



City of Blaine

Economic Development Authority

May 4, 2026 | 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. 2026-107 Approval of the March 2, 2026 Economic Development Authority (EDA) Minutes
Sponsors: Sheila Sellman, Community Development Director
4. **New Business**
 - 4.1. RES 26-80 Resolution Approving a Sewer Availability Charge (SAC) Loan for Hyper Kidz
Sponsors: Ruth Tucker, Economic Development Specialist
5. **Old Business**
6. **Adjournment**



City of Blaine

Economic Development Authority

March 2, 2026 | 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 7:56PM by President Sanders followed by the Roll Call.

2. Roll Call

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

ABSENT: None.

Quorum Present.

ALSO PRESENT: Executive Director Erik Thorvig; Deputy Executive Director Sheila Sellman; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Administrative Services Scott Johnson; Director of Engineering Dan Schluender; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

3. Approval of Minutes

3.1. 2026-66 Approval of the January 21, 2026 Economic Development Authority (EDA) Minutes
Sponsors:

Moved by Commissioner Newland, seconded by Commissioner Robertson, that the minutes of January 21, 2026, be approved.

Motion adopted unanimously.

4. Public Hearing

- 4.1.** RES 26-32 Resolution Approving the Sale of EDA Land to MNDOT at 1320 109th Avenue NE
Sponsors: Sheila Sellman, Community Development Director

Community Development Director Sellman requested the EDA approve the sale of a portion of EDA-owned land for Trunk Highway 65 right-of-way. As part of the upcoming improvements to Trunk Highway 65, MNDOT is assembling property or portions of property for right-of-way. MNDOT has identified property located at 1320 109th Avenue NE is needed for additional right-of-way. MNDOT has provided an appraisal and is offering \$490,000 for compensation. This includes the entire property.

President Sanders opened the public hearing at 7:57PM.

There being no public input, President Sanders closed the public hearing at 7:57PM.

Moved by Commissioner Massoglia, seconded by Commissioner Robertson, to adopt a Resolution Approving the Sale of EDA Land to MNDOT at 1320 109th Avenue NE.

Motion adopted unanimously.

- 4.2.** RES 26-33 Resolution Approving the Sale of EDA Land to MNDOT at 1409 105th Avenue NE
Sponsors: Sheila Sellman, Community Development Director

Ms. Sellman requested the EDA approve the sale of a portion of EDA owned land for Trunk Highway 65 right-of-way. As part of the upcoming improvements to Trunk Highway 65, MNDOT is assembling property or portions of property for right-of-way. MNDOT has identified a portion of property located at 1409 105th Avenue NE is needed for additional right-of-way. MNDOT has provided an appraisal and is offering \$27,900 for compensation. This amount includes \$21,000 for the real estate being acquired and \$6,900 for damages or loss in value to the remaining property.

President Sanders opened the public hearing at 7:58PM.

There being no public input, President Sanders closed the public hearing at 7:58PM.

Moved by Commissioner Newland, seconded by Commissioner Robertson, to adopt a Resolution Approving the Sale of EDA Land to MNDOT at 1409 105th Avenue NE.

Motion adopted unanimously.

- 4.3.** RES 26-34 Resolution Approving the Sale of EDA Land to MNDOT at 10136 Central Avenue NE
Sponsors: Sheila Sellman, Community Development Director

Ms. Sellman requested the EDA approve the sale of a portion of EDA-owned land for Trunk Highway 65 right-of-way. As part of the upcoming improvements to Trunk Highway 65, MNDOT is assembling property or portions of property for right-of-way. MNDOT has identified a portion of property located at 10136 Central Avenue is needed for additional right-of-way. MNDOT has provided an appraisal and is offering \$394,000 for compensation. This amount includes \$388,291 for the real estate being acquired and \$5,709 for damages or loss in value to the remaining property.

President Sanders opened the public hearing at 8:00PM.

There being no public input, President Sanders closed the public hearing at 8:00PM.

Moved by Commissioner Robertson, seconded by Commissioner Massoglia, to adopt a Resolution Approving the Sale of EDA Land to MNDOT at 10136 Central Avenue NE.

Motion adopted unanimously.

- 4.4.** RES 26-35 Resolution Approving the Sale of EDA Land to MNDOT, Outlot A, Wolf Addition
Sponsors: Sheila Sellman, Community Development Director

Ms. Sellman requested the EDA approve the sale of a portion of EDA-owned land for Trunk Highway 65 right-of-way. As part of the upcoming improvements to Trunk Highway 65, MNDOT is assembling property or portions of property for right-of-way. MNDOT has identified the lot described as Outlot A Wolf Addition is needed for additional right-of-way. MNDOT has provided an appraisal and is offering \$585,000 for compensation. This acquisition is for the entire parcel.

President Sanders opened the public hearing at 8:01PM.

There being no public input, President Sanders closed the public hearing at 8:01PM.

Moved by Commissioner Newland, seconded by Commissioner Robertson, to adopt a Resolution Approving the Sale of EDA Land to MNDOT, Outlot A, Wolf Addition.

Motion adopted unanimously.

5. New Business

None.

6. Old Business

None.

7. Adjournment

Moved by Commissioner Newland, seconded by Commissioner Robertson, to adjourn the meeting at 8:01 PM.

Motion adopted unanimously.



City of Blaine

Staff Report

File Number: RES 26-80

Agenda Date	Status
May 4, 2026	
In Control	File Type
Economic Development Authority	Resolution

New Business - Ruth Tucker, Economic Development Specialist

Agenda Item # 4.1

Resolution Approving a Sewer Availability Charge (SAC) Loan for Hyper Kidz

Executive Summary

Hyper Kidz is seeking approval of a 3-year Sewer Availability Charge (SAC) loan.

Background

In July 2025, council approved a Conditional Use Permit (CUP) for Hyper Kidz to operate an indoor play facility at 10985 Ulysses Street NE, activating a space that had been vacant for seven years.

Since that time, the owners have been refining project costs and working to secure financing. During this process, they encountered an unexpectedly high Sewer Availability Charge (SAC) determination from the Metropolitan Council. The SAC is a fee assessed to support regional wastewater infrastructure, with rates varying based on use type and projected discharge. In this case, the Metropolitan Council's methodology counted all seating within the play area—beyond just the kitchen or food service space—resulting in a higher-than-anticipated SAC calculation. Based on this determination, the SAC for the facility is \$72,065.

To address this gap, staff is proposing a SAC loan in the amount of \$72,065, structured at 3% interest over a three-year term. SAC loans may be assessed to the property in the event of default, fully mitigating risk to the city. As Hyper Kidz is a tenant and does not own the property, the City has obtained written consent from the property owner to allow for this assessment. The property at 10985 Ulysses Street NE was originally constructed in 2007 for a Best Buy retail store. Following Best Buy's closure, the building was subdivided into two tenant spaces, with Aldi leasing the front portion. The rear tenant space, approximately 22,000 square feet, has remained vacant since that time.

Hyper Kidz proposes to occupy this vacant tenant space, representing the first use of the space since the building was reconfigured.

In December 2025, Hyper Kidz approached city staff requesting financial assistance to address a project funding gap. After evaluating available tools, staff determined that a SAC loan was the most appropriate mechanism to support the project.

Strategic Plan Relationship

Fits within the strategic goal of improved commercial-retail sector.

Board/Commission Review

Financial Impact

Available funds within the EDA Strategic Initiatives fund would be used to support this loan. The loan is expected to be repaid in full, with interest, within three years. Based on the proposed terms, the City would collect approximately \$3,381.55 in interest over the life of the loan.

Public Outreach/Input

N/A

Staff Recommendation

Staff recommends approval of the SAC loan to Hyper Kidz in the amount of \$72,065, at 3% interest over a three-year term, subject to execution of a loan agreement and any other documents deemed necessary by the City.

Attachment List

None



City of Blaine

Signature Copy

Resolution: RES 26-80

Resolution Approving a Sewer Availability Charge (SAC) Loan for Hyper Kidz

WHEREAS, the space at 10985 Ulysses Street NE has remained vacant for seven years; and

WHEREAS, in July 2025, the City approved a Conditional Use Permit for a 22,000 square foot play facility (Hyper kidz) at this location; and

WHEREAS, the Metropolitan Council's Sewer Availability Charge (SAC) determination for the project resulted in an unanticipated cost, creating a financing gap; and

WHEREAS, the Blaine Economic Development Authority has identified available funds and received property owner consent to provide a SAC loan to support the project;

NOW THEREFORE, BE IT RESOLVED, that the Blaine Economic Development Authority hereby approves a SAC loan to Hyper Kidz in the amount of \$72,065, at an interest rate of 3% over a three-year term, and authorizes execution of the necessary loan documents.

PASSED by the Blaine Economic Development Authority this 4th day of May, 2026.