



ECONOMIC DEVELOPMENT AUTHORITY
City Hall—Shared Vision Room, 3989 Central Ave NE
Monday, August 03, 2026
4:30 PM

MINUTES

The meeting was called to order at 4:36 pm by President Spriggs.

CALL TO ORDER/ROLL CALL

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

Staff present: Aaron Chirpich, City Manager; Mitchell Forney, Community Development Director; Jesse Hauf, IT Director; Emilie Voight, Community Development Coordinator

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

1. **Approve July 6, 2026 EDA Meeting Minutes. (pg. 3)**
MOTION: Move to approve the July 6, 2026, regular EDA meeting minutes.
2. **Resolution 2026-23 to Approve the Financial Reports and Payment of the Bills for June 2026. (pg. 13)**
MOTION: Move to waive the reading of Resolution 2026-23, there being ample copies available to the public.
MOTION: Move to approve Resolution 2026-23 approving the financial statements for the month of June 2026 and the payment of the bills for the month of June 2026.

Motion by Szurek, seconded by Márquez-Simula, to approve the Consent Agenda as presented. All ayes. MOTION PASSED.

RESOLUTION NO. 2026-23

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FINANCIAL STATEMENTS FOR THE MONTH OF JUNE 2026 AND THE PAYMENT OF THE BILLS FOR THE MONTH OF JUNE 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 June 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 3rd day of August, 2026

Offered by: Szurek

Seconded by: Márquez-Simula

Roll Call: All ayes. MOTION PASSED.

Spriggs

President

Attest:

Voight

Secretary

BUSINESS ITEMS

3. Amended Fire Suppression Grant Agreement 4755 University Ave NE (El Pollo Loco LLC). (pg. 26)

Voight reported that in March, the EDA approved a Fire Suppression Grant for the owners of the property at 4755 University Ave NE, Julio Orellana and Johanna Espinoza. The proposed scope of the application submitted at that time was the design and installation of a sprinkler system. The estimated maximum cost of improvements was \$51,863; the grant was therefore approved for \$25,931.50 (50% of the cost of improvements).

Voight stated that since then, the owners have continued working on the building and have received confirmation from their contractors that the scope of the fire suppression work will include disconnecting the existing water line and installing and connecting new water lines to meet the demand of the new system.

Voight noted that the property owners have submitted a new grant application to detail the proposed water line scope of work, including the two required quotes. One bid amounts to \$52,500 (LVLD LLC) and the other amounts to \$80,000 (Inter City Water & Sewer Co. Inc.). The quotes have been included in the Agenda Packet.

Voight explained that staff have prepared an amended grant agreement that incorporates the work approved under the original March 2026 grant and the work proposed in this new application and caps the grant award at \$50,000 across the two projects. Out of an initial 2026 budget of \$100,000 for the Fire Suppression Grant Program, there are currently \$46,168.50 remaining. Approving the proposed amended grant agreement would increase the grant award to this applicant by \$24,068.50, which would leave \$22,100 remaining in the 2026 program budget.

Questions/Comments from Members:

James mentioned that there was a previous fire in the building and asked if the building was structurally sound. Voight replied that the building owner has had several discussions with the building official to ensure that the engineering required is there to move forward safely.

Szurek stated that the grant is excessive, and it diminishes the remaining funds. Forney replied that the grant amount that is being requested is typical for fire suppression amounts.

Szurek asked how the fund would receive more money. Forney replied that the EDA budgets \$100,000 each year for the Fire Suppression Grant Program. If more requests come in, the EDA would use the fund balance. The grant program is first come, first served.

Voight mentioned the Fire Suppression Grant Program has been popular this year. Many business owners have expressed interest in the program.

Márquez-Simula expressed support for the grant request.

Motion by James, seconded by Deneen, to approve the proposed amended Fire Suppression Grant Agreement, dated August 3rd, 2026, with the owners of 4755 University Ave NE (El Pollo Loco). All ayes. MOTION PASSED.

4. Approval of Demolition Contract for 4217 Central. (pg. 55)

Forney reported that this year, the Economic Development Authority purchased 4217 Central Avenue NE as part of its Commercial Revitalization Program. The purpose of the program is to strategically acquire single-family properties along the Central Avenue

corridor and prepare them for future commercial redevelopment. Following the acquisition, the structure was made available to the Fire Department for training purposes. After evaluating the site, the Fire Department determined that a live burn is not feasible due to the proximity of neighboring properties. Prior to closing, Community Development staff worked with the previous property owner to salvage and remove reusable building materials, including windows and other valuable components.

Forney explained that staff prepared bid documents and distributed demolition bid requests to multiple contractors, receiving five bids for the project. To streamline the demolition process, the EDA separately completed the required environmental testing and hazardous material abatement for the structure. The selected demolition contractor will be responsible for demolition of the primary structure, removal of all outbuildings and site improvements, and general site clearing activities necessary to prepare the parcel for redevelopment. The work also includes proper capping and abandonment of water and sewer services at the main line and in accordance with City requirements. Below is a summary of the bids received for the project. Staff recommend award of the demolition contract to the lowest responsible bidder, Nitti Rolloff Services.

Questions/Comments from Members:

Deneen asked if there was anything that could be salvaged in the building. Forney replied that the windows and some items internally were salvaged.

Motion by Buesgens, seconded by Deneen, to accept the proposal from Nitti Rolloff Services, in the amount of \$34,789 for the demolition of all buildings and site improvements, the cutting and capping of all utilities at the main line, and the regrading of the lot located at 4217 Central Ave NE; and furthermore, to authorize the President and Executive Director to enter into an agreement for the same. All ayes. MOTION PASSED.

BUSINESS UPDATES

Voight provided a brief update on the Economic Support Microloan Program. There will be about \$130,000 available for the second round of applications. Since the first round of applications closed, there have been several businesses that have reached out inquiring about the City doing a second round of applications.

James inquired about how many businesses have received the funds so far. Voight replied there are 16 businesses that have received funds, and two are in the works. There will be a total of approximately \$166,473 in loans distributed through the first round.

Szurek asked for an update on the Rainbow site. Forney replied that the City has been working with Alatus, MWMO, and the DNR to find a solution for the floodplain of Jackson Pond and regional stormwater. It is anticipated that there will be a fall entitlements process for the first two phases of the project.

Szurek encouraged staff to be up front with the public on what kind of housing is going into the Rainbow site. Chirpich explained that there will be workforce housing and there are no income restrictions on it.

Szurek asked if the developers for the Medtronic site would present to the EDA. Chirpich replied that they would present to the EDA. Forney added that the developers do not have site plans yet, but they have renderings.

James asked for an update on commercial development on the site, and if there would be additional community engagement. Forney replied that the commercial element is not completed yet since the Jackson Pond plan is currently being developed. Residential housing and a daycare center are being proposed. There is still a question as to whether the commercial space will be able to fit after the stormwater for the area is addressed. James stated she would like to see commercial retail on the site since the City promoted it heavily to the public at the beginning of the project.

Spriggs asked staff if they have heard of any areas in the metro where mixed-use has been successful. Buesgens stated mixed-use does not work unless it is in a high density area.

Márquez-Simula requested information on what the tax difference and impact would be if there is not going to be a grocery store included in the development. She asked if there would be a listening session to hear from the community. Szurek agreed and noted that the community gets frustrated when the plans for a development change. Márquez-Simula noted that staff are available during the day and suggested doing a question-and-answer session.

Márquez-Simula expressed concern about whether the workers on the developments are getting paid a fair wage. Often the lowest bid can include cutting costs on paying the workers. She explained that the reason mixed-use is so expensive is that it is a new building with higher taxes. She suggested that the City offer a lower tax rate for the first three years.

ADJOURNMENT

Motion by Buesgens, seconded by James, to adjourn the meeting at 5:05 pm. All ayes. MOTION PASSED.

Respectfully submitted,

EMILIE R. VOIGHT

Interim Secretary