

AGENDA
BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY
CITY HALL COUNCIL CHAMBERS
MONDAY, MARCH 2, 2020
6:00 p.m.

- 1) CALL TO ORDER**
- 2) PLEDGE OF ALLEGIANCE**
- 3) ROLL CALL** (Members: J. Calva, J. Dickinson, K. Geroux, G. Green, A. Heidemann, R. Johnson, M. Wallen)
- 4) ADOPT AGENDA**
- 5) APPROVE BLEDA MINUTES OF FEBRUARY 10, 2020**
- 6) BLEDA BUSINESS ITEMS**
 - 6A. Como Lake Marketing Partners Introduction and Contract Approval
 - 6B. Aeon Development Resolution of Support
 - 6C. BLEDA Budget and List of Claims – February 2020
 - 6D. Community Development Department Update
- 7) OTHER**
- 8) ADJOURN**

Disclaimer: This agenda has been prepared to provide information regarding an upcoming meeting of the Big Lake Economic Development Authority. This document does not claim to be complete and is subject to change.

Notice of City Council Quorum: A quorum of the City Council members may be present at this meeting. No action will be taken by the Council.



AGENDA ITEM

Big Lake Economic Development Authority

Prepared By: Corrie Scott, BLEDA Secretary	Meeting Date: 3/2/2020	Item No. 5
Item Description: February 10, 2020 Big Lake Economic Development Authority Regular Meeting Minutes	Reviewed By: Hanna Klimmek, BLEDA Executive Director	
	Reviewed By: Clay Wilfahrt, City Administrator	

ACTION REQUESTED

Approve the February 10, 2020 Big Lake Economic Development Authority (BLEDA) Regular Meeting Minutes as presented.

BACKGROUND/DISCUSSION

The February 10, 2020 BLEDA Regular Meeting Minutes are attached for review.

ATTACHMENTS

02-10-20 BLEDA Regular Meeting Minutes

BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY

MEETING MINUTES

MONDAY, FEBRUARY 10, 2020

**- DRAFT MINUTES -
NOT APPROVED**

1. CALL TO ORDER

Vice-President Ken Geroux 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: *J. Brian Calva, *Jim Dickinson, *Ken Geroux, *Greg Green, *Rose Johnson, and *Mike Wallen. Commissioners absent: *Alan Heidemann.

Also present: BLEDA Executive Director Hanna Klimmek, BLEDA Assistant Treasurer Deb Wegeleben, and BLEDA Secretary Corrie Scott.

4. ADOPT AGENDA

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

5. APPROVE BLEDA MEETING MINUTES OF JANUARY 13, 2020

Commissioner Dickinson motioned to approve the January 13, 2020 BLEDA minutes. Seconded by Commissioner Johnson, unanimous ayes, motion carried.

6. BLEDA BUSINESS ITEMS

6A. DEED COMMUNITY CERTIFICATION PROGRAM – TELECOMMUTER FORWARD!

Klimmek reported that DEED's Office of Broadband Development is now accepting applications to a new economic development tool to help promote the vitality of Minnesota's rural communities – Telecommuter Forward! This program was presented to the Minnesota Legislature by DEED's Broadband team last session and it passed with overwhelming bipartisan support and was signed by Governor Tim Walz in May.

Since 2014, DEED has awarded over \$85Million in broadband infrastructure grants to fund 100 projects across Minnesota, with the goal of border-to-border broadband access. The City of Big Lake has benefited greatly from this funding. The Telecommuter

Forward! Community Certification expands upon these efforts by allowing communities to promote themselves as destinations for Minnesotans who are interested in telecommuting. Klimmek reported that approval of the proposed Resolution will allow the City of Big Lake to become a Telecommuter Forward! Certified Community. Sherburne County approved the same Resolution on January 21, 2020 during their County Board Meeting.

Johnson commented that if more information comes out and the program is not in line with the City of Big Lake's mission, it would be simple to back out of the project, making this decision low risk. Calva asked if there were areas where telecommuting is not currently feasible. Klimmek stated that there are gaps in certain parts of Big Lake where telecommuting is not accessible. Wegeleben asked if Midco is planning to enter into Big Lake. Johnson confirmed that the Midco website stated they plan to expand into the Big Lake community.

Commissioner Green motioned to recommend to City Council to approve a Resolution in support of telecommuting opportunities and the Telecommuter Forward! Certification through the Minnesota Department Employment and Economic Development. Seconded by Commissioner Calva, unanimous ayes, motion carried.

6B. OPEN DISCUSSION

Klimmek suggested that the BLEDA have an open dialogue. She reported that the Strategic Plan Committee will be meeting again in the near future to ensure the Plan remains in line with the goals and vision of the BLEDA as a whole. The proposed discussion will assist the Committee in their work and recommendations for revisions.

Klimmek recapped the strategic plan as having a focus on streamlining the sale process of the industrial park. Another priority is to take an inventory of all City owned parcels. Once Layne Otteson has an opening in his schedule, this inventory will be taken. Calva asked if there is a map that shows current properties that are for sale. Klimmek stated that a program named Beacon is available for this purpose and she is available to train Commissioners on how to access and use it. Geroux stated that a brief description of the land that is for sale would also be helpful in the selling process.

Calva asked if the current land set to be inventoried is commercial or residential. Klimmek stated that the majority of this land is residential and that the next step in the strategic plan is to identify privately owned land that is for sale or that has redevelopment opportunity. Calva asked about the property owned by Casey's on Eagle Lake Road. Klimmek stated that the property is currently owned by Casey's and that they have restrictions on the kind of business that can purchase the land.

The discussion transitioned into the topic of redevelopment and Dickinson provided an overview of previous successes and failures for redevelopment in Big Lake. Geroux asked the BLEDA if they think the City could potentially get involved in purchasing property and then marketing for redevelopment. Dickinson and Johnson stated that they

believe it is a possibility for the City to do this. Green and Wallen also agreed. Wallen asked what the BLEDA considers the next steps in a potential redevelopment project. Geroux asked Staff their thoughts. Wegeleben stated that she likes the idea, but that political backing to fund the project would be difficult to attain. Geroux further discussed that the BLEDA should research how the City could redevelop so that they have a plan in the case the City decides to move forward with a project. Having this plan in place will make it easier to decide if a project is feasible for the City at some point in the future.

Johnson asked Geroux what steps are needed to move forward with a potential redevelopment project. Geroux stated that the first step would be to identify the areas that need to be redeveloped and their property owners and property values. Klimmek stated that this is something she can do from her office. Wallen stated that these first steps should be executed before bringing any information to the public. Geroux confirmed that the BLEDA unanimously agrees that the City should have some involvement in redevelopment in Big Lake and the first steps are researching the potential costs that would come with redeveloping certain areas of the community. This can be done with a subcommittee.

Klimmek reported that broadband is not currently a priority in the strategic plan. She would like to create a dig-once policy to include in the strategic plan. The BLEDA agreed that a dig-once policy should be a priority.

Geroux asked the BLEDA if they feel the strategic plan has been followed in the past few years. Dickinson stated that there has been a lot of involvement by new Commissioners and that a lot of progress has been made recently. Klimmek stated that her position is largely supported by the BLEDA. Geroux commented that there has been an immense amount of development in the past year. Wallen commented that the development over the past year was made possible by City staff.

6C. BLEDA BUDGET AND LIST OF CLAIMS – JANUARY 2020

Commissioner Wallen motioned to accept the budget report and approve the BLEDA List of Claims for January 2020 as presented. Seconded by Commissioner Dickinson, unanimous ayes, motion carried.

6D. COMMUNITY DEVELOPMENT DEPARTMENT UPDATE

Klimmek reviewed the following:

Business Retention & Expansion Visits:

01/06/19	Keller Lake Commons	01/31/20	Kensho Salon
01/27/20	Options, Inc.		

Current Development Activity (as of 2/05/20):

Housing:

- Single-Family New Construction Issued Permits 2
- Single-Family New Construction in Review 0

- Multi-Family New Construction
 - Duffy Development - The Crossing at Big Lake Station Phase II
 - In construction
 - Kuepers, Inc. – Station Street Apartments - 105-unit multi-family, market rate new construction project
 - Pre-development
 - Sandhill Villas (HOA) – 12-unit development project
 - Pre-development
 - Norland Park Phase Six (6) – 17 lots
 - Pre-development

Commercial/Industrial:

- ❖ Minnco Credit Union – New Business / New Construction
 - In construction (plan to open by June 1, 2020)
- ❖ Car Condo Project – New Business / New Construction
 - Pre-development
- ❖ Wastewater Treatment Project - Expansion
 - Pre-development
- ❖ Vision Bus - Expansion
 - Pre-development
- ❖ Nystrom Associates Rehabilitation Facility
 - Pre-development

Klimmek reported that a concept plan for 55+ senior living apartments and patio homes is currently in review and will be brought to an upcoming Planning Commission meeting. Geroux reported that he is currently in the process of applying to construct a laundromat and two units of quiet living for introvert professionals near Lake Liquors.

BLEDA:

- Recommendations for revising the BLEDA Bylaws were presented to the BLEDA during their September meeting. Revisions were brought to the Joint Powers Board on January 8, 2020. Revisions were formally approved by the City Council on January 22, 2020.
- The BLEDA Strategic Plan has been revised to include a city-wide branding project to begin in 2020. The RFP was issued on January 9, 2020 and responses were due on February 7, 2020.
- During their November 12, 2019 meeting, the BLEDA entered into a Contract for Private Development with the Blackbird Group LLC to newly construct a laundromat facility on the corner of Martin and Fern.
- Staff attended the 2020 EDAM Winter Conference on January 23rd and 24th.
- Staff attended the MN Public Finance Seminar hosted by Ehlers on February 6th and 7th.

Planning & Zoning:

- Working on hiring a new City Planner.
- Preparing to hire a summer intern to facilitate code enforcement.

Building – Permit Fee Activity:

- Accepting applications for the Chief Building Official position until 2/18/20.

Permit Type	Permits Issued in Jan. of '20	2020 Total
Single-Family	1	1
Multi-Family	0	0
Commercial New / Remodel / Addition	2	2
Remodel / Decks / Misc.	13	13
HVAC / Mechanical	11	11
Plumbing	6	6
Zoning	2	2
Land Alteration	1	1
TOTAL	36	36

	Permit Fee	Plan Review	TOTAL
Total Fees in Jan.	\$5,575.55	\$1,622.65	\$7,198.20

2020 Total Valuation	2020 Permit Fee + Plan Review
\$356,642.76	\$7,198.20

7. **OTHER** – None.

8. **ADJOURN**

Commissioner Wallen motioned to adjourn the meeting at 7:19 p.m. Seconded by Commissioner Dickinson, unanimous ayes, meeting adjourned.



AGENDA ITEM

Big Lake Economic Development Authority

Prepared By: <i>Hanna Klimmek, BLEDA Executive Director</i>	Meeting Date: 3/2/2020	Item No. 6A
Item Description: <i>Como Lake Marketing Partners Introduction and Contract Approval</i>	Reviewed By: <i>Clay Wilfahrt, City Administrator</i> Reviewed By: <i>Deb Wegeleben, Finance Director</i>	

ACTION REQUESTED

Consider approval of the Scope of Work/Contract for Service between Como Lake Marketing Partners and the Big Lake Economic Development Authority.

BACKGROUND/DISCUSSION

The City of Big Lake and the Big Lake EDA issued the Community Brand and Identity Design Project Request for Proposals (RFP) on January 10, 2020. Responses were due on February 7, 2020. We received 3 complete responses from the following: Switchboard, AE2S Communications, and Como Lake Marketing Partners.

An Interview Panel was created and included 1 Council Member, 1 Council Member/EDA Commissioner, 2 EDA Commissioners, and Staff. The Panel interviewed all 3 candidates the morning of Thursday, February 13, 2020.

After discussion and a vote, the Panel is recommending the Big Lake EDA approve a Contract for Service between the Big Lake EDA and Como Lake Marketing Partners.

Como Lake Marketing Partners was established in November of 2018. Their team consists of Principal, Mike Brown; Brand Strategist, John Mayhew; and Brand and Business Strategist/Research and Analysis, Joan Hanson. Mike and John have over 20 years of experience in working together, creating a brand and identity, for both Target and GREATER MSP. Joan worked with Mike and John at Target and is the key team member who will dive into Big Lake research, citizen engagement, data, and analytics.

Quote from RFP response:

“We envision the project to follow a process that has been effective for us in the past. It starts with a Research and Planning phase during which we work with the Big Lake EDA to develop a clear action plan and then immerse ourselves in Big Lake to understand what makes it unique and what drives its success. We want to understand why and what businesses prosper there, and why residents love the community. We look beyond the obvious and most evident to understand the heart of the community.”

FINANCIAL IMPACT

Total project cost of \$49,940; includes a 10% contingency (\$4,450)

STAFF RECOMMENDATION

Consider approval of the Scope of Work/Contract between Como Lake Marketing Partners and the Big Lake Economic Development Authority.

ATTACHMENTS

Scope of Work/Contract for Service

Scope of Work

Client: Big Lake EDA
 Project: Community Brand and Identity Design
 Version: Original
 Date: February 18, 2020

Overview

The Big Lake EDA has retained Como Lake Marketing Partners (CLMP) to define its community brand, design a new brand identity, and create a marketing toolbox. The project will be conducted in three phases as outlined below.

Project Phase	Estimated Budget	Deliverable
Research & Planning (8 Weeks)		❖ Project Timeline and Communication Protocols
A. Assess City Attribute	\$14,600	❖ 8-10 Stakeholder Interviews
B. Facilitate Stakeholder and Public Input		❖ Up to 3 focus groups/ forums
C. Summarize and Present Finding		❖ Key findings and emerging themes report
Identity Development (6 weeks)	\$8,000	❖ Brand positioning and promise statements
A. Develop visual identity and tagline options		❖ Logo and tagline options and three rounds of revisions
B. Solicit public feedback		❖ Brand Architecture recommendation
C. Finalize options and select final option		
D. Present recommendation		
Marketing Toolkit Development (8 weeks)	\$22,800	❖ Logo and tagline treatments for 10 departments
A. Extend approved logo for use by departments		❖ Vector files for all logos used
B. Create Style Guide		❖ Style Guide
C. Create marketing tools as requested by Big Lake		❖ Creation of marketing tools and templates requested by Big Lake EDA.
D. Video Execution		❖ 3 videos
E. Photo Library		❖ Photo Library



Total cost for project is estimated at \$49,940 and includes a 10% contingency (\$4,450).

CLMP may incur overages up to this total amount as needed to complete the project. Overages above this total amount will be discussed with the Big Lake EDA. Budgets are transferable between phases of the project but will not exceed the total.

Como Lake Marketing Partners requests 1/4 of the total budget estimate to begin work. The second quarter of the estimate will be invoiced at the beginning of the Identity Development phase. The third will be invoiced at the beginning of the Marketing Toolkit Development phase. And the final quarter and needed reconciliation will be invoiced upon project completion.

If the project is put on hold by Big Lake for more than 30 days, CLMP will invoice for all completed work on a pro rata basis. All invoices are net 15.

Timing is based on CLMP's current assessment and may be affected by the schedules of EDA members, interviewees, and other stakeholders.

This proposal assumes all interviews will be conducted by phone. Focus groups will be led by CLMP using community facilities. This budget does not include any out of pocket costs for participant incentives or stipends, professional research facilities or outside facilitators.

If during the course of the project CLMP identifies requirements that would cause the scope of work outlined in this proposal to be modified, the timeline to be altered, or costs to exceed the estimate, CLMP will discuss the effect on the schedule, resources, and/or costs before performing any work.

Compliance with Laws and Regulations. In providing the services hereunder, CLMP shall abide by all laws, statutes, ordinances, rules, and regulations pertaining to the services to be provided. Any violation shall be a material breach of this Agreement and entitle the Big Lake EDA to immediately terminate this Agreement.

Waiver. Any waiver by either party of a breach of any provisions of this Agreement shall not affect in any respect the validity of the remainder of this Agreement.

Independent Contractor. At all times and for the purposes herein, the CLMP is an independent contractor and not an employee of the Big Lake EDA. No statement herein shall be construed so as to find the CLMP is an employee of the Big Lake EDA.

Insurance.

- A. General Liability. During the term of this Agreement, CLMP shall maintain a general liability insurance policy with limits of at least \$1,000,000 for each person, and each occurrence, for both personal injury and property damage. This policy shall name the Big Lake EDA as an additional insured for the services provided under this Agreement and



shall provide that the CLMP's coverage shall be primary coverage in the event of loss. The policy shall also insure CLMP's indemnification obligation. A certificate of insurance on the CLMP's approved form which verifies the existence of this insurance coverage must be provided to the Big Lake EDA before work under this Agreement is begun.

- B. **Automobile Liability.** If CLMP operates a motor vehicle in performing the services under this Agreement, CLMP shall maintain commercial automobile liability insurance, including owned, hired, and non-owned automobiles, with a minimum liability limit of \$1,000,000 combined single limit.
- C. **Workers Compensation.** CLMP agrees to provide worker's compensation insurance for all employees in accordance with the statutory requirements of the State of Minnesota. CLMP shall also carry employers liability coverage with minimum limits as follows:
- \$500,000 – Bodily Injury by Disease per employee
 - \$500,000 – Bodily Injury by Disease aggregate
 - \$500,000 – Bodily Injury by Accident
- D. **Professional Liability Insurance.** CLMP agrees to provide to the Big Lake EDA a certificate evidencing that they have in effect, with an insurance company in good standing and authorized to do business in Minnesota, a professional liability insurance policy. Said policy shall insure payment of damage for legal liability arising out of the performance of professional services for the Big Lake EDA, if such legal liability is caused by error, omission, or negligent act of the insured or any person or organization for whom the insured is legally liable. Said policy shall provide an aggregate limit of \$1,000,000.

CLMP shall, prior to commencing the project, deliver to the Big Lake EDA a certificate of Insurance as evidenced that the above coverages are in full force and effect.

The insurance requirements may be met through any combination of primary and umbrella/excess insurance.

CLMP's policies shall be primary insurance to any other valid and collectible insurance available to the Big Lake EDA with respect to any claim arising out of CLMP's performance under this Agreement.

Liability. Each Party will be solely responsible for its own acts and omissions and the results thereof to the extent authorized by law. Minnesota Statutes Chapter 466 and other applicable laws govern the Parties liability.

Indemnification. CLMP agrees to indemnify and hold harmless the Big Lake EDA, its officers and employees from any liability, claims, damages, costs, judgments, or expenses including attorney fees to the extent caused by an act or omission (including without limitation professional errors and omissions) of CLMP, its agents, employees, or subcontractors in the performance of the services provided by this



Agreement and against all losses by reason of the failure of CLMP fully to perform in any respect all obligations under this Agreement.

Records Access. CLMP shall provide the Big Lake EDA access to any books, documents, papers, and records which are directly pertinent to the specific contract, for the purposes of making audit, examination, excerpts, and transcripts, for three years after final payments and all other pending matters related to this Agreement are closed.

Ownership of Documents. All plans, diagrams, analyses, reports, and information generated in connection with performance of this Agreement shall become the property of the Big Lake EDA. The Big Lake EDA may use the information for its purposes. Such use by the Big Lake EDA shall not relieve any liability on the part of CLMP.

Data Practices. All data created, collected, received, stored, used, maintained, or disseminated for any purpose in connection with this Agreement is governed by the Minnesota Government Data Practices Act, as well as other State and Federal rules and regulations relating to data privacy.

Nondiscrimination. During the performance of this Agreement CLMP shall not discriminate on the basis of race, color, creed, national origin, sex, marital status, status with respect to public assistance, disability, or age. CLMP shall post in places available to employees and applicants for employment notices setting forth the provisions of this nondiscrimination clause and stating that all qualified applicants will receive consideration for employment. CLMP shall incorporate the foregoing requirements of this paragraph in all of its subcontracts for project work and will require all of its subcontractors to incorporate such requirements in all subcontracts for project work.

Assignment. Neither party will assign this Agreement, or any services arising herein, without the written consent of the other party.

Notices. Any notices required or permitted to be given under this Agreement shall be delivered personally or sent by certified mail to the other Party as follows:

To CLMP:

Mike Brown
Como Lake Marketing Partners
2732 Abbott Avenue North
Robbinsdale, MN 55422

To Big Lake EDA:

Hanna Klimmek
City of Big Lake EDA
160 Lake St North
Big Lake, MN 55309



Governing Law. This Agreement shall be governed by the laws of the State of Minnesota. For the purpose of resolving conflicts related to or arising out of this Agreement, the parties expressly agree that venue shall be exclusively in the State of Minnesota, County of Sherburne.

Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, documents and proposals, oral, or written, between the parties with respect thereto.

Amendments. Any amendment or modification of this Agreement shall not be valid unless such amendment or modification (i) is in writing and signed by authorized representatives of both parties and (ii) references this Agreement.

Severability. In the event any portion of this Agreement shall be held to be invalid, such invalidity shall not affect the validity of the remainder of this Agreement.

Parties in interest. This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their permitted assigns, and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature under or by reason of this Agreement.

Execution. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and to constitute one and the same instrument. Electronic copies of this Agreement, including without limitation, those transmitted by facsimile or scanned to an image file, shall be considered originals.

Signed by:

For Big Lake

(Name)

(Title)

(Date)

For Como Lake Marketing Partners

Michael Brown

(Name)

Principal Owner

(Title)

2/26/2020

(Date)





AGENDA ITEM

Big Lake Economic Development Authority

Prepared By: Hanna Klimmek, BLEDA Executive Director	Meeting Date: 3/2/2020	Item No. 6B
Item Description: Aeon Development – Resolution of Support	Reviewed By: Clay Wilfahrt, City Administrator	
	Reviewed By: N/A	

ACTION REQUESTED

Recommend the City Council consider approval of a Resolution of Support for both an affordable family rental building with approximately 55 units and an affordable senior rental building with approximately 70 units for Aeon to submit a tax credit application to MN Housing.

BACKGROUND/DISCUSSION

Nearly three years ago, on May 5, 2017, City Staff met with Aeon to participate in a scheduled design charrette for an anticipated Big Lake project. They were interested in a 6.14 acre parcel located contiguously south of the Northstar Commuter Rail off of Station Street, owned by the First National Bank of Elk River. Aeon’s interest in Big Lake was induced by the housing study, which was updated in 2016, showing a great need for multi-family and senior rental housing. During the May 5th meeting, Aeon decided to follow through with a tax credit application to MN Housing, and in June of 2017 obtained a Resolution of Support from the City of Big Lake for their submittal. The application was to obtain tax credits for a three-story, multi-family rental building that included 54 units serving families with children with incomes between \$35,000 and \$75,000. Aeon was not chosen by MN Housing for this 1st round submission.

Project Manager, Leslie Roering, was provided the “go-ahead” by Aeon Leadership to continue with the land acquisition process, and Aeon Big Lake Station, LLC gained site control of the 6.14 acre parcel in December of 2017. Aeon has submitted tax credit applications each year without success.

Ms. Roering is now putting together a fourth tax credit application to MN Housing and will submit in June of 2020, which will include not only the 55-unit structure, but also a 70-unit apartment building for senior’s age 55+.

Aeon has decided to not only continue to pursue financing for the 55-unit structure, but to also start pursuing momentum for Phase II, which has the potential to be constructed simultaneously with Phase I. The project concept for Phase II is proposed as a four-story, approximately 70-unit apartment building for senior’s age 55+. The building will have a mix of 1 and 2 bedroom apartments with amenities; amenities can include a community room, fitness area, library, or even a salon. Programming for the amenities have not been decided on at this time. Rent for a 1-bedroom will be approximately \$885 and approximately \$1061 for a 2-bedroom; serving households at 50% of area median income. The project will have underground parking, with surface parking for staff and guests.

If all financing falls into place, the estimated commencement of both the affordable family building and senior building will be in summer of 2021 with an estimated completion in summer of 2022.

Aeon will need a Resolution of Support from the City of Big Lake, for both buildings, in order to submit a complete application to MN Housing.

The City of Big Lake currently has a 0.5% vacancy rate for senior housing. This is considered to be a very unhealthy rate for a community. Essentially, there is no available housing dedicated to senior living. Seniors are experiencing hardships due to the increased cost of housing and healthcare. According to Minnesota Housing Partnership (mhponline.org), from 2000-2017, the median rent in Sherburne County increased by 19%, while Social Security only slightly raised with the annual cost-of-living adjustments. The number of seniors will rise dramatically over the next several years. The growth of individual seniors by 2035 in Sherburne County is 179%. Seniors will make up 24% of the population by 2035. The proposed 70-unit, senior living apartment building will allow the Big Lake senior community to remain in a community that has been their home for generations. It will also allow parents and grandparents to move closer to their loved ones.

Aeon, born in 1986, is a mission-driven, nonprofit provider of quality apartment homes for low-and-moderate-income individuals and families. Currently, Aeon owns and manages nearly 5600 housing units in the Twin Cities metropolitan area. Big Lake will be Aeon's first venture into Greater MN and hope to continue development ventures outside of the metropolitan area. Comparable cities that Aeon has partnerships in are Ramsey and Chaska. With over 30 years of experience in affordable housing development, Aeon has acquired a reputation for innovation in affordable housing by both local and national recognition.

Big Lake Police Chief, Joel Scharf, reached out to the Chaska Police Chief for comments regarding their relationship with Aeon. Chief Knight described Aeon as "very well managed," "a quality, stand-up organization," and "committed to what they do." He also mentioned to Chief Scharf that Aeon's Phase II in Chaska was easily approved due to their great working relationship with the City.

Two years ago, city Staff reached out to Assistant City Administrator of Ramsey, Patrick Brama, for comment as Aeon was newly constructing a multi-family apartment building there. His reply was as follows, "the project in Ramsey is located in the COR, near the Ramsey rail station, and includes two phases. The first phase, a 54-unit workforce housing apartment complex, is under construction now. The second phase, which is estimated to be roughly the same size, is anticipated for construction in 2019/2020. Ramsey began working with Aeon in 2016. Aeon staff, and Aeon's contractors have been very professional, always responsive, and reasonable to work with to-date."

FINANCIAL IMPACT

N/A

STAFF RECOMMENDATION

Recommend the City Council to consider approval of a Resolution of Support for both an affordable family rental building with approximately 55 units and an affordable senior rental building with approximately 70 units and for Aeon to submit a tax credit application to MN Housing.

ATTACHMENTS

DRAFT Resolution of Support for Tax Credit Applications

**CITY OF BIG LAKE
MINNESOTA**

A general meeting of the City Council of the City of Big Lake, Minnesota was called to order by Mayor Mike Wallen at 6:00 p.m. in the Council Chambers of City Hall, Big Lake, on Wednesday, April 8, 2020. The following Council Members were present: Seth Hansen, Rose Johnson, Paul Knier, Mike Wallen, and Scott Zettervall. A motion to adopt the following resolution was made by Council Member _____ and seconded by Council Member _____.

**CITY OF BIG LAKE
RESOLUTION NO. 2020-XX**

A RESOLUTION OF SUPPORT FOR AEON

WHEREAS, Aeon has approached the City of Big Lake regarding a proposal to develop affordable housing near the Northstar Commuter Train Station; and

WHEREAS, the City of Big Lake is committed through policy statements in its Comprehensive Plan, to provide a variety of housing types for residents; and

WHEREAS, there is a locally identified need for affordable housing and such housing is in short supply in the local housing market; and

WHEREAS, the City recognizes a percentage of mass transit users are individuals who live in affordable housing; and

WHEREAS, the site Aeon is interested in developing, Outlot A, is located within a walkable distance from train station; and

WHEREAS, the Outlot is currently zoned as Agricultural and is included in the Transit Oriented District (TOD). Townhomes and apartment buildings are common buildings within this zoning district; and

WHEREAS, the site, Outlot A, will be subdivided into two low-income housing projects meeting the identified need of affordable housing for families and seniors; and

WHEREAS, Aeon is seeking support from the City of Big Lake in making this project

a reality by working together for the benefit of its Section 42 Tax Credit applications which are to be submitted to Minnesota Housing Finance Agency; and

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Big Lake that it hereby approves this resolution supporting Aeon's applications to Minnesota Housing for financing to construct a family housing development and a senior housing development.

Adopted by the Big Lake City Council this 8th day of April, 2020.

Mayor Mike Wallen

Attest:

Gina Wolbeck, City Clerk

The following Council Members voted in favor:

The following Council Members voted against or abstained:

Whereupon the motion was duly passed and executed.

Drafted By:
City of Big Lake
160 Lake Street North
Big Lake, MN 55309

STATE OF MINNESOTA)
)SS.
COUNTY OF SHERBURNE)

The foregoing instrument was acknowledged before me this ____ day of April, 2020 by the Mayor and City Clerk of the City of Big Lake, a Minnesota municipal corporation, on behalf of the corporation.

Notary Public



AGENDA ITEM

Big Lake Economic Development Authority

Prepared By: <i>Deb Wegeleben, BLEDA Assistant Treasurer</i>	Meeting Date: 3/2/2020	Item No. 6C
Item Description: <i>BLEDA Budget Report and List of Claims – February 2020</i>	Reviewed By: <i>Hanna Klimmek, BLEDA Executive Director</i>	
	Reviewed By: <i>Clay Wilfahrt, City Administrator</i>	

ACTION REQUESTED

Approve the BLEDA Budget Report and List of Claims for February 2020.

BACKGROUND/DISCUSSION

Attached are the BLEDA February 2020 Budget Report and List of Claims for the BLEDA's review.

ATTACHMENTS

BLEDA February 2020 Budget Report and List of Claims



unaudited

**Big Lake Economic Development Authority
Balance Sheet
February 29, 2020**

Assets	Balance	Comments
Cash	88,302.75	
Taxes Receivable - Delinquent	2,553.33	**will be adjusted after final settlement in January
** Accounts Receivable	5,992.33	
* Notes Receivable	-	
Prepaid - other	-	
*** Land Held for Resale	<u>61,924.65</u>	2013 Audit land value wrote down to 120% of County Value
Total Assets	<u><u>158,773.06</u></u>	

Liabilities and Fund Balance

Due to Other Funds	20,884.25	Due to the Sewer Fund
Deposits	-	Earnest Money
Deferred Revenue	2,553.33	Delinquent Taxes
Accounts Payable	1.65	2019 Expense will be paid in 2020 - recording fees
Accrued Wages/Fringe	-	
Designated Fund Balance	-	
Unreserved Fund Balance	135,333.83	
Total Liabilities & Fund Balance	<u><u>158,773.06</u></u>	

* Notes Receivable:	Payment Due	Status
	<u>-</u>	
	-	
** Accounts Receivable		
Scenic Sign Corp.-Lake Plaza Sign	<u>5,992.33</u>	See Statement of Loan/Receivables Activity for Schedule
	5,992.33	
*** Land Held for Resale		
420 Putman (2018)	10,874.65	PID # 65-403-0430 - tax forfeiture property
West End of Plaza (2006)	51,050.00	PID #65-584-0105 - Lot @ Corner Fern St & Martin Ave - possible sale
West End of Plaza (2006)	-	PID #65-554-0115 - Center parking lot @ Lk Shopping Center - SOLD
	<u>61,924.65</u>	



**Big Lake Economic Development Authority
Statement of Operating Revenues and Expenditures
February 29, 2020**

Revenues	Budget 2020	YTD Actual 2020	Remaining Budget	Comments
RE & PP Taxes - Current	128,700.00	-	128,700.00	
RE & PP Taxes - Delinquent	400.00	-	400.00	
Transfer In from other Fund	25,000.00	25,000.00	-	Branding Project
Interest Earned	800.00	292.29	507.71	
Sub Total Operating Revenues	154,900.00	25,292.29	129,607.71	
Total Revenues	154,900.00	25,292.29	129,607.71	
Expenditures				
Wages & Fringe	63,796.00	8,337.60	55,458.40	Community Development Director - 50%
Audit	500.00	-	500.00	
Advertising/Marketing	1,100.00	143.34	956.66	
Marketing - Branding Project	50,000.00	-	50,000.00	2020 Branding Project
Computers/Software	-	119.88	(119.88)	Drop Box Space
Consultants	2,000.00	-	2,000.00	Annual Reports
Contractors hired	300.00	-	300.00	Sharpline Lawn Care- Industrial Park
Engineering	500.00	-	500.00	
Legal	3,000.00	-	3,000.00	
Meals	50.00	-	50.00	
Other Operating Expenses	50.00	-	50.00	
Postage	25.00	-	25.00	
Recording Fees	150.00	-	150.00	Land Sales/IP
Signs/Banners	-	-	-	
Snow Removal	500.00	-	500.00	
Special Assessments	46,362.00	-	46,362.00	2020 on Industrial Park outstanding Assessments
Subscriptions/Dues	650.00	-	650.00	MN Marketing Partnership
Training/Schools	1,000.00	295.00	705.00	Community Development Director - Conferences
Website	250.00	-	250.00	
Loss on Sale of Asset/Land	-	-	-	
Total Operating Expenditures	170,233.00	8,895.82	161,337.18	
Other Expenditures:				
Interfund Loans Interest Exp	1,377.00	1,376.53	0.47	
Total Expenditures	171,610.00	10,272.35	161,337.65	
Operating Revenues less Expenditures	(16,710.00)	15,019.94	(31,729.94)	
Interfund Loan Principal Payment	25,000.00	25,000.00	-	
Project Fund Balance Inc/(Decr)	(16,710.00)	15,019.94		
**does not include principal interfund loan payment				
Project Cash balance Inc/(Decr)	(41,710.00)			



Big Lake Economic Development Authority
Statement of Loan/Receivables Activity
February 29, 2020

Notes Receivable

Accounts Receivable

	<u>Original Balance</u>	<u>Remaining Balance</u>	<u>Terms</u>	<u>Comments</u>
* Krutzig, Mike	\$ 6,492.33	\$ 5,992.33	\$3,246 Due 07/01/2010 & 07/01/2011	Delinquent: Pd \$500 7/2011
		<u>\$ 5,992.33</u>		



February 29, 2020

Big Lake Economic Development Authority

Designated Fund Balance

Acquisition/Demo MHFA Program - no longer designated		-
Revolving Loan Program/Facade Improvement Program	All Paid	-
Rental Inspection Program - no longer designated		-
SFHAP - no longer designated		-
BR&E <Pass Thru> - no longer designated		-
		<hr/>
		-

Unreserve Fund Balance

	135,333.83
Total Fund Bal	<u>135,333.83</u>

Reconciliation

GL		
DEFERRED REVENUE - DELO PROPERTY TAX RECEIVABLE	2,553.33	
UNRESERVED FUND BALANCE	<u>132,780.50</u>	
	135,333.83	

SAC CREDITS

	# credits o/s
April 25, 2007 - SAC credits given to BLEDA	14.00
These credit have been awarded to project 11/2019	<u>(14.00)</u>
	-



BIGLAKE, MN
EDA CLAIM LISTS
 2020
 February

Search Name	CHECK	Check Date	Batch Name	Amount	Comments	Act Code
Act Code 275-000-00-05-4002						
0			PR3 020520	\$1,987.20	Labor Distribution	275-000-00-05-4002
0			PR 4 021920	\$1,987.20	Labor Distribution	275-000-00-05-4002
Act Code 275-000-00-05-4002				\$3,974.40		
Act Code 275-000-00-05-4008						
0			PR3 020520	\$290.19	Labor Distribution	275-000-00-05-4008
Act Code 275-000-00-05-4008				\$290.19		
Act Code 275-000-00-05-4009						
0			PR3 020520	\$31.25	Labor Distribution	275-000-00-05-4009
0			PR 4 021920	\$31.25	Labor Distribution	275-000-00-05-4009
Act Code 275-000-00-05-4009				\$62.50		
Act Code 275-000-00-05-4010						
0			PR3 020520	\$152.01	Labor Distribution	275-000-00-05-4010
0			PR 4 021920	\$152.01	Labor Distribution	275-000-00-05-4010
Act Code 275-000-00-05-4010				\$304.02		
Act Code 275-000-00-05-4012						
0			PR3 020520	\$149.04	Labor Distribution	275-000-00-05-4012
0			PR 4 021920	\$149.04	Labor Distribution	275-000-00-05-4012
Act Code 275-000-00-05-4012				\$298.08		
				\$4,929.19		



Community Development Department Update

1. Business Retention & Expansion Visits:

01/06/19	Keller Lake Commons	01/31/20	Kensho Salon
01/2720	Options, Inc.		

2. Current Development Activity (as of 2/26/20):

Housing:

- Single-Family New Construction Issued Permits 2
- Single-Family New Construction in Review 1

- Multi-Family New Construction
 - Duffy Development - The Crossing at Big Lake Station Phase II
 - In construction
 - Kuepers, Inc. – Station Street Apartments - 105-unit multi-family, market rate new construction project
 - Pre-development
 - Sandhill Villas (HOA) – 12-unit development project
 - Pre-development
 - Avalon Estates – Approximately 120-unit development for 55+
 - Pre-development
 - *Actively working with Developers on two (2) additional concepts for multi-family development*

Commercial/Industrial:

- ❖ Minnco Credit Union – New Business / New Construction
 - In construction (plan to open by June 1, 2020)
- ❖ Car Condo Project – New Business / New Construction
 - Pre-development
- ❖ Wastewater Treatment Project - Expansion
 - Pre-development
- ❖ Vision Bus - Expansion
 - Pre-development
- ❖ Nystrom Associates Rehabilitation Facility

- Pre-development
- ❖ *Actively working with Developers/Business Owners on three (3) additional new construction projects*

4. BLEDA:

- A Panel interviewed three candidates to facilitate the Community Brand and Identity Design Project. The Panel selected Como Lake Marketing Partners and recommended the BLEDA approve a Contract for Service.
- BLEDA Strategic Plan Committee will be meeting on March 16th to revise the Strategic Plan as it is a “working document.”
- The Telecommuter Forward! Certification Resolution is expected to be approved by City Council on 3/11/20.
- Aeon is asking for a Resolution of Support to submit two (2) tax credit applications to MN Housing to newly construct a 55-unit multi-family structure and a 70-unit apartment building for senior’s age 55+.
- During their November 12, 2019 meeting, the BLEDA entered into a Contract for Private Development with the Blackbird Group LLC to newly construct a laundromat facility on the corner of Martin and Fern.

5. Planning & Zoning:

- City Council appointed Big Lake’s new City Planner on 2/26/20.
- Preparing to hire a summer intern to facilitate code enforcement and assist with operating the Farmers Market.
- Public Hearing for a housekeeping ordinance is scheduled for the 3/4/20 Planning Commission Meeting.
- Public Hearing for the Avalon Estates Concept Plan Review is scheduled for the 3/4/20 Planning Commission Meeting – Open House is scheduled for 5:30 – 6:30pm, right before the meeting.
- Public Hearing for Style Catering (new business) to receive a CUP approval for use another CUP approval to allow for liquor sales.

6. Building:

- Working on hiring a Chief Building Official.

7. Other:

- Trisha Lindahl, Administrative Assistant, has resigned and her employment with the City ended on 2/28/20.
 - Sandy Petrowski will return to a full-time status on 3/16/20.
 - Working on re-designing and filling the part-time position within Community Development.
- Staff will be attending the LMC Legislative Conference on March 18th and 19th – Meetings are set up with both Mary Kiffmeyer and Paul Novotny.