

BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY

MEETING MINUTES

THURSDAY, MARCH 16, 2006

1. CALL TO ORDER

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

2. ROLL CALL

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

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

Community Economic Development Director Jim Thares stated that there is a quorum for the Big Lake Industrial Park East items but that there is not a quorum for the remainder of the items on the agenda so that they will be for informational purposes only. City Attorney Soren Mattick reported that, due to the lack of a quorum for general EDA business items on the agenda, these items should be carried over to the next BLEDA meeting for consideration/action.

3. ADOPT AGENDA – No action taken on this item.

4. APPROVE BLEDA MEETING MINUTES FROM FEBRUARY 16, 2006

This item will be considered at the April 20th BLEDA meeting.

5. BUSINESS

5A. BIG LAKE INDUSTRIAL PARK EAST

5A-i. Update: White Bear Clothing Project

Community Economic Development Director Jim Thares reported the 20,000 building is complete and the company has moved into the facility. Staff will coordinate a tour of this facility in the near future.

5A-ii. Update: Industrial Molded Rubber (IMR) Project

Mr. Thares reported that the construction of IMR's 28,000 sq. ft. industrial project is complete and they are moving into the facility. Staff will continue to monitor the company and will work on scheduling a tour of their facility for the BLEDA in the future.

5A-iii. Industrial Park Expansion Project

Mr. Thares reviewed his March 10th memorandum and answered questions of the Board. He reported that there are still several on-going site searches taking place. Mr. Thares suggested that a meeting of the Industrial Park Expansion Project (IPEP) Committee be scheduled to determine whether or not negotiations should continue with Dynamics.

Staff was directed to schedule a meeting of the IPEP Committee and to provide information to the Board at a future meeting.

5A-iv. Prospects Report

Mr. Thares reviewed the three (3) additional prospects listed on the report: 1) MnDEED (10-30 acre site); 2) Pizza manufacturing company (potential 30,000 sq. ft. facility); and 3) Electronic component recycler (potential 12,000 sq. ft. building). No action required.

**5B. JOINT INDUSTRIAL/COMMERCIAL DEVELOPMENT ADVERTISING
W/CONNEXUS**

Mr. Thares reviewed his March 10th memorandum pertaining to the annual proposal received from Connexus Energy to share in the cost of a "six-pack" of ads for industrial/commercial advertising in the MN Real Estate Journal, the Finance and Commerce Real Estate Thursday, and associated publications for 2006, with the BLEDA's share of the total advertising cost being \$2,160.00 (6 publications @ \$360.00 each), which is to be split equally between the City and Township (\$1,080.00 each).

Commissioner Sanford motioned to authorize staff to enter into a joint marketing program agreement with Connexus Energy for a six-pack of ads, with the revisions to the advertisement as discussed, at a cost to the BLEDA in the amount of \$2,160, which is to be split equally between the City and Township. Seconded by Commissioner Heitz, unanimous ayes, motion carried.

5C. PRESENTATION: MBLCD STRATEGIC PLANNING SESSION

Mr. Thares briefly reviewed the information provided by City Planner Annie Deckert regarding the information received during her attendance at the February 22nd Monticello-Big Lake Community Hospital District (MBLCHD) Strategic Planning Session.

City Planner Annie Deckert further discussed information received during the planning session and answered questions of the Board. This information included topics of discussion pertaining to: 1) how to improve the current facility; 2) current trends (retail shopping, eating, entertainment, and health care); 3) why people tend to make purchases more towards the Twin Cities rather than the local area; and 4) predictions of what will happen with future health care and technology as well as how to improve what MBLCHD has to offer.

Commissioner Jim Sanford reported that a MBLCHD representative provided information to the Big Lake Township Board at their recent annual meeting and that one of the statistics that stood out to the Board was that only approximately 13% of the local residents are utilizing the Monticello-Big Lake Community Hospital system, which is why they are struggling to show a profit.

Community Economic Development Director Thares asked whether or not the BLEDA Board would like staff to invite a representative of the Monticello-Big Lake Community Hospital District to make a presentation at a future meeting. It was the consensus of the Board to direct staff to contact MBLCHD representative about providing a brief presentation at a future BLEDA meeting.

5D. PROJECTS STATUS REPORT

Mr. Thares briefly reviewed the February 2006 Projects Status Report and answered questions of the Board. No action required or taken.

5E. EDA BUDGET

Staff briefly reviewed the budget information provided at the meeting and answered questions of the Board. No action required or taken.

5F. IMR/CAZ SUBORDINATION

Mr. Thares provided a brief update on the proposed subordination agreement between CMDC and BLEDA; however, due to a lack of quorum to allow consideration of City-based agenda items, no action can be taken at this meeting but the issue will be moved to the April BLEDA meeting for consideration.

5G. BIG LAKE PLAZA

Interim City Administrator Scott Johnson reported that a build-out is currently in process on the new liquor store site and also that a new roof will be installed on the new liquor store and lease space. He also reported that the CUP application submitted by Chuck Hultman for outside sales and storage was presented to the Planning Commission at their last meeting and approved; this application will now be forwarded to the April 12th Council meeting for consideration.

Mr. Johnson reported on the recent sale of the 11,000 sq. ft. located on the east end of Lake Plaza Mall has fallen through but that there are two other parties that have shown interest in the property. Staff will keep the BLEDA informed on the status of this property.

5H. SINGLE FAMILY HOUSING ASSISTANCE PROGRAM (SFHAP) PROCEDURAL GUIDELINES

Mr. Thares reported that, due to a lack of quorum, the proposed amendment of the SFHAP Procedural Guidelines to reflect the eligibility of existing homes cannot be considered at this time but will be moved to the April BLEDA meeting agenda.

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

Day of BLEDA Meetings

Commissioner Heitz stated his concern that holding the BLEDA meetings on the third Thursday of each month has not been as successful as anticipated for attendance of BLEDA members. It was the consensus of the Board to further discuss this issue at the April meeting.

5I. Update: Acquisition/Demolition Program

Mr. Thares reviewed the information provided in the packet regarding the acquisition of the property located at 330 Ormsbee and reported that staff had not yet received a response from the property owner. After a brief discussion by the Board, it was the consensus of the Board for staff to continue to negotiate with the property owner for the acquisition of this property.

5J. Update: Lake Street Cottages, Phase II

Mr. Thares briefly reviewed the current photographs provided in the packet of the Lake Street Cottages, Phase II project and answered questions of the Board; no action required or taken.

5K. DOWNTOWN REDEVELOPMENT

5K-i. Eagle Lake to Fern Street Redevelopment Project

Community Economic Development Director Thares reviewed his March 13th memorandum pertaining to this potential redevelopment project and answered questions of the Board. President Hayes suggested that it may be beneficial to draft a letter to the owners of 210 Eagle Lake Road North to inform them of the recent activity regarding the acquisition of properties surrounding their property so they are informed of how these properties were acquired.

5K-ii. 200 Eagle Lake Road North

Mr. Thares reviewed his March 13th memorandum regarding the previous action taken by the BLEDA to direct staff to enter into negotiations with the property owner for the purchase of the home/lot located at 200 Eagle Lake Road, in an amount not to exceed \$175,000, and he reported that staff will be proceeding with the negotiations. He stated that this item also cannot be further acted on at this meeting due to a lack of quorum but that it will be moved to the April BLEDA meeting for further consideration.

5K-iii. Putnam Avenue South Redevelopment Project

Mr. Thares reported that staff is continuing to work with Mr. Tyra and Mr. McGregor on the project layout and proforma financial information. It is anticipated that staff will receive further information within the next week.

President Doug Hayes asked for feedback from the Board regarding possibly obtaining traffic count information over the summer on the Humboldt/Putnam areas. Staff will contact the City Engineer about pursuing this issue in the future.

5K-iv. Potential Redevelopment Area: Twin Peaks, Zimmerman-Bakken-City Lot

Mr. Thares briefly reviewed this item, stating that this area is currently in the turn-back process and that Mr. Bakken will be working with the City on this issue. President Hayes reported that once more information on the turn-back is made available, Bakken builders will be considering possible redevelopment of this area. No action taken.

5K-v. Resolution: Request Council to Call for Public Hearing (TIF 1-4)

Finance Director Boyer briefly reported on the history of TIF Districts 1 and 1-4, and the need for the City Council to hold a public hearing to add a parcel to the TIF District that was previously omitted. Due to a lack of quorum at this meeting, this item will be forwarded to the April BLEDA meeting for further consideration and action. Staff will contact the City Attorney to determine whether or not the City Council can hold the public hearing prior to the BLEDA requesting that the Council hold a hearing.

5L. UPDATE: RETAIL MARKET ANALYSIS STRATEGIC WORKSHOP

Mr. Thares reported that City Planner Annie Deckert has been working with the Big Lake Chamber on this workshop scheduled for April 11th. The Board discussed the proposed advertisement that will be placed in the West Sherburne Tribune.

6. OTHER

Attorney Soren Mattick provided a brief update on the closing of two properties within the downtown redevelopment area. At the time of closing for one of the single family residential property (located at 230 Eagle Lake Road North), it was not disclosed to the City that the property was being rented out and now the City is working through issues that have been brought to the City's attention since the closing date.

7. ADJOURN

Commissioner Heitz motioned to adjourn the meeting at 8:35 p.m. Seconded by Commissioner Zwilling, unanimous ayes, meeting adjourned.