

**BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY**

**MEETING MINUTES**

**MONDAY, MARCH 21, 2005**

**1. CALL TO ORDER**

Administrator Wussow called the meeting to order at 7:01 p.m.

**2. ROLL CALL**

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

Also present: City Administrator Patrick Wussow, Community Economic Development Director Jim Thares, Economic Development Specialist Alex Wikstrom, Finance Director Corey Boyer, City Attorney Soren Mattick, Planning Commission Liaison Doug Hayes, Economic Development Assistant Sandy Petrowski, Economic Development Intern Annie Deckert, Mike Wallen, representative for KWPH Construction Services, and Mike Grund, representative for D & M and Sons, Inc.

**3. ADOPT AGENDA**

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

**4. APPROVE BLEDA MEETING MINUTES FROM FEBRUARY 22, 2005**

Commissioner Heitz motioned to approve the February 22, 2005 BLEDA minutes. Seconded by Commissioner Dickinson, unanimous ayes, motion carried.

**5. BUSINESS**

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

Administrator Wussow reported that appointment/election of BLEDA President and Vice President will not be able to take place at this meeting as there is not a quorum of Commissioners that are eligible to vote on this issue. This issue will be brought to the April 18<sup>th</sup> meeting for action.

**5B. ENABLING RESOLUTION / SECRETARY POSITION**

As with the previous item, this item will be brought to the April 18<sup>th</sup> meeting for action as there is not a quorum of Commissioners that are eligible to vote on this issue.

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

**5C-i. Available 2.25 Acre Lot**

Economic Development Director Jim Thares reviewed his March 16<sup>th</sup> memorandum and reported that there is still a prospect that is interested in the lot for a proposed 15,300 sq. ft. building. This item was for update purposes only; no action required or taken.

**5C-ii. Proposed Industrial Molded Rubber Products (IMRP) Project & TIF District 2-4 Resolution**

Mr. Thares reviewed March 15<sup>th</sup> memorandum regarding the creation of a new TIF District (#2-4) for the lot that IMR is proposing to develop (PID #65-516-0106) as well as the small vacant lot north of Cargill Kitchens (PID #65-512-0110). Also briefly reviewed was a schedule of events in the TIF project timeline which included a resolution for the BLEDA to consider/approve asking the City Council to move ahead with a public hearing for the creation of TIF District 2-4. (This public hearing would be held on May 25, 2005).

Commissioner Dickinson motioned to approve Resolution #2005-1, A Resolution Requesting the City Council of the City of Big Lake Call for a Public Hearing on a Modification to the Development Program for Development District No. 2 and the Establishment of Tax Increment Financing District No. 2-4 (an Economic Development District) Therein and the Adoption of a Tax Increment Financing Plan Therefor. Seconded by Commissioner Petersen, unanimous ayes, motion carried.

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

Mr. Thares briefly reviewed his March 16<sup>th</sup> memorandum on the status of Sunny Fresh Foods' plans for moving into the former Cargill Kitchens plant in the Big Lake Industrial Park East. He also discussed a possible tour of the Monticello Sunny Fresh facility; staff will work with Sunny Fresh to coordinate a tour date/time.

**5C-iv. Update: John Weicht & Associates Project**

Mr. Thares discussed staff's contact with a prospect for a portion of Mr. Weicht's remaining 36,000 sq. ft. space in the BLIPE; a meeting has been scheduled with Mr. Weicht and the prospect, MAPE USA, Inc. on March 22<sup>nd</sup>. No action required or taken.

**5C-v. Engineering Issues**

Mr. Thares reviewed his March 16<sup>th</sup> memorandum which reviewed the steps taken on this issue since the March BLEDA meeting.

City Attorney Soren Mattick was present to discuss this item and answer questions. He suggested that the City Engineer review the final grading plans to confirm whether or not the lots were constructed per the plans/specification. He also stated that the Board should postpone action on determining what action to take with regards to potential assessments or negotiation until a feasibility study can be conducted and reviewed. It was reported that a feasibility study is in process and it is hoped that the findings will be available at the April BLEDA meeting.

**5C-vi. Prospects Report**

Mr. Thares briefly reviewed the prospects report and reported that staff has been receiving steady contacts/calls over the last six weeks.

**5D. PROJECTS STATUS REPORT**

This item was not discussed.

**5E. PROPOSED INDUSTRIAL PARK EXPANSION**

Mr. Thares reviewed his March 16<sup>th</sup> memorandum which is a follow up from the City Council's February 23<sup>rd</sup> goals workshop at which the Council discussed the idea of creating another publicly owned industrial park. Mr. Thares stated that this information was being provided for the purpose of beginning discussions again on a possible industrial park expansion. The Board reviewed and discussed the map of parcels that were initially discussed in 2002 as potential sites for a new industrial park as well as other parcels that may be of interest.

Administrator Wussow suggested that further discussion of parcels for potential purchase should be held during a closed session later in the meeting and to consider other agenda items at this time. City Attorney Mattick suggested that the Board recess the Industrial Park discussion, take some business items and come back to the industrial park discussion items later in the meeting under closed session. It was the consensus of the Board to recess this item until later in a meeting under a closed session.

## **5F. EDA BUDGET AND COMMISSIONER COMPENSATION DISCUSSION**

Administrator Wussow reported that both of the Town Board representatives on the BLEDA Board, Mr. Petersen and Mr. Sanford, are being compensated by the Township so their compensation by the City would not be included with the others. Commissioner Heitz reported that the two City Council representatives are compensated as regular salary. For information only, Finance Director Corey Boyer provided compensation amounts that are paid to the Planning Commission (\$35/meeting for Commissioners and \$45 for Chair) and the Parks Advisory Committee (no compensation – voluntary board).

It was the consensus of the Board to proposed the following BLEDA member compensation amounts to the City Council for their consideration: \$35.00 per meeting for BLEDA Members and \$45.00 per meeting for the BLEDA President.

Item 5I, Update: Lake Street Cottages Project: this item was moved to this point in the meeting so that the two Town Representatives could be in attendance for this joint item prior to the closed session to discuss the parcels for possible purchase for an industrial park expansion.

## **5G. UPDATE: LAKE STREET COTTAGES PROJECT**

Mr. Thares reported that proposals have been received for this project from: 1) KWPH Construction Services and D & M and Sons, Inc.; and 2) Don Deuel Construction. Administrator Wussow suggested that the Board discuss only the KMPH and D & M and Son's proposal at this time as the Board may wish to discuss the Don Deuel Construction proposal under the upcoming closed session due to a potential action on the purchase of city property.

Mr. Thares briefly reviewed the proposal from KWPH and D & M and Sons, Inc.

Mike Wallen, representative for KWPH Construction Services, Inc. and Mike Grund, representative discussed their joint effort and answered questions of the Board. They also reviewed their preliminary costs.

Administrator Wussow stated that the Board would not be able to take action on this item at this meeting due to a lack of quorum.

**5H. CLOSED SESSION – DISCUSS POTENTIAL PURCHASE OF PROPERTY  
(PID#'S 65-404-0130 AND 65-019-4100)**

Commissioner Dickinson motioned to close the meeting for consideration of potential industrial park properties as listed in the Item 5E documentation. Seconded by Commissioner Gast, unanimous ayes, motion carried.

Administrator Wussow explained that the meeting would be re-convened after the closed session in order to discuss the remaining agenda items.

The meeting was reconvened at 8:34 p.m.

**5I. R-5 HOUSING STUDY REVIEW**

Mr. Thares discussed the Planning, Development and Redevelopment contact list obtained from the League of Minnesota Cities. He also reviewed the list of consultants attached to his March 18<sup>th</sup> memorandum who may be appropriate to receive the RFP for R-5 zoning district. He also stated that it may be beneficial to provide information on this issue to the Planning Commission for their review and comments.

Planning Commissioner Doug Hayes stated that he did not believe that this issue would receive much positive response from the Planning Commission.

Administrator Wussow stated that the Council was positive towards doing a housing study as it had not been done since 1995; however, due to budget concerns as well as limited available staff time, it may be beneficial to propose this issue for next year's timelines.

Commissioner Dickinson stated that, if this was a high priority for the City Council, he would suggest that an estimate for the study be obtained and brought before the Council for their review and consideration.

**5J. DOWNTOWN REDEVELOPMENT**

**5J-i. South Highway 10 Redevelopment Project**

Mr. Thares reviewed Economic Development Specialist Alex Wikstrom's March 16<sup>th</sup> memorandum on the following:

Senior Center Demolition: Council directed staff to obtain quotes to demolish the old Senior Center building; quotes for this project are due on March 22<sup>nd</sup>).

Central Community Housing Trust: staff met with representatives from Central Community Housing Trust to talk about redevelopment areas south of the railroad tracks from Highway 25 to the Twin Peaks building. They also met with Metro Plains who expressed an interest in doing a joint redevelopment project with Oppidan at the Eagle Lake Road to Fern location.

Ivers Property: staff met with a firm interested in this property.

Administrator Wussow reported that the Council expressed an interest in the demolition of the old Senior Center building as well as having staff contact adjacent property owners for possible purchase of their property. He stated that staff was obtaining quotes for this demolition. Mr. Thares clarified that he believed that the bids would be forwarded to the Council for their consideration.

It was the consensus of the Board to direct staff to obtain bids for the demolition of the old Senior Center building located at the NE corner of Highway 25 and Pleasant Avenue.

**5J-ii. Eagle Lake Road to Fern Street Project**

No action taken.

**5J-iii. Big Lake Plaza**

Mr. Thares reported that the City had received an offer from George Stevens for the purchase of the grocery store property located at Lake Plaza and that the Council had given direction to staff to work with the Mr. and Mrs. Stevens to reach an agreement to purchase the property. He also stated that staff is working on the following: 1) drafting a purchase agreement; 2) scheduling a possible appraisal of the property and inspection of the property in order to determine the structural integrity of the property; and 4) parking lot issues are being reviewed by the City Engineer.

This item was for information only; no action required or taken.

**5J-iv. Activity Report – Alex Wikstrom**

This item was not addressed.

**6. ADJOURN**

Commissioner Dickinson motioned to adjourn the meeting at 9:32 p.m. Seconded by Commissioner Heitz, unanimous ayes, motion carried.