



MAYOR & COUNCIL COMMUNICATION

DATE: 1/15/2013
REGULAR
ITEM #: 23
MOTION

AGENDA ITEM: Notice to Public Hearing on the Proposal to Establish an Economic Development Authority (EDA) for the City of Lake Elmo

SUBMITTED BY: Dean Zuleger, City Administrator

THROUGH: Mayor Mike Pearson

REVIEWED BY: Dean Zuleger, City Administrator

SUMMARY AND ACTION REQUESTED: Pursuant to Minnesota State Statutes, Section 469.090 through 469.1082, the City of Lake Elmo must hold a public hearing on the creation of an Economic Development Authority (EDA). It is recommended that the City Council hold a public hearing on this matter on February 5, 2013 to comply with notification guidelines found in MN Stats 469.093.

BACKGROUND INFORMATION: An EDA is a legal entity created by a City or a County to facilitate a well-rounded development program by taking advantage of some of the port authority powers and all of the HRA powers. By combining and utilizing state grant powers, community leaders are able to create flexible business assistance and development programs to aid growth. EDAs for example, are allowed, to buy and sell property, make loans and grants to business, provides guarantees or other credit enhancements; and to sell bonds.

For the past eight months the City Council of Lake Elmo has considered the establishment of an Economic Development Authority for the purpose of managing growth mandated by the Memorandum of Understanding with the Metropolitan Council and finance projects in the City of Lake Elmo three principal growth districts: I-94 Corridor, Old Village, and the remaining open space areas. The City Council began its exploration into an EDA in 1987 and recently has engaged in one full and one partial workshop on the merits of using an EDA as an economic development tool. The establishment of an EDA was included in the 2013 Plan of Work and staff has been instructed to develop enabling resolutions and by-laws to be considered at hearing in Q1 of 2013.

STAFF REPORT: At the request of the City Council, offered at the end of a workshop held in the Fall of 2012, the City staff has developed an a enabling resolution and set of by-laws for the establishment of an Economic Development Authority. Specifically, the Council designated the creation of a seven member panel that consists of (2) members of the City Council, and five members of the community (those with real property ownership interest) with a strong

background in business or economics. In addition, The Council members at the EDA workshop affirmed the limiting of powers of the EDA when it relates to the sale of bonds or obligations, EDA budgeting, adherence to the comprehensive plan, and EDA structure.

RECOMMENDATION: Based on the information above, the staff recommends the Lake Elmo City Council adopt the following:

The City Council of Lake Elmo will hold a public hearing at 7 PM on February 5, 2013 during the regularly scheduled Council Meeting relating to the question of the establishment of an economic development authority (EDA) pursuant to Minnesota Statutes, Section 469.090 through 469.1082. Per Statutes the public hearing must be noticed for two consecutive weeks prior to the hearing date.

ATTACHMENTS:

- 1) EDA Enabling Resolution

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item City Administrator
- Report/Presentation.....City Administrator
- Questions from Council to Staff..... Mayor Facilitates
- Public Input, if Appropriate Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates