



City of Blaine

Economic Development Authority

December 16, 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 8:59PM by President Sanders followed by the Roll Call.

2. Roll Call

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

ABSENT: Commissioner Lori Saroya.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; City Planner Sheila Sellman; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Administrative Services Scott Johnson; Finance Analyst Nikki Beckers; Senior Parks and Recreation Manager Jerome Krieger; Director of Engineering Dan Schluender; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

3. Approval of Minutes

3.1. 2024-596 Approval of the October 21, 2024, Economic Development Authority (EDA) Minutes

Sponsors: Erik Thorvig, Community Development Director

Moved by Commissioner Newland, seconded by Commissioner Robertson, that the Minutes of October 21, 2024, be approved.

Motion adopted unanimously.

4. New Business

**4.1. 2024-551RES Adopt the 2025 EDA Fund Budget and Property Tax Levy
24-231**

Sponsors: Jason Zimmerman, Finance Director

Finance Analyst Nikki Beckers stated the Board is asked to adopt the 2025 Property Tax Levy and EDA Budget. The proposed 2025 property tax levy for the Blaine EDA was adopted on September 16, 2024, and was certified at \$1,150,000, with the intention of committing the entire 15 percent increase from the 2024 EDA levy for capital investments and strategic development within the City. None of this additional funding will be available for administrative or overhead costs associated with the operation of the EDA. As a reminder, this amount can only be reduced at the time the final levy is set per MN State Statute. In November 2024, parcel specific estimates of property taxes for 2025 were mailed by the County Property Tax Department to property owners. The estimated taxes were based on the proposed tax levy adopted at the September 16, 2024, EDA Board Meeting.

Mr. Zimmerman explained the EDA tax levy was increased from \$750,000 to \$1,000,000 in 2023 to provide funding for capital related projects including land acquisition, development assistance, and supporting redevelopment activities. The final 2025 EDA levy is proposed to equal the amount adopted in September of \$1,150,000. As previously noted, while the baseline 2025 EDA operating budget aligns closely with prior years, the 15 percent increase to the proposed EDA levy dedicates \$150,000 to the same targeted development/redevelopment initiatives as the 2023 increase. This additional funding would act as a bridge to provide the EDA with capital should strategic opportunities arise in the near future and before the EDA is reimbursed for property within the 105th Redevelopment Area. The median value single family property in Blaine valued at \$339,900, which experienced an increase in valuation of 3.82 percent, is estimated to have the EDA's share of their property tax bill increase by approximately \$4.64 or 19.1 percent for 2025. As a reminder, assessed values are still subject to change slightly. The proposed levy is anticipated to result in an approximate tax capacity rate of 0.894 percent.

Moved by Commissioner Robertson, seconded by Commissioner Newland, to Adopt the 2025 EDA Fund Budget and Property Tax Levy.

Commissioner Massoglia thanked staff for the fund budget summary for the EDA. He asked that staff provide this information to the Council going forward for both the EDA and general fund budgets. He commented he was on board with doing more strategic investing in the community like the EDA has been doing, but noted almost half of the levy was going to the general fund for levy fees. He suggested the EDA budget be amended to include \$250,000 from the general fund administrative fees to be designated for strategic property development.

Moved by Commissioner Massoglia to include \$250,000 from general administrative fees to be designated for strategic property development. Motion failed for lack of a second.

Commissioner Robertson recommended this topic be further discussed by the budget subcommittee in 2025.

Commissioner Larson stated she did not offer a second to the motion because she does not

support raising the EDA levy because people were struggling.

Motion adopted 4-2 (Commissioners Larson and Massoglia opposed).

5. Old Business

None.

6. Adjournment

Moved by Commissioner Robertson, seconded by Commissioner Massoglia, to adjourn the meeting at 9:14PM.

Motion adopted unanimously.



Signed by

Tim Sanders, President

Attest by:

Catherine M. Sorensen, CMC, City Clerk