

BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY

MEETING MINUTES

MONDAY, DECEMBER 14, 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, and City Planner/Community Economic Assistant Leslie Dingmann.

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 NOVEMBER 9, 2009

Commissioner Danielowski motioned to approve the November 9, 2009 BLEDA minutes. Seconded by Commissioner Gast, unanimous ayes, motion carried.

5. BUSINESS

5A. ECONOMIC RECOVERY BONDS/RECOVERY ZONES

Mr. Thares reviewed the proposed recovery zone boundaries and stated that there are no restrictions on overlaying the recovery zone over any TIF Districts or parcels with Tax Abatement in place.

Bruce Kimmel, Ehler's and Associates, gave an overview of Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds.

The timeline for official adoption on an Economic Recovery Zone would take place at the January BLEDA meeting and then the following City Council meeting.

5B. COUNTY ROAD 43 AVAILABLE DEVELOPMENT PARCEL

Kevin Sorenson, Riverwood Bank, was in attendance to inquire if the BLEDA would be interested in purchasing a 4.32 acre parcel Riverwood Bank owns off County Road 43 to use as a business incubator property. He stated there are many small businesses that have outgrown space in their garages that may be interested in leasing a building like those existing on the property. Mr. Sorenson has met with Staff and learned there is limited use of the property as it is currently zoned agriculture and the future land use has it guided as Transit Oriented Development (TOD).

Commissioner Dickinson questioned if the former owner had received an Interim Use Permit (IUP) to be allowed to run the various businesses out of the property in the past. Mr. Thares stated an IUP was granted.

Commissioner Eddy stated that it is his position that it is not the BLEDA's role to be owners of property for commercial uses.

Commissioner Dickinson stated if the Comprehensive Plan guided the parcel for Transit Oriented Development and the proposed use fits into the TOD classification, the City would have to allow for it. Mr. Thares stated the parcel falls into Tier II of the TOD Master Plan but was not sure if light manufacturing was a permissible use.

Commissioner Dickinson asked Mr. Sorenson if the bank would consider demolishing the buildings if TIF would be available to assist in the cost in which Mr. Sorenson stated the bank would not demolish the building themselves but would consider it if a private developer took on the responsibility.

Mr. Thares stated a text amendment to the Ordinance would need to be approved before an IUP could be considered as the request from the bank would not currently be permitted with the current IUP ordinance language.

It was the consensus of the BLEDA to recommend that the City Council consider granting an IUP to Riverwood Bank to allow for uses currently not permitted in the Agriculture Zoning District or TOD Zoning District.

5C. UPDATE: A. J. MACHINERY / GREAT DANE

Mr. Thares stated he was informed that the Bank of Elk River has received proceeds from the sale of the crane. Staff has yet to contact the bank representatives to set up a meeting to discuss general issues regarding the debt amount and structure and the bank's approach in this situation.

Staff was asked to try to arrange a meeting with representatives from the Bank of Elk River.

5D. UPDATE: BIG LAKE RAIL PARK

Mr. Thares stated a meeting was held with Sherburne County staff and Ehler's and Associates representatives to discuss potential infrastructure funding for the Regional Rail Park (spur and roadway). City Administrator Scott Johnson said that County Commissioners will be reviewing the completed Rail Park Feasibility Report sometime in January or February and then a joint workshop will be scheduled with the Big Lake City Council and Sherburne County Commissioners after that to gauge interest in the project.

Mr. Thares stated meetings are being sought with legislative and congressional representatives to discuss potential Federal and State assistance for infrastructure and job creation efforts. Dynamics Design and Land Company has had several meetings with industrial prospects interested in industrial rail sites.

5E. PROSPECTS REPORT

Staff presented the prospect report for review and briefly updated BLEDA members on the status of various prospects.

5F. PROJECT STATUS REPORT

Leslie Dingmann gave an update on NSP efforts stating the City has acquired seven homes to date and will be closing on the eighth home hopefully by the end of this year.

Staff stated John Weicht, Weicht and Associates, has been contacted and agreed to fund half of the sign cost for placing a "for sale" sign on the corner of Highway 10 and County Road 5.

Commissioner Dickinson motioned to recommend Staff work with John Weicht on purchasing a sign to market the parcel located on Highway 10 and County Road 5. . . Seconded by Commissioner Heitz, unanimous ayes, motion carried.

Mr. Thares informed the BLEDA that staff met with Metro Transit and Minnesota Department of Transportation to discuss the lack of overnight parking at the Northstar Train station. Mr. Johnson stated the City County approved a Resolution at their December 9, 2009 requesting the City take ownership of the Park and Ride lot located on the North side of the track. If the City were to own this parcel, overnight parking could be allowed there.

BLEDA members questioned if overnight parking might be allowed on the western portion of the Northstar Station. Staff was directed to contact Metro Transit with this request.

5G. BLEDA BUDGET

The budget was presented for review. Mr. Thares stated Paragon Store Fixtures has requested that they be allowed not to make any payments for the first quarter of 2010 as the business is facing hardship. It was the consensus of the Commissioners that an agreement between the City and Paragon must be executed if the City agrees to the request. Commissioner Gast indicated that he may be able to offer a forbearance document that can be used for this request.

Commissioner Gast pointed out that the last payment received from the Lake Café was in 2008 and questioned if Staff has contacted them for payment. Mr. Thares stated that both the Lake Café and Janice Salon have been contacted and that the payment is due. Commissioner Gast stated the loan agreements should be reviewed regarding these two loans in regards to missed payments.

6. OTHER

6A. DISCUSSION: OUTSTANDING LOANS- PARAGON STORE FIXTURES

Discussion regarding this matter took place under item 5G. BLEDA Budget.

6B. SCHEDULED 2010 BLEDA MEETING DATES

Mr. Thares pointed out to the Commissioners the attachment indicating the scheduled 2010 BLEDA meeting dates.

6C. DISCUSSION: BLEDA MEMBER TERM EXPIRATIONS

President Hayes said that he will be submitting a letter requesting another BLEDA term.

OTHER MISCELLANEOUS

- Mr. Thares reviewed the meeting attendance policy for BLEDA meetings.
- Mr. Thares also informed BLEDA members that the final payment for the Industrial Park East expansion has been made and that, per the contract change orders, the final payment of for the Northstar Station sidewalk connection to County Road 43 was made minus 5% for the landscaping which will be retained until the spring.

7. ADJOURN

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