



ECONOMIC DEVELOPMENT AUTHORITY

AGENDA SECTION	BUSINESS ITEMS
MEETING DATE	09/08/2026

ITEM:	2027 EDA Budget Approval.		
Presenting Item: Mitchell Forney			
DEPARTMENT: Community Development		BY/DATE: Mitchell Forney, 09/02/2026	
CORE CITY STRATEGIES:			

BACKGROUND

In August, the proposed budget for the 2027 fiscal year was 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 2026 tax levies, payable in 2027.

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.

	2026	2027
204 Budgeted	\$ 413,900	\$ 426,900
204 Budgeted Expenditures	\$ 333,900	\$ 353,900
204 Transfer to 408	\$ 80,000	\$ 73,000
EDA Levy	\$ 394,800	\$ 416,000
408 Budgeted	\$ 420,000	\$ 425,000
408 With Transferred funds	\$ 500,000	\$ 498,000
408 Budgeted Expenditures	\$ 500,000	\$ 498,000
HRA Levy	\$ 420,000	\$ 425,000
204 & 408 Combined Total	\$ 833,900	\$ 851,900

Above is a chart showing the differences between the budget of 2026 and staff’s proposed budget for 2027. As the Authority can see there is an increase in budgeted amount for 204. This is attributed to an increase in operating costs for staff time and EDA administrative costs. The budgeted 408 fund has a \$2,000 decrease for 2027. While the state maximum for both levies has increased, the increase in EDA administrative costs limits

the amount of money that is available to transfer from fund 204 to fund 408. It is important to note that the difference would be more substantial if not for a \$10,900 influx to fund 204 from interest on investments. With this slight reduction in fund 408 staff are recommending a slight shift in the expenditures budgeted for fund 408, as identified below.

Use	Amount
Façade Improvement	\$ 70,000
Fire Suppression	\$ 100,000
Revitalization	\$ 300,000
NOAH Loan Admin Costs	\$ 18,000
Business Art Program/Public Art Initiative	\$ 10,000
Total	\$ 498,000

As the NOAH Loan program increases in utilization, so does the cost of its annual administration. With this fact in mind, staff are recommending an \$8,000 increase in the NOAH Loan administrative costs. Due to the transfer to the NOAH Loan administrative costs and the \$2,000 decrease to the fund 408's budget, staff's recommendation includes a \$10,000 decrease in the Façade Improvement Grant program's budget. This is the first discussion regarding the EDA's 2027 budget. Staff fully expect to revisit and possibly amend fund 408's 2027 expenditures as part of the EDA's goal setting process in early 2027.

Ultimately, staff's proposal results in a 5% 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.

STAFF RECOMMENDATION

Staff's recommendation is reflected in the attached resolutions. If, after further discussion, the EDA would like to alter the amount on the budget resolutions, amendment motions can be made at the meeting. The other remaining documents cover the breakdown of which priorities the levied funds are attributed to. For more detail, please refer to the attached summary budgets.

RECOMMENDED MOTION(S):

MOTION: Move to waive the reading of Resolutions 2026-27 and 2026-28, there being ample copies available to the public.

MOTION: Move to adopt Resolution 2026-27, a resolution of the Columbia Heights Economic Development Authority, adopting a budget for the fiscal year of 2027 and setting the 2026 tax levy, payable in 2027.

MOTION: Move to adopt Resolution 2026-28, a resolution of the Columbia Heights Economic Development Authority, adopting a budget for the fiscal year of 2027 and authorizing a special benefit tax levy, payable in 2027.

ATTACHMENT(S)

1. Levy Calculations Chart

2. Resolution 2026-27
3. Resolution 2026-28
4. Budget Summaries