

BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
MONDAY, OCTOBER 11, 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, Greg Green, Doug Hayes, Norm Leslie, Mike Wallen, and Big Lake Township Chairman Bob Hofer (for Steve Pfliegaar). Commissioners absent: Jim Dickinson and Dave Gast. 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 SEPTEMBER 12, 2016

Commissioner Vetsch motioned to approve the September 12, 2016 BLEDA minutes. Seconded by Commissioner Wallen, unanimous ayes, motion carried.

6. BLEDA BUSINESS ITEMS

6A. PRESENTATION: ECONOMIC DEMOGRAPHICS SPECIFIC TO THE CITY OF BIG LAKE – MR. LUKE GREINER, REGIONAL ANALYST FOR MNDEED

Community Development Director Hanna Klimmek introduced Mr. Luke Greiner, Regional Labor Market Analyst with the Minnesota Department of Employment and Economic Development (MnDEED). Mr. Greiner presented a broad range of data for the City of Big Lake which is from the most recent regional census data (2010 to 2014), including information on the following:

Resident Statistics:

- Estimated number of residents: 7,281
- Median age is 31.4 years (37.6 for Minnesota)
- Average number in household: 3.02 (37.6 for Minnesota)
- Median household income: \$63,941 (60,828 for Minnesota)
- Minimum Cost of Living in Sherburne County: \$58,688 (family of 2 adults/1 child/1 adult working) (including child care, health care, food, housing, transportation, taxes, & other miscellaneous)

Employment Statistics:

EMPLOYMENT CHARACTERISTICS, 2014					
	SHERBURNE CO.			MINNESOTA	
	IN LABOR FORCE	LABOR FORCE PARTIC. RATE	UNEMP. RATE	LABOR FORCE PARTIC. RATE	UNEMP. RATE
Total Labor Force	49,608	73.8%	6.2%	70.1%	6.5%
16 to 19 years	2,413	48.0%	15.8%	51.1%	18.7%
20 to 24 years	4,431	84.6%	9.9%	81.8%	10.2%
25 to 44 years	22,529	88.1%	6.2%	88.1%	5.8%
45 to 54 years	12,520	89.5%	3.7%	87.3%	5.0%
55 to 64 years	6,507	70.8%	4.4%	71.8%	4.9%
65 to 74 years	1,062	22.0%	7.8%	26.6%	4.1%
75 years & over	118	3.5%	0.0%	5.9%	3.5%
EMPLOYMENT CHARACTERISTICS BY RACE & HISPANIC ORIGIN					
White alone	47,453	74.5%	5.6%	70.2%	5.6%
Black or African American	459	37.8%	21.1%	68.0%	16.4%
American Indian & Alaska Native	202	53.2%	19.3%	59.4%	17.4%
Asian or Other Pac. Islanders	656	79.7%	18.7%	70.6%	7.2%
Some Other Race	120	55.6%	63.3%	76.2%	11.0%
Two or More Races	669	75.0%	8.7%	69.5%	13.2%
Hispanic or Latino	928	67.6%	17.5%	75.0%	10.1%
EMPLOYMENT CHARACTERISTICS BY VETERAN STATUS					
Veterans, 18 to 64 years	2,817	84.1%	3.5%	82.9%	6.9%
EMPLOYMENT CHARACTERISTICS BY DISABILITY					
With Any Disability	2,117	54.5%	8.3%	51.0%	14.0%
EMPLOYMENT CHARACTERISTICS BY EDUCATIONAL ATTAINMENT					
Population, 25 to 64 years	41,537	85.2%	5.2%	84.0%	5.4%
Less than H.S. Diploma	1,785	65.6%	11.4%	65.8%	13.1%
H.S. Diploma or Equivalent	9,286	80.0%	6.7%	79.1%	7.3%
Some College or Assoc. Degree	18,600	87.4%	4.8%	85.3%	5.6%
Bachelor's Degree or Higher	11,881	90.4%	3.6%	89.2%	3.1%
<i>Source: 2010-2014 American Community Survey, 5-Year Estimates</i>					

Mr. Greiner stated that there is a relatively low participation rate for youth (16-19 years) in the labor force and a high unemployment rate. He noted that minorities have a very low participation rate in the labor force and there is a high unemployment rate for the less educated and the disabled.

Job Creators:

- Leisure & Hospitality: +153 jobs
- Education & Health: +146 jobs
- TTU: +109 jobs
- Public Administration: +37 jobs
- Other Services: +23 jobs
- Manufacturing: +16 jobs

Labor Shed:

- 22.6% drive more than 60 minutes to work (5.3% for Minnesota)
- Average travel time to work is 35.7 minutes (23 minutes for Minnesota)
- Only 7.2% of residents work in Big Lake
- 83.6% of jobs in Big Lake are held by non-residents

Big Lake's Future Labor

- There were 200 Big Lake high school graduates in 2014 (215 in 2015)
- Only 12% of graduates were enrolled in developmental education (approx. 1/2 the rate of MN)

Institution	State	Statewide	Big Lake Public School District
Anoka-Ramsey Community College-Coon Rapids Campus	MN	1,160	18
St. Cloud Technical and Community College	MN	835	16
Saint Cloud State University	MN	1,290	15
North Dakota State University-Main Campus	ND	1,248	8
Minnesota State University-Mankato	MN	1,760	7
Winona State University	MN	1,006	6
University of Minnesota-Twin Cities	MN	3,295	5
Anoka-Hennepin Technical College	MN	130	4
Bemidji State University	MN	685	4
South Dakota State University	SD	547	4

PROFICIENCY OF STUDENTS IN MATH, READING, AND SCIENCE				
	SUBJECT	NUMBER PROFICIENT	NUMBER TESTED	PERCENT PROFICIENT
Statewide	Math	30,231	55,498	54%
	Reading	43,752	55,028	80%
	Science	28,871	52,994	54%
Big Lake School District	Math	119	195	61%
	Reading	162	194	84%
	Science	96	192	50%

Regional Occupations In Demand (2016):

REGION 7W			
LESS THAN HIGH SCHOOL	HIGH SCHOOL OR EQUIVALENT	SOME COLLEGE OR ASSOC. DEGREE	BACHELOR'S DEGREE OR HIGHER
Retail Salespersons \$21,315	First-Line Supervisors of Retail Sales Workers \$39,739	Nursing Assistants \$28,472	Elementary & Secondary School Teachers \$58,658
Food Prep & Serving Workers \$18,729	Automotive Service Technicians & Mechanics \$36,511	Heavy & Tractor-Trailer Truck Drivers \$44,679	Nurse Practitioners \$107,243
Personal Care Aides \$24,131	Maintenance & Repair Workers, General \$42,679	Registered Nurses \$80,603	Training & Development Specialists \$58,470
Cashiers \$19,205	Secretaries & Administrative Assistants \$39,087	Teacher Assistants \$33,752	Family & General Practitioners \$142,880
Stock Clerks & Order Fillers \$22,504	Customer Service Representatives \$30,516	Licensed Practical & Licensed Voc. Nurses \$41,255	Physical Therapists \$83,512
Janitors & Cleaners \$27,675	Pharmacy Technicians \$32,564	Hairdressers, Hairstylists, & Cosmetologists \$19,583	Financial Managers \$91,755
Slaughterers & Meat Packers \$28,389	Carpenters \$43,896	Computer User Support Specialists \$41,725	Construction Managers \$80,306
Helpers--Production Workers \$23,763	Bus Drivers, School or Special Client \$21,644	Medical Assistants \$36,185	Software Developers, Applications \$70,150
Laborers & Freight, Stock & Material Movers \$27,745	Office Clerks, General \$31,817	Manicurists & Pedicurists \$23,227	Medical & Health Services Managers \$99,658
Home Health Aides \$23,636	Light Truck or Delivery Services Drivers \$27,083	Prepress Technicians & Workers \$40,446	Industrial Engineers \$76,360

Source: DEED Occupations in Demand

This presentation was for information only and no action was required or taken by the Board.

6B. APPRAISAL FOR VACANT INDUSTRIAL PARK PHASE 2

Klimmek reported that staff has recently received inquiries regarding expansion projects within Phase II of the Industrial Park and, although no official offers have been submitted, staff believes that being proactive and ordering an appraisal of the Phase II properties would ultimately assist the City and Township in negotiations with prospects.

Klimmek stated that in contacting commercial appraisers who provide services in Sherburne County, it was determined that the cost of an appraisal report (which includes a market study) would be between \$1,500 and \$2,500. Staff believes that it would be the most beneficial to obtain a report on parcels that are 2.5, 5.0, and 10 acres in size so that staff will be able to provide better information and costs of available parcels.

Commissioner Wallen left the meeting at 6:37 p.m.

Commissioner Vetsch motioned to direct staff to obtain appraisals on 2.5, 5, and 10 acre parcels for the Big Lake Industrial Park Phase 2. Seconded by Commissioner Leslie, unanimous ayes, motion carried.

6C. DISCUSSION: INDUSTRIAL PARK PHASE 2 - BUILDING MATERIALS

Klimmek reported that staff has received inquiries for prospects considering either expanding into Phase 2 of the Big Lake Industrial Park or bringing new business into the area. She stated that the building plans of a prospect who was exploring the option of expanding in Big Lake did not match the City's ordinance on building materials (they wanted to build a building that was structurally bound by wood and had in excess of 50% steel siding).

Klimmek stated that staff was asking the BLEDA to discuss whether or not to allow for some flexibility in building materials for Phase II. The Board reviewed/discussed what the City Code currently allows, what is being allowed in neighboring communities, and the following pros and cons to allowing flexibility in building materials:

Pros: 1) flexibility in building materials may incentivize expansion and attract new businesses sooner rather than later; and 2) flexibility in building materials does not mean buildings will not be aesthetically pleasing.

Cons: 1) The existing businesses in the Industrial Park may object to the City deciding to be flexible with building materials; 2) Offering flexibility in building materials may decrease the expected lifespan of a building; and 3) Not holding new builds to the same standard as in Phase I could depreciate the intended value of the industrial park.

It was the consensus of the BLEDA that the building material standards for Phase II of the Big Lake Industrial Park should not be modified and staff will inform prospects about the possible flexibility that is available within the current standards.

6D. BLEDA BUDGET

Klimmek reviewed the budget documentation, including the following:

Delinquent Loan Payment – China Inn: China Inn remains delinquent on their loan payment but the owner has submitted a letter requesting a six-month extension until April 30, 2017 for the delinquent \$1,000 payment.

After a brief discussion on the request, Commissioner Danielowski motioned to extend the deadline for the \$1,000 delinquent loan payment for China Inn to April 30, 2017. Seconded by Commissioner Green, unanimous ayes, motion carried.

Paragon Store Fixtures: the last monthly loan payment was received in August; due to what staff believes has been some recent issues at the company, staff is giving the owners one additional month to make payment.

6E. COMMUNITY DEVELOPMENT UPDATE

Klimmek reviewed the following items:

1. Business Retention & Expansion Visits:

Date	Business
9/27/2016	TJ's Packaging
9/29/2016	Division Sixx
10/3/2016	MN Wholesalers

2. Development Activity:

- Single-Family New Construction Issued Permits 50
- Total Valuation of Issued Permits \$9,521,500
- Single-Family New Construction to be Issued 0
- Single-Family New Construction in Review 2

- ❖ Northern Star Apartments Phase II
- ❖ Casey's General Store
- ❖ Lake Dental

3. Senior Living Campus Discussions:

- Staff have initiated meet and greet discussions in regards to the possibility of creating a concept for a Senior Living Campus development in Big Lake – Scheduled meetings are with the following Developers thus far:
 - Dominion
 - Aeon
 - CommonBond Communities

4. Code Enforcement:

- Year to Date:
 - Violation letters have been sent to 77 properties.
 - 58 of the 77 properties have been brought into compliance.
 - 19 properties have received extended deadlines or are delinquent.
 - Community Development has issued 3 formal citations with \$75 fines and all 3 properties came into compliance shortly after receiving the fines.

5. Farmer's Market:

- Last market was on 9/28/2016.
- Started with 7 Vendors and ended with 19 Vendors.
- Car count average went from 95 per week to 120 per week.
- Corrie Scott, Farmer's Market Coordinator, will be presenting her experience with the Market during the October 12, 2016 City Council meeting. She has accepted the Interim Executive Director of the Chamber of Commerce.

6. Palmer Wireless Service for Industrial Park:

- The lease agreement between Palmer Wireless and the City of Big Lake has been approved. Once the agreement is officially signed and they submit an administrative building permit, Palmer Wireless will begin installing their equipment to Tower #3 (near North Star Station), which will provide high-speed wireless service to our tenants in the Industrial Park.
- Palmer Wireless is also submitting an application to the State for Border to Border Broadband funding to bring fiber into our Industrial Park.

7. Comprehensive Plan:

- Request for Proposals are due by 4:30 p.m. on October 14th.
- Working with Sherburne County and their Statewide Health Initiative Program (SHIP) program on implementing a healthy lifestyle element throughout the plan.

7. OTHER

Commissioner Leslie reported that there have been a total of twenty-five (25) new home builds in Big Lake Township to-date.

Commissioner Danielowski stated that it may be beneficial to have the report that was presented earlier in the meeting by Mr. Greiner be updated to include Big Lake Township's information as well as the City's information and asked staff to request a revised report.

8. ADJOURN

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