Development Fund

Revenue Budget

LEVY AMOUNT \$		130,000		2020-2021						Levy \$160K Levy \$160K			
Account Number	Description	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Adopted Budget	2021 Proposed Budget	\$ Change	% Change	2022 Concept Budget	2023 Concept Budget	2024 Concept Budget	2025 Concept Budget
275-000-3101	RE & PP Taxes-Current	\$ 49,476	\$ 49,321	\$ 49,711	\$ 128,331	\$ 128,700	\$ 128,700	\$ -		\$ 128,700	\$ 128,700	\$ 158,400	\$ 158,400
275-000-3102	RE & PP Taxes-Delinquent	429	612	362	371	400	400	-		400	400	400	400
275-000-3155	Transfer In Revenue	-	-	-	-	25,000	-	(25,000)	-100.00%	-	-	-	-
275-000-3950	Property Sales	-	-	25,000	-	-	-	-		-	-	-	-
275-000-3990	Loan Interest Revenue	1,796	1,304	-	-	-	-	-		-	-	-	-
275-000-3999	Interest Earned	129	245	619	1,045	800	800	-		800	800	800	800
Total Revenues		\$ 72,890	\$ 105,055	\$ 82,192	\$ 129,747	\$ 154,900	\$ 129,900	\$ (25,000)	-16.14%	\$ 129,900	\$ 129,900	\$ 159,600	\$ 159,600
Projected Cash Flow Change		2016	2017	2018	2019	2020	2021			2022	2023	2024	2025
	Beginning Cash Balance	\$ 7,710	\$ 18,092	\$ 65,671	\$ 50,407	\$ 97,618	\$ 55,908			\$ 39,145	\$ 39,512	\$ 35,541	\$ 53,036
	Projected Excess Revenue	48,382	87,579	50,139	20,918	(16,710)	4,121			367	(3,970)	17,495	12,622
	Interfund Loan Principal Payment	(38,000)	(40,000)	(60,000)	(25,000)	(25,000)	(20,884)			-	-	-	-
	Proceeds from Sale of Assets	-	-	(5,403)	51,293	-				-	-	-	-
	Projected Ending Cash	\$ 18,092	\$ 65,671	\$ 50,407	\$ 97,618	\$ 55,908	\$ 39,145			\$ 39,512	\$ 35,541	\$ 53,036	\$ 65,658

**could begin to designate portion of fund balance for specific projects

City of Big Lake Economic Development Authority (EDA) Fund

Expenditure Budget

Account Number		Description		2020-2021						2022-2025			
Account Number	Description	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Adopted Budget	2021 Proposed Budget	\$ Change	% Change	2022 Concept Budget	2023 Concept Budget	2024 Concept Budget	2025 Concept Budget
275-000-00-05-4002	Wages	\$ -	\$ -	\$ -	\$ 49,120	\$ 51,671	\$ 55,802	\$ 4,131	7.99%	\$ 59,150	\$ 62,699	\$ 66,461	\$ 70,449
275-000-00-05-4008	Insurance Benefits (er)	-	-	-	3,018	3,546	3,655	109	3.07%	3,874	4,107	4,353	4,614
275-000-00-05-4009	HSA Accounts	-	-	-	719	750	750	-		750	750	750	750
275-000-00-05-4010	F.I.C.A./Medicare (er)	-	-	-	3,758	3,953	4,271	318	8.04%	4,525	4,796	5,084	5,389
275-000-00-05-4012	P.E.R.A. (er)	-	-	-	3,684	3,876	4,187	311	8.02%	4,732	5,016	5,317	5,636
275-000-00-20-4140	Audit	-	-	-	480	500	500	-		515	515	515	515
275-000-00-20-4160	Engineering	500	2,836	-	1,367	500	500	-		500	500	500	500
275-000-00-20-4170	Legal	-	4,366	3,087	9,119	3,000	3,000	-		3,000	3,000	3,000	3,000
275-000-00-20-4180	Other Consultants	12,500	3,064	8,500	5,710	2,000	2,000	-		2,000	2,000	2,000	2,000
275-000-00-25-4134	Website	-	-	250	250	250	250	-		250	250	250	250
275-000-00-25-4206	Recording Fees	-	-	174	1,179	150	150	-		150	150	150	150
275-000-00-25-4212	Other Operations Expenses	382	21	6	17	50	50	-		50	50	50	50
275-000-00-25-4220	Advertising/Marketing	1,403	1,393	406	607	1,100	1,100	-		1,100	1,100	1,100	1,100
275-000-00-25-4220	Advertising/Marketing - Branding	-	-	-	-	50,000	-	(50,000)	-100.00%	-	-	-	-

Account Number	Description	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Adopted Budget	2021 Proposed Budget	\$ Change	% Change	2022 Concept Budget	2023 Concept Budget	2024 Concept Budget	2025 Concept Budget
275-000-00-25-4235	Postage	-	-	55	-	25	25	-		25	25	25	25
275-000-00-25-4238	Training	89	469	1,030	925	1,000	1,000	-		1,000	1,000	1,000	1,000
275-000-00-25-4243	Meals	-	50	-	-	50	-	(50)	-100.00%	-	-	-	-
275-000-00-25-4257	Contractors Hired	985	-	302	74	300	300	-		300	300	300	300
275-000-00-25-4260	Subscriptions / Dues	-	-	-	625	650	750	100	15.38%	750	750	750	750
275-000-00-25-4375	Snow Removal (lots owned)	-	-	631	-	500	500	-		500	500	500	500
275-000-00-70-4425	Loss on Sale of Assets	-	-	-	26,050	-	-	-		-	-	-	-
275-000-00-71-4612	Transfer to FUND 141 - Specials	-	-	-	-	46,362	46,362	-		46,362	46,362	50,000	50,000
275-000-00-85-4625	Interfund Loan Interest	6,029	5,127	3,927	2,127	1,377	627	(750)	-54.47%	-	-	-	-
	Total Expenditures	\$ 24,508	\$ 17,476	\$ 32,053	\$ 108,829	\$ 171,610	\$ 125,779	\$ (45,831)	-26.71%	\$ 129,533	\$ 133,870	\$ 142,105	\$ 146,978
	Excess Revenues/(deficit)	48,382	87,579	50,139	20,918	(16,710)	4,121	-		367	(3,970)	17,495	12,622
CASH FLOW PURPOSE ONLY													
275-2070	Interfund Loan Principal (IFL)	38,000	40,000	60,000	25,000	25,000	20,884			-	-	-	-
	Total Expenditures & IFL	\$ 62,508	\$ 57,476	\$ 92,053	\$ 133,829	\$ 196,610	\$ 146,663			\$ 129,533	\$ 133,870	\$ 142,105	\$ 146,978



AGENDA ITEM

Big Lake Economic Development Authority

Prepared By: <i>Deb Wegeleben, BLEDA Assistant Treasurer</i>	Meeting Date: 8/11/2020	Item No. 6C
Item Description: <i>BLEDA Budget Report and List of Claims – July 2020</i>	Reviewed By: <i>Hanna Klimmek, BLEDA Executive Director</i>	
	Reviewed By: <i>Clay Wilfahrt, City Administrator</i>	

ACTION REQUESTED

Approve the BLEDA Budget Report and List of Claims for July 2020.

BACKGROUND/DISCUSSION

Attached are the BLEDA July 2020 Budget Report and List of Claims for the BLEDA's review.

ATTACHMENTS

BLEDA July 2020 Budget Report and List of Claims



unaudited

**Big Lake Economic Development Authority
Balance Sheet
July 31, 2020**

Assets	Balance	Comments
Cash	103,972.45	
Taxes Receivable - Delinquent	2,553.33	**will be adjusted after final settlement in January
** Accounts Receivable	5,992.33	
* Notes Receivable	-	
Prepaid - other	-	
*** Land Held for Resale	<u>61,924.65</u>	2013 Audit land value wrote down to 120% of County Value
Total Assets	<u><u>174,442.76</u></u>	
Liabilities and Fund Balance		
Due to Other Funds	20,884.25	Due to the Sewer Fund
Deposits	-	Earnest Money
Deferred Revenue	2,553.33	Delinquent Taxes
Accounts Payable	-	2019 Expense will be paid in 2020 - recording fees
Accrued Wages/Fringe	-	
Designated Fund Balance	-	
Unreserved Fund Balance	151,005.18	
Total Liabilities & Fund Balance	<u><u>174,442.76</u></u>	
** Accounts Receivable		
Scenic Sign Corp.-Lake Plaza Sign	<u>5,992.33</u>	See Statement of Loan/Receivables Activity for Schedule
	5,992.33	
*** Land Held for Resale		
420 Putman (2018)	10,874.65	PID # 65-403-0430 - tax forfeiture property
West End of Plaza (2006)	51,050.00	PID #65-584-0105 - Lot @ Corner Fern St & Martin Ave - possible sale
West End of Plaza (2006)	-	PID #65-554-0115 - Center parking lot @ Lk Shopping Center - SOLD
	<u>61,924.65</u>	
Pending Cash Payments For 2020		
2020 Special Assessments-Transfer	23,180.28	
Remaining Wages & Fringe	32,000.00	
Outstanding Budget Items	3,000.00	consultants/lawn care/snow plow
Outstanding Contracting - Branding	<u>50,000.00</u>	
	108,180.28	
Property Tax Payments Projections	119,678.47	
Projected Cash Balance - YE	115,470.64	



**Big Lake Economic Development Authority
Statement of Operating Revenues and Expenditures
July 31, 2020**

Revenues	Budget 2020	YTD Actual 2020	Remaining Budget	Comments
RE & PP Taxes - Current	128,700.00	64,428.47	64,271.53	Property Tax first payment to be received in June
RE & PP Taxes - Delinquent	400.00	875.62	(475.62)	
Transfer In from other Fund	25,000.00	25,000.00	-	Branding Project
Interest Earned	800.00	777.34	22.66	
Sub Total Operating Revenues	154,900.00	91,081.43	63,818.57	
Total Revenues	154,900.00	91,081.43	63,818.57	
Expenditures				
Wages & Fringe	63,796.00	32,408.12	31,387.88	Community Development Director - 50%
Audit	500.00	501.00	(1.00)	
Advertising/Marketing	1,100.00	-	1,100.00	
Marketing - Branding Project	50,000.00	-	50,000.00	2020 Branding Project
Computers/Software	-	119.88	(119.88)	Drop Box Space
Consultants	2,000.00	-	2,000.00	Annual Reports
Contractors hired	300.00	130.00	170.00	Sharpline Lawn Care- Industrial Park
Engineering	500.00	-	500.00	
Legal	3,000.00	2,092.44	907.56	O&E TITLE WORK \$1,800
Meals	50.00	-	50.00	
Other Operating Expenses	50.00	36.89	13.11	
Postage	25.00	-	25.00	
Recording Fees	150.00	-	150.00	Land Sales/IP
Signs/Banners	-	-	-	
Snow Removal	500.00	-	500.00	
Subscriptions/Dues	650.00	-	650.00	MN Marketing Partnership
Training/Schools	1,000.00	295.00	705.00	Community Development Director - Conferences
Transfers - Fund 141 IPL	46,362.00	23,180.28	23,181.72	2020 Transfer to Industrial Park Fund prior year assessm
Website	250.00	250.00	-	
Loss on Sale of Asset/Land	-	-	-	
Total Operating Expenditures	170,233.00	59,013.61	111,219.39	
Other Expenditures:				
Interfund Loans Interest Exp	1,377.00	1,376.53	0.47	
Total Expenditures	171,610.00	60,390.14	111,219.86	
Operating Revenues less Expenditures	(16,710.00)	30,691.29	(47,401.29)	
Interfund Loan Principal Payment	25,000.00	25,000.00	-	
Project Fund Balance Inc/(Decr)	(16,710.00)	30,691.29		
**does not include principal interfund loan payment				
Project Cash balance Inc/(Decr)	(41,710.00)			



Big Lake Economic Development Authority
Statement of Loan/Receivables Activity
July 31, 2020

Notes Receivable

Accounts Receivable

	<u>Original Balance</u>	<u>Remaining Balance</u>	<u>Terms</u>	<u>Comments</u>
* Krutzig, Mike	\$ 6,492.33	\$ 5,992.33	\$3,246 Due 07/01/2010 & 07/01/2011	Delinquent: Pd \$500 7/2011
		<u>\$ 5,992.33</u>		



July 31, 2020

Big Lake Economic Development Authority

Designated Fund Balance

Acquisition/Demo MHFA Program - no longer designated		-
Revolving Loan Program/Facade Improvement Program	All Paid	-
Rental Inspection Program - no longer designated		-
SFHAP - no longer designated		-
BR&E <Pass Thru> - no longer designated		-

-

Unreserve Fund Balance

	151,005.18
Total Fund Bal	<u>151,005.18</u>

Reconciliation

GL		
DEFERRED REVENUE - DELO PROPERTY TAX RECEIVABLE	2,553.33	
UNRESERVED FUND BALANCE	<u>148,451.85</u>	
	151,005.18	

SAC CREDITS

April 25, 2007 - SAC credits given to BLEDA	# credits o/s	14.00
These credit have been awarded to project 11/2019		<u>(14.00)</u>

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BIGLAKE, MN
EDA CLAIM LISTS
 2020
 July

Search Name	CHECK	Check Date	Batch Name	Amount	Comments	Act Code
Act Code 275-000-00-05-4002						
0			PR14 070820	\$2,046.40	Labor Distribution	275-000-00-05-4002
0			PR15 072220	\$2,046.40	Labor Distribution	275-000-00-05-4002
Act Code 275-000-00-05-4002				\$4,092.80		
Act Code 275-000-00-05-4008						
0			PR14 070820	\$288.29	Labor Distribution	275-000-00-05-4008
Act Code 275-000-00-05-4008				\$288.29		
Act Code 275-000-00-05-4009						
0			PR14 070820	\$31.25	Labor Distribution	275-000-00-05-4009
0			PR15 072220	\$31.25	Labor Distribution	275-000-00-05-4009
Act Code 275-000-00-05-4009				\$62.50		
Act Code 275-000-00-05-4010						
0			PR14 070820	\$156.54	Labor Distribution	275-000-00-05-4010
0			PR15 072220	\$156.54	Labor Distribution	275-000-00-05-4010
Act Code 275-000-00-05-4010				\$313.08		
Act Code 275-000-00-05-4012						
0			PR14 070820	\$153.48	Labor Distribution	275-000-00-05-4012
0			PR15 072220	\$153.48	Labor Distribution	275-000-00-05-4012
Act Code 275-000-00-05-4012				\$306.96		
Act Code 275-000-00-20-4170						
0 CAMPBELL KNUTSON PROFESSIONAL	083305	7/15/2020	AP071320	\$1,790.36	BLEDA O&E LAND TITLE WORK JACOBSON	275-000-00-20-4170
0 CAMPBELL KNUTSON PROFESSIONAL	083305	7/15/2020	AP071320	\$54.08	BLEDA MINNCO LAND SALE	275-000-00-20-4170
0 CAMPBELL KNUTSON PROFESSIONAL	083305	7/15/2020	AP071320	\$62.00	BLEDA OPTIONS/BLACKBIRD GROUP LLC	275-000-00-20-4170
Act Code 275-000-00-20-4170				\$1,906.44		
Act Code 275-000-00-25-4220						
0 BIG LAKE CHAMBER OF COMMERCE	004425	7/27/2020	REC072720	\$143.34	REFUND OF THE 2020 CHAMBER COMMUNITY FAIR - CANCE	275-000-00-25-4220
Act Code 275-000-00-25-4220				\$143.34		
Act Code 275-000-00-25-4257						
0 SHARPLINE LAWN CARE, LLC	083287	7/8/2020	AP070720	\$130.00	LAWN CARE SERVICE	275-000-00-25-4257



BIGLAKE, MN
EDA CLAIM LISTS
2020
July

Search Name	CHECK	Check Date	Batch Name	Amount	Comments	Act Code
Act Code 275-000-00-25-4257				\$130.00		
				<u>\$7,243.41</u>		



6D

Community Development Department Update

1. Current Development Activity (as of 8/5/20):

Housing:

- Single-Family New Construction Issued Permits 28
- Single-Family New Construction in Review 05

- Multi-Family New Construction
 - The Crossings Phase II – 38 Affordable Townhome Rental Units
 - Extended their Partial C/O
 - Station Street Apartments Phase I and Phase II – 70 Market Rate Rental Units
 - Developer – Kuepers, Inc.
 - In Construction – Received BP Application for Phase 3 on 8/5/20
 - Sandhill Villas (HOA) – 12-Unit Single-Family Development Project
 - Developer – Troy Siemers
 - Fully Approved – Working on Development Agreement
 - Avalon Estates – 108 Units for 55+ (Patio Homes, Twin Homes, Apt. Building)
 - Developer – Avalon Homes
 - Concept Phase
 - Big Lake Station Apartments – 55 Affordable Multi-Family Units; 70 Affordable Units for 55+
 - Developer – Aeon
 - Concept Phase
 - Marketplace Crossing I & II – 120 Affordable and Market Rate Multi-Family Rental Units (2, 60-unit buildings)
 - Developer – CommonBond
 - Concept Phase

Commercial/Industrial:

- ❖ Big Lake Car Condo's
 - Project is on hold
- ❖ Wastewater Treatment Expansion Project
 - In Construction

- ❖ Great River Federal Credit Union
 - Building Permit is in Review
- ❖ Nystrom & Associates Treatment Facility
 - Working Through Final Plat Application
- ❖ Liberty Savings Bank
 - Working Through Site Plan, CUP, and Variance
- ❖ Metro-Transit (North Star Commuter Rail) Facility Expansion
 - Administrative Site-Plan Review
- ❖ Blackbird Group, LLC
 - BLEDA Provided a 1-Year Extension

2. BLEDA:

- Kick-off for the Branding and Identity Design Project has been postponed until the community is ready to engage in the project.
- BLEDA Strategic Plan Committee will be working on creating strategies/framework for development, re-development, and repurposing.
- Priority is on the CARES Act funding and granting funds to the Big Lake Business Community.
 - Application deadline was 4 pm on 8/5/20
 - Received 33 eligible applications requesting total of \$1,513,698.91
 - Non-essential – 23 applications requesting total of \$1,188,187.98
 - Essential – 10 applications requesting total of \$325,510.93
 - Staff is comfortable awarding \$550,000 at this time, which will leave the City \$313,098 to capture its own COVID related expenses

3. Planning & Zoning:

- Hired Lucinda Meyers – Start date is August 24th
- The Code Revision Task Force has been created. Kick-off meeting will be held on August 18th.
- Planning Commission has a new Planning Commissioner, Shane Shatka.

4. Building:

PERMIT ACTIVITY REPORT – THROUGH JULY 31, 2020

Permit Type	Permits Issued in July of 2020	2020 Total
Single-Family	4	27
Multi-Family	0	2

Commercial New / Remodel / Addition	2	16
Remodel / Decks / Misc.	65	218
HVAC / Mechanical	13	55
Plumbing	9	55
Zoning	18	116
Land Alteration	6	9
Fire	1	13
TOTAL	118	511

	Permit Fee	Plan Review	TOTAL
Total Fees in July 2020	\$29,990.15	\$7,243.40	\$37,233.55

YTD 2020 Total Valuation (through 7/31/20)	YTD 2020 Permit Fee + Plan Review (through 7/31/20)
\$21,017,662.80	\$285,086.14

PREVIOUS YEAR COMPARISON – THROUGH JULY 31, 2019

Permit Type	Permits Issued in July of 2019	2019 Total
Single-Family	23	44
Multi-Family	2	2

Commercial New / Remodel / Addition	0	14
Remodel / Decks / Misc.	44	184
HVAC / Mechanical	10	50
Plumbing	5	33
Zoning	14	101
Land Alteration	0	0
Fire	0	0
TOTAL	98	428

	Permit Fee	Plan Review	TOTAL
Total Fees in June 2019	\$320,649.44	\$30,660.30	\$351,309.74

YTD 2019 Total Valuation (through 7/31/19)	YTD 2019 Permit Fee + Plan Review (through 7/31/19)
\$23,486,741.24	\$743,138.95

5. Recreation & Communication:

- The Farmers Market has had a record year for both vendors and patrons of the Market.

6. Streets & Parks:

- Purchasing new equipment to provide more efficiency out in the field.
- Purchasing new technology to also provide more efficiency out in the field.
- Interviewing internal applicants for a lead position under Nick Abel, Streets & Parks Superintendent.