

**BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY**

**MEETING MINUTES**

**MONDAY, MARCH 14, 2016**

**1. CALL TO ORDER**

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

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL**

Commissioners present: Raeanne Danielowski, Jim Dickinson, Dave Gast, Greg Green, Doug Hayes, Norm Leslie, Darek Vetsch, and Mike Wallen. Commissioners absent: Steve Pflighaar.

Also present: Community Development Director Hanna Klimmek and Administrative Assistant Sandy Petrowski.

**4. ADOPT AGENDA**

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

**5. APPROVE BLEDA MEETING MINUTES OF FEBRUARY 8, 2016**

Commissioner Vetsch motioned to approve the February 8, 2016 BLEDA minutes. Seconded by Commissioner Wallen, unanimous ayes, motion carried.

**6. BLEDA BUSINESS ITEMS**

**6A. DISCUSSION: BLEDA VACANT LAND**

Community Development Director Hanna Klimmek reported that the BLEDA currently owns thirteen (13) parcels of vacant land within residential, community business, general business, and industrial park zoning districts. She stated that as part of its goals, the BLEDA supports the mission of aggressively marketing and selling the vacant parcels that it owns. Of the thirteen parcels, ten (10) are set up to sell and the remaining three are not set up to sell as they either have easement agreements on them or they are meant to be retained for storm water purposes.

Klimmek reported that staff is ready to begin marketing the ten (10) vacant properties and would like the BLEDA's direction as to how to move forward with an aggressive approach, noting that currently, the only indication that the parcels are for sale is through the City of Big Lake website.

Staff discussed with the Commission the following three (3) potential approaches in selling the vacant BLEDA parcels:

- 1) "For Sale by Owner": the largest expense of this approach would be the design and purchase of signage to place at the sites (there is no permit requirement for real estate signage). Staff would design/place one (1) "For Sale By Owner" sign (6 sq. ft.) on each parcel in the residential and business districts, and place two (2) signs (32 sq. ft. each) on both the east and west sides of Highway 10 to showcase the shovel-ready industrial park sites.
- 2) "Hire a Realtor": the largest expense of this approach would be having a realtor represent the BLEDA in the sale as the realtor would receive a payout upon the land sale. The realtor would be expected to market the land and place signage on the sites.
- 3) "Vacant Land Auction": the largest expense of this approach would be paying a professional auction service at the time of sale. An auction service would be expected to provide a focused marketing campaign, on-site manager, auction day event, etc.

Klimmek discussed with the Board the BLEDA-owned parcel located on the corner of Ormsbee Street and Forest Road and what amount they would place on this .79 acre parcel. As this was a larger parcel, it was the consensus of the Board to direct staff to start with an asking price of \$50,000.

After discussing the proposed options and the different BLEDA-owned parcels, it was the consensus of the BLEDA to: 1) move forward with the "For Sale by Owner" option; 2) direct staff to order and install for sale signage (i.e., 4' x 8') on BLEDA-owned lots; 3) revisit this issue in the future to determine how the process is working; and 4) be open to offering a fee (i.e., 6%) if a realtor were to bring in a buyer for BLEDA-owned parcels.

## **6B. DISCUSSION: SAC/WAC PAYMENT PLAN PROGRAM**

Klimmek stated that in order to incentivize business expansion and market for new businesses to come into the City of Big Lake, staff would like to develop a Sewer Access Charge (SAC) and Water Access Charge (WAC) Payment Plan Program, noting that this type of plan would minimize the impact of payment to expanding and new businesses and the City could offer this payment plan option as a way to pay the SAC/WAC fees over time versus at the time the building permit is issued.

Klimmek reviewed the following proposed payment plan structure and conditions of ineligibility and asked for feedback from the Commissions:

Draft Payment Plan Structure:

1. Applicant must be a commercial, retail, or industrial business.
2. The property where the business is located must be within the Big Lake city limits.
3. The payment plan term is five (5) years.
4. Interest rate will be 0%.
5. A \$500 start-up administrative cost will be charged at the time the building permit is issued.
6. The business will be billed on a monthly basis, on their monthly utility bill.
7. The business must complete a SAC/WAC Payment Plan application and execute the Payment Plan Agreement to be eligible for the program.
8. In case of a business closure, the business must notify the City's Community Development Director. The City will verify the closure and future payment obligations will be waived.
9. In the event of a default, any outstanding payments will be assessed to the property and the business waives the right to contest the assessment.
10. The SAC/WAC Payment Plan is non-transferable.

Ineligible Conditions:

1. The business property taxes are delinquent.
2. The business is not in good standing with the State of Minnesota or is in violation of the Big Lake City Code.
3. The property is not located within Big Lake city limits.

It was the consensus of the BLEDA to have this item forwarded to a future City Council workshop for review.

**6C. DISCUSSION: BLEDA GOALS AND ACTION PLAN FOR 2016**

Klimmek reported that, at the February 8<sup>th</sup> regular meeting, the BLEDA discussed the proposed 2016 Goals/Action Plan. It was the direction of the BLEDA for the plan to be revised down to three (3) goals (market EDA properties for sale; retain and assist the expansion of existing businesses; and retain and create Big Lake cultural and community events) and for each Commissioner to provide their top three (3) action items under each goal to staff for inclusion into a revised draft for review at this meeting.

Klimmek reviewed the revised Goals and Action Plan for 2016, based on the Commissioner's submittals, and asked the Commission to approve as presented or direct staff to revise the document for review at the April BLEDA meeting.

Commissioner Dickinson motioned to approve the 2016 BLEDA Goals and Action Plan as presented. Seconded by Commissioner Gast, unanimous ayes, motion carried.

#### **6D. INITIATIVE FOUNDATION GRANT**

Klimmek reported that staff was notified last week that the City of Big Lake was awarded a grant award from the Initiative Foundation in the amount of \$4,000 to fund a Comprehensive Housing Study update. Staff will be working with Maxfield Research and Consulting, LLC on this project, which will be an update to the Comprehensive Housing Study that they completed for the City in 2007. She reported that Maxfield Research and Consulting quoted this project at \$12,500 and the City will be utilizing \$8,500 of the BLEDA's "Other Consultants" 2016 budget to finance the remaining balance of the project. Klimmek stated that although the agreement goes through December 31, 2016, it is anticipated that we will have a document in June 2016.

This item for information only; no action required or taken by the Board.

#### **6E. BLEDA BUDGET**

Klimmek reviewed the presented budget documentation and answered questions of the Board. This item for Information only; no action required or taken by the Board.

#### **6F. UPDATE: 2016 BIG LAKE BUSINESS EXPO**

Klimmek reported that there was a good turnout for the March 6<sup>th</sup> Big Lake Business Expo (approximately 1,200 people were in attendance). This item for information only; no action required or taken by the Board.

#### **6G. COMMUNITY DEVELOPMENT UPDATE**

Klimmek reviewed the following items:

- 1) BR&E Visits: Since the last BLEDA meeting, staff visited with the following businesses: Thompson Woodworks, Inc. (visited on 02-09-16); H2Outfitters Marine & Sport (visited on 02-23-16); The Stampin' Place (visited on 03-01-16); BPAthletics (visited on 03-08-16); and The Lake Café (visited on 03-10-16).

- 2) Internship Scholarship: The City received a \$2,000 Al Madsen Community Internship Scholarship, which is the highest award and only given out to one entity per year. This funding will go towards the salary of an intern (expected to begin in mid-May, or sooner, dependent on school schedule) to coordinate the 2016 Big Lake Farmer's Market.
- 3) Broadband: Staff has been approached by a local internet provider that is interested in providing another option for the gap in internet service within the Big Lake Industrial Park. The provider is asking for a 2-3 year commitment from the business owners and will provide high-speed, reliable, wireless internet the first year with the expectation to have a seamless fiber hook-up within year two. If they pursue the project, the provider would like to become a tenant on the water tower near the Northstar Station in order to provide a wireless connection as an immediate fix.
- 4) Farmer's Market: Vendor applications for the 2016 Farmer's Market are now being accepted through April 29<sup>th</sup> (applications available on City website).
- 5) New Development: As of the first week of March, Kwik Trip has started development of a convenience store/gas station/car wash facility at the northeast corner of Highway 10 and Eagle Lake Road North. A ribbon cutting ceremony for this project will take place in July 2016. Kwik Trip will have 25-30 job openings.
- 6) 2016 Permits Issued through 02-29-16: There have been a total of eight (8) residential new construction permits issued (with a total valuation of \$1,813,000) and seven (7) residential Improvement permits issued (with a total valuation of \$151,000).
7. **OTHER** – None.
8. **ADJOURN**

Commissioner Danielowski motioned to adjourn the meeting at 6:55 p.m. Seconded by Commissioner Wallen, unanimous ayes, meeting adjourned.