



City of Blaine

Economic Development Authority

October 21, 2024 | 8:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

The purpose of the Blaine Economic Development Authority is to increase the City's commercial/industrial tax base, provide employment opportunities, undertake redevelopment to enhance and maintain neighborhood economic stability, and address special needs, such as senior housing. As authorized under Minnesota State statutes, the Blaine City Council also serves as the Blaine Economic Development Authority.

AGENDA

1. Call to Order

2. Roll Call

3. Approval of Minutes

3.1. 2024-472 Approval of the October 7, 2024, Economic Development Authority (EDA) Minutes.

Sponsors: Erik Thorvig, Community Development Director

4. New Business

4.1. RES 24-206 Resolution Approving the Collection of \$10,000 through the Foreclosure of Fresh Picked Pizza at 8683 Central Avenue and Canceling the Remaining Loan Balance

Sponsors: Erik Thorvig, Community Development Director

5. Old Business

6. Adjournment



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October 7, 2024 | 8:00 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

MINUTES

1. Call to Order

The meeting was called to order at 8:41PM by President Sanders followed by the Roll Call.

2. Roll Call

PRESENT: President Tim Sanders, Commissioners Terra Fleming, Leslie Larson, Tom Newland, and Jess Robertson.

ABSENT: Commissioners Chris Massoglia and Lori Saroya.

Quorum Present.

ALSO PRESENT: Acting City Manager/Community Development Director Erik Thorvig; City Planner Sheila Sellman; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Engineering Dan Schluender; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

3. Approval of Minutes

3.1. 2024-449 Approval of the September 16, 2024 Economic Development Authority (EDA) Minutes.

Sponsors: Erik Thorvig, Community Development Director

Moved by Commissioner Newland, seconded by Commissioner Robertson, that the Minutes of September 16, 2024, be approved.

Motion adopted unanimously.

4. New Business

- 4.1.** RES 24-194 Resolution Approving an Amendment to the Blaine Economic Development Project Plan to Establish a Redevelopment Tax Increment Financing District Therein, Approving a Tax Increment Financing Plan Therefor (105th Avenue Redevelopment Area-East District) and Authorizing the Execution of a Tax Increment Pledge and Related Documents with the City
Sponsors: Erik Thorvig, Community Development Director

Community Development Director Thorvig explained this was a companion item to the item that was considered by the City Council. He requested the EDA formally adopt an amendment to the Blaine Economic Development Project Plan to establish a Redevelopment TIF District, I-25.

Moved by Commissioner Newland, seconded by Commissioner Robertson, to adopt a Resolution Approving an Amendment to the Blaine Economic Development Project Plan to Establish a Redevelopment Tax Increment Financing District Therein, Approving a Tax Increment Financing Plan Therefor (105th Avenue Redevelopment Area-East District) and Authorizing the Execution of a Tax Increment Pledge and Related Documents with the City.

Motion adopted unanimously.

5. Old Business

None.

6. Adjournment

Meeting adjourned at 8:42PM.



City of Blaine Staff Report

File Number: RES 24-206

Agenda Date	Status
October 21, 2024	
In Control	File Type
Economic Development Authority	Resolution

New Business - Erik Thorvig, Community Development Director

Agenda Item # 4.1

Resolution Approving the Collection of \$10,000 through the Foreclosure of Fresh Picked Pizza at 8683 Central Avenue and Canceling the Remaining Loan Balance

Executive Summary

Background

On May 4, 2020, the Blaine Economic Development Authority approved a loan for Fresh Picked Pizza, LLC. Fresh Picked Pizza purchased the property at 8683 Central Avenue which contained a vacant nursery that had become dilapidated, and the property was not being maintained. The business owner requested a loan to demolish the existing building and construct a new, 5,000 square foot restaurant. The loan amount approved was \$29,359.

The Blaine Economic Development Authority funded the loan from the EDA Small Business Loan program. The program was established by the EDA in 2018 to provide financial assistance to small business owners who are improving an existing building and/or redeveloping a commercial or industrial property. In general, projects will increase the tax base, improve blighted properties, increase employment, and bring properties into conformance with existing city and state codes. Demolition of existing buildings is an eligible expense.

The business owner completed construction of the new restaurant and opened the business in 2023. Unfortunately, several months after opening, the business closed. Over the last year, the property has been going through a foreclosure process. The EDA's loan was subordinate to primary financing for the project. Typical mortgage and loan documents are executed by the EDA and lender, and prepared by a third-part loan servicer.

The outcome of the foreclosure process resulted in the EDA collecting \$10,000 of the original loan amount of \$29,359. Though the EDA was not able to recover all the funds loaned, EDA's assistance resulted in the removal of a vacant, dilapidated building and construction of a new building. Qamaria

Coffee, a Yemini coffee shop currently in Little Canada, will open a location in the building. The EDA Board is required to modify, amend, or adjust any element of the loan agreement by resolution.

Strategic Plan Relationship

Not applicable.

Board/Commission Review

Not applicable.

Financial Impact

The loan write-off amount is \$19,359. Though the EDA was not able to recover all the funds loaned, EDA's assistance resulted in the removal of a vacant, dilapidated building and construction of a new building. Qamaria Coffee, a Yemini coffee shop currently in Little Canada, will open a location in the building.

Public Outreach/Input

Not applicable.

Staff Recommendation

By motion, adopt the resolution.

Attachment List

None



City of Blaine

Signature Copy

Resolution: RES 24-206

Resolution Approving the Collection of \$10,000 through the Foreclosure of Fresh Picked Pizza at 8683 Central Avenue and Canceling the Remaining Loan Balance

WHEREAS, on May 4, 2020, the Blaine Economic Development Authority ("EDA") authorized a loan to Fresh Picked Pizza; and

WHEREAS, the funding was provided by the EDA Small Business Loan program which was established in 2018; and

WHEREAS, the loan of \$29,325 was provided for the revitalization of a dilapidated nursery at 8683 Central Avenue; and

WHEREAS, the funding was successful in fulfilling the Small Business Loan programs' goals of increasing the City's tax base and improving blighted property; and

WHEREAS, several months after opening, Fresh Picked Pizza ceased operations; and

WHEREAS, the property at 8683 Central Avenue has completed the foreclosure process; and

WHEREAS, the outcome of the foreclosure process resulted in a negotiated collection of a lump sum \$10,000 payment in return for the lien on the property being lifted.

NOW THEREFORE, BE IT RESOLVED, that the Blaine Economic Development Authority hereby approves the collection of \$10,000 through the foreclosure of 8683 Central Avenue and cancels the remaining loan balance.

PASSED by the Blaine Economic Development Authority on this 21st day of October, 2024.