

BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY

MEETING MINUTES

MONDAY, APRIL 18, 2005

1. CALL TO ORDER

Acting Chair Robert Gardetto called the meeting to order at 7:00 p.m.

2. ROLL CALL

Commissioners present: Jim Dickinson, Robert Eddy, Robert Gardetto, Dave Gast, Chuck Heitz, Lori Kampa, Ewald Petersen, Jim Sanford, and Jim Zwilling.

Also present: City Administrator Patrick Wussow, Community Economic Development Director Jim Thares, Economic Development Specialist Alex Wikstrom, City Attorney Soren Mattick, Economic Development Assistant Sandy Petrowski, Economic Development Intern Annie Deckert, and Planning Commission Liaison Doug Hayes.

3. ADOPT AGENDA

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

4. APPROVE BLEDA MEETING MINUTES FROM MARCH 21, 2005

Commissioner Dickinson motioned to approve the March 21, 2005 BLEDA minutes with the revision to the last paragraph of Item #51 as discussed. Seconded by Commissioner Petersen, unanimous ayes, motion carried.

5. BUSINESS

5A. ELECTION OF OFFICERS (PRESIDENT AND VICE PRESIDENT)

Acting Chair Gardetto asked for nominations for the BLEDA President and Vice President seats. Commissioner Heitz nominated Jim Dickinson. No other nominations were made. Commissioner Dickinson accepted the nomination.

Commissioner Heitz motioned to appoint Jim Dickinson to the position of BLEDA President. Seconded by Commissioner Zwilling, unanimous ayes, motion carried.

President Dickinson presided over the meeting.

President Dickinson called for nominations for the position of Vice President. Hearing no other nominations, President Dickinson nominated Commissioner Heitz for the Vice President position. Commissioner Heitz accepted the nomination.

President Dickinson motioned to appoint Commissioner Chuck Heitz to the position of BLEDA Vice President. Seconded by Commissioner Gast, unanimous ayes, motion carried.

5B. ENABLING RESOLUTION / SECRETARY POSITION

Economic Development Director Jim Thares clarified that, per State Statutes, the position of BLEDA Secretary does have to be filled annually, it cannot be abolished, and can be filled by either Commissioner or non-Commissioner (i.e., the Executive Director).

Commissioner Eddy moved to appoint Executive Director Patrick Wussow to serve as BLEDA Secretary. Seconded by Commissioner Gardetto, unanimous ayes, motion carried.

5C. BIG LAKE INDUSTRIAL PARK EAST

5C-i. Update: Industrial Molded Rubber

Mr. Thares reviewed his April 11th memorandum on the progress of Industrial Molded Rubber Products, Inc. (IMR) acquiring the 3.05 acre lot in the Big Lake Industrial Park East for their proposed 27,000-30,000 sq. ft. facility. He also reviewed the proposed site plan that was distributed at the meeting. In discussing a development agreement, the Board stated the importance of having terminology included in the agreement which would address drainage concerns in the Park. Mr. Thares stated that IMR is in the process of applying for a federal grant from MnDEED for the job creation.

Mr. Thares briefly informed the Board that it is expected that there will be proposed TIF district changes brought before the Board at their May 16th meeting as well as hearings for land sale and business subsidy for this project.

5C-ii. Available 2.25 Acre Lot

Mr. Thares discussed the interest of several prospects interested in the remaining 2.25 acre Industrial Park East lot.

5C-iii. Update: Cargill Kitchens – Sunny Fresh Foods, Inc.

Mr. Thares provided a brief update on this project as well as staff's recent tour of Sunny Fresh Foods' Monticello facility.

5C-iv. Engineering Issues

Mr. Thares reported that the Engineering Feasibility Study that the City Engineer is preparing, stating that it is hoped that the report will be presented for the Board's review/consideration at their May 16th meeting.

5C-v. Prospects Report

Mr. Thares briefly reviewed the prospects report. No action required or taken.

5C-va. Update: John Weicht & Assoc. Project

Mr. Thares reviewed his April 14th memorandum and briefly discussed the recent meeting with MAPE USA, Inc., a prospect for this facility. It was reported that this company may be looking at building a new facility instead of leasing and that staff will continue with follow-up with this company.

5D. PROJECTS STATUS REPORT

Mr. Thares distributed and reviewed the Projects Status Report and answered questions of the Board.

5E. PROPOSED INDUSTRIAL PARK EXPANSION

Mr. Thares reported on the Industrial Park Expansion Proposal Committee's recent meeting as well as staff's meeting with Dynamics Development, owners of one of the potential expansion site search areas. He stated that staff is continuing to gather information on potential sites and suggested that the Committee schedule another meeting. It was the consensus of the Committee members to hold a meeting on April 20th, with staff contacting all members to confirm a meeting time.

Commissioners Petersen and Sanford left the meeting at 7:43 p.m.

5F. EDA BUDGET

Mr. Thares briefly reviewed with the Board the budget provided by Finance Director Corey Boyer. The Board discussed the funds remaining in the acquisition/demolition and rehab programs and the potential of reactivating the programs.

President Dickinson requested an update on the outstanding debt for the Board's review at a future meeting. It was the consensus of the Board to direct the Finance Director to provide information as requested.

5G. R-5 HOUSING STUDY REVIEW

Mr. Thares briefly updated the Board on the status of the Request For Proposals (RFP), that were recently mailed to prospective firms, for planning services to research the Big Lake City Zoning Ordinances as they pertain to the R-5 district. He stated that the submittal deadline for quotes was May 13, 2005 and that the quotes would then be presented to the City Council for their review and determination as to when the project will be budgeted (i.e., within the current year or in 2006).

5H. DOWNTOWN REDEVELOPMENT

5H-i. South Highway 10 Redevelopment Project

Mr. Thares reviewed Economic Development Specialist Alex Wikstrom's April 14th memorandum pertaining to this project and the parties interested in Big Lake. He reported that staff has held a stakeholders meeting to provide information as well as the vision expressed by the City for this area and that staff has plans to hold another meeting in May with the landowners to discuss the redevelopment project, including the land assembly process and property valuation.

5H-ii. Eagle Lake Road to Fern Street Project

Mr. Thares briefly reviewed Mr. Wikstrom's April 14th memorandum. No action required or taken.

5H-iii. Activity Report – Alex Wikstrom

For information only; no action required or taken.

Putnam Avenue Sidewalk Issue: Mr. Thares reviewed his April 18th memorandum and the City Engineer's April 5th memorandum that were distributed at the meeting. He asked for the Board's feedback on the Engineer's cost estimate options for construction of the sidewalk being located on the north side of the Putnam Avenue rebuild project. Administrator Wussow reported that the cost would be paid by the City and would not be assessed to the property owners within the project.

Commissioner Heitz motioned to approve the construction of a standard 6-foot concrete walk behind the back of the curb at a total construction cost of \$19,260.00. Seconded by Commissioner Gardetto, unanimous ayes, motion carried.

5I. UPDATE: LAKE STREET COTTAGES PROJECT

Mr. Thares reviewed his April 13th memorandum and requested that the Board review the two submitted bids for this project and make a recommendation to the City Council on the preferred bid. It was reported that the public hearing on the land sale was held at the August 10, 2004 meeting. City Attorney Soren Mattick stated that the public hearing would need to be reopened at this time in order for action to be taken on the proposals submitted for this project.

President Dickinson re-opened the August 10, 2004 public hearing at 8:13 p.m. The Board discussed the proposals submitted by Don Deuel Construction and by D&M and Sons, Inc./K.W.P.H. Construction Services, LLC.

President Dickinson closed the public hearing at 8:27 p.m.

Commissioner Heitz moved to consider the D&M and Sons, Inc./K.W.P.H. Construction Services, LLC. Seconded by Commissioner Gardetto. Motion passed with a vote of 4 to 2, with Commissioners Dickinson, Eddy, Gardetto, and Heitz voting for and Commissioners Kampa and Zwilling voting against.

5J. DISCUSSION – SENIOR HOUSING

Mr. Thares reviewed his April 13th memorandum and reported that the City Council has requested that the BLEDA discuss a plan for the reuse of the Senior Center site located on Lake Street South and to provide their findings/recommendation to the Council for their consideration. He stated that the Council had also authorized staff to seek bids on the demolition of the building. Mr. Thares briefly reviewed the summary prepared by Economic Development Intern of the prior demolitions that have been carried out by the BLEDA and the City in the past four (4) years.

After discussing the property and possible solutions, it was the consensus of the Board to have the building demolished.

6. OTHER

6A. KAMI, INC. AND HUDSON WOODS PROPOSALS

Mr. Thares reviewed his April 18th memorandum distributed at the meeting requesting the Board's comments and/or guidance on both the Kami, Inc. and Hudson Woods proposals.

Kami, Inc. Proposal

The Board discussed this multi-family proposal which would call for the rezoning of the land to R-3 versus the industrial land use that is recommended by the Comprehensive Plan. The Board also discussed the density of this project as well as the proposal's need for the rezoning of the land to R-3. It was noted that this proposal would be presented to the Planning Commission on May 4th.

Commissioner Eddy motioned to recommend no change to the guided land use in the comprehensive plan. Seconded by Commissioner Kampa, unanimous ayes, motion carried.

Hudson Woods Single Family Proposal

Mr. Thares asked for the Board's comments on the single family residential area which is proposing to create 219 wooded lots with approximately 5 to 7 acres of parks/trails.

After further discussion, Commissioner Zwilling moved that commercial zoning is not recommended for this development (east of 166th). Seconded by Commission Eddy. Motion passed with a vote of 5 to 1, with Commissioners Dickinson, Eddy, Gardetto, Heitz, and Zwilling voting for and Commissioner Kampa voting against.

Ataboy Manufacturing

Mr. Thares briefly discussed their proposed refinancing and indicated that Ataboy's banker or their representatives would be contacting staff.

J. Weicht Building: Mr. Thares presented the proposed color for the new building, which is the similar tan/white (ivory) color with a brown accent strip, as on the other building in the Park, and asked for the Board's comments.

Commissioner Heitz motioned to concur with the color as presented. Seconded by Commissioner Gardetto, unanimous ayes, motion carried.

7. CLOSED SESSION – Discuss Potential Purchase of Property (#65-401-0020)

President Dickinson recessed the meeting at 9:01 p.m. to hold a closed session to discuss the potential purchase of property (#65-401-0020).

President Dickinson reopened the regular meeting at 9:15 p.m.

Commissioner Gast motioned to proceed forward with the offer to purchase the property identified as #65-401-0020, per staff recommendation during the closed session. Seconded by Commissioner Zwilling, unanimous ayes, motion carried.

Commissioner Gast motioned to approve the purchase offer amount, per staff recommendation and as discussed at the closed session, and to authorize staff to act on a counter offer, should the opportunity arise, to an amount not to exceed the dollar amount discussed during the closed session. Seconded by Commissioner Heitz, unanimous ayes, motion carried.

8. ADJOURN

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