

**LINO LAKES
ECONOMIC DEVELOPMENT AUTHORITY
MEETING**

Monday, January 23, 2023
Immediately Following Regular City Council Meeting
City Council Chambers

1. Call to Order and Roll Call
2. Consideration of Minutes of December 12, 2022
3. Action Items
 - A) Consideration of 2023 Annual Appointments
 - B) 2022 Annual Report
4. Adjourn

EDA MINUTES

DRAFT

1 **DATE** : **December 12, 2022**
2 **TIME STARTED** : **7:30 p.m.**
3 **TIME ENDED** : **7:38 p.m.**
4 **MEMBERS PRESENT** : **EDA Members Rafferty, Stoesz,**
5 **Cavegn, Ruhland, Lyden**
6 **MEMBERS ABSENT** :
7 **OTHERS PRESENT** : **Community Development Director**
8 **Michael Grochala; City Administrator**
9 **Sarah Cotton; City Clerk Julie Bartell**

10
11 The meeting was called to order at 7:30 p.m. by EDA President Ruhland

12
13 **CONSIDERATION OF THE MINUTES OF NOVEMBER 14, 2022 AND**
14 **DECEMBER 5, 2022**

15
16 Economic Development Authority (EDA) Member Cavegn moved to approve the minutes
17 of November 14, 2022 and December 5, 2022 as presented. EDA Member Lyden
18 seconded the motion. Motion carried on a voice vote.

19
20 **ACTION ITEM**

21
22 **3A) A. Consider Amendment to Purchase and Development Agreement with**
23 **Silver Creek Equity, LLC. , Lots 1-3, Outlot B & C, The Village No. 4 -** Community
24 Development Director Grochala summarized the written report and reviewed discussion of
25 this subject over the past months. Based on last week’s EDA work session discussion,
26 the board directed staff to put together an amendment related to Option 3 – amend
27 purchase agreement to allow for extensions to due diligence period with additional,
28 partially non-refundable, earnest money deposits. Remaining elements of the agreement
29 would remain intact, with the adjustment of some. The amendment would allow the
30 buyer to extend the due diligence period several times with a deposit. Only half of earnest
31 money is refundable. Other elements of the agreement were reviewed.

32
33 Councilmember Stoesz asked if zoning changes will be required and Community
34 Development Director Grochala noted that there are anticipated modifications to the PUD
35 and there could be some other minor changes.

36
37 Councilmember Lyden asked Director Grochala for his opinion on the amendment. Mr.
38 Grochala said based on the developers current concerns and the council concerns, this
39 option allows for time to bring forward commercial. Mr. Grochala added that, contingent
40 upon the amendment, the developer will be bringing in a broker and adding signs to the
41 site.

42
43 Councilmember Stoesz asked what happens if Silver Creek Equity changes in some way

EDA MINUTES

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44 (i.e. membership, name). Mr. Grochala explained that the agreement is with a specific
45 entity.

46

47 EDA Member Rafferty moved to approve Resolution No. 22-03. EDA Member Lyden
48 seconded the motion. Motion carried on a voice vote.

49

50 The meeting was adjourned at 7: 38 p.m.

51

52

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

STAFF ORIGINATOR: Michael Grochala
 MEETING DATE: January 23, 2023
 TOPIC: Consideration of 2023 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	2022	2023 Recommended
1. President	Michael Ruhland	Tony Cavegn
2. Vice President	Tony Cavegn	Rob Rafferty
3. Treasurer	Rob Rafferty	Dale Stoesz
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 PMA Financial Networks PMA Securities Moreton Capital Markets US Bank	First Resource Bank LMC 4M Fund PMA Financial Networks PMA Securities Moreton Capital Markets US Bank

Position	2022	2023 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 Board appointments 2013 - 2022

EDA Advisory Board (2013-2022)

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

2022

- President – Michael Ruhland
- Vice President- Tony Cavegn
- Treasurer- Rob Rafferty

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

STAFF ORIGINATOR: Michael Grochala
MEETING DATE: January 23, 2023
TOPIC: 2022 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 2022, the EDA undertook the following development activities.

1. Approved a Purchase Agreement and 1st and 2nd Amendments with Silver Creek Equites for the sale of 6.27 acres in the Legacy at Woods Edge Development
2. Approved the Tax Increment Financing Plan for District 1-14, Clearwater Creek Business Park

Overall, the City continued to see substantial development activity in 2022. 137 new residential construction permits were issued in 2022. Total building permit valuation was approximately \$103,040,000. This is the highest new construction valuation on record. Approximately \$51,000,000 was related to the Lyngblomsten and Northpoint Garden Estates projects.

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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