



ECONOMIC DEVELOPMENT AUTHORITY
City Hall—Shared Vision Room, 3989 Central Ave NE
Monday, September 02, 2025
5:00 PM

MINUTES

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

CALL TO ORDER/ROLL CALL

Members Present: Connie Buesgens; Laurel Deneen; Rachel James; Amáda Márquez-Simula; Justice Spriggs; Marlaine Szurek

Members Absent: Lamin Dibba

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 August 4, 2025.
2. Approve financial reports and payment of bills for July 2025 – Resolution No. 2025-21.

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

RESOLUTION NO. 2025-21

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FINANCIAL STATEMENTS FOR THE MONTH OF JULY 2025 AND THE PAYMENT OF THE BILLS FOR THE MONTH OF JULY 2025.

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 July 2025 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 2nd of September 2025

Offered by: Laurel Deneen
Seconded by: Connie Buesgens
Roll Call: All ayes of present. MOTION PASSED.

President

Attest:

Secretary

BUSINESS ITEMS

3. Purchase of 4510 Taylor St NE

Voight reported that staff are bringing forth for consideration the purchase of real property located at 4510 Taylor St NE. The subject property is residentially zoned (R-2A) and is the site of a one-bedroom, one-bathroom house that was built in 1946. The City's Building Inspector recently conducted a time-of-sale inspection of the house in preparation for its sale. While communicating with the seller's representative, the Inspector identified that the property had not yet been listed and that the seller might be open to discussing purchase options with the City. Community Development staff arranged with the seller's representative to visit the property. During their visit, staff determined that the property would be a good fit for residential redevelopment: the house

was vacant, had been subject to water damage, and would need repairs amounting to tens of thousands of dollars to make it habitable again. The cost of the necessary repairs would be disproportionate to the small size of the house, which measures only approximately 588 square feet. The property is also non-conforming with regard to parking because it does not have a garage.

Voight mentioned that Anoka County currently lists the estimated market value of the land, with no buildings, at \$86,000. The seller's representative indicated they had received two offers above this price. After consultation with CD staff, Director Forney made an initial verbal offer of \$100,000 for the purchase of the property, plus closing costs, and explained that this offer was contingent on approval by the EDA. The seller, Kirk Miller, verbally accepted this offer. The City then followed up with a written offer letter, which the seller also acknowledged.

Voight stated that by purchasing this residential property, the EDA would create an opportunity to engage with partners to provide a new housing unit or units on the site. Like in previous redevelopment projects, the EDA could work with a group like Better Futures to deconstruct the house for recycling and reuse of salvageable materials. The City's Fire and Police Departments might be able to use the site for training. After demolition, the EDA could choose to work with an organization like Habitat for Humanity or with a private developer for the construction of new housing. Staff are of the opinion that the purchase and redevelopment of the property by the EDA would provide more opportunities than would be possible with private purchase and renovation of the existing structure.

Voight noted that each year, the EDA budgets \$200,000 for property acquisition through Redevelopment Fund 408, specifically through the Commercial Revitalization Program. The EDA has not yet spent these funds in 2025. Staff therefore suggests that the EDA use Redevelopment Fund 408 Commercial Revitalization dollars to finance the purchase of 4510 Taylor. The purchase and redevelopment of this site are consistent with the goals of Redevelopment Fund 408, but because the property is not commercially zoned, an amendment to the 2025 budget will be necessary to allocate funds for this specific site. This proposal aligns with the EDA's 2025 goal of continuing to administer the EDA's Commercial Revitalization Program to address substandard and nonconforming housing stock.

Voight stated Resolution 2025-24 approves the draft purchase agreement, amends the 2025 budget, and allocates an additional \$70,000 to related site preparation costs. These related project costs include closing costs, hazardous material abatement (such as asbestos and trash removal), tree removal, and demolition. Any excess funds remaining once demolition and grading have been completed will be returned to EDA Redevelopment Fund 408. Community Development staff recommend that the EDA pass Resolution 2025-24 to approve the purchase of the property at 4510 Taylor St NE for residential redevelopment.

Questions/Comments from Members:

Buesgens asked if the City had TIF housing money that was used during the recession to purchase houses. Forney replied that the funds that Buesgens is mentioning are the W3/W4 pooled funds that are actually the C8 pooled funds, which are the same fund that was used for the recent loan to

Habitat for Humanity. Staff are recommending using the annual budgeted amount due to the fact that the annual budget amount allows to have a project that can be either income-qualifying or non-income-qualifying. Staff wanted to allow more flexibility with the funds.

Buesgens asked what funds were used to buy homes on 5th Avenue. Forney replied that the Habitat for Humanity house on 5th Avenue used the affordable housing funds.

Szurek asked if the house had been empty for a while. Forney replied that there were renters in the house last fall and unexpectedly left without notifying the owner. Over the winter, the water pipes burst and left water damage in the house.

Márquez-Simula stated she was in favor of moving forward with the staff's recommendation. James agreed. She noted that they had prioritized housing on commercial routes, and the proposed house is not on a commercial route. She asked staff to share more about the priority. Forney explained that traditionally, the budget indicates that projects need to be on commercial routes, but through the EDA's goal-setting session, the idea of targeting houses outside of the commercial corridors came up. The proposed house purchase is in line with the verbal goals of the EDA to target some of the properties that are not specifically on Central Avenue.

Motion by Spriggs, seconded by Szurek, to waive the reading of Resolution No. 2025-24, there being ample copies available to the public. All ayes of present. MOTION PASSED.

Motion by Spriggs, seconded by Szurek, to approve Resolution No. 2025-24, a Resolution of the Columbia Heights Economic Development Authority, approving the purchase agreement between the Columbia Heights Economic Development Authority and Kirk Miller. All ayes of present. MOTION PASSED.

RESOLUTION NO. 2025-24

A RESOLUTION APPROVING THE PURCHASE AGREEMENT BETWEEN THE COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY AND KIRK MILLER.

BE IT RESOLVED BY the Board of Commissioners ("Board") of the Columbia Heights Economic Development Authority (the "Authority") as follows:

SECTION 1. RECITALS.

1.01. The Authority and Kirk Miller and any other individual with a legal interest in the Property hereafter defined ("Seller") desire to enter into a purchase agreement (the "Purchase Agreement") pursuant to which the Authority will acquire certain property in the City located at 4510 Taylor St NE (the "Property") from the Seller for economic redevelopment purposes. The Property is described in Exhibit A attached hereto.

1.02. Pursuant to the Purchase Agreement, the Authority will purchase the Property from the Seller for a purchase price of \$100,000 plus related closing costs.

1.03. The Authority finds that the acquisition of the Property is consistent with the City’s Comprehensive Plan and will result in the redevelopment of the Property, which constitutes substandard property. Such acquisition of this Property, for subsequent resale and redevelopment (the “Redevelopment Project”), best meets the community’s needs and will facilitate the economic redevelopment and revitalization of this area of the City.

1.04. The Authority also finds that the Redevelopment Project is consistent with the purpose of the Economic Development Authority Redevelopment Fund 408. The current 2025 budget for Economic Development Authority Redevelopment Fund 408 does not include the Redevelopment Project and must be amended as the Property was not available on September 3, 2024, when the Authority adopted this budget. The available balance of the Economic Development Authority Redevelopment Fund 408, beyond that committed for the existing 2025 budget, is approximately \$500,000, which is more than sufficient to finance the Redevelopment Project.

SECTION 2. PURCHASE AGREEMENT AND BUDGET AMENDMENT APPROVED.

2.01. The Authority hereby ratifies and approves the actions of Authority staff and of Kutak Rock LLP (“Legal Counsel”) in researching the Property and preparing and presenting the Purchase Agreement. The Authority approves the Purchase Agreement substantially in the form presented to the Authority and on file at City Hall, subject to modifications that do not alter the substance of the transaction and that are approved by the President and Executive Director, provided that execution of the Purchase Agreement by those officials shall be conclusive evidence of their approval.

2.02. The Authority hereby amends the 2025 budget for Economic Development Authority Redevelopment Fund 408 to appropriate \$100,000 for the purchase agreement and \$70,000 for additional estimated project costs relating to the Redevelopment Project, including but not limited to closing costs, hazardous material abatement, tree removal, and demolition.

2.03. Authority staff and officials are authorized to take all actions necessary to perform the Authority’s obligations under the Purchase Agreement as a whole, including without limitation execution of any documents to which the Authority is a party referenced in or attached to the Purchase Agreement, and any deed or other documents necessary to acquire the Property from the Seller, all as described in the Purchase Agreement.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 2nd of September 2025

Offered by: Justice Spriggs
Seconded by: Marlaine Szurek
Roll Call: All ayes of present. MOTION PASSED.

President

Attest:

Secretary

4. 2026 EDA Budget Approval

Forney reported that in September, the proposed budget for the 2026 fiscal year will be distributed to the City Council. Before the City Council completes its final review of the proposed budget, the Columbia Heights Economic Development Authority (“EDA”) and the Housing and Redevelopment Authority in and for the City of Columbia Heights (“HRA”) are required to adopt fund budgets for Fund 204: EDA Administration and Fund 408: EDA Redevelopment Projects, and to authorize their respective 2025 tax levies, payable in 2026.

Forney noted the EDA effectively has two separate tax levies after the City Council granted the EDA certain HRA powers in 1996. One tax levy is administered by the City under Minnesota Statutes, Section 469.107 on behalf of the EDA (the “EDA Levy”), and the other is a special benefit tax levy administered by the EDA under Minnesota Statutes, Section 469.033 on behalf of the HRA (the “HRA Levy”). The proposed fund budgets reflect total levels within the statutory limits. He reviewed the differences between the budget of 2025 and the staff’s proposed budget for 2026. As the Authority can see, there is an increase in the budgeted amount for 204. This is attributed to the loss of funds in the 408 HRA Levy and the increase in operating costs for staff time and EDA administrative costs. The increase in EDA administrative costs is better exemplified by the change in the 204 Budgeted Expenditures column, as it removes the transfer out to 408. The budgeted 408 fund has a \$5,000 decrease due to the fact that the City’s market value has decreased since last year, reducing the amount the EDA can levy via the HRA levy. The last item of note is the \$10,000 increase in funding and expenditures in 408. Staff’s budget recommendation is the same as last year, but with the addition of \$10,000 in funds for the administration costs of the Naturally Occurring Affordable Housing Loan Program.

Ultimately, staff’s proposal results in a 9.3% increase in the EDA Levy and a 1.2 % decrease in the HRA Levy. Similar to the process followed last year, any increase in the EDA levy must follow the public hearing and approval process identified in MN Statutes section 469.107.

Questions/Comments from Members:

James mentioned that the EDA discussed the budget numbers during the goal-setting meeting. She added that she is happy with the NOAH Loan Admin Costs. Márquez-Simula agreed and added that she is glad to see small increases that will have large impacts.

Motion by Buesgens, seconded by Márquez-Simula, to waive the reading of Resolution No. 2025-22 and No. 2025-23, there being ample copies available to the public. All ayes of present. MOTION PASSED.

Motion by Buesgens, seconded by Márquez-Simula, to adopt Resolution No. 2025-22, a Resolution of

the Economic Development Authority of Columbia Heights, Minnesota, adopting a budget for the fiscal year of 2026 and setting the 2025 tax levy, payable in 2026. All ayes of present. MOTION PASSED.

Motion by Buesgens, seconded by Márquez-Simula, to adopt Resolution No. 2025-23, a Resolution of the Economic Development Authority of Columbia Heights, Minnesota, adopting a budget for the fiscal year of 2026 and authorizing a special benefit tax levy, payable in 2026. All ayes of present. MOTION PASSED.

RESOLUTION NO. 2025-22

A RESOLUTION OF THE COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY, ADOPTING A BUDGET FOR THE FISCAL YEAR OF 2026 AND SETTING THE 2025 TAX LEVY, PAYABLE IN 2026.

BE IT RESOLVED, by the Columbia Heights Economic Development Authority (the “EDA”) as follows:

WHEREAS, the City of Columbia Heights (the “City”) established the EDA by an enabling resolution adopted on January 8, 1996, pursuant to Minnesota Statutes 469.090 to 469.1081 (the “EDA Act”); and

WHEREAS, the City Council of the City has given to the EDA the responsibility for all development and redevelopment projects and programs; and

WHEREAS, under Section 469.107 of the EDA Act, the City is authorized to levy a tax for the benefit of the EDA on its area of operation for the purposes authorized under the EDA Act, subject to the approval of the City Council;

NOW, THEREFORE BE IT RESOLVED, that, after appropriate examination and due consideration, the Board of Commissioners of the Columbia Heights Economic Development Authority hereby:

1. Adopts and requests the City Council’s approval of its budget in the amount of \$413,900 for 2026; and
2. Adopts and requests the City Council’s approval of an EDA tax levy under Section 469.107 of the EDA Act, in the amount of \$413,900 for taxes payable in 2026; and
3. Authorizes the transfer of \$80,000 from EDA Administration Fund 204 to EDA Redevelopment Fund 408; and
4. Instructs the Executive Director to transmit a copy of this resolution to the City Manager, Finance Director, and City Clerk of the City of Columbia Heights, Minnesota

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 2nd of September 2025

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

President

Attest:

Secretary

RESOLUTION NO. 2025-23

A RESOLUTION OF THE COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY, ADOPTING A BUDGET FOR THE FISCAL YEAR OF 2026 AND AUTHORIZING A SPECIAL BENEFIT TAX LEVY, PAYABLE IN 2026.

BE IT RESOLVED, by the Columbia Heights Economic Development Authority (the "EDA") as follows:

WHEREAS, the City of Columbia Heights (the "City") established the EDA by an enabling resolution adopted on January 8, 1996, pursuant to Minnesota Statutes 469.090 to 469.1081 (the "EDA Act"); and

WHEREAS, the City Council granted the EDA all powers and duties of a housing and redevelopment authority by an enabling resolution and ordinance adopted on October 22, 2001, pursuant to Minnesota Statutes 469.001 to 469.047 (the "HRA Act"), except certain powers that are allocated to the Housing and Redevelopment Authority in and for the City of Columbia Heights (the "HRA"); and

WHEREAS, under Section 469.033 of the HRA Act, the EDA is authorized to levy a special benefit tax, in an amount not to exceed .0185 percent of the City's estimated market value (the "HRA Levy"); and

WHEREAS, by separate resolution, the EDA has before it for consideration a copy of the EDA budget for the fiscal year of 2026, and the proposed amount of the HRA Levy, payable in 2026, is based on said budget;

NOW, THEREFORE BE IT RESOLVED, that, after appropriate examination and due consideration, the Board of Commissioners of the Columbia Heights Economic Development Authority hereby:

1. adopts an HRA Levy payable in 2026 of \$420,000 under Section 469.033 of the HRA Act; and
2. directs staff to take such actions necessary to file with the City and certify with the County of Anoka County, the HRA Levy in the amount of \$420,000 for taxes payable in 2026 under Section 469.033 of the HRA Act.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 2nd of September 2025

Offered by: Connie Buesgens
Seconded by: Amáda Márquez-Simula

Roll Call: All ayes of present. MOTION PASSED.

President

Attest:

Secretary

5. Executive Session: Develop or Consider Counteroffers for the Purchase of Real Property at 4024-4026 Central Ave NE. Closed per Minn. Stat. 13D.05, Subdivision 3(c).

Voight stated that while the executive session is not open to the public, it will still be recorded and transcribed just like the rest of the meeting. The City is required to keep the recording and the transcription for a certain number of years. The meeting recording will be available to the public after any potential real estate transactions are completed. Until then, it will be held private.

Motion by Márquez-Simula, seconded by Deneen, to recess to Closed Session pursuant to Minnesota Statutes 13D.05, Subdivision 3(c); members of the public will not be able to attend the executive session portion of the meeting. All ayes. MOTION PASSED.

The EDA discussed the potential purchase of real property at 4024-4026 Central Ave NE.

Motion by Szurek, seconded by Spriggs, to reconvene the open session. All ayes. MOTION PASSED.

BUSINESS UPDATES

A. NOAH Program Development

Voight stated that the program documents are going back and forth through legal counsel. They are currently being reviewed by the CEE legal team. Staff hope to have all the documents before the EDA during the next meeting to review.

Buesgens noted that she attended the last landlord meeting, and there were 40 people in the room. She wondered how many landlords in the room were for single-family, duplexes, fourplexes, or eightplexes. She mentioned it would be good to know who is in the room for those meetings. Márquez-Simula added that she has been asking for a renters meeting and thought it would be helpful to include renters meetings.

B. SPAAR Key Communities Grant: Homeownership Resource Night

Voight mentioned that the EDA received grant funding from the St. Paul Area Association for REALTORS related to housing choice and homeowner support. The EDA previously discussed the idea of doing multilingual resource sessions and workshops. A pilot initiative is being developed and will be in English and Spanish. It will be held on Tuesday, September 16th, from 5:00-7:00 pm. Staff have started to market the event on Facebook and have sent out flyers around the City. Staff have enlisted the utility billing colleagues to help get some addresses for new subscriptions. There will be presentations from SPAAR partners about myths of

homeownership and from the City about permitting and time-of-sale questions. There will also be a presentation from the Partners in Energy team about energy and cost savings in housing. All of the information is included on the City's website.

James asked if the sessions would be recorded. Voight replied that they are working on that. James suggested recording it so that people could have the information available for the future, or those who missed the event could get the information.

Márquez-Simula shared that she was awarded the SPAAR July 2025 REALTOR Champion of the Month. She added that she was awarded it on behalf of the Council and the City.

Voight encouraged the Commissioners to register online for the SPAAR event.

Voight mentioned that Forney sent out an email about the upcoming Fridley/Columbia Heights Business Council meeting. It will be on Friday morning at 8:00 am at Fridley City Hall. She asked the Commissioners to let staff know if they are able to attend the meeting. James asked what would be discussed at the meeting. Forney replied that the auto dealers' association of Minnesota would be in attendance.

Márquez-Simula mentioned that there are some businesses that need upgrades to the outside of buildings. She wondered if there were more ways that the EDA could be connected to this kind of business development. Forney replied that staff could work on updating the EDA on code enforcement. Buesgens agreed with Márquez-Simula's comments. She added that when Central Avenue is completed, it will be a stark contrast to businesses that do not have updated buildings.

ADJOURNMENT

Motion by Márquez-Simula seconded by Deneen to adjourn the meeting at 5:56 pm. All ayes. MOTION PASSED.

Respectfully submitted,



Sarah LaVoie, Recording Secretary

DRAFT