

**UNAPPROVED**

**CITY OF BLAINE  
BLAINE ECONOMIC DEVELOPMENT AUTHORITY**

Thursday, September 6, 2018  
7:15 P.M.

Blaine City Hall  
Council Chambers  
10801 Town Square Drive

**CALL TO ORDER/ROLL CALL**

The meeting was called to order at 7:21 p.m. by President Ryan followed by the Roll Call.

**PRESENT:** President Tom Ryan, Commissioners Andy Garvais (in attendance via Skype), Wes Hovland, Julie Jeppson (arrived at 7:25 p.m.), and Dick Swanson.

**ABSENT:** Commissioners Dave Clark and Jason King.

Quorum Present.

**ALSO PRESENT:** City Manager Clark Arneson; Planning and Community Development Director Bryan Schafer; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; Economic Development Coordinator Erik Thorvig; Public Services Manager/Assistant City Manager Bob Therres; City Engineer Dan Schluender; Senior Engineering Technician Jason Sundeen; and City Clerk Catherine Sorensen.

**APPROVAL OF THE MINUTES**

Moved by Commissioner Swanson, seconded by Commissioner Hovland, that the Minutes of August 16, 2018, be approved.

Motion adopted 3-0-2 (Commissioner Garvais abstained and Commissioner Jeppson was absent for the vote).

**NEW BUSINESS**

4.1 EDA Resolution No. 18-16, Approving \$44,143 Expenditure from the Blaine EDA to Blaine Lock and Safe for Fire Suppression Installation.

Moved by Commissioner Swanson, seconded by Commissioner Hovland, that Resolution No. 18-16, "Approving \$44,143 Expenditure from the Blaine EDA to Blaine Lock and Safe for Fire Suppression Installation," be approved.

Economic Development Coordinator Thorvig stated Blaine Lock and Safe purchased the building at 10136 Sunset Ave in December, 2017. They purchased the building to relocate their business from their current location at 121st Ave. and Highway 65. The owners are remodeling the building which requires fire suppression. Due to lack of equity in the building because of low value, the business is having difficulty securing the necessary bank financing to complete both the building remodel and fire suppression. Staff proposed the option of financing the fire suppression through a combination of the fire suppression grant

program and a special assessment. It was noted the total project cost to add the fire suppression system, based on bids obtained by the applicant is \$69,143. The fire suppression grant program would pay up to \$25,000 with the remaining \$44,143 financed through a special assessment. The special assessment has a 10-year term at 4.5% interest. The initial fire suppression cost would be paid from the EDA general fund, with the fund being paid back the assessed amount over the 10-year period with interest. Because the expenditure is over \$20,000, EDA approval is required.

President Ryan thanked staff for working with Blaine Lock and Safe on this matter.

Motion adopted 4-0-1 (Commissioner Jeppson absent for vote).

4.2 EDA Resolution No. 18-17, Approval of Lease with Specialty Welding, Inc. at 1409 105<sup>th</sup> Avenue NE.

Moved by President Ryan, seconded by Commissioner Hovland, that Resolution No. 18-17, "Approval of Lease with Specialty Welding, Inc. at 1409 105<sup>th</sup> Avenue NE," be approved.

Economic Development Coordinator Thorvig stated on August 16, 2018, the EDA approved the purchase of 1409 105<sup>th</sup> Avenue. Closing occurred on August 29<sup>th</sup>, 2018. The building has an existing tenant, Specialty Welding, Inc. The business does small specialty welding jobs and boat skeg and propeller repair. The business has indicated they would like to continue to lease the building. Staff met with the business owner and inspected the property and is comfortable entering into a year lease with the business. The general terms of the lease were reviewed with the EDA and staff recommended approval.

Motion adopted unanimously.

4.3 EDA Resolution No. 18-18, Memorandum of Understanding between Anoka County, Connexus Energy, MetroNorth Chamber of Commerce and Participating Municipalities of Anoka County.

Moved by President Ryan, seconded by Commissioner Hovland, that Resolution No. 18-18, "Memorandum of Understanding between Anoka County, Connexus Energy, MetroNorth Chamber of Commerce and Participating Municipalities of Anoka County," be approved.

Economic Development Coordinator Thorvig stated over the past two years a collaborative effort between Anoka County, Connexus Energy, Metro North Chamber, and Anoka County cities has occurred to encourage economic development in Anoka County. In December 2017 a study was completed by Ady Advantage for a market research analysis and evaluation of business opportunities, targets, and strategies for economic development within Anoka County. Since the completion of the study, several major tasks have been completed including hiring a dedicated economic development staff person by Anoka County, creating a brand and logo for Anoka County economic development, a webpage, and organization of three sub-committees to carry-out various tasks outlined in the study. The purpose of the memorandum of understanding (MOU) is to set a framework for involved organizations to further the goals of the economic development collaboration by: (a) outlining general objectives, (b) defining mutual responsibilities, and (c) setting goals, timelines, communication, and other details necessary to achieve the desired outcomes. The proposed MOU is effective for a period of five (5) years. Staff estimated the City's cost for this economic development program to be \$3,500.

Motion adopted unanimously.

**OTHER BUSINESS**

None.

**ADJOURNMENT**

Moved by Commissioner Hovland, seconded by President Ryan, to adjourn the meeting at 7:31 p.m.

Motion adopted unanimously.

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Tom Ryan, President

ATTEST:

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Catherine Sorensen, City Clerk

*Submitted by TimeSaver Off Site Secretarial, Inc.*