

**BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY**  
**MEETING MINUTES**  
**MONDAY, SEPTEMBER 11, 2006**

**1. CALL TO ORDER**

President Doug Hayes called the meeting to order at 7:00 p.m.

**2. ROLL CALL**

Commissioners present: Jim Dickinson, Robert Eddy, Dave Gast, Doug Hayes, Chuck Heitz, Lori Kampa, Ewald Petersen, Jim Sanford, and Jim Zwilling. Commissioners absent: none.

Also present: Community Economic Development Director Jim Thares, Interim City Administrator Scott Johnson, Finance Director Corey Boyer, City Attorneys Soren Mattick and Craig McDowell of Campbell Knutson, City Planners Ned Noel and Annie Deckert, Economic Development Assistant Sandy Petrowski, and Economic Development Intern Katie Blakeslee.

**3. ADOPT AGENDA**

Commissioner Dickinson motioned to approve the revised agenda that was distributed at the meeting. Seconded by Commissioner Sanford, unanimous ayes, motion carried.

**4. APPROVE BLEDA MEETING MINUTES OF AUGUST 14, 2006**

Commissioner Dickinson motioned to approve the August 14, 2006 BLEDA minutes as presented. Seconded by Commissioner Heitz, unanimous ayes, motion carried.

**5. BUSINESS**

**5A. BIG LAKE INDUSTRIAL PARK EAST**

**5A-i. Updates: Industrial Molded Rubber/Paragon Store Fixtures/Sunny Fresh Foods**

Community Economic Development Director Jim Thares provided the following updates:

- Industrial Molded Rubber: A small amount of grant/loan dollars remain to be drawn down for equipment purchases.
- Paragon Store Fixtures: Staff has been in contact with the owner; who is still waiting for a couple contracts to come in before he will go forward with the proposed 24,800 sq. ft. expansion project (it was noted that plans still need to be submitted and approved.)
- Sunny Fresh Foods: Ground has been broken for their Phase II expansion plans.

**5A-ii. Industrial Park Expansion Project**

Mr. Jim Thares reported that after authorization was given at the last BLEDA meeting, staff drafted a letter to Bruggeman Development regarding the potential sale of approximately 25-30 acres of land to the City and Township for a second phase expansion of the jointly developed industrial park. Mr. Thares stated that Bruggeman had contacted the City and stated that they are interested in discussing this issue further; however, their representative has indicated a concern with giving away a lot of their high density housing that has already been through the preliminary plat review/approval process with the City Council. The Committee Members are being apprised of the follow-up conversation and a counter offer will be provided to Bruggeman Development in the near future.

Commissioner Petersen stated that, due to it not being known what type of an impact the proposed commuter rail program will have on the need for higher density housing in the area, the City Council should be provided with more information prior to any decision being made on density in order for them to determine if they wish to pursue the purchase of a portion of the Bruggeman property. Mr. Thares suggested that information could be provided at an upcoming Council workshop; he also stated that he would contact members of the Industrial Park Expansion Project Committee to determine how they would like to proceed.

**5A-iii. Prospects Report**

Mr. Thares briefly discussed the one (1) new prospect. No action required or taken.

**5A-iv. 2006 Manufacturer's Week**

City Planner Annie Deckert reported that the 2006 Manufacturer's Week has been scheduled for October 23-27, 2006 and that staff is working with the Big Lake Chamber of Commerce and Klein Bank to plan the events. Staff will provide another update at the October meeting.

**5B. BUSINESS RETENTION & EXPANSION STRATEGIES PROGRAM – U OF M EXTENSION SERVICES**

City Planner Deckert briefly updated the Board on the Business Retention & Expansion Strategies Program which is provided through the U of M Extension Service; this program works with community members to create an economic development plan and create a broad based coalition to help support and sustain long term economic development in the community by providing technical assistance, training, and research. It was noted that staff is proposing to use this program in 2007 and that staff would request authorization to continue to meet with U of M Extension Service staff to further discuss this program.

Staff is requesting the Board's authorization to set-up a committee to work with staff and to meet with U of M Extension Services personnel to determine whether or not this program should be pursued.

Mr. Thares reported that the cost of the proposed program would be funded as follows: 1) one-half of the cost paid by Connexus Energy; 2) one-fourth of the cost provided by the U of M Extension Service; and 3) one-fourth of the cost to be paid by the City.

It was the consensus of the Board to direct staff to obtain additional information on this program and what would be involved with participating as a Committee Member for further consideration at the October BLEDA meeting.

#### **5C. RESCHEDULE OCTOBER BLEDA MEETING**

Due to the October BLEDA meeting falling on Columbus Day, Commissioner Dickinson motioned to reschedule the October BLEDA meeting for Tuesday, October 10<sup>th</sup> at 7:00 p.m. Seconded by Commissioner Petersen, unanimous ayes, motion carried.

#### **Proposed Joint Planning Board Meeting**

Due to the issue of a new I-3 zone (an industrial zone which would accommodate some limited outside storage with proper screening) being briefly discussed at the August BLEDA meeting, Mr. Thares suggested that the Board consider scheduling a Joint Planning Board meeting to further discuss this issue. After a brief discussion, it was the consensus of the Board to request that the City Council and Town Board schedule a Joint Planning Board meeting to discuss the issue of a new I-3 district on Tuesday, October 3, 2006 at 7:00 p.m.

#### **5D. EDA BUDGET**

For information only; no action required or taken.

Commissioner Kampa left the meeting at 7:30 p.m.

#### **5E. REVIEW 2007 BUDGET**

Finance Director Corey Boyer asked for the Board's input on any modifications or additional expenditures for the proposed 2007 budget and also discussed with the Board the proposed \$16,000 EDA levy.

Mr. Thares reported that the proposed levy would be used to fund the following: 1) a housing study; 2) additional research on Transit Oriented Development (TOD); and 3) organizing an economic summit. Commissioner Dickinson questioned whether or not the BLEDA would want to get involved in managing a tax entity through an EDA levy.

Commissioner Dickinson motioned to recommend approval of the 2007 budget, as presented, to the City Council at an amount of \$28,500. Seconded by Commissioner Gast, unanimous ayes, motion carried.

## **5F. CONSIDER APPROVAL OF AN EDA LEVY**

Commissioner Dickinson motioned to not approve the resolution establishing the tax levy in the amount of approximately \$16,000 for the Big Lake Economic Development Authority. Seconded by Commissioner Heitz, unanimous ayes, motion carried.

## **5G. PROJECTS STATUS REPORT**

Mr. Thares briefly reviewed the August 2006 Projects Status Report.

President Hayes asked if any resources were available for the Board to receive community development training/information. Mr. Thares stated that staff can investigate potential options/costs associated with such training and provide information at a future meeting for the Board's consideration.

Commissioners Petersen and Sanford left the meeting at 7:53 p.m.

It was the consensus of the Board to move agenda item #5K (Downtown Redevelopment) to this portion of the meeting in order to accommodate the developers who were present.

## **5H. DOWNTOWN REDEVELOPMENT**

### **Eagle Lake and Hwy 10 Corner – Proposal from Ken Tyra/George Wilkinson**

Community Development Director Jim Thares briefly reviewed the packet information pertaining to the two site plan proposals that have been submitted for the redevelopment of the NE corner of Eagle Lake Road and Highway 10. He further stated that, after several discussions, the larger site plan will be the one that is discussed at this meeting due to the fact that it is the one that is the most feasible.

Mr. Ken Tyra, of CityPlaces, was present to discuss the proposed plan. It was at this point in the meeting that a conference call was placed to Mr. Bruce MacGregor, who is working with Mr. Tyra and Mr. Wilkinson on this project. Mr. Tyra reviewed the proposed project which would be comprised of retail space and self-storage space for interim use that could be converted to retail or office use in the future. Also discussed was the percentage of the total project cost that would be eligible for TIF, which was stated to be approximately 19% of the total project costs.

Due to the fact that much of the information being presented was only recently received by the Board, Mr. Thares suggested that Mr. Tyra provide additional information, as discussed, at an upcoming BLEDA meeting to allow the Board to further review the proposal and to make a recommendation to the City Council; Mr. Tyra was agreeable to return to a future BLEDA meeting with a more formal package that reflects the issues discussed.

Commissioner Dickinson motioned to schedule a special meeting of the BLEDA for Monday, September 25, 2006 at 6:00 p.m. to review the proforma proposal and to make a recommendation to the City Council at their September 27<sup>th</sup> meeting. Seconded by Commissioner Heitz, unanimous ayes, motion carried.

Commissioner Dickinson also recommended the following: 1) the Downtown Redevelopment Committee Members (J. Dickinson, D. Hayes, J. Thares, and C Boyer) receive and review the proposed material within the next ten (10) days to ensure that an internal review takes place prior to the special BLEDA meeting scheduled for 09/25/06; and 2) information is provided to Commissioner Gast for his review prior to the special BLEDA meeting.

### **260 Eagle Lake Road North**

Mr. Thares reported that the City Council, at their August 23<sup>rd</sup> meeting, directed staff to have the BLEDA authorize the acquisition of this property including the house and garage, for the Eagle Lake Road North/Martin Avenue road improvements as well as for redevelopment of that area. He also stated that the executed Purchase Agreement was being presented for the BLEDA's review and ratification.

Commissioner Dickinson moved the ratification of the purchase agreement with the condition that the BLEDA will be reimbursed for the expenditures associated with the dedication of the right-of-way for the extension of Martin Avenue. Seconded by Commissioner Heitz, unanimous ayes, motion carried.

### **5I. BIG LAKE PLAZA**

Assistant City Administrator Scott Johnson reported that the construction of the façade project is underway and is scheduled to be completed by the end of September. He further stated that staff is continuing to provide information to a prospect that is inquiring about the available spaces at the mall.

#### **5I-i. Update: Subway @ Lake Shopping Center**

Community Development Director Jim Thares reported that BLEDA Board Members met prior to tonight's meeting at the Lake Shopping Center to review a site for additional improvements for a potential building. Attendees recommended that staff survey current mall tenants and surrounding businesses to obtain feedback on their comments on such a proposal. City Planner Ned Noel will proceed with marking out the site so tenants will have a visual concept of the proposed location prior to being surveyed. Commissioner Heitz asked staff to provide information on what will be asked for the land costs and what reimbursement is expected on the parcel. Mr. Thares reported that an update will be provided at next month's meeting.

#### **5J. MARKETING BIG LAKE – MILLS FLEET FARM**

Planner Deckert reviewed her August 31<sup>st</sup> memorandum, including the chart of Mills Fleet Farm's Minnesota store locations and each store's approximate distance from Big Lake. She reported that several attempts by staff to contact Mills Fleet Farm corporate representatives have gone unanswered and she also reviewed a listing of potential marketing ideas that could be utilized to encourage their representatives to visit the Big Lake area.

#### **5K. BIG LAKE BUSINESS "WISH LIST"**

Planner Deckert briefly reviewed a listing created by Community Economic Development Intern Katie Blakeslee containing examples of stores/retail establishment types that may be lacking in Big Lake. The Board was asked for their input on revisions/additions to proposed list and their authorization for staff to provide to developers upon request.

Commissioner Dickinson motioned to approve the listing with the following changes: 1) the addition of a copy service-type establishment, a banquet center, and a seafood-type restaurant; and 2) the removal of the car dealership item. Seconded by Commissioner Heitz, unanimous ayes, motion carried.

#### **5L. DEMOLITION / SITE CLEAN-UP**

Planner Deckert reported that staff is requesting the Board's authorization to proceed with requesting bids for the demolition of the following BLEDA-acquired properties: 1) 330 Ormsbee; 2) 200 Eagle Lake Road North; 3) 220 Eagle Lake Road North; 4) 260 Eagle Lake Road North; and 5) 140 Eagle Lake Road North. She further stated that upon receiving authorization, staff will send out a bid letter and specifications to the list of demolition companies that were listed in the packet information.

Commissioner Heitz motioned to authorize staff to distribute demolition/site clean-up bids for the five (5) BLEDA-acquired properties as discussed. Seconded by Commissioner Zwilling, unanimous ayes, motion carried.

#### **5M. ACQUISITION/DEMOLITION – 330 ORMSBEE**

This item was discussed and acted upon under the previous agenda item. No further action taken or required.

#### **5N. CLOSED SESSION – DISCUSS POTENTIAL PURCHASE OF PROPERTIES (PID #'s: 65-401-0030; and 65-404-0120 & 65-411-0030)**

Commissioner Heitz motioned to recess the regular meeting at 8:58 p.m. to move into a Closed Session to discuss the potential acquisition of properties (65-401-0030, 65-404-0120, and 65-411-0030). Seconded by Commissioner Dickinson, unanimous ayes, motion carried.

President Hayes reconvened the regular meeting at 9:14 p.m.

Commissioner Dickinson moved to authorize staff to purchase the property identified as #65-401-0030 at the appraised price plus allowable relocation costs as discussed during the Closed Session. Seconded by Commissioner Eddy, unanimous ayes, motion carried.

It was the consensus of the Board to direct staff to research the potential options for the properties identified as #'s 65-404-0120 and 65-411-0030, as discussed during the Closed Session, and report back to the Board at a future meeting.

## **6. OTHER**

### **Hazardous Abatement – Blight Homes**

Community Economic Development Director Jim Thares reviewed Planner Annie Deckert's August 31<sup>st</sup> memorandum regarding the status of the Hazardous Abatement Process. It was reported that two (2) separate letters have been sent to owners of potential properties that have been identified by staff as being potential candidates for participation in the Big Lake Housing Rehabilitation Loan Program; this Program can be utilized by Big Lake residents to improve the livability, energy efficiency, safety and accessibility of single-family residential homes which have been identified as having the most serious deferred maintenance problems. Planner Deckert stated that none of the contacted property owners have shown an interest in participating in this type of program.

City Attorney Soren Mattick further reported that it is the City Attorney's position that hazardous abatement is a legal process, not a zoning code issue, and non-compliance would be handled through City Council direction and ultimately via a civil process through the court system. It was noted that the City's primary intent of the hazardous abatement process is to have properties improved or brought into compliance and to make every effort to not have to bring the issue through the courts.

Commissioner Eddy motioned to recommend that staff prepare legal documents for the City Council's consideration and approval, in order to proceed with the hazardous abatement process on the identified properties. Seconded by Commissioner Zwilling, unanimous ayes, motion carried.

## **7. ADJOURN**

Commissioner Zwilling motioned to adjourn the meeting at 9:19 p.m. Seconded by Commissioner Heitz, unanimous ayes, meeting adjourned.