

**BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY**  
**MEETING MINUTES**  
**MONDAY, NOVEMBER 21, 2005**

**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 (arrived at 7:53 p.m.), Dave Gast, Doug Hayes, Chuck Heitz, Lori Kampa, Ewald Petersen, Jim Sanford, and Jim Zwilling.

Also present: Community Economic Development Director Jim Thares, City Administrator Patrick Wussow, Assistant City Administrator Scott Johnson, Finance Director Corey Boyer, City Attorney Soren Mattick, City Planner Annie Deckert, and Economic Development Assistant Sandy Petrowski.

**3. ADOPT AGENDA**

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

**4. APPROVE BLEDA MEETING MINUTES FROM OCTOBER 17, 2005**

Commissioner Heitz motioned to approve the October 17, 2005 BLEDA minutes. Seconded by Commissioner Petersen, unanimous ayes, motion carried.

**5. BUSINESS**

**5A. PUBLIC HEARING: LAND SALE – WEST SIDE OF LAKE PLAZA MALL AND CALL MEETING FOR NOVEMBER 30, 2005**

Economic Development Director Jim Thares reviewed Assistant City Administrator Scott Johnson's November 1, 2005 memo on the public hearing for the sale of land. Mr. Thares and Mr. Johnson discussed with the Board the offers that have been received for the available spaces at the Lake Plaza Mall

Commissioner Heitz questioned whether it was the intent of the Council to sell the 4,013 sq. ft. space next to the new liquor store site in the high roofed portion of Lake Plaza Mall or if it was to lease the space in anticipation of a future expansion to the liquor store.

President Hayes opened the public hearing at 7:10 p.m.

Mr. Mike Krutzig, a commercial developer, stated that he was interested in purchasing the 4,000 sq. ft. space in the Lake Plaza Mall, which is located immediately to the east of the high roofed portion of the new liquor store site, for a Chinese restaurant. He requested that the Board consider not putting two identical type businesses next to each other, which he feels would set one up for failure (this was in reference to the interest of Mr. Eric Zheng in purchasing one of the other available parcels). When asked if he was aware of the façade upgrade requirements and upcoming street assessments, Mr. Krutzig stated that he is aware of the requirements and is willing to comply.

Mr. Eric Zheng, owner of the China Inn located at the corner of Highway 10 and Eagle Lake Road North, discussed his offer to purchase the 4,013 sq. ft. parcel of the mall for the purpose of relocating his current restaurant to create a larger Chinese buffet restaurant. Mr. Zheng also asked that two similar businesses not be approved for the same area.

President Hayes closed the public hearing at 7:16 p.m.

After a lengthy discussion on the timeframe and stipulations of the offers received for all of the available parcels, Commissioner Dickinson motioned to move forward with the following two proposals to purchase parcels of the Lake Plaza Mall: 1) the proposal from Mark Saliterman, of TEAM Properties, to purchase the lease space (approximately 11,000 sq. ft.) at the east end of Lake Plaza Mall which includes the current liquor store and floral shop sites) for \$62.00 per square foot; and 2) the proposal from Chuck Hultman, owner of the Hardware Hank store at Lake Plaza Mall, to purchase the 4,000 sq. ft. site located immediately to the west of the Hardware Hank store, for \$75.00 per square foot. Seconded by Commissioner Heitz. The motion passed on a vote of 4 to 1, with Commissioners Dickinson, Hayes, Heitz, and Zwilling voting for, Commissioner Kampa voting against, and Commissioner Gast abstaining.

The Board discussed the sale of a site for a Chinese restaurant. President Hayes discussed the potential redevelopment of the intersection where the China Inn is currently located and the opportunity the City has to retain an established business in town by selling a site at Lake Plaza Mall to Mr. Zheng. Commissioner Kampa agreed with Mr. Hayes' statement of working to retain an already established business.

Commissioner Gast motioned to proceed with the sale of the lower portion of the mall and to have staff work out the negotiations and bring back for the BLEDA's review. Seconded by Commissioner Dickinson, unanimous ayes, motion carried.

The Board directed staff to request commitment letters from both Mr. Zheng and Mr. Krutzig and to bring the information to the next BLEDA meeting for consideration.

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

**5B. BIG LAKE PLAZA – ADVERTISING FOR THE REMAINING PARCEL**

Assistant City Administrator Scott Johnson reported that, due to the BLEDA's discussion during the public hearing portion held earlier in the meeting, the 4,013 sq. ft. bay available in the high roofed portion of the old Coborn's site next to the new Municipal Liquor Store site would not be considered at this time but that it would be brought to the City Council to determine whether they want to lease or sell this parcel and then the issue will be brought back to the BLEDA for reconsideration.

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

**5C-i. Update: White Bear Clothing Project**

Mr. Thares reviewed his November 16<sup>th</sup> memorandum, reporting that project completion is expected in late December with immediate move-in. No action required or taken.

**5C-ii. Update: Industrial Molded Rubber Project**

Mr. Thares reviewed his memorandum and photographs of the project. It was reported that it is expected that the project will be complete in late December, 2005 or early January, 2006. No action required or taken.

**5C-iii. IPEP Committee Update – Potential Joint Industrial Park**

Mr. Thares reviewed his November 16<sup>th</sup> memorandum and noted that a majority of the City Council has indicated that it would be in favor of an industrial park expansion project. It was reported that the IPEP Committee had not met since the last Council meeting and that staff is in the process of gathering information that the Committee requested at their last meeting and will contact Committee Members to schedule meeting.

**5C-iv. Update: Manufacturer's Week**

Mr. Thares reviewed City Planner Annie Deckert's November 15<sup>th</sup> memorandum on the 2005 Big Lake Manufacturer's Week activities which were held on November 10<sup>th</sup>. Activities included: 1) a presentation at Big Lake High School by Mr. Mike Lehn from the St. Cloud Technical College on "Project Lead the Way", a national program which partners with schools and colleges to increase the quality and quantity of engineers and engineering technologists graduating from our education system; 2) a tour of the Paragon Store Fixtures facility; and 3) a presentation by Debra Bultnick from the MN Precision Manufacturer's Association.

Commissioner Robert Eddy arrived at 7:53 p.m.

**5C-v. Prospects Report**

Mr. Thares briefly reviewed the report; no action required or taken.

**5D. PROJECTS STATUS REPORT**

Mr. Thares reviewed the October 2005 Projects Status Report that was distributed at the meeting and answered questions of the Board. No action required or taken.

**5E. BLEDA MEETING DATE CHANGES – JANUARY AND FEBRUARY, 2006**

Due to the regularly scheduled BLEDA meetings in January and February of 2006 falling on holidays, the Board discussed alternate meeting dates for the first two months of 2006.

Commissioner Petersen motioned to rescheduled the first two meetings of 2006 to Monday, January 9, 2006 at 7:00 p.m. and Monday, February 13, 2006 at 7:00 p.m. Seconded by Commissioner Zwilling, unanimous ayes, motion carried.

**5F. EDA BUDGET**

Finance Director Corey Boyer reviewed the October 31, 2005 budget information and the 2006 BLEDA budget that was distributed at the meeting.

Commissioners Petersen and Sanford left the meeting at 8:12 p.m.

**5G. UPDATE: LAKE STREET COTTAGES, PHASE II**

Mr. Thares reviewed his November 16<sup>th</sup> memorandum; reporting that Scott and Sue Springer have signed the Purchase Agreement for Phase II of the Lake Street Cottages project and that they may also purchase the small outlot from Tim Smith and his partners in order to increase the square footage of one of the two units. No action required or taken.

**5H. DOWNTOWN REDEVELOPMENT**

Mr. Thares reviewed his November 16<sup>th</sup> memorandum on the following projects:

**Eagle Lake to Fern Potential Redevelopment Project** – No recent information to report – engineering report is expected to be submitted in the near future.

**Putnam Avenue South Potential Redevelopment Project** – Mr. Thares asked that a subcommittee be formed to meet with the developer to discuss their proposals and offer direction and comments to the developer. The following Commissioners volunteered to be part of the Putnam Avenue South Redevelopment Subcommittee: Doug Hayes and Jim Dickinson.

**Putnam Avenue Road Improvement Project** – It was reported that the portion of roadway between MN TH25 and Eagle Lake Road South will be paved before the end of November.

**5I. CITY-OWNED PARCEL: 550 JEFFERSON BLVD (FORMER IVERS PROPERTY)**

Mr. Thares reviewed his November 17<sup>th</sup> memorandum regarding the recent inquiry for a potential small pizza restaurant on this property. After a brief discussion, it was the consensus of the Board that it is more desirable for a larger project to be developed in this location which would also include the two adjacent parcels.

**5J. FYI: POST OFFICE RELOCATION**

Mr. Thares briefly reviewed a follow-up letter received from the United States Post Office stating that the existing Big Lake Post Office location will no longer be considered as a possible site as it cannot meet future operational requirements and that a new location would be pursued. No action required or taken.

**5K. UPDATE: MULTI-FAMILY UNIT RENTAL INSPECTIONS**

Mr. Thares reviewed his memorandum and the e-mail from Building Official Fred Patch on the plans for the multi-family unit rental inspections program. This program will be initiated in the first week of December, with inspections running through December, January and February; with the first round of this two-year multi-family rental registration program completed by the first of March, 2006. Information only; no action required or taken.

**5L. RETAIL MARKET ANALYSIS/STRATEGIC WORKSHOP**

Mr. Thares reviewed the memorandum on the workshop on economic development in small and mid-sized cities attended by staff and City Council Member/BLEDA Commissioner Lori Kampa. He reported that the University of Minnesota Extension Office offers a 4-hour workshop on retail analysis and strategies which he believes would be a worthwhile project for the Board to consider pursuing. He also reported that this workshop has been discussed with representatives from Klein Bank and they have indicated an interest in a possible sponsorship for funding of this type of workshop.

Commissioner Heitz motioned to direct staff to research potential dates for winter workshop in either February or March of 2006, and to contact representatives from Klein Bank to discuss possible sponsorship for the cost of this workshop. Seconded by Commissioner Dickinson, unanimous ayes, motion carried.

**6. OTHER**

Mr. Thares reported on the recent meeting held with Janna King and the market study that was discussed. A copy of the reports will be in the December meeting packet for the Board's information.

President Hayes reminded the Board of the upcoming meetings: Special Meeting on 11/30/05 at 5:30 p.m.; Joint Workshop Meeting on 11/30/05 at 6:30 p.m.; and Joint Workshop on 12/07/05 at 5:00 p.m. at Russell's On The Lake.

**7. ADJOURN**

Commissioner Dickinson motioned to adjourn the meeting at 8:32 p.m. Seconded by Commissioner Heitz, unanimous ayes, meeting adjourned.