

**ECONOMIC DEVELOPMENT AUTHORITY (EDA)  
MINUTES OF THE MEETING OF  
FEBRUARY 1, 2021**

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

Members Present: Novitsky, Buesgens (Zoom), Murzyn, Herringer, Jacobs, Marquez-Simula (Zoom), and Szurek.

Staff Present: Aaron Chirpich (Community Development Director), Mitch Forney (Community Development Coordinator), Kelli Bourgeois (City Manager), Joe Kloiber (Finance Director), Jackie Zillmer (Asst. Finance Director), Ben Sandell (Communications), Shelley Hanson (Secretary), and Alicia Apanah (New Administrative Assistant).

**CONSENT AGENDA**

1. Approve the minutes from the meeting of January 4, 2021.
2. Approve Financial Report and Payment of Bills for December 2020-Resolution 2021-03  
Herringer questioned several payments:
  - a. Carlson McCain (\$10,867)—This was for consulting engineer services for the Root property clean up. Chirpich explained this amount was not covered by the CDBG funds, but staff has submitted this for reimbursement from the Anoka County special levy funds.
  - b. CEE (\$750)—This was for our share of the energy audits done.
  - c. High Profile Grounds (\$820)—This is for expenses related to maintenance on the Fairview Parking Ramp.
  - d. Anoka County (\$350,667)—This was the return of unused K2 TIF Increment funds.
  - e. SEH (\$9,867)—This was engineering expenses related to the cell tower site.
  - f. First American Title (\$175)—This was for purchase of 1002 40<sup>th</sup> Avenue.
  - g. Kennedy & Graven (6,670)—This was for the disposition of 3989 Central Avenue
  - h. Barna Guzy bills-These were for the negotiations/legal services related to the cell tower agreement.

*Motion by Herringer, seconded by Murzyn, to approve the consent agenda as presented. A Roll Call vote was taken of all members. All ayes. MOTION PASSED.*

**RESOLUTION NO. 2021-03**

**A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FINANCIAL STATEMENTS FOR THE MONTH OF DECEMBER, 2020, AND THE PAYMENT OF THE BILLS FOR THE MONTH OF DECEMBER 2020.**

**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 statement for the month of November, 2020 has 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 1st day of February, 2021

Offered by: Herringer  
Seconded by: Murzyn  
Roll Call: All ayes

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Recording Secretary

## **BUSINESS ITEMS**

### **1. Approve Hazardous Material Abatement Contract for 1002 40<sup>th</sup> Avenue NE**

Forney explained the memo enclosed in the agenda packet is in regards to approving bids for the removal of hazardous material from 1002 40<sup>th</sup> Ave NE. In December of 2020 the EDA purchased the property located at 1002 40<sup>th</sup> Ave NE. It was the ultimate goal of the EDA to demolish the blighted single family residential house on the property, and prepare the site for redevelopment.

In order to keep the price of demolition down, Community Development staff saw it necessary to bid out the removal of hazardous materials separate from the demolition. The scope of work submitted in the bid request included the removal of asbestos containing materials, appliances, and accessories containing hazardous materials. In response to the request for bids, the EDA received 2 quotes. The quote submitted by Hummingbird Environmental LLC was determined to be the low qualified bid for the abatement work at \$4,080. Hummingbird Environmental LLC shall furnish the services and necessary equipment to complete all work specified in the scope of work. All work will be performed in accordance with OSHA regulations, Minnesota Department of Health Asbestos Abatement Rules, and other applicable Federal and State regulations. Hummingbird Environmental LLC shall insure proper clean up, transport, and disposal of hazardous and asbestos contained materials.

#### **Bid Spreadsheet:**

Company	Total
Hummingbird Environmental LLC.	\$ 4,080.00
Shelbertech Corporation	\$ 5,330.00
Dennis Environmental Operations	\$ 6,610.00

Forney explained these quotes are quite a bit higher than other properties we recently had abated. Staff recommends awarding the low bid for abatement at 1002 40<sup>th</sup> Ave NE to by Hummingbird Environmental LLC.

#### **Questions/comments from members:**

Szurek asked why the prices were higher. Forney explained this house had a lot more asbestos that had to be removed. Two rooms had asbestos floors and some of the ductwork and flue for the heating system had asbestos wrap. She then asked when the house would be demolished. Forney said the EDA just closed on 960 40<sup>th</sup> Avenue last Friday. After the Fire Dept. uses them for training purposes, both of the houses will be bid out for demolition at the same time to save costs.

*Motion by Jacobs, seconded by Novitsky, to accept the low bid of by Hummingbird Environmental LLC, for the removal of all hazardous materials located at 1002 40<sup>th</sup> Ave NE; and furthermore, to authorize the President and Executive Director to enter into an agreement for the same. A roll call vote was taken. All ayes. MOTION PASSED.*

**EDA IN AND FOR THE CITY OF COLUMBIA HEIGHTS CONTRACT FOR  
REMOVAL OF ASBESTOS, AND OTHER HAZARDOUS MATERIALS FROM 1002 40<sup>th</sup> AVE NE,  
COLUMBIA HEIGHTS**

For valuable consideration as set forth below, this Contract dated the \_\_ day of February, 2021, is made and entered into between the Economic Development Authority in and for the City of Columbia Heights, a public body corporate and political created pursuant to the laws of the State of Minnesota ("EDA") and Hummingbird Environmental LLC, a Minnesota Limited Liability Company ("Contractor").

1. **CONTRACT DOCUMENTS**

Contractor hereby promises and agrees to perform and comply with all the provisions of this Contract and the Proposal dated January 15, 2021, prepared by Contractor attached hereto as **Exhibit A** for the removal of asbestos-containing materials, and removal of other hazardous materials in preparation for demolition of the residential property located at 1002 40<sup>th</sup> Ave NE, Columbia Heights, Minnesota ("Property"). The survey prepared by Angstrom Analytical, Inc. dated January 6, 2021 ("Survey") identifies certain hazardous materials that shall be removed by Contractor from the Property and is attached hereto as **Exhibit B**. The Contract, Proposal and Survey shall comprise the total agreement of the parties hereto. No oral order, objection, or claim by any party to the other shall affect or modify any of the terms or obligations contained in this Contract.

2. **THE WORK**

The work to be performed by Contractor under this Contract (hereinafter the "Work"), is defined in the Proposal as removal of asbestos-containing materials, and removal of hazardous and solid waste materials identified on the Survey, excluding the fuel tanks, in preparation for demolition of the residence located on the Property. As part of the Work, Contractor agrees to remove all excess material from the Property.

3. **CONTRACT PRICE**

The EDA agrees to pay Contractor the sum of \$4,080.00 in exchange for Contractor furnishing labor and materials for the Work at the Property, payable within 30 days of Contractor's completion of the Work.

**Contractor may start work on this project upon its execution of this Contract.**

4. **COMPLETION DATE/LIQUIDATED DAMAGES**

Contractor shall complete all Work on or before March 6<sup>th</sup>, 2021. ("Completion Date"). Due to the difficulty in ascertaining and establishing the actual damages which the EDA would sustain, liquidated damages are specified as follows for failure of Contractor to complete his performance under this Contract by the Completion Date: for every calendar day that the Contract shall remain uncompleted beyond the Completion Date of March 6<sup>th</sup>, 2021, Contractor shall pay the EDA \$50.00 per day as liquidated damages.

5. **INSURANCE**

Before beginning actual work under this Contract, Contractor shall submit to the EDA and obtain the EDA's approval of a certificate of insurance on Standard Form C.I.C.C.-701 or ACORD 25 forms, showing the following insurance coverage, and listing the EDA and City as a loss payee under the policies:

- |    |                               |                   |
|----|-------------------------------|-------------------|
| a. | General Contractor Liability: | \$1,000,000.00    |
| b. | Workman's Compensation:       | Statutory Amounts |

This certificate must provide for the above coverages to be in effect from the date of the Contract until 30 days after the Completion Date, and must provide the insurance coverage will not be canceled by the insurance company without 30 day's written notice to the EDA of intent to cancel. The certificate must further provide that Contractor's insurance coverage is primary coverage notwithstanding any insurance coverage carried by the City or EDA that may apply to injury or damage relating to the maintenance or repair of the City streets or rights-of-way by either the City, EDA or any employee, agent, independent contractor or any other person or entity retained by the City or EDA to perform the services described herein. All insurance is subject to the review and approval of the Columbia Heights City Attorney.

6. **LAWS, REGULATIONS AND SAFETY**

Contractor shall give all notices and comply with all laws, ordinances, rules and regulations applicable to performance under this Contract. Contractor shall provide adequate signs and/or barricades, and will take all necessary precautions for the protection of the Work and the safety of the public.

7. **INDEMNIFICATION**

To the fullest extent permitted by law, Contractor shall indemnify and hold harmless the EDA, its agents and employees from and against all claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from the performance of Work, provided that any such claim, damage, loss or expense (1) is attributable to bodily injury, sickness, disease or death, or to injury or to destruction of tangible property (other than the Work itself) including the loss of use resulting therefrom, and (2) is caused in whole or in part by any negligent act or omission of Contractor, any Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder.

8. **ASSIGNMENT**

Contractor shall not assign or transfer, whether by an assignment or novation or otherwise, any of its rights, duties, benefits, obligations, liabilities or responsibilities without prior written consent of the EDA.

9. **NOTICE**

The address and telephone number of Contractor for purposes of giving notices and any other purpose under this Contract shall be 522 Concord Street North, Suite 400, South St. Paul, MN 55075, 651-457-4699.

The address of the EDA for purposes of giving notices and any other purposes under this Contract shall be 590 40<sup>th</sup> Avenue NE, Columbia Heights, MN 55421.

**IN WITNESS WHEREOF**, the parties to this Contract have hereunto set their hands and seals as of the day and year first above written.

## **2. Façade Improvement Grant Award Recommendation for GLT Properties LLC-Resolution 2021-04**

Forney stated this report is in regards to the 2020/2021 Façade improvement Grant application for GLT Properties LLC located at 4220 Central Ave NE.

Due to the emergence of the COVID-19 Pandemic Community development staff, at the request of the EDA, have continued to offer the Façade improvement grant program to the businesses of Columbia Heights. With regards to the extenuating circumstances, the 2020 Façade Improvement Grant program was offered throughout the year on a first come first serve basis, with applications being accepted until the end of the year. Due to the limited use of the program during the Covid 19 Pandemic, Community Development staff recommends offering the 2021 Façade Improvement Grant Program in the same capacity as the 2020 program. This allows businesses to apply for the program throughout the year. If the Police department decides to pursue cameras on grant recipients the agreements can be handled at the end of the year.

The application from GLT Properties LLC was received by Community Development Staff at the end of 2020. Due to the fact that the application was received so late, staff recommends processing it as the first grant of 2021. In the event the commission would like to return the Grant program to its original application window. Staff would recommend processing the application as the last grant in 2020. Either route would not change the approval process attached.

GLT Properties LLC is requesting the full \$5,000 grant amount to assist with their project. Their proposal includes the items in the list below. The bids submitted with the application estimate the total project cost to be \$10,200.00.

1. Replace the old wooden railings with new iron railings
2. Repair/replace broken bricks in front of building
3. Repair/replace the broken concrete slabs
4. Replace the front main entrance door
5. Paint the walls, ceilings, columns, door and window trims
6. Repair and paint the handicap ramp
7. Seal coating the parking lot in front of the building

After speaking with the Columbia Heights Police Department 4220 Central Ave will remain in consideration for the Camera aspect of the Façade Improvement Grant Program. The Camera aspect of the program will be executed at the end of the grant cycle in order to include all projects in one Camera installation agreement.

Staff recommended that the EDA approve Resolution 2021-04 approving GLT Properties application in full and allowing staff to enter into agreements to execute Grant funding.

Questions/comments from Members:

Forney explained this application meets the guidelines for the program and would enhance the exterior appearance of the building.

Jacobs asked how much time they would be allotted to finish the project since the application was received so late in 2020. Forney said because this would be considered the first one for 2021 if approved, they would have time to complete the work this year.

Murzyn then questioned how many bids this applicant had obtained since he understood that they must get two bids in order to qualify. Chirpich stated he didn't have the guidelines with him, but he also thinks they are required to get more than one bid. Chirpich stated we could add a condition to the motion to approve the grant subject to him providing staff with two bids, or we could table the matter until he complies with this provision.

Szurek asked if the improvements would be made across the whole strip mall or just in front of his leased space. Forney stated the work would be across the entire front of the 4220 Central Ave building. Szurek stated she hoped the owner of the attached 4230 Central Ave building would follow suit and upgrade the exterior of that building also.

*Motion by Herringer, seconded by Jacobs, to table this item until two quotes are submitted to staff and the EDA will re-address this at a later meeting. Roll Call Vote was taken. All ayes. MOTION PASSED.*

**The EDA then adjourned to an Executive Session to discuss the potential acquisition of a redevelopment property at 6:25 pm.**

The Regular meeting was re-convened at 7:00 pm.

The next regular meeting is scheduled for Monday, March 1, 2021

*Motion by Jacobs, seconded by Murzyn, to adjourn the meeting at 7:02 pm.*

Respectfully submitted,

Shelley Hanson - Secretary