

**BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY**

**MEETING MINUTES**

**MONDAY, JANUARY 13, 2014**

**1. CALL TO ORDER**

President Doug Hayes called the meeting to order at 6:00 p.m.

**2. ROLL CALL**

Commissioners present: Raeanne Danielowski, Jim Dickinson, Dave Gast, Greg Green, Doug Hayes, Duane Langsdorf, Norm Leslie, Steve Pflughhaar, and Mike Wallen. Commissioners absent: none.

Also present: Economic Development Manager Heidi Steinmetz, City Administrator Todd Bodem, and Administrative Assistant Sandy Petrowski.

**3. ADOPT AGENDA**

Commissioner Danielowski motioned to approve the agenda with removal of Item 5G, Review BLEDA By-Laws (Enabling Resolution). Seconded by Commissioner Green, unanimous ayes, motion carried.

**4. APPROVE BLEDA MEETING MINUTES OF DECEMBER 9, 2013**

Commissioner Wallen motioned to approve the December 9, 2013 BLEDA minutes. Seconded by Commissioner Leslie, unanimous ayes, motion carried.

**5. BLEDA BUSINESS ITEMS**

**5A. 2014 BLEDA OFFICER APPOINTMENTS**

Administrator Todd Bodem briefly reviewed who held BLEDA Officer positions in 2013 and asked for nominations for the 2014 Officer positions.

Commissioner Wallen motioned to appoint Doug Hayes to serve as BLEDA President, Jim Dickinson to serve as BLEDA Vice President, Dave Gast to serve as BLEDA Treasurer, and Todd Bodem to serve as BLEDA Secretary. Seconded by Commissioner Green, unanimous ayes, motion carried.

## **5B. 2014 BLEDA ACTION PLAN STATUS UPDATE**

Steinmetz provided her monthly status report on BLEDA's 2014 Action Plan.

After discussing options for marketing city-owned properties, it was the consensus of BLEDA to direct staff to draft an RFP for the Highway 10/County Road 5 (Eagle Lake Road) redevelopment area for distribution within two (2) months.

## **5C. DETERMINE LAND PRICE PER SQUARE FOOT - BIG LAKE INDUSTRIAL PARK**

Steinmetz discussed the potential marketing of the six (6) EDA-owned, shovel-ready parcels (about 34 acres) located in the Big Lake Industrial Park, Phase II, and the importance of the EDA determining a land price per square foot. She also reviewed the information prepared by staff based on the BLEDA's previous direction, which includes any assessments attached to the parcels as well as what surrounding jurisdictions are charging per square foot. Based on what BLEDA paid for the land, the minimum land sale price, including assessments, should be approximately \$3/square foot but that figure is too high to be competitive.

Steinmetz also discussed the current listing agreement between the EDA and CentraSota Real Estate Services, LLC, has the minimum land price at \$1.50 per square foot. This current listing does not specify a price per square foot. The pricing is listed as negotiable; however, Steinmetz stated that staff believes an exact dollar figure should be in stated the advertisement documentation. Staff asked for the BLEDA's direction on whether or not to set a specific price per square foot and, if so, staff recommends leaving it at \$1.50 per square foot at this time.

Commissioner Leslie motioned to set the land price to \$2.00 per square foot for the six (6) EDA-owned parcels in Big Lake Industrial Park East, Phase II. Seconded by Commissioner Dickinson, unanimous ayes, motion carried.

## **5D. RECONSIDER 2008 FINDERS FEE PAYMENT POLICY**

Steinmetz briefly discussed the Finders Fee Payment Policy which was approved by the EDA in August, 2008 for Phase II of the Big Lake Industrial Park. She informed the Commissioners that the EDA currently has an existing exclusive listing agreement for these parcels through August 31, 2014 and that a new Finders Fee system could not be implemented until the exclusive agreement expires unless the EDA and the current listing agent agree to void the current contract.

Steinmetz stated that staff is recommending that the BLEDA revise the fee in the Finders Fee Payment Policy to 6% of the price for which the property is sold and that the BLEDA utilize its revised Finders Fee Payment Policy beginning September 2, 2014, once the current listing agreement has expired.

Commissioner Dickinson motioned to revise the Finders Fee Payment Policy to reflect a six percent (6%) finders fee of the price for which the properties are sold, with this revision to be effective on September 1, 2014. Seconded by Commissioner Wallen, unanimous ayes, motion carried.

#### **5E. RE-EVALUATE BUSINESS SUBSIDY POLICY**

Steinmetz stated that this item is one of BLEDA's action items for 2014. She noted that staff is recommending review of the Business Subsidy Policy but that staff does not recommend any changes to the Policy at this time.

After a brief discussion, it was the consensus of the BLEDA to take no action on the policy at this time.

#### **5F. CONSIDER LUPULIN BREWING'S REQUEST TO WAIVE SAC/WAC FEES**

Steinmetz reported that staff has recently met with the owners of Lupulin Brewing regarding their interest in leasing space at 570 Humboldt Drive to operate a new micro-brewery and taproom. She further reported that staff has been working to provide answers to questions on building permit fees, the Conditional Use Permit fee/process, SAC/WAC fees, and water quality testing issues. Steinmetz stated that the owners of Lupulin Brewing have requested that the City waive the estimated \$9,000 SAC/WAC fees.

Staff asked the EDA to discuss this request and provide feedback but did not recommend that the EDA make a decision/recommendation at this time on the request to waive the SAC/WAC fees as the business owners have not yet secured financing for this project and, therefore, are not able to demonstrate the need for the subsidy request at this time.

It was the consensus of the Board to postpone action on the request to waive the SAC/WAC fees until further information is received from the business owners.

#### **5G. EDA BUDGET**

The budget documents were reviewed by the Board. No action required or taken by the Board.

## **5H. PROJECT/PROSPECT STATUS REPORT**

Steinmetz briefly reviewed the eight (8) items listed in the January 2014 report and answered questions of the Board. This item for information only; no action required or taken by the Board.

## **5I. 2014 BIG LAKE BUSINESS EXPO – AUTHORIZE EXPO BOOTH EXPENDITURE**

Commissioner Dickinson motioned to authorize the BLEDA's participation in jointly funding and staffing a booth with the City Council at the 2014 Big Lake Business Expo at a cost of \$87.50 for the BLEDA's portion of the booth's \$175.00 total discounted fee. Seconded by Commissioner Langsdorf, unanimous ayes, motion carried.

## **5J. SCHEDULE A SPECIAL BLEDA GATHERING FOR BIG LAKE CHAMBER OF COMMERCE EXPO EVENT**

As there may be a quorum of BLEDA Members in attendance at the upcoming 2014 Big Lake Business Expo, Commissioner Wallen motioned to schedule a Special BLEDA gathering on Sunday, March 2, 2014, from 11:00 a.m. to 2:00 p.m. at Big Lake High School (501 Minnesota Avenue). Seconded by Commissioner Langsdorf, unanimous ayes, motion carried.

## **5K. RESCHEDULE OCTOBER 2014 BLEDA MEETING DATE**

Due to the BLEDA's October 2014 regular meeting date falling on the Columbus Day holiday, the BLEDA was asked to reschedule that meeting.

Commissioner Dickinson motioned to reschedule the October 13, 2014 regular BLEDA meeting to Monday, October, 6, 2014 at 6:00 p.m. Seconded by Commissioner Wallen, unanimous ayes, motion carried.

## **6. OTHER**

Administrator Bodem briefly discussed a recent Minneapolis Star/Tribune article that noted Big Lake and other similar towns and a rise in housing development; staff will forward a link/copy to the BLEDA Members.

Steinmetz briefly discussed a recent meeting with Sherburne County of Economic Development staff from various cities who were invited to provide input on Sherburne County's potential selection of a new Economic Development Consultant.

Commissioner Wallen discussed his attendance at the City's recent Rail Park workshop and his concern on how the EDA was not involved until later in this project when so much money was spent and how could a repeat of this type of situation be avoided in the future.

Steinmetz stated that it is extremely important that for any future similar project or economic development-type project where over \$5,000 is to be spent, a process needs to be in place and followed which includes the EDA being involved and then being allowed to provide their recommendation to the City Council.

**7. ADJOURN**

Commissioner Langsdorf motioned to adjourn the meeting at 7:22 p.m. Seconded by Commissioner Dickinson, unanimous ayes, meeting adjourned.