

**BIG LAKE ECONOMIC DEVELOPMENT AUTHORITY  
MEETING MINUTES**

**MONDAY, AUGUST 10, 2020**

**1. CALL TO ORDER**

President Alan Heidemann 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, Alan Heidemann, and Mike Wallen.

Also present: BLEDA Executive Director Hanna Klimmek, Finance Director 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 JULY 13, 2020**

Commissioner Geroux motioned to approve the July 13, 2020 BLEDA minutes. Seconded by Commissioner Green, unanimous ayes, motion carried.

**6. BLEDA BUSINESS ITEMS**

**6A. BIG LAKE COVID-19 EMERGENCY GRANT PROGRAM – AWARD RECOMMENDATION**

Klimmek reviewed that the State has approved a bill to distribute funding from the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. The bill distributes money to local governments to assist with the financial strain caused by plummeting tax revenues. The City of Big Lake has received \$863,098.

Federal guidance indicates that a City can have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of

business interruption caused by required closure should be tailored to assist those businesses in need of such assistance. Also, guidance indicates that fund payments may be used for economic support in the absence of the stay-at-home order if such expenditures are determined by the City to be necessary. This may include, for example, a grant program to benefit small businesses that close voluntarily to promote social distancing measures or that are affected by decreased customer demand as a result of the COVID-19 pandemic.

With that being said, the Big Lake City Council has approved a grant program to provide the CARES Act funding to businesses to cover business interruption, and the City Council has delegated the administration of the program to the Big Lake EDA. Out of the \$863,098 in CARES Act funding, Staff is comfortable with providing \$550,000 to the business community for a first round to ensure all City COVID expenses have been captured.

The Big Lake COVID-19 Emergency Grant Program application was released the evening of July 22, 2020 after the Big Lake City Council meeting and its approval. The application deadline was scheduled for 4:00 pm on Wednesday, August 5, 2020.

The Big Lake EDA has accepted 33 applications with a total request of \$1,513,698.91. Twenty-three (23) applications were from businesses/non-profits that were deemed non-essential when the executive order was executed. The 23 applications amount to a request of \$1,188,187.98. The remaining 10 applications are from businesses that never had to officially close their doors and stop production. Those 10 applications from essential businesses amount to a request of \$325,510.93.

Staff reviewed all applications to ensure they are eligible, the funds will be used correctly, and the proper documentation is included. From there, Staff met with the Big Lake EDA Finance Committee to define a way to make the awards as impactful as possible knowing that it's impossible to provide the full amount of all grant requests.

The Big Lake EDA Finance Committee is recommending that non-essential businesses/non-profits should be first priority for the awards. The Committee is recommending that maximum grant amounts should be placed on 4 categories:

- Non-Profit that remains shut down (Options, Inc.) = \$100,000
- Restaurants/Bars = \$35,000
- Businesses that received no other Federal/State funding = \$20,000
- All other non-essential businesses/non-profits = \$10,000

The Big Lake EDA Finance Committee is also recommending to provide \$5,000 of funding to each of the 10 businesses deemed essential through the Governor's executive orders.

The City of Big Lake has until November 15, 2020 to spend down the funds. If unable to meet the November 15, 2020 deadline, the funding will go to Sherburne County. Sherburne County has until December 1, 2020 to spend down the funds. If unable to meet the December 1, 2020 deadline, Sherburne County will have to provide their balance of funds to the State of MN.

Dickinson stated that businesses who are shut down should be considered a priority. He commented that the finance committee's recommendations were well done. Geroux stated that set procedures were followed by staff. Green asked if businesses are now able to go to the County for additional funding. Klimmek confirmed that eligible businesses can apply for funding through the County.

Commissioner Geroux motioned to recommend to City Council the proposed Big Lake COVID-19 Emergency Grant Program awards, funded by the CARES Act. Seconded by Commissioner Wallen, unanimous ayes, motion carried.

## **6B. PRELIMINARY 2021 BLEDA BUDGET**

Wegeleben reviewed the first draft of the Preliminary 2021 BLEDA Budget. It includes the revenue and expenditure budget as well as a concept budget for 2022-2025.

The 2021 preliminary levy is at \$130,000, which is the same as 2020; the executive director salary and fringe is again split 50/50 between the BLEDA and General Fund budgets.

Total expenditures are \$45,831 less than 2020 budget; this is due to the \$50,000 Branding project that was budgeted in 2020. Again this year there is the \$46,362 transfer to the Industrial Park Land Expansion Fund. In the past the Industrial Park Land Expansion fund paid for the special assessment associated with the purchase of the industrial park, however the sewer fund had to subsidize the fund as there has been no cash sales since the purchase of the property. The total outstanding indebtedness to the sewer fund pertaining to the industrial park land expansion is \$580,453.37. The long term plan of the City is to pay this interfund loan back using BLEDA funds and General Funds.

In regards to the projected cash balance, the board could choose to direct staff to allocate some of the projected fund balance to specific projects for the upcoming budget years.

Heidemann asked if the consultants hired for the rebranding project have been paid yet. Wegeleben stated they haven't been paid yet, but there should be funds set aside for future payment. Calva stated that there is a paragraph in the Preliminary budget that lists an incorrect meeting date for Council. Wegeleben confirmed that she would fix the

mistake. Dickinson stated that he is not in favor of the levy being included in the BLEDA budget as BLEDA is not an elected body.

Commissioner Dickinson motioned to recommend to City Council approval of the proposed 2021 Preliminary BLEDA Budget as presented. Seconded by Commissioner Geroux, unanimous ayes, motion carried.

## **6C. BLEDA BUDGET AND LIST OF CLAIMS**

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

## **6D. COMMUNITY DEVELOPMENT DEPARTMENT UPDATE**

Klimmek reviewed the following:

### **1. Current Development Activity (as of 8/5/20):**

#### **Housing:**

- Single-Family New Construction Issued Permits 28
- Single-Family New Construction in Review 05
  
- Multi-Family New Construction
  - The Crossings Phase II – 38 Affordable Townhome Rental Units
    - Extended their Partial C/O
  - Station Street Apartments Phase I and Phase II – 70 Market Rate Rental Units
    - Developer – Kuepers, Inc.
    - In Construction – Received BP Application for Phase 3 on 8/5/20
  - Sandhill Villas (HOA) – 12-Unit Single-Family Development Project
    - Developer – Troy Siemers
    - Fully Approved – Working on Development Agreement
  - Avalon Estates – 108 Units for 55+ (Patio Homes, Twin Homes, Apt. Building)
    - Developer – Avalon Homes
    - Concept Phase
  - Big Lake Station Apartments – 55 Affordable Multi-Family Units; 70 Affordable Units for 55+
    - Developer – Aeon
    - Concept Phase
  - Marketplace Crossing I & II – 120 Affordable and Market Rate Multi-Family Rental Units (2, 60-unit buildings)
    - Developer – CommonBond
    - Concept Phase

**Commercial/Industrial:**

- ❖ Big Lake Car Condo's
  - Project is on hold
- ❖ Wastewater Treatment Expansion Project
  - In Construction
- ❖ Great River Federal Credit Union
  - Building Permit is in Review
- ❖ Nystrom & Associates Treatment Facility
  - Working Through Final Plat Application
- ❖ Liberty Savings Bank
  - Working Through Site Plan, CUP, and Variance
- ❖ Metro-Transit (North Star Commuter Rail) Facility Expansion
  - Administrative Site-Plan Review
- ❖ Blackbird Group, LLC
  - BLEDA Provided a 1-Year Extension

**2. BLEDA:**

- Kick-off for the Branding and Identity Design Project has been postponed until the community is ready to engage in the project.
- BLEDA Strategic Plan Committee will be working on creating strategies/framework for development, re-development, and repurposing.
- Priority is on the CARES Act funding and granting funds to the Big Lake Business Community.
  - Application deadline was 4 pm on 8/5/20
  - Received 33 eligible applications requesting total of \$1,513,698.91
    - Non-essential – 23 applications requesting total of \$1,188,187.98
    - Essential – 10 applications requesting total of \$325,510.93
  - Staff is comfortable awarding \$550,000 at this time, which will leave the City \$313,098 to capture its own COVID related expenses

**3. Planning & Zoning:**

- Hired Lucinda Meyers – Start date is August 24<sup>th</sup>
- The Code Revision Task Force has been created. Kick-off meeting will be held on August 18<sup>th</sup>.
- Planning Commission has a new Planning Commissioner, Shane Shatka.

**4. Building:**

**PERMIT ACTIVITY REPORT – THROUGH JULY 31, 2020**

Permit Type	Permits Issued in July of 2020	2020 Total
Single-Family	4	27
Multi-Family	0	2

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Commercial New / Remodel / Addition	2	16
Remodel / Decks / Misc.	65	218
HVAC / Mechanical	13	55
Plumbing	9	55
Zoning	18	116
Land Alteration	6	9
Fire	1	13
<b>TOTAL</b>	<b>118</b>	<b>511</b>

	Permit Fee	Plan Review	TOTAL
Total Fees in July 2020	\$29,990.15	\$7,243.40	<b>\$37,233.55</b>

YTD 2020 Total Valuation (through 7/31/20)	YTD 2020 Permit Fee + Plan Review (through 7/31/20)
<b>\$21,017,662.80</b>	<b>\$285,086.14</b>

**PREVIOUS YEAR COMPARISON – THROUGH JULY 31, 2019**

Permit Type	Permits Issued in July of 2019	2019 Total
Single-Family	23	44
Multi-Family	2	2
Commercial New / Remodel / Addition	0	14
Remodel / Decks / Misc.	44	184
HVAC / Mechanical	10	50
Plumbing	5	33
Zoning	14	101
Land Alteration	0	0
Fire	0	0

<b>TOTAL</b>	<b>98</b>	<b>428</b>
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	<b>Permit Fee</b>	<b>Plan Review</b>	<b>TOTAL</b>
Total Fees in June 2019	\$320,649.44	\$30,660.30	<b>\$351,309.74</b>

<b>YTD 2019 Total Valuation (through 7/31/19)</b>	<b>YTD 2019 Permit Fee + Plan Review (through 7/31/19)</b>
<b>\$23,486,741.24</b>	<b>\$743,138.95</b>

**5. Recreation & Communication:**

- The Farmers Market has had a record year for both vendors and patrons of the Market.

**6. Streets & Parks:**

- Purchasing new equipment to provide more efficiency out in the field.
- Purchasing new technology to also provide more efficiency out in the field.
- Interviewing internal applicants for a lead position under Nick Abel, Streets & Parks Superintendent.

**7. OTHER**

Wallen stated that on Wednesday, August 12, 2020 Council will have a discussion on what they plan to do with Rose's seat and will discuss appointments as Rose sat on multiple committees. Geroux commented that while doing construction for a customer of his, they complimented the amount of growth in Big Lake including the industrial park.

**8. ADJOURN**

Commissioner Dickinson motioned to adjourn the meeting at 6:18 p.m. Seconded by Commissioner Green, unanimous ayes, meeting adjourned.