

**BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY**

**MEETING MINUTES**

**TUESDAY, NOVEMBER 13, 2007**

**1. CALL TO ORDER**

President Doug Hayes called the meeting to order at 7:01 p.m.

**2. ROLL CALL**

Commissioners present: Jim Dickinson, Robert Eddy (arrived at 7:02 p.m.), Dave Gast, Doug Hayes, Chuck Heitz, Lori Kampa (arrived at 7:07 p.m.), Norm Leslie, Jim Sanford, and Jim Zwilling (arrived at 7:02 p.m.).

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

**3. ADOPT AGENDA**

Commissioner Sanford motioned to approve the agenda with the addition of Item #6B – Property for Habitat for Humanity House. Seconded by Commissioner Dickinson, unanimous ayes, motion carried.

Commissioners Eddy and Zwilling arrived at 7:02 p.m.

**4. APPROVE BLEDA MEETING MINUTES FROM OCTOBER 9, 2007**

Commissioner Heitz motioned to approve the October 9, 2007 BLEDA minutes. Seconded by Commissioner Dickinson, unanimous ayes, motion carried.

**5. BUSINESS**

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

**5A-i. Updates: Paragon Store Fixtures, White Bear Clothing (WBC), Industrial Molded Rubber (IMR)**

Community Economic Development Director Jim Thares briefly reviewed his November 7<sup>th</sup> memorandum. No action required or taken.

Commissioner Kampa arrived at 7:07 p.m.

#### **5A-ii. Prospects Report**

Mr. Thares reviewed four (4) additional items listed on the November 8<sup>th</sup> report and answered questions of the Board. No action required or taken by the Board.

#### **5A-iii. Industrial Park Expansion**

Mr. Thares reported that staff will be attending the 11/14/07 Town Board meeting to review the Purchase Agreement and 429 Agreement, noting that a similar review was provided to the City Council at a workshop in early October, 2007. After review with the Town Board, Mr. Thares reported that the Purchase Agreement will be brought before both the City Council and Town Board at their 11/28/07 meetings for formal action and that the 429 hearing will be held at the City Council's November 28<sup>th</sup> meeting as well.

#### **5A-iv. Update: Ataboy Building**

Mr. Thares reviewed the packet documentation and stated that it was the recommendation of the City/BLEDA Attorney for staff to forward a counter proposal letter (based on the BLEDA's previous direction), in response to Mr. and Mrs. Paumen's 08/14/07 settlement offer in order to avoid additional costs and/or steps incurred/required in the debt collection processes.

Commissioner Gast motioned to authorize staff to accept a settlement proposal in the amount of \$35,000 and to allow the loan obligation discount and/or forgiveness in the dollar amount as stated in the City's November 9, 2007 letter to Mr. and Mrs. Paumen. Seconded by Commissioner Eddy, unanimous ayes, motion carried.

#### **5B. HOTEL DEVELOPMENT DISCUSSION**

Mr. Thares reported that staff has had several hotel groups inquiring into Big Lake over the past summer. He also reviewed his November 8<sup>th</sup> memorandum regarding a recent contact made by a Wisconsin developer for the potential to build a \$1.95 million, 31-unit hotel project in Big Lake Marketplace, noting that they have discussed consideration of some type of tax abatement package for the proposed project.

Staff asked for the BLEDA's input on the proposal and the desired timeframe of a Tax Abatement package for the project. Finance Director Corey Boyer reported that, based on preliminary information received, the abatement for the proposed project could calculate out to an approximate 20-year timeframe. The Board discussed that previous abatements have been no longer than 10 or 15 years and questioned whether a 20-year abatement is plausible. Commissioner Sanford stated that he could present the information to the Town Board for their review/comment. Commissioner Dickinson discussed his concern with whether or not it is the time for a hotel/motel in the Big Lake area and stated that he would like to review a market study for such a project or possibly contribute funds towards having a market study performed before further consideration is given to a potential hotel project.

It was the consensus of the Board to direct staff to investigate whether a market study for a hotel/motel project in the Big Lake area is available and/or what the options/costs would be to conduct a market study, with staff providing the findings at the December BLEDA meeting.

#### **5C. UPDATE: MARKETING COMMITTEE**

Planner/Community Development Assistant Leslie Chmielewski reported that the first meeting of the Marketing Committee was held on 10/29/07 and it was decided that various marketing agencies would be invited to meet with the Committee to discuss what they could offer as far as creating shared group goals and a unified marketing campaign. She further reported that the Marketing Committee will be meeting again on 11/14/07 to discuss the two (2) presentations that were made at the 11/08/07 Marketing Committee meeting but which were not able to be discussed at that time due to time constraints.

The Board discussed the potential public relations issues the City recently encountered, particularly through the newspaper, as well as how the area should be marketed (i.e., should marketing bring more businesses to the city or more people; specify what makes Big Lake unique to Minnesota; work toward having every local agency move in the same direction regarding a vision for the city).

#### **5D. CALL COMMITTEE'S WORKSHOP MEETING**

Commissioner Dickinson motioned to call the Annual Committee Workshop date of Wednesday, December 5, 2007 at 5:00 p.m. at Russell's On The Lake, 111 Jefferson Boulevard. Seconded by Commissioner Zwilling, unanimous ayes, motion carried.

#### **5E. UPDATE: BIG LAKE PLAZA/LAKE SHOPPING CENTER**

##### **5E-i. Update: Sale of East End of Shopping Center**

City Administrator Scott Johnson stated that staff is requesting an approximate two to three week extension in order to finalize the closing on the sale of the east end of the shopping center property with Dr. Sealock.

The Big Lake Floral lease was also discussed, with Commissioner Dickinson moving to authorize staff to offer a month-to-month lease to Big Lake Floral for the property located on the east end of the shopping Center for a minimum period of ninety (90) days. Seconded by Commissioner Kampa, unanimous ayes, motion carried.

#### **Potential Development Project Discussion:**

At this point in the meeting, Community Economic Development Director Thares recognized that Ms. Sharon Nelson was present to discuss a potential development project for the area and to request the Board's input on whether or not there would be any interest in such a project for the Big Lake community.

Ms. Nelson stated that she is working with a group which is looking at communities in the north/northwest metro suburbs, including Big Lake, for a potentially large but very preliminary development project which is, at this time, being discussed on a minimal basis without much information being provided publicly. Ms. Nelson briefly discussed the basic concept of the proposed project and answered questions of the Board.

It was the consensus of the Board that such a development project would be of interest for the Big Lake area and that the Board would welcome a future presentation.

Commissioners Leslie and Sanford left the meeting at 8:10 p.m.

#### **5F. DOWNTOWN REDEVELOPMENT (HIGHWAY 10 & COUNTY ROAD 5)**

Community Economic Development Director Jim Thares reviewed the information regarding the percentage of vacant leaseable office space which is currently available in Big Lake; noting that approximately 38%+/- of the office space in the City is vacant.

##### **5F-i. Update: Redevelopment Project**

Mr. Thares reviewed his November 8<sup>th</sup> memorandum regarding the recent distribution of a pre-RFP information packet to developers in order to determine the interest level in the RFP process for this project area. He further stated that six (6) responses have been received to-date, and to which an RFP packet will be sent by week's end, noting that the proposed timeline for RFP submittals will be early to mid-December. A draft of the Request for Development Proposals was provided for the Board's information.

It was the consensus of the Board to bring all submitted RFP's to a future BLEDA meeting for the Board's review/comments.

#### **5G. PROJECTS STATUS REPORT**

Community Economic Development Director Jim Thares reviewed the October 2007 Projects Status Report and answered questions of the Board. No action required.

**5H. EDA BUDGET** – For Information only; no action required or taken by Board.

#### **5I. DISCUSSION: BLEDA MEMBER BUSINESS CARDS**

Mr. Thares reported that BLEDA President Hayes had mentioned that it might be beneficial to have business cards available for the BLEDA Members to hand out, if needed/desired. The Board reviewed a sample of the City Council's Elected Officials business card. It was the consensus of the Board to direct staff to create a sample BLEDA business card for the Board's review at their December meeting.

## **5J. UPDATE: NORTHSTAR TRANSIT ORIENTED DEVELOPMENT (TOD)**

Mr. Thares reported that the City has received \$5,000 from the Initiative Foundation to assist in the pre-planning/public participation aspect of our TOD planning phase. He also stated that Northwest Associated Consultants (NAC) had been hired to lead the Committee through an approximate 4-6 month process of brainstorming/informational gathering sessions to obtain citizen/staff input as to how the area surrounding the rail station should be developed; the first meeting with NAC has been scheduled for November 20<sup>th</sup>. Commissioner Heitz stated that a representative from Channel 9 news will be coming to Big Lake in the future to report on the TOD plans for the area.

## **6. OTHER**

### **6A. MANUFACTURER'S WEEK**

City Planner/Community Development Assistant Leslie Chmielewski reminded the Board that the 2007 Big Lake Manufacturers Week will be held from November 12-November 19<sup>th</sup> and noted the events that will be taking place during the week. For information only; no action required or taken by the Board.

### **6B. PROPERTY FOR A HABITAT FOR HUMANITY HOUSE**

Community Economic Development Director Thares reported that staff was contacted by a City resident who is eligible to receive a home through Habitat For Humanity and that they were looking for a site to build the home. He discussed the possibility of consideration donating/selling one of the vacant BLEDA/City-owned properties, noting that Habitat For Humanity would prefer donations but they are open to considering a reduced price on the purchase of a parcel. Mr. Thares requested for the Board's input on the potential donation or sale of property for potential project.

President Hayes stated that he was aware of a Habitat For Humanity home project that was done in Elk River in which the City sold the property for approximately half of the suggested retail price.

It was the consensus of the Board to sell the property to Habitat For Humanity for the discussed project.

## **COMMENTS TO NEWSPAPERS:**

Commissioner Eddy asked the Board's discussion on recent negative comments/Letters-to-the-Editor from Public Officials that have been published in the local newspaper. The Board discussed the issue and the affects that such comments can have on the job that the BLEDA has been appointed to do.

It was the consensus of the Board to direct staff to draft a letter to the City Council from the BLEDA regarding how negative comments made publicly by Public Officials can hinder the job that the BLEDA has been charged to do as well as the effects such comments can have on the City as a whole. A draft of the letter will be brought before the BLEDA at their December meeting for review.

**7. ADJOURN**

Commissioner Dickinson motioned to adjourn the meeting at 8:43 p.m. Seconded by Commissioner Zwilling, unanimous ayes, meeting adjourned.