

BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY

MEETING MINUTES

MONDAY, AUGUST 14, 2006

1. CALL TO ORDER

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

2. ROLL CALL

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

Also present: Community Economic Development Director Jim Thares, Interim City Administrator Scott Johnson, City Planner Annie Deckert, Economic Development Assistant Sandy Petrowski, Consultant City Planner Nate Sparks of NAC, and Economic Development Intern Katie Blakeslee.

3. ADOPT AGENDA

Commissioner Dickinson motioned to approve the agenda with a change in item order to move Items #5I, Big Lake Industrial Park East; #5J, Industrial Zoning Near Railroad Tracks; 5F, Projects Status Report; and 5H, 2007 BLEDA Activities/Budget, to the first four (4) items of the Business portion of the agenda. Seconded by Commissioner Heitz, unanimous ayes, motion carried.

4. APPROVE BLEDA MEETING MINUTES OF JULY 14, 2006

Commissioner Heitz motioned to approve the July 14, 2006 BLEDA minutes. Seconded by Commissioner Petersen, unanimous ayes, motion carried.

5. BUSINESS

5A. BIG LAKE INDUSTRIAL PARK EAST

5A-i. Updates: Industrial Molded Rubber/Paragon Store Fixtures/Sunny Fresh Foods

Community Economic Development Director Jim Thares reviewed the following:

Industrial Molded Rubber Products, Inc.: an additional draw of funding from the DEED grant loan has been processed for equipment purchase.

Paragon Store Fixtures: The owner, Mr. Johnson, has contacted staff regarding the potential 28,500 sq. ft. expansion which has not yet been finalized; staff is ready to submit a potential \$150,000 grant application to DEED to assist with this project if Mr. Johnson decides to move forward.

Sunny Fresh Foods: Sunny Fresh Foods has submitted a building permit and plans for their proposed expansion; staff is in the process of reviewing the plans and potential changes in sewage discharge before the permit is issued.

5A-ii. Industrial Park Expansion Project

Mr. Thares reported that the Industrial Park Expansion Project (IPEP) Committee met in early August and directed staff to draft a letter to Bruggeman Properties to make an offer to acquire approximately 25-30 acres of the western portion of the 40-acre parcel located immediately north of the jointly owned/developed Big Lake Industrial Park East. Staff will keep the Board apprised of any further developments on this issue.

5A-iii. Viper Motorcycle Company – October 2006 Tour

City Planner Annie Deckert reported that a BLEDA tour of the Viper Motorcycle Company was tentatively planned for October or November prior to the Board's regular meeting. Commissioner Petersen suggested the possibility of holding a tour as part of the upcoming 2006 Manufacturer's Week events. It was the consensus of the Board to direct staff to contact Viper Motorcycle Company representatives regarding holding a tour of their facility during Manufacturer's Week.

5A-iv. Prospects Report

Mr. Thares reported on a Minnesota prospect that is interested in the Big Lake area for a potential 100,000 sq. ft. facility which would bring 60 full-time employees to the area. For information only; no action required or taken by the Board.

5B. INDUSTRIAL ZONING NEAR RAILROAD TRACKS

Mr. Thares stated that there has been a growing level of interesting Big Lake industrial land but that many of the inquiries are seeking outside storage, which the City's current ordinance does not permit. This item was being brought before the BLEDA to obtain the Board's direction and to gather their input on the merits of creating a new zoning area along the railroad tracks or modifying the existing I-1 zone to allow properly screened outside storage of products and inventory for light industrial users.

Commissioner Dickinson stated that the Board previously discussed allowing outside storage in I-1 zones within the Dynamics development area on a case-by-case basis.

Consultant City Planner Nate Sparks discussed scenarios of different options that could be considered in order to address the outside storage issue within the I-1 District. An option that was discussed was a combination of a new zone with a CUP requirement, and with the condition that the only areas where this new zoning district would be allowed is within areas completely surrounded by industrial uses but are not adjacent to any commercial or residential zoning districts.

It was the consensus of the Board to direct staff to bring this issue to the Joint Planning Board for review.

5C. PROJECTS STATUS REPORT

Mr. Thares reviewed the July 2006 Projects Status Report that was distributed at the meeting and answered questions of the Board.

5D. 2007 BLEDA ACTIVITIES/BUDGET

Mr. Thares reviewed his August 11th memorandum regarding the potential business promotion/marketing and appreciation events that could be held to promote more business networking and awareness of opportunities and eventual economic investment into the community. Staff asked for the Board's suggestions and also requested that they offer direction to staff as budgets and work plans are prepared for 2007.

Assistant Administrator Scott Johnson reported that staff had discussed combining some of these events and holding them during the upcoming Manufacturer's Week activities.

President Doug Hayes asked that any ideas/suggestions be forwarded to City staff or BLEDA Board Members within the next two months for further consideration.

Commissioners Petersen and Sanford left the meeting at 7:35 p.m.

5E. HAZARDOUS ABATEMENT – BLIGHT HOMES

Ms. Deckert reported that staff has distributed letters to owners of potential properties which may benefit from the City's Homeowner Housing Rehabilitation Loan Program (HHRLP). For information only; no action required or taken by the Board.

Ms. Deckert also briefly reviewed the information received from Building Official Fred Patch on the steps to hazardous building/property abatement. No action required or taken by the Board.

5F. BIG LAKE PLAZA

Assistant City Administrator Scott Johnson provided a brief verbal update on this on-going project, noting that Mr. Mike Krutzig is still working on obtaining tenants for the portion of the Plaza (east end) which he has an interest in purchasing. He also reported that it is anticipated that the façade project will be completed in approximately three (3) months.

Commissioner Kampa asked for clarification on the façade plans; particularly with concerns regarding plans for the column placement that would block Big Lake Floral's window; Mr. Johnson reported that the window will be moved to alleviate this issue.

5G. UPDATE: ACQUISITION/DEMOLITION PROGRAM – 330 ORMSBEE

Ms. Deckert reported that the closing for the acquisition of the property located at 330 Ormsbee has been scheduled and that the property is being purchased for \$85,000.

5H. PRESENTATION: R5 HOUSING DISTRICT STUDY – NATE SPARKS, NAC

Consultant Planner Nate Sparks, of Northwest Associated Consultants (NAC), reported that at the July 10th BLEDA meeting, the R-5 District Analysis was reviewed and the BLEDA Board directed staff to send a copy of the study and follow-up with Mr. Doug Uhrhammer and Mr. Rick Olson, the two (2) residents who had suggested that the City consider conducting a zoning district analysis on the R-5 District, for their input on the study. Staff provided a copy of the study to both Mr. Uhrhammer and Mr. Olson and requested their input.

Mr. Sparks stated that Mr. Uhrhammer declined to provide a written response but provided the following suggestions via a telephone call: 1) have some of the zoning ordinance changes be further looked at by the City Council; 2) make some of the available programs (i.e., acquisition/demolition program, single family housing assistance program, and the homeowner housing rehabilitation program) more prevalent in the R-5 District; and 3) possibly develop some new programs (i.e., an overall comprehensive economic development program) to assist homeowners to improve properties and to assist residents interested in purchasing rundown properties for improvements.

Mr. Sparks further reported that Mr. Olson had provided a written response, detailing his concerns that are mostly regarding zoning, as he believes that certain zoning standards are unfairly placing burden on residents in the Shoreland portion of the R-5 District.

Commissioner Dickinson stated that in the R-5 area around the lakes, the City has made progress in previous years in allowing an increase in impervious surfaces coverage for smaller lots when applied for via variances. Mr. Sparks agreed and stated that, from a zoning point of view, it does appear that the City may want to take a look at the impervious surface regulations, because every variance that has been applied for on this topic has been granted, which indicates that the City Council is agreement that this is, more times than not, the standard. After considerable discussion, it was the consensus of the Board to direct staff schedule a joint workshop of the Planning Commission and the City Council in the future to review this issue.

Mr. Sparks left the meeting at 8:00 p.m.

5I. DOWNTOWN REDEVELOPMENT

Community Economic Development Director Jim Thares reviewed his August 10th memorandum regarding: 1) 220 Eagle Lake Road - The Court has given the BLEDA/City the eviction order for this property as requested; 2) 210 Eagle Lake Road – a walk-through, was conducted by staff and the homeowner, where it was determined that the home is structurally sound and can be moved (the homeowner has indicated that he is interested in the concept of moving the home to the lot located at 330 Ormsbee, which is in the process of being acquired by the BLEDA). Staff will keep the Board informed of any further developments, should the owner submit an offer to purchase the Ormsbee property; 3) 200 Eagle Lake Road – this unit is now vacant; and 4) Tyra-City Places LLC – Mr. Tyra has submitted information regarding the proposed redevelopment of the block located at Eagle Lake Road North and Highway 10. The Board discussed their concerns/ideas for the proposed project (i.e., access and egress, parking concerns, the best use for the back portion of the lot and how its development should be phased/integrated into the front area). Staff will keep the Board apprised of any further developments.

5J. EDA BUDGET

No documentation was presented.

6. OTHER

BLEDA Meeting Agenda Item Order: Commissioner Heitz suggested, and it was the consensus of the Board, that the order of items on future BLEDA meeting agendas be changed so that the Big Lake Industrial Park East agenda items are the first items under the Business portion of the agenda, beginning in September 2006.

7. ADJOURN

Commissioner Kampa motioned to adjourn the meeting at 8:26 p.m. Seconded by Commissioner Dickinson, unanimous ayes, meeting adjourned.