

# **BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY**

## **MEETING MINUTES**

**MONDAY, JUNE 13, 2016**

### **1. CALL TO ORDER**

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

### **2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited.

### **3. ROLL CALL**

Commissioners present: Raeanne Danielowski, Jim Dickinson, Dave Gast, Greg Green, Doug Hayes, Norm Leslie, Steve Pflieghaar, Darek Vetsch, and Mike Wallen. Commissioners absent: none.

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

### **4. ADOPT AGENDA**

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

### **5. APPROVE BLEDA MEETING MINUTES OF MAY 9, 2016**

Commissioner Vetsch motioned to approve the May 9, 2016 BLEDA minutes with the following correction to Item 6B: 1) the fourth line of the paragraph, the text "Mary Ippel, with the Bond Council" is to read, "Mary Ippel, City Bond Council". Seconded by Commissioner Danielowski, unanimous ayes, motion carried.

### **6. BLEDA BUSINESS ITEMS**

#### **6A. DISCUSSION: MARTIN AVENUE EXTENSION FOR ECONOMIC DEVELOPMENT**

Community Development Director Hanna Klimmek reported that Mr. Wayne Elam, a broker with Commercial Realty Solutions, recently approached the City with a potential client who is interested in purchasing the vacant 7.52 acre parcel located directly east of the new KleinBank on County Road 43 and, as the buyer doesn't wish to purchase the entire parcel, the landowner will be going through a subdivision process. She stated that the parcel was part of a Redevelopment Tax Increment Financing (TIF) district but that the district was disbanded once the TIF Agreement's sunset clause was met and, per Northland Securities' review, the District cannot become a Redevelopment TIF District again.

Klimmek noted that one condition required with the sale of the subdivided parcel would be to extend Martin Avenue by 200 feet which would be an expense of nearly \$100,000 (per the estimate obtained from Otto Associates), and that this extra expense would leave the buyer with a gap in financing which equals the cost of the road extension. The proposal is for a 5,730 square foot building with plans to develop a second building on the parcel in the future and the developer will initially construct the parking lots along with the first stand-alone building.

Mr. Elam and his client are asking if the City would consider financing and extending Martin Avenue by 200 feet for the development of the project, which is an expansion and has the potential to create twenty (20) new jobs upon completion.

Besides the proposal to have the City fund/finance an extension to Martin Avenue, Klimmek discussed the following financial tools which have potential for consideration for the proposed type of development:

- City funded
- Tax Assessment – the City would extend the road and the developer is 100% liable for the full cost along with interest rate for a term
- Sherburne County Revolving Loan Fund – the developer can apply for up to \$100,000 for the project
- Property Tax Abatement
- City of Big Lake SAC/WAC Payment Plan – staff would encourage this option to be layered with any of the above.

Klimmek stated that staff is asking for the BLEDA to discuss the proposal and make a formal recommendation to the City Council Finance Committee, if needed, in an effort to inform Mr. Elam of any possible options for his client to move forward for the proposed project.

It was the consensus of the Board to direct staff to provide Mr. Elam and the client with: 1) a timeline on how long it will take and the action steps that need to be made in order for a tax assessment to go through; and 2) information on the Revolving Loan Fund program, with the caveat that City staff would write the application for them.

## **6B. DISCUSSION: REVISED BIG LAKE COMMUNITY PROFILE**

Klimmek reviewed the second draft of the Big Lake Community Profile which has been revised by WSB Engineering per the comments/direction at the May 9<sup>th</sup> BLEDA meeting.

After discussing the revised document, it was the consensus of the Board that staff direct WSB Engineering revise the document a 3<sup>rd</sup> time with the following modifications for review at a future meeting:

- Page 2 – Change “Sherburne County Employment Profile” to “Greater Big Lake Employment Profile”.
- Page 2 - Revise the map to place Big Lake at the center of the radius and better define the map by showing 5 mile increments of radius.
- Page 4 - Include St. Cloud State University and their website under the Education in the Community section on page 4.
- Include information about a hospital being within five (5) miles of Big Lake.

## **6C. DISCUSSION: DEMOGRAPHER PRESENTATION**

Klimmek reported that Mr. Luke Greiner, Regional Analyst for the Minnesota Department of Employment and Economic Development (MnDEED), has provided presentations at two events recently attended by City staff. Mr. Greiner specializes in the economics side of the demographics as it relates to workforce and the labor pool.

Klimmek asked for the Commissioner’s feedback on the possibility of inviting Mr. Greiner to attend a future BLEDA meeting to present data sets specific to the City of Big Lake boundaries.

It was the consensus of the Board to direct staff to extend an invitation to Mr. Greiner (MnDEED) to a future BLEDA meeting to make a presentation on economic demographics specific to the City of Big Lake.

## **6D. BLEDA BUDGET**

Klimmek reviewed the presented budget documentation, noting that there were no items of concern noted by Finance Director Deb Wegeleben. This item was for Information only; no action required or taken by the Board.

## **6E. COMMUNITY DEVELOPMENT UPDATE**

Klimmek reviewed the following items:

### **1. Business Retention & Expansion Visits:**

<b>Date</b>	<b>Business</b>
05/20/2016	CrossFit Confidence
05/23/2016	Big Lake “Do it Best” Lumber
05/26/2016	Great River Spine & Sport
05/26/2016	Destination Outdoors Consignment
06/01/2016	Connexus Energy

## **2. Big Lake Farmer's Market:**

Wednesday, June 1<sup>st</sup>, was opening day for the Farmer's Market. This free event will take place every Wednesday through September.

The Central MN Arts Board generously provided the City of Big Lake \$3,500 to schedule local musicians to perform their talents during the Farmer's Market and there are musicians scheduled every week!

Staff is working on growing the Farmer's Market. To incentivize more vendor participation, the Farmer's Market Committee is welcoming and allowing new vendors to pay a \$10 weekly charge rather than committing to the entire summer for the \$75 fee.

## **3. Code Enforcement:**

The City has just signed a 1-year service contract with SeeClickFix, which is a web based communication tool that will be available at the end of this month (June 24<sup>th</sup> is the roll-out date). This communication tool will provide residents with another option to submit complaints anonymously rather than filling out a form or coming into City Hall. This tool will also provide staff with organizing code enforcement and reporting.

## **4. Development:**

Staff have approved 31 single-family building permits, to-date. Staff is predicting the City will see 50-75 new builds this year if submissions continue at this rate. There are 10 construction/building companies that are building within the City.

## **5. Other Exciting Things:**

- Big Lake Comprehensive Housing Study Update has begun with Maxfield Research & Development. (1<sup>st</sup> draft is expected to be received the first week in July).
- Developers, Realtors, City staff, and residents will soon benefit from the ability to access updated "*for sale*" and "*for lease*" information from the City website. Xceligent Direct will provide this service and embed all City listings into our website.
- Staff continues to work with a local internet provider as another option in the Industrial Park – at first, the priority will be to bring more reliable and cost effective service into the Industrial Park before expanding service throughout the area.
- Staff attended and represented the City of Big Lake at the Economic Development Association of MN (EDAM) semi-annual conference last week in Duluth and will be representing the City during the League of MN Cities conference this week in St. Paul.
- Received a quote from North Star Signs out of St. Cloud for the "*for sale*" signage. Staff has order has been submitted and signs will be available the week of June 20<sup>th</sup>.
- Kwik Trip is scheduled to upon on July 14<sup>th</sup> at 5 a.m.

**6. Building Permit Activity YTD through April 30, 2016:**

- Single-Family New Builds = 29
- Residential/Commercial Building Permits = 270
- Total Valuation of All Permits = \$11,911,871.17

**7. OTHER – None.**

**8. ADJOURN**

Commissioner Wallen motioned to adjourn the meeting at 6:34 p.m. Seconded by Commissioner Danielowski, unanimous ayes, meeting adjourned.