

**MINUTES
CITY OF COLUMBIA HEIGHTS
ECONOMIC DEVELOPMENT AUTHORITY (EDA) MEETING
SEPTEMBER 7, 2021**

The meeting was called to order at 6:00 pm by Chair Szurek.

Members present: Connie Buesgens, Kt Jacobs, Amada Márquez Simula, John Murzyn Jr., Nick Novitsky, Marlane Szurek

Member absent: Gerry Herringer

Staff Present: Aaron Chirpich, Community Development Director; Joe Kloiber, Finance Director; Ben Sandell, Communications Coordinator; and Alicia Howe, Administrative Assistant

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

1. Approve the minutes of the regular EDA Meeting of August 2, 2021
2. Approve financial reports and payment of bills for July 2021 – Resolution No. 2021-13

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

RESOLUTION NO. 2021-13

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FINANCIAL STATEMENTS FOR THE MONTHS OF MAY AND JUNE 2021, AND THE PAYMENT OF THE BILLS FOR THE MONTHS OF JULY 2021

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 months of July 2021 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, financials 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 a part of the permanent records of the Columbia Heights Economic Development Authority.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 7th day of September, 2021

Offered by: Buesgens

Seconded by: Murzyn, Jr.

Roll Call: All ayes of present

President

Attest:

Assistant Secretary

BUSINESS ITEMS

3. Adoption of the 2022 Budget and Authorization of the EDA and HRA Levies

Chirpich explained that in late August, the proposed budget for the 2022 fiscal year was distributed to the City Council. Before the City Council completes their final review of the proposed budget later this fall, the Columbia Heights EDA and the Housing and Redevelopment Authority (HRA) are required to adopt fund budgets for Fund 204: "EDA Administration" and Fund 408: "EDA Redevelopment Projects" and authorize their respective 2021 tax levies, payable in 2022.

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 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 Levy. The proposed fund budgets reflect total levy amounts that are within the statutory limits. For 2022, the EDA Levy would capture \$255,500 from the City's estimated market land value, whereas the HRA Levy would net \$310,000. When combined, both levies result in total net revenue of \$565,500.

The proposed 2022 fund budgets are dedicated to maintaining existing projects and initiatives, as

well as allocating funds for programs that reflect the priorities of the EDA such as the Commercial Revitalization Project and Façade Improvement Grant Program. It is worth noting that the proposed 2022 budget for Fund 408 includes a 24% levy increase, which represents an increase of \$60,000 from 2021. This increase was discussed with the EDA at the August 2, 2021 meeting and supported by all members present. The Fund 408 budget does not reflect a direct allocation of the additional \$60,000. At the August 2 meeting, the EDA board directed staff to pursue the levy increase for the 2022 budget and were comfortable leaving decisions on how to allocate the additional funding later in the year. The table below reflects an overview of both fund budgets.

<u>Fund</u>	<u>Revenue</u>	<u>Expense</u>
204 – EDA Administration	\$255,500	\$250,028
408 – Redevelopment Projects	\$310,000	\$250,000
Increase (Decrease) to Fund Balance		<u>\$ 65,472</u>
Total Including Interfund Transfers	\$565,500	\$565,500

Fund 204 had a small decrease for personnel services which still accommodates the increases for the Community Development Director and Coordinator positions. This was made possible by shifting some of the Community Development Director's time to the planning and inspections function of the department, which isn't governed by the EDA, as there will be some upcoming heavy planning related cases in the next year and the new City Planner is still onboarding. The \$4,700 in Professional Services reflects how the department is managing expenditures and assigning them to larger projects as they come into the department.

Of the \$310,000 revenue in Fund 408, a \$200,000 commercial revitalization project expense includes acquisition and demolition of the distressed single-family properties that are zoned commercially and another \$50,000 for the façade improvement program.

Questions/Comments from Members:

Jacobs asked for clarification, as she thought the basis for the proposed funding increase was for the purchase of properties because of what was happening with the market values. Chirpich said that it had been the staff's primary purpose but then wanted flexibility to talk about it further with the EDA members.

Szurek asked whether an increase above the allocated \$50,000 may be needed for the façade improvement program in case there are more applications. Chirpich said the amount was fine for 2021 and he would like to have a conversation as the department would like to expand the geographic boundaries.

Motion by Buesgens, seconded by Jacobs, to waive the reading of Resolution 2021-14, there being ample copies available to the public. All ayes of present. MOTION PASSED.

Motion by Buesgens, seconded by Novitsky, to adopt Resolution 2021-14, a resolution of the Columbia Heights Economic Development Authority, adopting a budget for the fiscal year of 2022 and setting the 2021 tax levy, payable in 2022. All ayes of present. MOTION PASSED.

RESOLUTION NO. 2021-14

A RESOLUTION OF THE COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY, ADOPTING A BUDGET FOR THE FISCAL YEAR OF 2022 AND SETTING THE 2021 TAX LEVY, PAYABLE IN 2022

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, by the Board of Commissioners of the Columbia Heights Economic Development Authority, that the EDA adopts and requests the City Council’s approval of its budget in the amount of \$565,500 for 2022; and

BE IT FURTHER RESOLVED, that the EDA 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 \$250,028 for taxes payable in 2022; and

BE IT FURTHER RESOLVED, that the Executive Director is instructed 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 7th day of September, 2021

Offered by: Buesgens
Seconded by: Novitsky
Roll Call: All ayes of present

President

Attest:

Secretary

Motion by Buesgens, seconded by Jacobs, to waive the reading to Resolution 2021-15, there being ample copies available to the public. All ayes of present. MOTION PASSED.

Motion by Buesgens, seconded by Novitsky, to adopt Resolution 2021-15, a resolution of the Columbia Heights Economic Development Authority, adopting a budget for the fiscal year of 2022 and authorizing a special benefit tax levy, payable in 2022. All ayes of present. MOTION PASSED.

RESOLUTION NO. 2021-15

A RESOLUTION OF THE COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY, ADOPTING A BUDGET FOR THE FISCAL YEAR OF 2022 AND AUTHORIZING A SPECIAL BENEFIT TAX LEVY, PAYABLE IN 2022

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 2022, and the proposed amount of the HRA Levy, payable in 2022, is based on said budget;

NOW, THEREFORE BE IT RESOLVED, by the Board of Commissioners of the Columbia Heights Economic Development Authority, that the EDA hereby adopts an HRA Levy payable in 2022 of \$310,000 under Section 469.033 of the HRA Act; and

BE IT FURTHER RESOLVED, that the Board of Commissioners of the Columbia Heights Economic Development Authority hereby 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 \$310,000 for taxes payable in 2022 under Section 469.033 of the HRA Act.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 7th day of September, 2021

Offered by: Buesgens
Seconded by: Jacobs
Roll Call: All ayes of present

President

Attest:

Secretary

4. Façade Improvement Grant for Dairy Queen, 3959 Central Avenue NE

Chirpich explained that the EDA received a Façade Improvement Grant application from Tom Letness for the Dairy Queen building located at 3959 Central Avenue NE. Mr. Letness requests a \$1,750 grant to support his proposed \$3,500 painting project. The project scope includes a full repainting of the entire exterior of the building to bring the facility up to the current color specifications set by the Dairy Queen Corporation. All sides of the building are visible from a public street. Therefore, per the grant program guidelines, repainting of the entire building is a grant eligible activity. Mr. Letness submitted a complete application for eligible improvements and staff recommends approval of the request.

Questions/Comments from Members:

There were no questions or comments.

Motion by Jacobs, seconded by Márquez Simula, to waive the reading of Resolution 2021-16, there being ample copies available to the public. All ayes of present. MOTION PASSED.

Motion by Jacobs, seconded by Novitsky, to adopt Resolution 2021-16, a resolution approving the form and substance of the façade improvement grant agreement, and approving authority staff and officials to take all actions necessary to enter the authority into a façade improvement grant agreement with Tom Letness. All ayes of present. MOTION PASSED.

RESOLUTION NO. 2021-16

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FORM AND SUBSTANCE OF THE FAÇADE IMPROVEMENT GRANT AGREEMENT, AND APPROVING AUTHORITY STAFF AND OFFICIALS TO TAKE ALL ACTIONS NECESSARY TO ENTER THE AUTHORITY INTO A FAÇADE IMPROVEMENT GRANT AGREEMENT WITH TOM LETNESS

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

WHEREAS, the City of Columbia Heights (the “City”) and the Authority have collaborated to create a certain Façade Improvement 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 property owners and/or tenants for the purposes of revitalizing existing store fronts, increasing business vitality and economic performance, and decreasing criminal activity along the City’s commercial corridors, pursuant to a Façade Improvement Grant Agreement with Tom Letness (the “Grant Agreement”); and

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

NOW, THEREFORE BE IT RESOLVED that the Authority hereby approves the form and substance of the Grant Agreement and approves the Authority entering into the Grant Agreement with Tom Letness, as recommended by the Community Development Department of the City, in accordance with the Program guidelines.

BE IT FURTHER RESOLVED, that Kelli Bourgeois, 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.

BE IT FURTHER RESOLVED, that Kelli Bourgeois, as the Executive Director of the Authority, is hereby authorized and directed to execute and take such action as he/she deems necessary and appropriate to carry out the purpose of the foregoing resolution.

BE IT FURTHER RESOLVED, that these actions shall be effective as of September 7th, 2021.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 7th day of September, 2021

Offered by: Jacobs

Seconded by: Novitsky

Roll Call: All ayes of present

Marlaine Szurek, President

Attest:

Secretary

5. Façade Improvement Grant for Hairitage, 530 40th Avenue NE

Chirpich explained that the EDA has received a Façade Improvement Grant application from Donna Mahlmann for the Hairitage building located at 528 40th Avenue NE. Ms. Mahlmann is requesting a \$3,100 grant to support her proposed \$6,200 stucco repair and painting project. The project scope

includes fixing several damaged stucco areas on the south and west sides of the building and a full repainting of the repaired areas. The building is situated on a corner lot at the intersection of 40th Avenue NE and Summit Street NE. Therefore, all sides of the building are visible from a public street.

He reported that it is important to note that this property did receive a \$4,684 Façade Improvement Grant from the EDA in 2019 for stucco repair, repainting and new awnings on the main façade (north side). At that time the building was not owned by Ms. Mahlmann and, as she was leasing the space, she received the grant as a tenant. The program guidelines do not prohibit multiple grant awards for the same property. However, the EDA's grant agreement contracts do state: "the EDA has proposed to make grants of money in the maximum amount of \$5,000 per parcel of real property to property owners, tenants or nonprofit organizations." It is staff's opinion that offering a second grant to the same property in this case is open to interpretation by the EDA. Given the fact that the building was purchased by the applicant after the last grant was awarded, staff is supportive of the request as Ms. Mahlmann has shown a commitment to investing long term in the community.

Questions/Comments from Members:

Buesgens preferred reviewing applications case-by-case but approved of Ms. Mahlmann's request as she is the building's new owner.

Jacobs agreed with a case-by-case approach but had reservations about setting a precedent.

Márquez Simula asked if Ms. Mahlmann completed all the work designated for the first grant award. Chirpich confirmed that the work was completed according to the grant agreement. Márquez Simula, citing the new owner's commitment to the City and the building being prominently placed in view, supported the grant but also agreed that future considerations be on a case-by-case basis. Chirpich said this particular grant is a "nice opportunity" for the EDA to say the award was approved because it was a change of ownership and such a case is unlikely to recur.

Szurek asked if Ms. Mahlmann, as a tenant, completed the work from the first grant award in 2019 for stucco repair, repainting and new awning. Chirpich confirmed so. Szurek then said the new application is for further stucco repair. Chirpich said the original work was for the north side of the building and the application now is for stucco repair on the remaining three sides.

Szurek said she is worried about setting a precedent. Buesgens commented that it would be the same way as the Planning Commission treats variance requests, each case being considered individually. Szurek's concern was that it would a second grant for the same property.

Buesgens commented that Ms. Mahlmann is planning to make the building look nicer. Szurek said it is not the most attractive building on the street. Buesgens said perhaps the EDA should discuss designating awards by parcel because that could limit flexibility.

Jacobs said the City is in year three of the façade improvement program and this predicament has already come up, had a concern about awards granted by parcel and asked why Ms. Mahlmann

completed work from the first grant on the north side of the building rather than the east side that faces Central. Chirpich said the north side faces 40th, which is more prominent.

Márquez Simula commented that improvements would go beyond a coat of paint, that the stucco repair would help maintain the structure of the building and, as an example, if Dairy Queen sells their building in five years and the new owner has another great idea on how to make it better – would the City not want to make it look better just because five years ago it looked better. She added that Ms. Mahlmann would cover 50% of the expenses, obtain the quotes and do the work.

Jacobs asked if the grant cap would be \$5,000 per parcel, and Chirpich confirmed so.

Szurek asked for clarification it would be grant per application or grant per property. Chirpich said it would be per parcel in the grant agreement, inconsistent with the guidelines but not contrary.

Novitsky asked if there are known additional grant applicants for 2021, and Chirpich said there are three in the pipeline that struggling to become compliant. Novitsky asked if there is money available for those applicants, and Chirpich there would be enough for the two (on the evening's agenda) and the upcoming three.

Jacobs asked when the program closes, and Chirpich said the program is on a rolling first-come first-served basis approach, so funds are available annually until they are expended. Jacobs asked if unused funding is rolled over to the next year, and Chirpich confirmed so.

Novitsky expressed support because the building is very visible and said the fact that the building's owners have come back two times confirms that the façade improvement program is working. He also suggested identifying the program criteria as "per parcel per year," with the City granting new applications first but then others if funding is available.

Murzyn, Jr. agreed with Novitsky, as long as an owner makes their building look better and plans to remain in the City, and said he supports a case-by-case basis.

Szurek said it is a good use of the money and her only concern was precedent setting and how it would be explained the next time when an applicant comes back for funding three or four times. Chirpich explained that the unique nature is the acquisition, which the EDA could say it was approved because the investment was made to move from tenant to owner, which is a very specific standard.

Jacobs asked if staff could ensure the guidelines and application are consistent with each other, using "parcel" as an example. She agreed it would be money well spent, that the owner is invested in the business and in the future long term, but her issues were precedent and being consistent with the guidelines.

Buesgens agreed with Novitsky's suggestion that new applications be considered first for funding and any returning applicants be considered after that. She said she thought "parcel" is limiting because the program's goal is to improve the look of the business areas and is the City's way of

investing in those businesses. Buesgens said she had no problem in setting a precedent because needed improvements may have to be broken into segments, such as windows.

Jacobs commented that the program's purpose is for improvement, not to subsidize maintenance.

Szurek said the proposed improvements for Ms. Mahlmann's building would be a good use of money but she would not want to set the precedent, that first-comers should be considered first rather than repeaters.

Chirpich further explained that staff has observed in the program over the course of the last year that small businesses have had difficulty securing competitive quotes for small projects, which has continued to be an issue. He compared Ms. Mahlmann's two quotes (\$5,420 and \$6,200) and what was included in each, adding that the \$6,200 quote is actually more affordable in that it reseals the flashing of the window rather than upper roof and tearing out the entire wall to deflect water. And a potential problem for all businesses seeking grants is obtaining second quotes, with the lack of availability for contractors.

Novitsky said he wouldn't want to hold up projects because contractors don't get back to the businesses. Chirpich said the inability to secure multiple quotes is a problem and it could be helpful if applicants seeking grants submitted any denial letters for quotes received from those contractors.

Novitsky also suggested that applicants send certified letters to companies to prove that they attempted to obtain multiple quotes, and all members and Chirpich agreed. Kloiber added that for most projects there is the capability for staff to evaluate whether quotes are in the ballpark, and Chirpich agreed. Márquez Simula commented that it would also be valuable for businesses to utilize that expertise of City staff and that the abbreviated grant form is helpful to them.

Motion by Jacobs, seconded by Murzyn, Jr., to waive the reading of Resolution 2021-17, there being ample copies available to the public. All ayes of present. MOTION PASSED.

Motion by Jacobs, seconded by Murzyn, Jr., to adopt Resolution 2021-17, a resolution approving the form and substance of the Façade Improvement Grant agreement, and approving authority staff and officials to take all actions necessary to enter the authority into a Façade Improvement Grant agreement with Donna Mahlmann. All ayes of present. MOTION PASSED.

RESOLUTION NO. 2021-17

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FORM AND SUBSTANCE OF THE FAÇADE IMPROVEMENT GRANT AGREEMENT, AND APPROVING AUTHORITY STAFF AND OFFICIALS TO TAKE ALL ACTIONS NECESSARY TO ENTER THE AUTHORITY INTO A FAÇADE IMPROVEMENT GRANT AGREEMENT WITH DONNA MAHLMANN

BE IT RESOLVED BY the Board of Commissioners ("Board") of the Columbia Heights Economic

Development Authority (the "Authority") as follows:

WHEREAS, the City of Columbia Heights (the "City") and the Authority have collaborated to create a certain Façade Improvement 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 property owners and/or tenants for the purposes of revitalizing existing store fronts, increasing business vitality and economic performance, and decreasing criminal activity along the City's commercial corridors, pursuant to a Façade Improvement Grant Agreement with Donna Mahlmann (the "Grant Agreement"); and

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

NOW, THEREFORE BE IT RESOLVED that the Authority hereby approves the form and substance of the Grant Agreement and approves the Authority entering into the Grant Agreement with Donna Mahlmann, as recommended by the Community Development Department of the City, in accordance with the Program guidelines.

BE IT FURTHER RESOLVED, that Kelli Bourgeois, 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.

BE IT FURTHER RESOLVED, that Kelli Bourgeois, as the Executive Director of the Authority, is hereby authorized and directed to execute and take such action as he/she deems necessary and appropriate to carry out the purpose of the foregoing resolution.

BE IT FURTHER RESOLVED, that these actions shall be effective as of September 7th, 2021.

ORDER OF ECONOMIC DEVELOPMENT AUTHORITY

Passed this 7th day of September, 2021

Offered by: Jacobs

Seconded by: Murzyn, Jr.

Roll Call: All ayes of present

Marlaine Szurek, President

Attest:

Secretary

OTHER BUSINESS

6. Expand Geographic Boundaries of the Façade Improvement Grant Program

Chirpich explained that at the August 2 EDA meeting, the EDA board discussed expanding the geographic boundaries of the Façade Improvement Grant Program. The program currently covers commercial properties located along Central Avenue NE between 37th and 47th Avenue NE and commercial properties along 40th Avenue NE. At the August meeting, commissioners expressed a desire to expand the program to include commercial properties along University Avenue NE, 37th Avenue NE and 37th Place NE. Staff recommend approval of expanding the program to these new locations.

Questions/Comments from Members:

All members expressed support for the program expansion.

Buesgens asked whether the program would qualify so the owner of the strip mall could replace its unattractive sign, and Chirpich said it could be figured out.

Jacobs asked if the current sign complies with sign guidelines, and Chirpich it could have been “grandfathered” but the intent was to stay away from business chains on the north end of Central.

Szurek asked whether the strip mall tenants could apply as a group for the strip mall sign improvement, and Chirpich said they could do that. He added that the door-knocking technique to inform potential grant applicants should continue.

Motion by Novitsky, seconded by Murzyn, Jr., to expand the geographic boundaries of the Façade Improvement Grant Program to designate commercial properties located along University Avenue NE, 37th Avenue NE and 37th Place NE as eligible to participate in the program. All ayes of present. MOTION PASSED.

Motion by Murzyn, Jr., seconded by Jacobs, to change the program guidelines for the Façade Improvement Grant Program to allow one quote with supporting documentation of an attempt to secure multiple quotes. All ayes of present. MOTION PASSED.

7. Discuss Potential Redevelopment of 2201 37th Avenue NE

Chirpich explained that at the August 2 EDA meeting, staff presented a redevelopment concept plan for the former Unique Thrift Store site at 2201 37th Avenue NE. The project presented included a full redevelopment of the site into a multifamily apartment community with no commercial or retail space. The board was generally receptive to redevelopment of the property with high-density residential housing but wanted to see a commercial component integrated into the plans to create a mixed-use project. The board was also concerned with the lack of development credentials for the developer proposing the plan. Since the August meeting, the developer has revised their plans to include a 2,400 square foot commercial tenant space on the first floor that would be intended for a coffee shop/bistro use. The developer has not partnered with an experienced development firm at this time. Rather, the developer is requesting that staff present the revised plans to gauge interest from the EDA. If the EDA is interested in taking the concept further, the developer is prepared to seek out project partners for the project.

Questions/Comments from Members:

Márquez Simula asked if it was a good plan to have offsite parking garages, and Chirpich said it was not. She also commented that would be expensive to have a coffee shop if no drive-through or parking would be available, as it would just be an empty business space.

Jacobs said, on a positive side, it was nice to see ample parking allowed for all of the units that the owner is proposing. Chirpich said it would be compliant with current code.

Buesgens commented that, while driving off from I-94, she had seen a lot of empty business spaces on the first floors of high-rises, so density for the redevelopment would need to be considered. She said she would prefer that the strip mall and unique space be developed together.

Szurek said a redevelopment could not be considered luxury apartments being next to a strip mall.

Jacobs said one thing to keep in mind would be that improvements on 37th could change the texture of that area.

Novitsky said, with the recent change in liquor laws, something better might be able to be attracted to the area, such as a brewery or bar attached, as a destination.

After member comments, Chirpich said it is clear that the current proposal does not meet EDA expectations. If a proposal came forward with credentials and more backing, City staff would be more receptive. The current owner would need to come down on his asking price.

Szurek also asked what happened to the proposed brew house in the mall between 40th and 41st and whether lack of action was due to the pandemic. Chirpich confirmed so and said he had a conversation with the individual who had the concept, who has not given up the idea or space.

Unrelated to the business item, Chirpich concluded with the update that closing took place for 4300 Central and thanked the EDA for getting the project to that point. Redesign plans are being worked on for resubmittal feedback and to begin the community engagement component before year's end and land use approvals in early 2022. Positive tenants potentials are in discussion.

Szurek asked how many stories were approved, and Chirpich said six – with five floors of apartments and a sixth floor of parking and/or City Hall.

ADJOURNMENT

Motion by Buesgens, seconded by Murzyn, Jr., to adjourn the meeting at 6:57 pm. All ayes. MOTION PASSED.

Respectfully submitted,



Alicia Howe, Recording Secretary