

**LINO LAKES
ECONOMIC DEVELOPMENT AUTHORITY
MEETING**

Monday, January 24, 2022
Immediately Following Regular City Council Meeting
City Council Chambers

1. Call to Order and Roll Call
2. Consideration of Minutes of October 11, 2021
3. Action Items
 - A) Consideration of 2022 Annual Appointments
 - B) 2021 Annual Report
4. Adjourn

EDA MINUTES

DRAFT

DATE : **October 11, 2021**
TIME STARTED : **7:13 p.m.**
TIME ENDED : **7:20 p.m.**
MEMBERS PRESENT : **EDA Members Rafferty, Lyden, Stoesz, Cavegn**
MEMBERS ABSENT : **EDA Member Ruhland**
OTHERS PRESENT : **Community Development Director Michael Grochala; City Administrator Sarah Cotton; City Clerk Julie Bartell;**

The meeting was called to order at 7:13 p.m. by EDA President Lyden.

CONSIDERATION OF THE MINUTES OF SEPTEMBER 7, 2021

Economic Development Authority (EDA) Member Stoesz moved to approve the minutes of September 7, 2021 as presented. EDA Member Rafferty seconded the motion. Motion carried on a voice vote.

ACTION ITEMS

A. Consider Resolution No. 21-02, Approving Assignment of Contract for Private Development and TIF Note With Lyngblomsten at Lino Lakes, LLC – Community Development Director Grochala reviewed the written report. The council is being requested to approve agreements related to the Lyngblomsten project. The loan has been closed and construction should begin in the new few weeks. An agreement was entered into in September and part of the agreement provides tax increment financing to the project. The tax increment financing note was issued through another city (as a conduit). An additional loan is being issued to the developer. The request now is the assignment of the development contract and tax increment financing note.

EDA Member Stoesz asked the cost of the conduit financing and staff estimated \$50,000. It was clarified that the City didn't have the opportunity to issue the debt because of another issuance scheduled this year.

EDA Member Rafferty remarked that it's exciting to see this project coming to fruition. It should be a great improvement for a blighted corner of the City.

EDA Member Rafferty moved to approve Resolution No. 21-02 as presented. EDA Member Cavegn seconded the motion. Motion carried on a voice vote.

ADJOURNMENT

There being no further business for consideration, the meeting was adjourned at 7:20 p.m.

**LINO LAKES ECONOMIC DEVELOPMENT AUTHORITY
AGENDA ITEM 3A**

STAFF ORIGINATOR: Michael Grochala
 MEETING DATE: January 24, 2022
 TOPIC: Consideration of 2022 Annual Appointments
 VOTE REQUIRED: Simple Majority

BACKGROUND

The Economic Development Authority (EDA) was established in 1990 pursuant to Minnesota Statutes, Chapter 469. The EDA is governed by a board of commissioners consisting of the City Council.

Each year, the Economic Development Authority is required by its by-laws to hold an annual meeting and to make a number of appointments. The President, Vice President, and Treasurer positions have historical rotated annually. The following is a list of appointments for your consideration:

Position	2021	2022 Recommended
1. President	Chris Lyden	Michael Ruhland
2. Vice President	Michael Ruhland	Tony Cavegn
3. Treasurer	Tony Cavegn	Rob Rafferty
4. Secretary	Community Development Director	Community Development Director
5. Assistant Treasurer	Finance Director	Finance Director
6. Executive Director	City Administrator	City Administrator
7. Official Newspaper	Quad Community Press	Quad Community Press
8. Legal Depositories	First Resource Bank LMC 4M Fund Wells Fargo Securities Wells Fargo Advisors US Bank RBC Capital Markets Moreton Capital Markets F&M Bank Others as needed	First Resource Bank LMC 4M Fund PMA Financial Networks PMA Securities Moreton Capital Markets US Bank

Position	2021	2022 Recommended
9. Legal Services	Kennedy & Graven, Rupp, Anderson, Squires & Waldspurger	Kennedy & Graven, Rupp, Anderson, Squires & Waldspurger

The appointments can be made in one motion.

RECOMMENDATION

Staff is recommending Board prerogative or as recommended.

ATTACHMENTS

1. Past appointments 2013 - 2021

EDA Advisory Board (2013-2021)

2013

- President – Dave Roeser
- Vice President – Jeff O'Donnell
- Treasurer – Dale Stoesz

2014

- President – Dave Roeser
- Vice President – Dale Stoesz
- Treasurer – William Kusterman

2015

- President – Dave Roeser
- Vice President – Dale Stoesz
- Treasurer – William Kusterman

2016

- President – William Kusterman
- Vice President – Rob Rafferty
- Treasurer – Michael Manthey

2017

- President – Rob Rafferty
- Vice President – Michael Manthey
- Treasurer – Melissa Maher

2018

- President – Michael Manthey
- Vice President – Melissa Maher
- Treasurer – Dale Stoesz

2019

- President – Melissa Maher
- Vice President – Dale Stoesz
- Treasurer – Rob Rafferty

2020

- President – Dale Stoesz
- Vice President – Chris Lyden
- Treasurer – Michael Ruhland

2021

- President – Chris Lyden
- Vice President- Michael Ruhland
- Treasurer- Tony Cavegn

**LINO LAKES ECONOMIC DEVELOPMENT AUTHORITY
AGENDA ITEM 3B**

STAFF ORIGINATOR: Michael Grochala
MEETING DATE: January 24, 2022
TOPIC: 2021 Annual Report
VOTE REQUIRED: 3/5

BACKGROUND

Each year staff is required to provide a recap of the prior year activities undertaken by the board. In 2021, the EDA undertook the following development activities.

1. Approved the Assignment Agreement and Restated and Amended Contract or Private Development with Lyngblomsten and associated approvals for the Lyngblomsten Housing Project.

Overall, the City continued to see substantial development activity in 2021. 263 new residential construction permits were issued in 2021. Total building permit valuation was approximately \$90,797,000. These represent both the highest residential permit numbers in over 20 years and the highest new construction valuation on record. Approximately \$75 million was related to residential construction.

Staff is also reporting that no modifications to the EDA enabling resolution are needed or proposed.

RECOMMENDATION

Staff is recommending that the EDA accept the report.

ATTACHMENTS

1. Enabling Resolution

Member Bohjanen introduced the following resolution and moved its adoption:

CITY OF LINO LAKES
RESOLUTION NO. 33 - 90

ENABLING RESOLUTION ESTABLISHING AN
ECONOMIC DEVELOPMENT AUTHORITY UNDER
MINNESOTA STATUTES SECTIONS 469.090
TO 469.108

WHEREAS, Minnesota Statutes Sections 469.090 through 469.108 (the "EDA Act"), authorizes cities to establish an Economic Development Authority ("EDA") with specified powers and obligations to promote and to provide incentives for economic development; and

WHEREAS, the City Council of the City of Lino Lakes, Minnesota (the "Council") has determined that it is in the best interest of the City of Lino Lakes, Minnesota (the "City") to establish an EDA in order to preserve and create jobs, enhance its tax base, encourage development and redevelopment, promote the general welfare of the people of the City and assume primary responsibility for development activities within the City; and

WHEREAS, the Council has provided public notice and conducted a public hearing on June 11, 1990, concerning the establishment of an EDA and has fulfilled all other legal requirements for the establishment of an EDA.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LINO LAKES AS FOLLOWS:

1. The Lino Lakes Economic Development Authority is hereby established pursuant to Section 469.091, Subd. 1 of the EDA Act.
2. The EDA shall have all of the powers, rights, duties and obligations conferred on economic development authorities by Sections 469.090 to 469.108, including the powers of a city granted by the City Development District Act, Minnesota Statutes Sections 469.124 through 469.134 and of

housing and redevelopment authorities granted by the Housing and Redevelopment Authorities Act, Minnesota Statutes Sections 469.001 through 469.047, or other law.

3. It is the intention of the Council, by adoption of this enabling resolution, to grant to the EDA the powers set forth in paragraph 2, while at the same time leaving unaffected by this action all powers of the City of Lino Lakes. Specifically, the City shall retain all powers necessary to carry out all development activities not hereby transferred to the EDA.
4. The EDA shall have the power of eminent domain as set forth in Section 469.101, Subdivision 4 of the EDA Act and in Chapter 9, Eminent Domain, of the City Charter.
5. The EDA shall be governed by a board of commissioners ("Commissioners") consisting of the City Council members. The terms of the Commissioners shall coincide with their terms of office as members of the Council in that such term shall expire with the expiration of the Council term being served at the time of their appointment.
6. In accordance with Section 469.100, Subdivision 2 of the EDA Act, the EDA shall submit its budget annually to the Council for approval by the Council. Within thirty (30) days of appointment of the first Board of Commissioners of the EDA pursuant to paragraph 2 hereof, the Commissioners shall submit for Council approval a temporary budget covering the period from the date of such submittal until January 1, 1991. The EDA shall submit for approval of the Council a proposed budget for the following full calendar year and shall do so in accordance with Council directions. In addition, upon submittal of its proposed annual budget to the Council, the EDA shall provide the Council an account of its receipts and expenditures as required by Section 469.100, Subdivision 4 of the EDA Act.
7. The city administrator for the City shall act as the Executive Director of the EDA and, in such capacity, shall act at the direction of the Commissioners.
8. The City Council or its designees (the "Administration") may provide such City staff to the EDA as the EDA may require; provided that the Administration may require reasonable reimbursement by the EDA for costs associated with the provision of such staff; and provided further that nothing in this paragraph shall preclude the EDA from hiring such personnel as the EDA may from time-to-time determine.
9. Each year, within sixty (60) days of the anniversary date of the first adoption of this enabling resolution, the EDA shall submit to the Council its report regarding recommended modifications, if any, of this enabling resolution as provided in Section 469.093, Subdivision 3 of the EDA Act.
10. All financial books, records, accounts and reports of the EDA shall be prepared, presented and retained by the finance department of the City,

which department shall have the responsibility for administering the finances of the EDA as it does the finances of the City; provided that the Administration may require reasonable reimbursement by the EDA for costs associated with the provision of such services by the finance department.

11. There is attached hereto as Exhibit "A" a list of municipal development districts created by the Council pursuant to Minnesota Statutes Sections 460.124 through 469.134 and tax increment districts created by the Council pursuant to Minnesota Statutes Sections 469.174 through 469.179, or its predecessors, the control, authority and operation of which are hereby transferred to the EDA. The EDA shall accept the transfer of these projects and districts and shall pledge to perform the terms, conditions and covenants of all agreements outstanding with respect thereto.
12. With respect to the projects and districts transferred to the EDA from the City, there is no litigation involving the City, no agreements to which the City is a party nor real or personal property owned by the City.
13. The City shall appropriate and transfer to the EDA such funds as it deems necessary from time to time to ensure that the EDA has adequate funds to carry out its activities.
14. City officials and staff are hereby authorized and directed to execute such deeds, assignments, requisitions, directives and agreements as may be necessary and appropriate to carry out the terms, conditions and intentions of this enabling resolution.
15. The EDA may request the City to levy a tax up to the maximum tax for the benefit of the EDA as specifically set forth in Section 469.107 of the EDA Act.
16. Nothing shall prevent the City from modifying this enabling resolution to impose limits on the powers of the EDA or provide for other matters as authorized in the EDA Act or other law.
17. This resolution shall become effective when the EDA holds its first meeting and accepts the transfers herein described.
18. Notwithstanding any provision herein to the contrary, the authority granted to the EDA pursuant to paragraph 2 above shall not be exercised until the EDA has established an advisory board which shall be comprised of all of the members of the City's Economic Development Commission.

Adopted by the City Council this 11th day of June, 1990.

Harold L. Bisel.
Harold L. Bisel, Mayor

ATTEST:

Marilyn G. Anderson
Marilyn G. Anderson, Clerk-Treasurer

The motion for the adoption of the foregoing resolution was duly seconded by member Neal and upon vote being taken thereon, the following voted in favor thereof: Neal, Bisel, Bohjanen

and the following voted against same: None

Whereupon said resolution was declared duly passed and adopted.

LN140-12

EXHIBIT A

List of City Development District Projects and Tax Increment Financing Districts transferred from the City to the Economic Development Authority of Lino Lakes

City Development Districts:

Development District No. 1

Tax Increment Financing Districts:

Tax Increment Financing District No. 1-1
Tax Increment Financing District No. 1-2
Tax Increment Financing District No. 1-3
Tax Increment Financing District No. 1-4

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