

BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY

MEETING MINUTES

MONDAY, JULY 13, 2009

1. CALL TO ORDER

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

2. ROLL CALL

Commissioners present: Raeanne Danielowski, Jim Dickinson, Robert Eddy, Dave Gast, Doug Hayes, Mike Hayes, Chuck Heitz, Norm Leslie, and Jerry Parks.

Also present: Community Economic Development Director Jim Thares, City Administrator Scott Johnson, Finance Director Corey Boyer, City Planner/Community Economic Assistant Leslie Chmielewski and Senior Planner, Katie Larsen.

3. ADOPT AGENDA

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

4. APPROVE BLEDA MEETING MINUTES FROM JUNE 8 , 2009

Commissioner Dickinson motioned to approve the June 8, 2009 BLEDA minutes. Seconded by Commissioner Heitz, unanimous ayes, motion carried.

5. BUSINESS

5A. TOD CONSULTING PRESENTATION BY LSA DESIGN, INC.

LSA Design Principal Jim Lasher and Joanne Olson were present and gave an overview of their experiences in TOD master planning and development.

Senior Planner, Katie Larsen, stressed the importance of having a master plan that will define a vision for the TOD area. There has been an increase in inquires from developers interested in property around the TOD area and Larsen stated some proposals may not fit in with the vision for the area.

5B. RESOLUTION TO DECERTIFY TIF 2-2

Corey Boyer, Finance Director, stated the decertification for TIF District 2-2 would be completed at the end of 2009, one year earlier than the statutorily required decertification date.

Commissioner Dickinson motioned to adopted Resolution 2009-04 approving the decertification of Tax Increment District 2-2 effective on December 21, 2009. Seconded by Commissioner Danielowski, unanimous ayes, motion carried.

5C. BLEDA FUNDS ALLOCATION

Jim Thares discussed potential use of the proceeds from the sale of the Lake Center Shopping Center. Currently, \$49,000 of the \$139,000 proceed is committed to support the Senior/Activity Center/Food Shelf remodeling. Staff has identified the following projects that EDA members might consider: TOD Area Master Plan Study Phase 1, \$25,000; Rail Park Feasibility Report, \$15,000; Lake Shopping Center back parking lot improvements, \$10,000; Economic Development Marketing Efforts, \$10,000; Other, \$30,000.

Mr. Thares stated the Lake Shopping Center Association is asking the EDA to front the cost to improve the parking lot but each owner would repay their portion back over a period of time. The EDA's share would be \$10,000.

Mr. Thares stated a conversation was held with Duffy Development regarding the trail connection from their project to County Road 43 which would cost approximately \$12,000. This project cost is being submitted for the EDA consideration. Mr. Thares stated the City Council asked Staff to research options on how Duffy Development could get more points on their Section 42 Tax Credit application and the trail connection is one way.

John Duffy was in attendance to answer questions of the EDA. He reaffirmed that the completion of the trail connection would increase the points on the application.

Commissioner Dickinson expressed concern of the amount of money the EDA has available to maintain existing facilities and the importance of preserving funds to maintain assets.

Commissioner Heitz motioned to allocate funds for the identified projects, with the addition of the trail connection in relation to the proposed Duffy Apartment project, subject to future BLEDA authorization per each project. Seconded by Commissioner Dickinson, unanimous ayes, motioned carried.

5D. DISCUSSION: BIG LAKE RAIL SPUR AND RFP

Jim Thares stated a RFP for completion of the Big Lake Rail Park Feasibility Report was sent out to six entities. Since then, feedback has been received that the time frame was not long enough for a completion of the report. Mr. Thares stated that the RFP could be revised and resent which may delay the process approximately one month. However, in that time it may be possible to secure funding and allow for a longer completion date. The project costs are varied and estimates range from the mid \$20,000 to \$50,000 depending on the scope of work. He further stressed that the EDA is on of three to four participating entities in this process.

Commissioner Dickinson suggested a decision not be made until the EDA knows how much financing is needed to complete the report. Mr. Thares stated the issue will be brought back to the August EDA meeting.

5E. PROSPECTS REPORT

Leslie Chmielewski reported three site information packets had been sent to prospects. Staff, along with the Initiative Foundation, met with a prospect to discuss financing options.

5F. PROJECTS STATUS REPORT

Jim Thares stated a meeting was held with the Laundromat prospect and they have identified a \$120,000 funding gap for the project. Minnesota Community Capital Fund has been contacted as a potential source to help fill the gap.

Leslie Chmielewski stated the City is negotiating the purchase of two homes using the NSP funds.

5G. LAKE SHOPPING CENTER LEASE REP DISCUSSION

Jim Thares stated Phil Rondeau proposed to provide non-exclusive listing service for the sale or lease of the Lake Shopping Center (Unit #2) as it would be easier for him to pursue prospects if he had the non-exclusive agreement executed.

Commissioner Danielowski questioned if the EDA would have a chance to review any future purchase or lease agreement prior to it being executed in which Mr. Thares stated yes.

Commissioner Eddy motioned to approve the execution of the provided non-exclusive written document prepared by Mr. Rondeau for any broker absent the renewal clause. Seconded by Commissioner Heitz, unanimous ayes, motion carried.

5H. CONSIDER CHANGE ORDERS FOR SENIOR CENTER/FOOD SHELF PROJECT

Corey Boyer stated there are two change orders totaling \$4,332 relating to the plumbing work for the Food Shelf/Senior Center project and an increase on the original construction bid from Lanners due to the delay in getting final approval for the project to begin.

After a short discussion, it was the consensus of the EDA that Staff should review the executed contract for a date in which the bid received would expire before accepting the change order.

5I. BLEDA BUDGET – For information only; no action required or taken.

6. OTHER

Commissioner D. Hayes questioned if Staff had notified property owners of vacant commercial properties to cut their grass. Mr. Johnson stated weed violation letters have already been sent to the property owners.

7. ADJOURN

Commissioner Dickinson motioned to adjourn the meeting at 9:05 p.m. Seconded by Commissioner Leslie, unanimous ayes, meeting adjourned.