

**BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY**

**MEETING MINUTES**

**MONDAY, SEPTEMBER 8, 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 Pflughaar, and Mike Wallen.  
Commissioners absent: none.

Also present: Economic Development Manager Heidi Steinmetz, Interim City Administrator/Finance Director Jessica Green, and Administrative Assistant Sandy Petrowski.

**3. ADOPT AGENDA**

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

**4. BLEDA BUSINESS ITEMS**

**4A. REFUNDING 2005A EDA LEASE REVENUE BONDS**

Interim City Administrator Jessica Green provided a verbal update on a refunding opportunity of the public project revenue bonds to change over to tax increment bonds. She noted that no action is required by the BLEDA at this time, however, the BLEDA will be asked to terminate these bonds in the future. This item for information/discussion only; no action required or taken by the Board.

**4B. CONSIDER SAC & WAC PAYMENT POLICY & APPLICATION**

Economic Development Manager Heidi Steinmetz briefly reviewed the discussion from the BLEDA's April meeting regarding having staff draft a SAC/WAC policy for future review. She reported that staff is suggesting that the BLEDA consider/discuss the provided SAC & WAC payment policy (loan) at this time rather than a waiver or discount in order to be fair to residents and businesses.

The Board discussed the following:

- In the past, adjustments had been made based on water usage of the business over a 1-year period;
- The capacity numbers across the board may not be equitable as one business may have a higher usage than another;
- Residential amounts can be adjusted per user based on the meter; however, commercial differs from residential;
- A possible option could be to give credit to what has been paid to-date;
- If property is leased; may not always be able to attach to a building (i.e., tenant situation);

Commissioner Dickinson motioned to recommend that the City Council has a SAC/WAC program that has some of the additional criteria as discussed and that the policy takes into consideration both stand-alone and tenant situations. Seconded by Commissioner Langsdorf, unanimous ayes, motion carried.

#### **4C. CONSIDER LUPULIN BREWING SUBSIDY REQUEST**

Steinmetz reported that a subsidy request was submitted by Lupulin Brewing in the amount of \$8,420.00, noting that the Board should keep in mind that cities and development authorities remain outside of the State of Minnesota business subsidy law if the subsidy amount is under \$25,000 and any subsidy above that amount requires a business subsidy application and agreement. Steinmetz stated that staff is not making a recommendation at this time but is asking the BLEDA to review Lupulin Brewing's request and provide recommendation to the City Council.

After a brief discussion, Commissioner Dickinson motioned to recommend that the City Council offer the loan program, but not the subsidy, to Lupulin Brewing, LLC, for the amount discussed. Seconded by Commissioner Wallen, unanimous ayes, motion carried.

#### **4D. DETERMINE ASKING PRICE FOR EDA-OWNED PARCEL 65-554-0115**

Steinmetz reported that the BLEDA owns several parcels within the City of Big Lake but the parcel being discussed at this time is located in the southwest corner of the parking lot along Rose Drive, just east of the former Klein Bank building. She further stated that the BLEDA is being asked to discuss a potential asking price for this this .31-acre parcel (#65-554-0115) as there has been a recent inquiry/interest in this site for a possible multi-tenant building.

Steinmetz stated that Sherburne County's estimated value of the parcel is currently \$47,300 and, based on that estimate, the value per square foot for the parcel would be approximately \$3.50/sq. ft. Commissioner Dickinson stated that the price per square foot for another BLEDA-owned property, which is located on the northeast corner of Eagle Lake Road and Highway 10, has been set at approximately \$5.50 sq. ft. and if the Board were to use the same valuation that was used for the Eagle Lake Road/Hwy 10 parcel, then the price for the .31-acre (13,504 sq. ft.) parcel should be \$75,000.

Commissioner Dickinson motioned to set the price for parcel #65-554-0115 at \$75,000. Seconded by Commissioner Hayes, unanimous ayes, motion carried.

Commissioner Danielowski briefly discussed another BLEDA-owned parcel which is located along Fern Street just north of the former Klein Bank building.

Commissioner Dickinson motioned to set the price for BLEDA-owned parcel (#65-554-0105) at \$3.50 per square foot. Seconded by Commissioner Green, unanimous ayes, motion carried.

#### **4E. 2014 BLEDA BUDGET UPDATE**

Interim City Administrator/Finance Director Jessica Green briefly reviewed the documentation provided and answered questions of the Commissioners. No action required or taken by the Board.

#### **4F. 2014 BLEDA ACTION PLAN STATUS UPDATE**

Steinmetz briefly discussed the Action Plan Status Update and answered questions of Commissioners. No action required or taken by the Board.

#### **4G. PROJECT/PROSPECT STATUS REPORT**

Steinmetz reviewed the following items:

BR&E Visits: next visit scheduled for 09-25-14 at Russell's On The Lake.

Becker/Big Lake Ice Association: staff anticipates that a CUP application will be submitted by the Association for any use(s) planned for their parcel.

Kwik Trip: Kwik Trip is satisfied with set price for BLEDA-owned parcel; they are working on negotiations with adjacent land owner. The adjacent landowner has asked that the BLEDA lower their set price by \$100,000; staff is not recommending that the BLEDA reduce the price.

Big Lake Farmer's Market: last day will be October 8<sup>th</sup>.

Flour City Bending Relocation: will be moving into the former Stone Company building; no new positions being created at this time, however, fourteen (14) existing employees will be transferring to Big Lake from their Becker facility.

Former Shade Tree Building: there is a potential buyer for building but the proposed use (outside storage) would require a CUP from the City; staff will strongly support a CUP application due to the jobs and investment the potential buyer will bring to City.

RFP for "Project Axle": staff responded to an RFP for a heavy manufacturing prospect that is looking for 70-100 acres with potential to create 2,000 jobs; City does not meet all of the RFP requirements at this time but staff still submitted RFP and is hoping to be considered.

Former Police Department Building: Discussed the current storage issue and the appearance of the interior of the facility which may deter the sale of the building, and different options in order to successfully market the building. It was noted that a survey is being done on the property. Discussed having the property transferred from the BLEDA to the City, which would require that a public hearing be conducted in order to transfer to the City.

Commissioner Dickinson moved to set a public hearing to sell/transfer the former Police Department building, located at 121 Lake Street North, from the BLEDA to the City of Big Lake. Seconded by Commissioner Wallen, unanimous ayes, motion carried.

## **5. OTHER**

Steinmetz provided a brief update on the parcel adjacent to the Industrial Park Phase II which the BLEDA discussed at the last meeting. At that meeting, staff had recommended that the parcel not be pulled off of the County's sale list; however, the parcel was ultimately pulled because of information that staff discovered that there is a public road crossing on the site.

Commissioner Danielowski stated her concern regarding how the County EDA is working, how it was initially presented to Big Lake, as well as there not being any City representation on the County EDA Board. Steinmetz stated that staff could invite County Assessor/Economic Development Specialist Daniel Weber to a future BLEDA meeting to discuss this issue in more detail.

## **6. ADJOURN**

Commissioner Langsdorf motioned to adjourn the meeting at 7:23 p.m. Seconded by Commissioner Wallen, unanimous ayes, meeting adjourned.