



City of Blaine

Economic Development Authority

August 21, 2023 | 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 08:47PM by Mayor Sanders.

2. Roll Call

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

ABSENT: None.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Eric Thorvig; Safety Services Director/Police Chief Brian Podany; Director of Engineering Dan Schluender; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

3. Approval of Minutes

- 3.1.** 2023-376 Approval of the August 7, 2023 Economic Development Authority (EDA) Minutes
Sponsors: Erik Thorvig, Community Development Director

Moved by Commissioner Newland, seconded by President Sanders, to approve the August 7, 2023 Economic Development Authority (EDA) Minutes.

Motion adopted unanimously.

4. New Business

- 4.1.** RES 23-136 Resolution Finding Buildings at 10550 Nassau Street and 10601 Nassau Street to be Substandard for TIF Purposes

Community Development Director Thorvig stated a portion of the industrial park, generally located at 105th Avenue and Nassau Street, has been identified as a redevelopment area in the 2040 Comprehensive Plan. The area includes older industrial buildings that are obsolete, blighted and/or have extensive outside storage, which is not consistent with the vision. The City is currently in the process of planning for redevelopment of the area with the vision focusing on destination uses that will capitalize on tourism at the National Sports Center and serve Blaine residents. As the City explores redevelopment options in the area, tax increment financing (TIF) could be a tool the EDA utilizes to assist in demolition, property acquisition, construction of structured parking and other public infrastructure costs that are identified in the ultimate redevelopment master plan. The EDA can capture TIF and utilize it for the aforementioned purposes.

Mr. Thorvig reported a municipality may not make a substandard determination without hiring an independent, expert architect that completes an analysis of the building and provides a report of written findings that determines whether the building meets applicable standards for it to be declared substandard. The City hired LHB Architects to inspect buildings and have made the determination that they meet the statutory requirements to be deemed substandard. The building at 10550 Nassau Street will be removed in the next 60 days. Demolition of 10601 Nassau Street has not yet been determined. However, staff wanted to inspect this building knowing it would eventually be demolished. There will be additional buildings inspected in the future. For a building to qualify as substandard if a future TIF district is created, a resolution, prior to demolition, must be adopted by the EDA determining that the building meets the necessary criteria for a substandard building outlined in Minnesota Statute 469. The determination is valid for three years. This action does not obligate the EDA to create a TIF district, however, preserves the opportunity for the building to be counted towards the 50% substandard building count if a TIF district is ultimately created.

Moved by Commissioner Newland, seconded by Commissioner Massoglia, to adopt a Resolution finding buildings at 10550 Nassau Street and 10601 Nassau Street to be substandard for TIF Purposes.

Motion adopted unanimously.

4.2. RES 23-139 Resolution to Consider a Purchase Agreement for 10550 Radisson Road NE
Sponsors: Erik Thorvig, Community Development Director

Mr. Thorvig stated city staff, on behalf of the Blaine Economic Development Authority, have been negotiating with property owners of 10550 Radisson Road about a potential purchase. This site is within the 105th Avenue Redevelopment Area where the EDA has been active in acquiring property since 2016. At a closed session, the EDA provided direction to staff regarding negotiation of a sale price. The seller has agreed to a sale price of \$165/sf based on the building size for a sale price of \$1,683,000. Initially, the company wanted a relocation/business disruption fee of \$300,000. Staff advised that the maximum allowed

relocation amount per Minnesota Statute was \$50,000. The seller has accepted this amount. The business desires to remain in the location through the winter. The EDA would close on the property by September 30, 2023 and lease the property back to the business through March 31, 2024. Depending on the progress of the 105th Avenue redevelopment and business status, this could be extended. A lease agreement will be prepared and brought to a future EDA meeting for action. This is a similar process that was done for purchases of the Surecast building at 10601 Nassau Street NE and Blake Drilling property at 10600 Radisson Road NE. It was noted a draft purchase agreement is being prepared by the city attorney and will be attached to this item prior to the meeting.

Moved by Commissioner Robertson, seconded by Commissioner Newland, to adopt a Resolution to consider a Purchase Agreement for 10550 Radisson Road NE.

Motion adopted unanimously.

5. Old Business

None.

6. Adjournment

Moved by Commissioner Robertson, seconded by Commissioner Massoglia, to adjourn the meeting at 8:54PM.

Motion adopted unanimously.



Signed by

Tim Sanders, President

Attest by:

Catherine M. Sorensen, CMC, City Clerk