

**BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES**

WEDNESDAY, MARCH 16, 2026

1. CALL TO ORDER

Vice President Jake Rohrbeck called the meeting to order at 5:30 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. ROLL CALL

Commissioners present: Donna Clarksean, Paul Knier, Kathryn Parsons, and Jake Rohrbeck.
Commissioners absent: Geroux, Heidemann and Knodle.

Also present: BLEDA Executive Director Marie Popp, City Administrator Hanna Klimmek, BLEDA Assistant Treasurer Deb Wegeleben and BLEDA Secretary Lisa Miller.

4. ADOPT AGENDA

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

5. APPROVE BLEDA MINUTES OF JANUARY 12, 2026 AND JANUARY 21, 2026

Commissioner Knier motioned to approve the BLEDA minutes of January 12, 2026 and January 21, 2026 as presented. Seconded by Commissioner Clarksean, unanimous ayes, motion carried.

6A. REVOLVING LOAN FUND POLICY DISCUSSION

Popp discussed due to the recent inquiries on the Big Lake EDA's Revolving Loan Fund, staff recommended a discussion to clarify eligible entities. Popp explained the BLEDA loan policy states the intent is to provide businesses with direct loans but does not provide a definition that clearly prohibits non-profits from applying. Popp mentioned Sherburne County's policy, pertaining to non-profits, states they may consider granting loans to non-profits under extraordinary or special circumstances where it can be clearly demonstrated the loan will contribute to or support the development of the business structure of the County. Popp explained if BLEDA determines non-profits are eligible, then clear guidelines should be adopted pertaining to when the loan may be utilized. Popp explained that, for example, assisting the American Legion with the construction of a legion hall would not fall within the statutory authority of a city or EDA. However, a loan may not be viewed as a general expense. While such an arrangement may be possible, it presents

certain gray areas. Wegeleben added this type of expense may not be statutorily permitted and could create complications for BLEDA, including potential findings that could impact future city bonding

Commissioner Clarksean stated when the Fire Department revolving loan was issued, there was an expectation the funds would be repaid and noted providing funds to a nonprofit carries greater risk, as repayment is less certain due to its not-for-profit status. Clarksean discussed there is no personal guarantee associated with the loan. Wegeleben added there is no personal recourse to recover the funds; in the event of a default, there would be no assets to go after.

Commissioner Knier noted a for-profit organization could go out of business, resulting in the loss of repayment. Wegeleben added a personal guarantee is typically in place, allowing a claim to be filed against an individual. Knier asked whether a similar personal guarantee could be required for a nonprofit organization, even if limited to one or two members. Wegeleben responded that nonprofit organizations are governed by a board of directors, rather than an individual, and therefore do not typically involve a personal guarantee. Knier asked what the American Legion is requesting. Popp replied they are seeking a revolving loan to finance property acquisition. Wegeleben clarified the discussion applies to any nonprofit organization, not just the one being considered in closed session. She explained the revolving loan fund was originally intended to support job creation or expand the tax base. With nonprofits, however, taxation occurs at a much lower rate. While residents may benefit indirectly—since growth can support other businesses, they do not see a reduction in property taxes, as no one else is contributing to cover the cost of services.

Commissioner Parsons asked whether the wording would need to be changed. Popp replied she could address the specific inquiry now and, at a future meeting, present clarifying language to address nonprofit organizations requesting funds from the revolving loan program.

Commissioner Clarksean inquired whether Sherburne County has ever provided a revolving loan to a nonprofit organization. Popp replied that, to her knowledge, they have not. She explained the intent was to allow flexibility for extraordinary circumstances, as some nonprofit organizations employ full-time staff who engage in job-creation activities. In such cases, the EDA could determine providing a loan would offer a clear benefit to the county.

Commissioner Rohrbeck asked whether the nonprofit organization requesting the loan would be creating any jobs. Popp replied they would not.

City Administrator Klimmek mentioned the language has the extraordinary that must come from Covid and Wegeleben added with Covid BLEDA did issue grants to all nonprofits during that time.

Commissioner Knier noted he was leaning toward approving a revolving loan, recognizing the American Legion contributes to building a strong community. However, he trusts Deb's judgment. Wegeleben noted the state is saying "no" without specifically stating it, adding this is not because anyone doubts that it would be a good idea.

Popp clarified the general consensus of the Commissioners was not to include nonprofits but possibly add the same language as Sherburne County.

6B. BLEDA STRATEGIC PLAN DISCUSSION

Popp discussed in December 2025, BLEDA met in a joint workshop with the Planning Commission to review the key properties identified in BLEDA's strategic plan. At that time, no major changes to BLEDA's strategy were recommended, but potential changes to the City's zoning and land use maps were identified for some of the privately owned parcels. Popp noted the majority of that work will be led by current landowners and the Planning Commission. Popp mentioned there are items for BLEDA to consider following the joint meeting, including 1.) potential involvement in updating land use or zoning regulations related to the Transit-Oriented Development District, 2.) Code amendments, specifically the Shoreland Code update, 3.) are there additional sections of City Code BLEDA would like to review or provide input on and 4.) provide any additional comments or questions regarding the Strategic Plan.

Commissioner Knier clarified that BLEDA would need to include the Northstar area, as it is not currently part of the strategic plan, and asked about the potential benefits and drawbacks of BLEDA's involvement. Popp explained the Planning Commission would, at a minimum, be involved, since the area is designated as a higher-density housing district. It was originally intended to support multiple uses and create a more walkable district. With Northstar leaving, there is an opportunity to reimagine the area entirely. She noted the EDA is involved in multiple aspects of economic development, including community marketing and evaluating what is economically viable in different parts of town. Popp suggested holding a joint work session with the Planning Commission and BLEDA. Commissioner Knier expressed support for BLEDA's involvement, emphasizing that the Commissioners' role is to have a say in the direction of such developments. Wegeleben shared the involvement of BLEDA would be beneficial as it allows for different perspectives and ideas to be considered.

6C. BLEDA FINANCIAL REPORT AND LIST OF CLAIMS FOR JANUARY AND FEBRUARY 2026

Deb Wegeleben reviewed the BLEDA financial report and list of claims for January and February 2026. A request for the \$150,000 reimbursement from the Smith Property bond proceeds was submitted and will be reflected in the March 2026 financial report. The BLEDA fund balance has been updated to include this amount. Current fund balances are as follows: the Designated Future Development Project Fund is \$338,000, the Designated Revolving Loan Fund is \$100,000, and the Unreserved (Operating) Fund shows a deficit of (\$91,587). The operating fund is expected to return to a positive balance once property tax revenues are received.

Commissioner Knier asked what the \$338,000 was designated for. Wegeleben responded it is intended for development purposes and was part of the original funds the City Council transferred to BLEDA for development. Popp added the Designated Revolving Loan Fund has also been used to cover costs associated with the BLEDA-owned property at 421 Foley Avenue.

Commissioner Clarksean motioned to approve the BLEDA Financial Report and List of Claims for January and February 2026. Seconded by Commissioner Parsons unanimous ayes, motion carried.

6D. COMMUNITY DEVELOPMENT DEPARTMENT UPDATE

Popp reviewed the Community Development Department update. Popp mentioned the Revolving Loan Fund discussion, the Pizza Factory extension, ongoing projects including the shoreland ordinance update, general code housekeeping, and two upcoming annexations. Popp shared there is continued interest in residential, industrial, and commercial developments.

7. OTHER

Popp reviewed a letter of support, on behalf of BLEDA, for federal support through Emmers office.

Motion made by Commissioner Clarksean to approve the BLEDA letter of support for federal support through Emmers office. Seconded by Commissioner Knier, unanimous ayes, motion carried.

Motion made by Commissioner Knier to recess the regular meeting at 5:49 p.m. to go to Closed Session for item No. 8. Consider the Sale of Property Parcel No. 65-00403-0430 allowed per MN Statute 13D.05, Subd. 3c3. Seconded by Commissioner Clarksean, unanimous ayes, motion carried.

8. CLOSED SESSION – CONSIDER SALE OF PROPERTY PARCEL NO. 65-00403-0430 PER M.S. 13D.05, SUBD. 3C3

Commissioner Clarksean motioned to open the Closed Session at 5:50 p.m. to consider the sale of property parcel No. 65-00403-0430 allowed per MN Statute 13D.05, Subd. 3c3. Seconded by Commissioner Parsons, unanimous ayes, motion carried.

Commissioners present: Donna Clarksean, Paul Knier, Kathryn Parsons, and Jake Rohrbeck. Also present: BLEDA Executive Director Marie Popp, City Administrator Hanna Klimmek, BLEDA Assistant Treasurer Deb Wegeleben, and BLEDA Secretary/Deputy City Clerk Lisa Miller.

Marie Popp reviewed the potential sale of property, identified as Parcel No. 65-00403-0430.

No action was taken by the Commission during the Closed Session.

Commissioner Clarksean motioned to close the Closed Session and reconvene the March 16, 2026 regular meeting at 6:03 p.m. Seconded by Commissioner Parsons, unanimous ayes, motion carried.

Commissioner Knier motioned to table the discussion on the sale of Parcel No. 65-00403-0430 until all BLEDA members are present. Seconded by Commissioner Clarksean, unanimous ayes, motion carried.

There was no direction given considering the sale of property of Parcel No. 65-00403-0430.

9. ADJOURN

Commissioner Knier motioned to adjourn the meeting at 6:05 p.m. Seconded by Commissioner Clarksean, unanimous ayes, meeting adjourned.