

BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY

MEETING MINUTES

MONDAY, MARCH 11, 2013

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 Pflughaar, and Mike Wallen. Commissioners absent: none. Also present: City Administrator Todd Bodem and Administrative Assistant Sandy Petrowski.

3. ADOPT AGENDA

Commissioner Green motioned to approve the agenda as presented. Seconded by Commissioner Dickinson, unanimous ayes, motion carried.

4. APPROVE BLEDA MEETING MINUTES FROM FEBRUARY 11, 2013

Commissioner Dickinson motioned to approve the February 11, 2013 BLEDA minutes. Seconded by Commissioner Langsdorf, unanimous ayes, motion carried.

5. CITY / TOWNSHIP BLEDA BUSINESS ITEMS

5A. PUBLIC HEARING: SALE OF LANE AT SE CORNER OF EAGLE LAKE ROAD SOUTH & MARTIN AVENUE (for the Dill Dental facility project)

Administrator Todd Bodem reviewed the March 7, 2013 Memo pertaining to the sale of BLEDA-owned land located at the SE corner of Eagle Lake Road N. & Martin Avenue, to Dr. Reed Dill and Reed D. Dill, D.D.S., P.A., at \$3.50 a square foot for approximately 27,225 square feet, not the 10,990 as noted in the public hearing notice. It was noted that the actual square footage will be determined when the property is platted.

Administrator Bodem stated that, based on the recommendation of the BLEDA's Attorney and staff, the following actions are before the BLEDA for consideration:

- Approve the Resolution authorizing the sale of the property;
- Authorize the BLEDA Attorney and BLEDA staff to finalize the sale of the property with Dr. Reed Dill and Reed D. Dill, D.D.S., P.A., and/or assigns, for \$3.50 a square foot (approximately 10,900 square feet, with the actual square footage to be determined when the property is platted); and

- Authorize the BLEDA's Attorney, President, and Executive Director to execute the necessary documentation required for the sale of the property.

President Hayes opened the public hearing at 6:02 p.m. No one came forward for comment. President Hayes closed the public hearing at 6:02 p.m.

Commissioner Danielowski motioned: 1) Approve Resolution #2013-02, A Resolution Authorizing the Sale of Property; 2) Authorize the BLEDA Attorney and BLEDA staff to finalize the sale of the property with Dr. Reed Dill and Reed D. Dill, D.D.S., P.A., and/or assigns, for \$3.50 a square foot (approximately 27,225 square feet, with the actual square footage to be determined when the property is platted); and 3) Authorize the BLEDA's Attorney, President, and Executive Director to execute the necessary documentation required for the sale of the property. Seconded by Commissioner Wallen, unanimous ayes, motion carried.

6. CITY BLEDA BUSINESS ITEMS

6A. PROPOSAL FOR MARKETING & ECONOMIC DEVELOPMENT ASSISTANCE IN OA AREAS

Administrator Bodem reviewed the March 6, 2013 Memo on the proposal for Marketing and Economic Development Assistance in Orderly Annexation Areas. He reported that at the February 20, 2013 workshop, the City Council discussed proposed contracts that had been submitted by the Decklan Group to the City for comprehensive marketing services (\$5,000) and general economic development services (\$9,000 – 3 month period @ 32 hr/month). At that time, it was staff's recommendation, and the consensus of the three (3) members present to deny the contracts due to the proposed fees being too costly.

Administrator Bodem further reported that since the February 20th workshop, Big Lake Township has contacted the City to set up a Joint Committee to meet to discuss potential joint marketing and economic development efforts. The Joint Committee (consisting of Mayor Danielowski, Council Member Backlund [who sat in for Council Member Hansen who was unable to attend], Town Supervisor Leslie, Town Supervisor Pflughaar, and Town Clerk Hayes] met to discuss the potential interest in sharing the costs of services that could be provided by the Decklan Group. The issues that the Joint Committee discussed as being important to have included in a joint proposal for services would be to market/provide economic assistance for properties in the Orderly Annexation Areas which are mutually beneficial to both the City and Township (i.e., the TOD area, Marketplace North/South, Industrial Park, etc.).

Administrator Bodem stated that The Decklan Group can assist with marketing via twitter, Facebook, etc. Also, on the Economic Development side, there could be outreach, business acumen, etc. The BLEDA's recommendation would go to the Township and Council for consideration at their meetings on 03/13/13.

Commissioner Langsdorf discussed his concern with the limited timeframe (3 months) as well as the cost for 96 hours (which is \$14,000 total) and also what will be done with the findings.

Commissioner Dickinson noted that, on the marketing side, The Decklan Group would provide the following within the 90 days:

- create a social media policy for City of Big Lake
- conduct analysis of websites and provide summary report of findings and recommendations
- develop social media pages for City of Big Lake which may include, but are not limited to – Facebook, Twitter, block, etc. (to go live when ED Specialist returns)
- provide outline and recommendations for social media site(s) management, including best practices
- provide outline and recommendations for marketing City of Big Lake and available sites
- present findings to EDA at regularly scheduled meeting (anticipated May 2013 meeting)
- provide written proposal for professional management of mediums created

Commissioner Green stated that along with having The Decklan Group provide the items and presenting the findings, we would need to be able to do something with the findings.

Commissioner Dickinson stated that the Board needs to know during the 90 day contract exactly what will be done with the findings so that we are not left without a plan for the findings at the end of the contract. Mayor Danielowski stated that Economic Development Specialist Leslie Dingmann will be back by the end of the contract and she can work together with The Decklan Group in order to keep things moving.

Commissioner Wallen motioned to recommend that the City Council and Big Lake Township Board approve both the Comprehensive Marketing Contract in the amount of \$5,000 and the General Economic Development Contract in the amount of \$9,000 for a 3-month time period (32 hours/month) with the Decklan Group. Seconded by Commissioner Langsdorf, unanimous ayes, motion carried.

6B. DELINQUENT LOAN DISCUSSION: JANICE'S SALON (625 ROSE DRIVE)

Administrator Bodem briefly reviewed the packet information pertaining to the delinquent status of the façade loan (for Janice's Salon, 625 Rose Drive) which was entered into in 2005 by the owner, Janice Halvorson, and the BLEDA. Due to a notice received by the City in 2012 regarding the owner's bankruptcy, Bodem reported staff is recommending that it would be in the best interest for the BLEDA to forgive the remaining \$5,000 debt still owed on the original \$10,000 façade loan (mortgage).

Commissioner Gast motioned to discharge the remaining debt of \$5,000 and declare it to be worthless. Seconded by Commissioner Green, unanimous ayes, motion carried.

6C. LOAN DISCUSSION: A. J. MACHINERY (20000 – 176TH STREET)

Administrator Bodem provided information and history on the loan entered into in 2001 between City and the previous owners (A. J. Machinery or Great Dane Properties, LLC), of the property located at 20000 – 176th Street in the Industrial Park. Due to information obtained regarding the foreclosure and pending bankruptcy status on this property, as well as limited options due to the equipment used as security on the loan being sold off and parted, Bodem reported that it was staff's recommendation that the BLEDA forgive the debt in the amount of \$46,548.

Commissioner Gast motioned to discharge the remaining debt of \$46,548 and declare it to be worthless. Seconded by Commissioner Wallen, unanimous ayes, motion carried.

6D. CONTINUED DISCUSSION: 2013 BLEDA GOALS

Administrator Bodem reported that the four items listed on the 2012 BLEDA Goals as well as the following items as discussed at the February BLEDA meeting have been brought back for further consideration and discussion:

- 1) More activity during next year's Manufacturer's Week (i.e., showcasing of businesses, advertisement/press);
- 2) BR&E Committee activity;
- 3) Higher-end/luxury apartments/housing projects.

Commissioner Dickinson suggested the following additions to the 2013 goals:

- 1) Code enforcement should be added; the City is not being as aggressive as we should (a lack of code enforcement could affect some companies' willingness to come into the City, etc.)
- 2) Wait for the analysis to be done by The Decklan Group then look for a retail market analysis of the community to be done. The analysis could provide insight to a prospective business as to what type of business the city could support.

- 3) Re-evaluate the business subsidy policy.
- 4) Update our website with interjection of social media, etc. as site locators are looking on social media (The Decklan Group could possibly find out what site locators are looking for and make sure the information is on the appropriate sites).

Commissioner Danielowski stated that she agreed with Commissioner Dickinson's suggestions and also discussed the following items:

- 1) The CR43 construction project can be taken off as it is to be done this spring.
- 2) In the housing section of goals, we have enough entry level housing but how can we enhance the next level to step-up housing?
- 3) Work on educating the public on buying local whenever possible.
- 4) Work on sharing the tools of success by giving information to local businesses.
- 5) High Speed Internet issue – some businesses are having unreliable internet service within the community – many not getting information from Windstream. What can we do as a community?

Chair Hayes stated that he would like to explore an EDA levy again for this year.

Other items discussed and listed as possible goals are:

- Work on changing the view/perception of the business community and residents (i.e., show the positive side and what we have to offer). Designate what the positive attitudes of the area are and how do we communicate and educate? (i.e., put information in newsletter.)
- Invite new businesses that move to Big Lake to attend a Council meeting to welcome them and thank them for being in our community.
- Encourage buying local.
- Link promotional videos to Facebook site.

6E. PROJECT / PROSPECT STATUS REPORT

Administrator Bodem briefly reviewed the twelve (12) items listed in the March 2013 Project/Prospect Status Report and answered questions of the Board. This item was for information only; no action required or taken by the Board.

6F. BLEDA BUDGET

The Board briefly reviewed/discussed the budget as presented.

The Board discussed the ownership status of the Lake Shopping Center property (formerly owned by Weicht & Associates) as well as the Krutzig property. Staff will follow-up on these issues.

6G. FYI: UPDATED BLEDA OFFICER TERMS/POSITION

Administrator Bodem briefly noted the updated terms/positions of the BLEDA Commissioners. This item for information only; no action required or taken by the Board

7. OTHER

Administrator Bodem reported that the City is in the process of applying for a TED Grant for the Rail.

8. ADJOURN

Commissioner Langsdorf motioned to adjourn the meeting at 7:04 p.m. Seconded by Commissioner Dickinson, unanimous ayes, meeting adjourned.