



City of Blaine

Economic Development Authority

October 21, 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 7:48PM by President Sanders followed by the Roll Call.

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 Erik Thorvig; City Planner Sheila Sellman; Police Captain Russ Clark; Finance Director Jason Zimmerman; Human Resources Manager Lori Carbajal; Public Works Director Nick Fleishhacker; City Attorney Tom Loonan; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

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

Moved by Commissioner Robertson, seconded by Commissioner Newland, that the Minutes of October 7, 2024, be approved.

Motion adopted unanimously.

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

Community Development Director Thorvig stated 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.

Mr. Thorvig explained 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.

Moved by Councilmember Robertson, seconded by Councilmember Newland, to adopt a Resolution Approving the Collection of \$10,000 through the Foreclosure of Fresh Picked Pizza at 8683 Central Avenue and Canceling the Remaining Loan Balance.

Councilmember Newland stated it was unfortunate this business closed, but he was pleased a rundown building was removed and a new tenant will be in place soon with a coffee shop.

Motion adopted unanimously.

5. Old Business

None.

6. Adjournment

Moved by Commissioner Massoglia, seconded by Commissioner Robertson, to adjourn the meeting at 7:50PM.

Motion adopted unanimously.



Signed by

Tim Sanders, President

Attest by:

Catherine M. Sorensen, CMC, City Clerk