



ECONOMIC DEVELOPMENT AUTHORITY
City Hall—Shared Vision Room, 3989 Central Ave NE
Monday, March 02, 2026
5:00 PM

MINUTES

The meeting was called to order at 5:00 pm by President Spriggs

CALL TO ORDER/ROLL CALL

Members present: Laurel Deneen; Lamin Dibba; Rachel James; Amáda Márquez-Simula; Justice Spriggs; Marlaine Szurek

Members absent: Connie Buesgens

Staff present: Mitchell Forney, Community Development Director; Aaron Chirpich, City Manager; Sarah LaVoie, Administrative Assistant; Emilie Voight, Community Development Coordinator

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

- 1. Approve the minutes of the regular EDA Meeting of February 02, 2026.**
- 2. Approve financial reports and payment of bills for January 2026 – Resolution No. 2026-08.**

Szurek asked what would authorize the EDA to take funds from other sources to fund economic relief due to the ICE presence in the City. Spriggs replied that the topic would be addressed under Item 6.

Motion by Szurek, seconded by Dibba, to approve the Consent Agenda as presented. All ayes of present.
MOTION PASSED.

RESOLUTION NO. 2026-08

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FINANCIAL STATEMENTS FOR THE MONTH OF JANUARY 2026 AND THE PAYMENT OF THE BILLS FOR THE MONTH OF JANUARY 2026.

WHEREAS, the Columbia Heights Economic Development Authority (the “EDA”) is required by Minnesota Statutes Section 469.096, Subd. 9, to prepare a detailed financial statement which shows all receipts and disbursements, their nature, the money on hand, the purposes to which the money on hand is to be applied, the EDA's credits and assets and its outstanding liabilities; and

WHEREAS, said Statute also requires the EDA to examine the statement and treasurer's vouchers or bills and if correct, to approve them by resolution and enter the resolution in its records; and

WHEREAS, the financial statements for the month of January 2026 have been reviewed by the EDA Commission; and

WHEREAS, the EDA has examined the financial statements and finds them to be acceptable as to both form and accuracy; and

WHEREAS, the EDA Commission has other means to verify the intent of Section 469.096, Subd. 9, including but not limited to Comprehensive Annual Financial Reports, Annual City approved Budgets, Audits and similar documentation; and

WHEREAS, financial statements are held by the City’s Finance Department in a method outlined by the State of Minnesota’s Records Retention Schedule,

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of the Columbia Heights Economic Development Authority that it has examined the referenced financial statements including the check history, and they are found to be correct, as to form and content; and

BE IT FURTHER RESOLVED the financial statements are acknowledged and received and the check history as presented in writing is approved for payment out of proper funds; and

BE IT FURTHER RESOLVED this resolution is made as part of the permanent records of the Columbia Heights Economic Development Authority.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this March 2, 2026

Offered by: Marlaine Szurek
Seconded by: Lamin Dibba
Roll Call: All ayes of present. MOTION PASSED.

President: Justice Spriggs

Attest:

Secretary

BUSINESS ITEMS

3. Fire Suppression Grant Application 4755 University Ave NE (El Pollo Loco LLC).

Voight reported that in 2022, the EDA created the Fire Suppression Grant Program to assist local businesses with the expenses incurred when installing fire suppression systems within commercial buildings. Many of the commercial properties in Columbia Heights do not have fire suppression systems. Certain businesses and changes of use require the addition of fire suppression systems to existing buildings. The price of adding fire suppression systems is often cost-prohibitive for small businesses.

Voight explained that the owners of the property at 4755 University Ave NE, Julio Orellana and Johanna Espinoza, have submitted an application for this grant program. The property owners are currently working to establish a new business in the building: a grocery/deli called El Pollo Loco. In order to modernize the building and expand its potential future uses, the owners intend to install a fire suppression system.

Voight stated that the applicants have provided the required two quotes from licensed fire protection contractors. One bid amounts to \$42,030 (LifeSaver) and the other amounts to \$51,863 (Nova). The quotes have been included in the meeting packet. Based on these quotes, the project would be eligible to receive a maximum grant award of \$25,931.50. In the 2026 budgeting process, the EDA allocated \$100,000 to the Fire Suppression Grant program. This is the first Fire Suppression Grant application in 2026.

Questions/Comments from Members:

James stated she was in favor of the application.

Motion by Márquez-Simula, seconded by Deneen, to waive the reading of Resolution No. 2026-10, there being ample copies available to the public. All ayes of present. MOTION PASSED.

Motion by Márquez-Simula, seconded by Deneen, to approve Resolution No. 2026-10, a Resolution of the Columbia Heights Economic Development Authority, approving the form and substance of the Fire Suppression Grant Agreement, and approving authority staff and officials to take all actions necessary to enter the authority into the Fire Suppression Grant Agreement with the owners of 4755 University Ave NE (El Pollo Loco). All ayes of present. MOTION PASSED.

RESOLUTION NO. 2026-10

APPROVING THE FORM AND SUBSTANCE OF THE FIRE SUPPRESSION GRANT AGREEMENT, AND APPROVING AUTHORITY STAFF AND OFFICIALS TO TAKE ALL ACTIONS NECESSARY TO ENTER THE AUTHORITY INTO THE FIRE SUPPRESSION GRANT AGREEMENT WITH THE OWNERS OF 4755 UNIVERSITY AVE NE (EL POLLO LOCO LLC).

WHEREAS, the City of Columbia Heights (the “City”) and the Columbia Heights Economic Development Authority (the “Authority”) have collaborated to create a certain Fire Suppression Grant Program (the “Program”); and

WHEREAS, pursuant to guidelines established for the Program, the Authority is to award and administer a series of grants to eligible commercial or industrial property owners and/or tenants for the purposes of revitalizing, rehabilitating, and restoring buildings, and increasing business vitality, economic performance, and public safety; and

WHEREAS, the Authority has thoroughly reviewed copies of the proposed form of the Grant Agreement.

NOW, THEREFORE BE IT RESOLVED that, after appropriate examination and due consideration, the Authority:

1. approves the form and substance of the grant agreement and approves the Authority entering into the agreement with the owners of 4755 University Ave NE (El Pollo Loco LLC).
2. that the City Manager, as the Executive Director of the Authority, is hereby authorized, empowered and directed for and on behalf of the Authority to enter into the grant agreement.
3. that the City Manager, as the Executive Director of the Authority, is hereby authorized and directed to execute and take such action as they deem necessary and appropriate to carry out the purpose of the foregoing resolution.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this March 2, 2026

Offered by: Amáda Márquez-Simula
Seconded by: Laurel Deneen
Roll Call: All ayes of present. MOTION PASSED.

President: Justice Spriggs

Attest:

Secretary

4. 2026 Goal Setting Part II.

Forney reported that, based on the focus areas agreed upon by the Commission in December 2025 and on the specific suggestions Commissioners made during the February 2026 goal-setting activity, staff have prepared a list of draft 2026 goals for the EDA’s consideration. The goals listed in the Agenda Packet will inform the creation and execution of the year’s work plan for Community Development staff. In doing so, they will help match EDA priorities with available resources. Certain goals are specific, while others are more general; while developing the list, staff worked to capture the ideas put forth by the Commission while leaving space for additional opportunities.

Questions/Comments from Members:

Szurek asked if the City would plan on making any business improvements before construction was completed on Central Avenue. She suggested waiting until construction was complete and having a plan in place for how to improve the businesses. Forney replied that there was no specific plan to do any capital improvements prior to other Central Ave work.

Márquez-Simula asked what the main focus was. Forney replied that the four main focuses would be Central Avenue, Business, “Big Sites”, and Neighborhood/Housing. Voight pointed out page 49 of the Agenda Packet and explained that it is a recorded list of all the ideas that were shared during the goal-setting session.

5. NOAH Loan Program Updates.

Voight reported that the Columbia Heights Naturally Occurring Affordable Housing (NOAH) Loan Program, an initiative designed to help preserve and maintain affordable housing in the City, officially launched on January 1, 2026. Since the program's launch, staff have maintained communications with program partner CEE (Minnesota Center for Energy and Environment) to track applications and feedback about the program. Tonight, staff are sharing updates on implementation thus far and making suggestions for minor revisions to the program guidelines.

Voight noted that initial program marketing efforts included social media posts, a news spotlight on the City's website, an article in the City's Winter newsletter, and an English/Spanish postal mailing to 437 owners and managers of 2+ unit residential properties in Columbia Heights. City staff plans to also share the program flyer at an upcoming landlord group meeting.

Voight stated that as of February 20th, CEE staff had discussed the program with approximately 16 interested potential applicants and had received 5 complete applications for the program. None of the applications to date have qualified for the program. One of the applications that did not qualify during the January-March 50% AMI income prioritization period is expected to eventually qualify during the April-December 80% AMI period.

Voight explained that City staff and CEE staff have gathered detailed feedback from applicants and potential applicants about the program's design and guidelines. There have been two main themes in this feedback:

1. The income verification documentation requirements are seen as too strict. Currently, the program guidelines require applicants to provide copies of their most recent federal tax returns to demonstrate they meet income requirements. This requirement was designed to ensure the City was taking all possible steps to avoid potential application fraud. Even prior to program launch, however, CD staff had anticipated that obtaining tax returns might be challenging. This has proven true: CEE staff and applicants have indicated that tenants are often uncomfortable providing this information. Some tenants are also unable to provide this information because they do not have formal or documented employment. One building owner explained to staff that they had inherited their tenants from a previous building owner. Another stated that at the time of lease signing and background check, their typical method of verifying income involves using pay stubs, not tax returns.
2. The number of potential eligible applicants is perceived as very small due to the combination of income and rent requirements. Because the program loans are funded using the City's LAHA dollars, the City is required to comply with MN State Statute 477A.35 for their use. These statutes specify that for rental housing projects, projects at the 50% AMI level must be prioritized over those at the 80% AMI level, and the housing must be "affordable to the local work force." These statutory requirements guided the initial program design.

Questions/Comments from Members:

Szurek asked Voight if there would be concern regarding fraud since the requirements were not as strict. She explained that fraud can occur if there is no proof of citizenship or that the individual is paying taxes. She added that she did not want to expose the EDA to fraud. She noted that the proof would be in pay stubs and wondered what would happen if someone was paid in cash. Voight explained that the recipients of the loans have a certain set of criteria that they have to meet. The proposal for modifying the program guidelines does not make any changes to the actual applicants. She added that the proposed changes were for the tenants in the building. Forney mentioned that the grant is to help landlords.

Szurek asked why it matters to know where the tenant is receiving their money. Forney replied that it does not matter where they receive their money from, and a pay stub would help confirm that the City can meet the State requirements for rentals.

James asked for clarification regarding the rent levels. Voight replied that she could follow up with the EDA with a more detailed report on the rent amounts for each unit. The LAHA statutes and the State Statutes say that the rental housing must be affordable to the workforce. Typically, the housing cost should be no more than 30% of the income in order to qualify as affordable.

James asked Voight if staff have connected with other cities that are trying to administer the funds for existing housing. Voight replied that many cities are using their LAHA funding for homeowner-owned housing and not rented housing. The criteria for owned housing are different from those for rental housing.

Dibba mentioned that there are many residents who are not US citizens. Szurek replied that non-US citizens should be seeking to get citizenship, and the City should not make special rules for them so that they do not have to pay as much rent. Dibba pointed out that there is a difference between non-citizens and illegal immigrants. He explained that there are individuals who have green cards and work visas and are allowed to stay in the Country legally. Spriggs mentioned that the discussion was not about immigration policy.

Dibba explained that a lot of the community are people who are not citizens, and people could have challenges accessing the program. He noted that it would make sense to consider how to tweak the program to ensure that the community could access the program without breaking the law or cutting corners. He explained that he went through the immigration process and was in the country for a long time before he became a citizen because it is a long process. He asked staff if there was information on other cities that have made some tweaks to similar programs to help residents be able to have access to the program. Voight replied that staff has been talking with CEE, which administers different types of programs for different cities. CEE said the program is fairly specific in its design, and there are no exact comparisons to other cities. She added that CEE said using pay stubs or using an attestation for income would be a positive change to the process to make it easier to get through.

Chirpich mentioned that the City was going off of MHFA's strictest restriction interpretation of defining affordability at 30% of monthly income. He wondered if there was another way to look at it, such as other programs that delineate maximum income levels for other subsidies that MHFA

administers. Forney replied that a lot of the program's staff have looked at going off of the AMI rental housing metrics brought by the Metropolitan Council. He added that staff would look into other options. He noted that the LAHA funding is new and staff are still learning about how the funds can be used.

Deneen expressed her understanding that the income verification documentation requirements are seen as too strict. She added that she would be interested in knowing what kind of percentages the EDA could work with. She noted that she wants to ensure that there is as much participation as possible while also keeping to the point of the NOAH grant.

James agreed with the staff's recommendation. Spriggs agreed and explained that it would be helpful to gather information throughout the year to see if there needs to be legislative changes in the future. Voight replied that staff would provide the EDA with an update in a few months.

Motion by Deneen, seconded by James, to waive the reading of Resolution No. 2026-09, there being ample copies available to the public. All ayes of present. MOTION PASSED.

Motion by Deneen, seconded by James, to adopt Resolution No. 2026-09, a Resolution of the Economic Development Authority of Columbia Heights, Minnesota, approving the amended Program Guidelines, dated 02/26/2026, for the Columbia Heights Naturally Occurring Affordable Housing (NOAH) Loan Program. All ayes of present. MOTION PASSED.

RESOLUTION NO. 2026-09

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE AMENDED PROGRAM GUIDELINES, DATED 02/26/2026, FOR THE COLUMBIA HEIGHTS NATURALLY OCCURRING AFFORDABLE HOUSING (NOAH) LOAN PROGRAM.

WHEREAS, in 2024, the City of Columbia Heights established a Local Housing Trust Fund supported by State-allocated Local Affordable Housing Aid (LAHA) funds, and designated the Economic Development Authority (EDA) as the administrator of this Fund to support affordable housing initiatives within the City; and

WHEREAS, in 2025, the EDA approved the creation of the Naturally Occurring Affordable Housing (NOAH) Loan Program (the "Program"); and

WHEREAS, the Program officially launched on January 1, 2026; and

WHEREAS, in response to feedback received from applicants and from the Minnesota Center for Energy and Environment (CEE), the EDA's program partner, the EDA wishes to revise the Program Guidelines to provide additional options for the types of documentation used for household income verification.

NOW, THEREFORE BE IT RESOLVED that, after appropriate examination and due consideration, the Authority hereby:

1. Approves the form and substance of the amended Program Guidelines, dated 02/26/2026, for the Columbia Heights Naturally Occurring Affordable Housing (NOAH) Loan Program; and
2. Authorizes the officers, employees, and other agents of the Authority to take all actions necessary to perform the Authority's obligations under the amended Program Guidelines, including, without limitation, all acts and things required of them by or in connection with this resolution, for the full, punctual, and complete performance of all the terms, covenants, and agreements contained herein.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this March 2, 2026

Offered by: Laurel Deneen
Seconded by: Rachel James
Roll Call: All ayes of present. MOTION PASSED.

President: Justice Spriggs

Attest:

Secretary

6. 2026 Economic Impact Relief Discussion.

Voight reported that at the EDA's February meeting, the Commission discussed providing financial relief to the community to help defray the economic impacts of the Metro Surge federal immigration enforcement actions. As a result of this discussion, the Commission directed Community Development staff to assess how the EDA might provide direct relief to businesses. Prior to the February meeting, staff had already briefly discussed the topic with the EDA's legal counsel. Based on those earlier conversations with counsel, staff suggested during the meeting that if the EDA wanted to use its own funds for such a relief initiative, a deferred loan program might be the most feasible option.

Voight explained that following the direction given by the Commission during the meeting, staff conducted further research into this topic. This research included statutory analysis with the EDA's legal counsel and the City Attorney, tracking the City of Minneapolis' efforts to dedicate funds to business relief, tracking State legislative discussions about relief, and preparing and distributing an English/Spanish business economic impact survey to gather firsthand testimony from local businesses. To date, twenty-four survey responses have been received.

Voight noted that at this juncture, staff believe there are three possible paths for providing local financial relief to businesses:

- a. Using City-level levied funds from the EDA's Community Revitalization program, for a program to be administered by the EDA;
- b. Requesting Anoka County HRA-level levied funds from the County, for a program to be

- administered by the City;
- c. Identifying an independent source of funds in the City's resources and amending the 2026 City budget to direct these funds to local economic relief, for a program to be administered by the City.

Forney stated that Voight has been in communication with the City Attorney and the EDA's attorney to find a way to fund a program to support economic relief. The State has set up EDA and City funding to not be used in ways that do not benefit the public, which means that there are a number of Statutes that the City has to look at to ensure they are expending funds appropriately. He explained that Community Development staff are working hard to figure out how to design and administer a program. Businesses in the City are suffering, and staff will work as quickly as possible. He added that staff would also continue to look into a rental assistance program and are looking to identify a partner that could do the underwriting and make sure the program is handled correctly. He noted that there are funds available for a rental assistance program.

Questions/Comments from Members:

Márquez-Simula explained that small restaurants have been impacted by not having staff available, and walk-in traffic has been impaired for businesses. She added that delivery truck drivers have been impacted, so inventory and supplies are not getting delivered to businesses. She added that construction workers have left the State which impacts construction in the State. She thanked the staff for their work.

James thanked staff for their work and explained that businesses struggling in the City impact the entire community. She mentioned that she spoke with the new owner of 3 Guys' Grill and learned that the old owner had to leave because he could not make enough money. She noted that it seemed that businesses could use help with rent or mortgage payments, and she wondered if it would be helpful for the EDA to focus on that aspect of supporting businesses instead of focusing on revenue or owner pay. She expressed her support for using EDA or City funds and mentioned that it did not make sense to spend a lot of time on licensing refunds since it is a small amount of money and could take a lot of staff time. Voight mentioned that the money spent by businesses thus far in 2026 on licensing fees is \$55,000.

Deneen agreed that focusing on the building structure could be helpful and would rather have staff spend time on things that could be more impactful for more businesses. Dibba mentioned that many businesses are struggling with overhead costs and could use help in that area.

Spriggs asked how much the EDA puts into the Community Revitalization Program each year. Forney replied that the 2026 budget is for \$300,000. Voight mentioned that there was an option to pause the Fire Suppression Program and Façade Improvement Program to ensure that funding is available, but the EDA continues to receive applications for those grants so it might make sense to continue to administer the programs. Staff is in favor of continuing to run those programs for now.

Spriggs stated he was in favor of getting funds to people as quickly as possible so that there is some immediate relief that can bridge the gap.

BUSINESS UPDATES

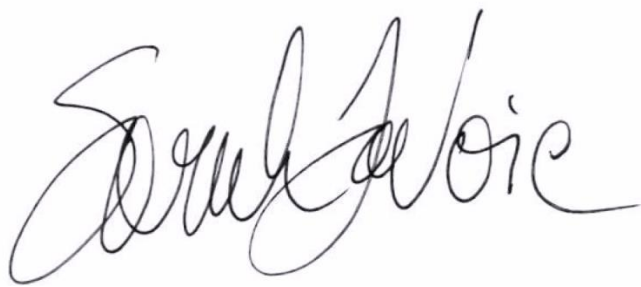
a. Pledge of Allegiance.

Voight noted that an EDA member pointed out that there are some meetings where the Pledge of Allegiance is not said, such as the HRA meeting. There was a question about whether reciting the Pledge is the EDA bylaws. Voight explained that she did research and found out that it is not in the bylaws or in the City Charter, and was something the EDA has chosen to regularly include in its meetings since around 2003.

ADJOURNMENT

Motion by Márquez-Simula, seconded by Deneen, to adjourn the meeting at 5:58 pm. All ayes. MOTION PASSED.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sarah LaVoie". The signature is fluid and cursive, with the first name "Sarah" and last name "LaVoie" clearly distinguishable.

Sarah LaVoie, Recording Secretary