



ECONOMIC DEVELOPMENT AUTHORITY
City Hall—Shared Vision Room, 3989 Central Ave NE
Monday, December 01, 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; Ursula Brandt, City Planner

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

1. Approve the minutes of the Regular EDA Meeting of October 06, 2025.
2. Approve the minutes of the Special EDA Meeting of November 10, 2025.
3. Approve financial reports and payment of bills for September 2025 – Resolution No. 2025-29.
4. Approve financial reports and payment of bills for October 2025 – Resolution No. 2025-30.

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

RESOLUTION NO. 2025-29

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FINANCIAL STATEMENTS FOR THE MONTH OF SEPTEMBER 2025 AND THE PAYMENT OF THE BILLS FOR THE MONTH OF SEPTEMBER 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 September 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 1st of December 2025

Offered by: Marlane Szurek

Seconded by: Laurel Deneen

Roll Call: All ayes of present. MOTION PASSED.

President

Attest:

Secretary

RESOLUTION NO. 2025-30

A RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF COLUMBIA HEIGHTS, MINNESOTA, APPROVING THE FINANCIAL STATEMENTS FOR THE MONTH OF OCTOBER 2025 AND THE PAYMENT OF THE BILLS FOR THE MONTH OF OCTOBER 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 October 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 1st of December 2025

Offered by: Marlane Szurek

Seconded by: Laurel Deneen

Roll Call: All ayes of present. MOTION PASSED.

President

Attest:

Secretary

BUSINESS ITEMS

5. EDA 2025 End of Year Review

Voight reported that staff have prepared 2025 year-in-review summaries of EDA programs and activities, as well as a recap of the focus areas identified in the EDA's February discussion of priorities and goals.

Façade Improvement Grant Program:

- **Applications:** 5 applications were received in 2025, and 4 were approved, for a total of \$14,672 approved out of a total program budget of \$80,000.
- **Disbursements:** 2 grants were disbursed, for a total of \$7,524.
- **Pending:** 1 grantee has completed project improvements and is preparing financial documents for disbursement.
- In addition, 4 grantees from program year 2024 finished their project improvements and received their approved disbursements, totaling \$17,036.

Fire Suppression Grant Program:

- **Applications:** 2 applications were received in 2025, and 2 were approved, for a total of \$80,000 approved out of a total program budget of \$100,000.
- **Disbursements:** 1 grant was disbursed, for a total of \$30,000.

Home Energy Squad (in partnership with ICF and Xcel Energy): In 2025, through mid-November, the Home Energy Squad conducted 24 energy audits with an additional 7 audits scheduled through the end of December. This makes for a total of 31 visits in 2025. This year, Excel and ICF authorized 50%-off reduced price rates for all Columbia Heights audits without the need for a City rate buy-down. Since the EDA no longer needed to buy down the HES visits to achieve the reduced price, no City funds were expended toward the program in 2025.

Property Transactions:

- **Transfer:** 960 40th Ave NE transferred from the EDA to the City
- **Loan:** the EDA provided a \$35,000 loan to cover the Twin Cities Habitat for Humanity construction financing gap for the new home at 4243 5th St NE
- **Purchase:** 4510 Taylor St NE (through Commercial Revitalization program)

Miscellaneous:

- Applied for and received \$75,000 in grant funds for affordable housing from the Minnesota Housing (MHFA) Local Housing Trust Fund Grants Program.
- Approved Alatus' refinancing of the Ratio apartment project.
- Awarded local salon Hairatage the 2025 Outstanding Business of the Year Award, after 15 years – and counting – of business in Columbia Heights.
- Established ongoing funding for increased EDA and HRA levy funds.
- Created the Columbia Heights Naturally Occurring Affordable Housing (NOAH) Loan Program, scheduled to launch in January 2026.
- EDA Commissioners and City staff volunteered at a Habitat for Humanity work day at 4243 5th

St NE.

- Applied for and received a St Paul Area Association of REALTORS (SPAAR) grant for \$5,500, and used a portion of these funds to host an English-Spanish local homeownership resource night.
- Conducted 10 English-Spanish business outreach visits.
- Planted bee lawns on four EDA-owned parcels and installed signage explaining the bee lawn initiative.

Forney gave a recap from the 2025 EDA Goal Setting, with achievement updates:

1. Central Ave

- a. In alignment with City Council citywide goals for public art, develop and launch a Central Business District public art program.
- b. Facilitate placemaking along and near Central Avenue, taking into consideration existing program-based opportunities and upcoming MnDOT-led street redevelopment.
 - i. In 2025, the EDA amended the Façade Improvement Grant Program to allow businesses in the Central Business District to access up to \$10,000 in façade grants, including for public alley-facing improvements.*
 - ii. In 2025, the City audited and replaced signage at the City's surface parking lot.*
 - iii. In 2025, the EDA planted bee lawns on three EDA-owned sites on Central Avenue.*

2. Business

- a. Create initiatives to increase the City's interactions with and promotion of the local business community.
 - i. In 2025, Community Development staff collaborated with the City's Multicultural Liaison to conduct 10 business outreach visits to local Spanish-speaking businesses.*
- b. Update City grant programs to ensure they provide beneficial and valuable support to businesses.
 - i. In 2025, the EDA amended its existing grant programs to increase the amounts available for businesses and to relax restrictions, thereby promoting more usage of the programs.*

2. Neighborhood/Housing

- a. Review, revise, and continue to administer the EDA's Commercial Revitalization Program to address substandard and non-conforming housing stock.
 - i. In 2025, the EDA revised the Commercial Revitalization Program to enable the Commission to target blighted and substandard single-family homes in residential districts as well as in commercial districts. Subsequently, the EDA purchased the blighted home at 4510 Taylor St and is preparing the site for residential redevelopment.*
- b. Establish and implement an allocation plan for the City's Affordable Housing Trust Fund.
 - i. In 2025, the EDA established a Naturally Occurring Affordable Housing Loan Program and allocated Local Housing Trust Fund resources to these loans, while also setting aside funds for larger-scale affordable housing*

redevelopment programs.

- ii. In 2025, the City was awarded a \$75,000 grant from Minnesota Housing for local affordable housing initiatives, to be administered through the Trust Fund.*

4. “Big Sites”

- a. Advance redevelopment of EDA-owned properties.
- b. Promote and champion opportunities for major local redevelopment sites.
 - i. Marketing
 - ii. Outreach to developers
 - iii. Track progress in 2025
 - 1. *In 2025, the Medtronic / Lincoln Avenue Communities / 800 53rd Ave NE redevelopment project completed its comprehensive plan amendment and received base approval for its preliminary entitlements.*
 - 2. *In 2025, the City and the EDA conducted two loan modifications and pledged for the reissuance of bonds for the Rainbow / Alatus / 4300 Central Ave NE site.*
 - 3. *In 2025, the City provided a letter of support to Minnesota Housing for one of the developers pre-selected by Anoka County for redevelopment of the Royce Place / 1515 44th Ave NE site.*

Forney asked the Commission for input on how they would like to do the 2026 goal setting meeting.

Questions/Comments from Members:

James stated she sees progress on the four goals, but there is still work to be done on them. She added that she would like to focus on the four goals and refine the subpoints.

Buesgens suggested tweaking the façade program. She mentioned that she is reading the City’s Downtown Master Plan from 25 years ago, and many of the dreams in it did not come to be. She wondered how the City could incentivize businesses to make their places look pretty. She explained that the City could do a competition for businesses to update their storefronts and offer cash prizes.

Márquez-Simula agreed with James’s comments about keeping the four goals and refining them.

Buesgens wondered if the goals could be displayed as a list and checked off as the EDA accomplishes goals.

6. 4300 Central Site Plan Discussion

Forney reported that as the City continues to partner with the residential developer Alatus on the redevelopment of the 4300 Central site, staff and the developer are preparing for the next phase of the project heading into 2026. With the grocery store no longer being pursued, Alatus is meeting with the EDA to review revised site plan concepts and discuss potential future uses and design

options for the property.

Forney stated Alatus is presenting the updated site plan concepts to the Economic Development Authority (EDA) at its December 1st meeting. The intent of this presentation is to gather feedback from the EDA on the proposed layout and development direction as the project continues to evolve.

Forney noted that as part of the development process, the City will need to amend its 2040 Comprehensive Plan to update the vision for the 4300 Central Ave lot. The Comprehensive Plan currently designates the land use for this lot as Commercial, with Parks/Open Space use assigned to the portion with stormwater retention. The commercial designation does not allow for any residential use and limits the floor area ratio (FAR) to 2.0. The final concept plan will determine the new land use designation, as well as whether a text amendment will also be needed. A Comprehensive Plan amendment will take 6 to 8 months to complete. Before submitting the amendment for approval by the Met Council, the amendment must be made available to the adjacent and affected community for review for 60 days, the mandatory environmental review must be complete, and the City Council must approve the amendment. Once the amendment is submitted, the Met Council will have 60 days to review and ask for changes. The amendment must be approved before any plans can be approved for the development of the site.

Tony Kuechle, President of Alatus LLC, explained that they are revisiting the site plan for 4300 Central Avenue due to circumstances like the Central Avenue update. He explained that they did a traffic study for the site and discovered that they would need to incorporate a traffic light. He added that MnDOT has granted them a right-in and right-out entry into the site and is starting to plan with it. He noted that there is an opportunity to build the foundation further back and move the wall. Alatus is exploring with City staff the opportunity to enhance the streetscape or the development itself.

Mr. Kuechle noted that they have broken the site into a super block, a half block, and a quarter block. That way, they can move elements of the site around to adequately develop the site density, and the site uses can be shifted to make sense. Alatus is working with the watershed to find a creative way to handle the pond. MnDOT is stepping in to help find a solution and contribute money to help with that solution.

Mr. Kuechle mentioned that the traffic study revealed that there is greater traffic along 44th Avenue than along 43rd Avenue. They decided to move commercial businesses up to 44th Avenue to help with the commercial development.

Questions/Comments from Members:

Buesgens asked if Ace Hardware pulled out of the plan. Mr. Kuechle replied that they did and added that the fitness center also pulled out. He explained that City staff are emphasizing having more destination-oriented retail that could be put into the site.

James asked how the grading would work on the site and where the front door access would be in

relation to Central Avenue. Mr. Kuechle replied that they have not set the final grades yet. There may be a couple of steps up or down, but it would allow two levels of parking beneath the building. James emphasized the importance of there being a lot of front door access on Central Avenue.

Buesgens mentioned that a senior co-op would be an interesting concept.

Szurek asked how the development would have a drop in depth and also have an on-grade street that turns onto Central. Buesgens mentioned that they would fill it in eventually. Mr. Kuechle explained the process of how they would fill the area with soil, which could create an opportunity for full-size trees, a plaza, and fountains.

Szurek asked if the parking would be below the building. Mr. Kuechle replied that it would be. Chirpich added that the right-in and right-out access is a ramp.

James asked what Alatus' timeline is for funding and building. Mr. Kuechle replied that they would not be able to secure funding until they had entitlements for a project. They would get going on the Comprehensive Plan, PUD approvals, and an EAW. It will be eight to nine months of real estate work to get the project financed and ready for construction.

Deneen asked if there was interest in the future development of the townhomes or daycares. She asked what the timelines for them would be. Mr. Kuechle replied that the next timeline they would focus on is what would happen with the pond and watershed. He added that they set the future development up to be rental townhomes, for-sale townhomes, or single-family homes. It will be low to medium density.

Szurek pointed out that there is not a lot of retail proposed in the development. She noted that the Met Council would be asking the City how it would distribute retail in the City. Mr. Kuechle replied that he has not seen the Met Council give an allocation for retention of retail, as they have with housing.

James asked if the commercial space for the development would be the daycare. Mr. Kuechle replied that he did not know, but it was a proposed idea. He added that a medical office could go into the development. The main commercial that is going into developments right now is car washes, fast food, and mini storage.

Spriggs asked if there was potential for businesses in the future to come in. Mr. Kuechle replied that potentially there would be room for future businesses. The biggest challenge would be the grading since retail stores want to have a storefront with easy-to-access parking. He mentioned that they could assess if there is interest in retail stores after developing a portion of the site.

Márquez-Simula asked if residents would be charged for parking. Mr. Kuechle replied that they usually charge for parking or include it in the rent. Márquez-Simula asked that the parking be included in the rent.

Deneen mentioned that the density was lower than the original proposal and asked staff how they

felt about the numbers for the tax base. Chirpich replied that the biggest frustration is the difficulties in developing commercial sites. The City is a financial partner to the project. He explained that staff are most stressed about the loss of the commercial tax base for the site. They are currently at a density that the community is more comfortable with. They are trying to solve for having the residential tax base make up for what the commercial tax base would have been. He explained that the City has to go through the amendment process with the Met Council because the City was anticipating that the site would be much more commercial instead of residential.

Mr. Kuechle explained that after the first building is built, they may see more commercial activity since there will be more units in the area. Forney mentioned that the City retains more taxes from the projects than if they had 4d tax classification. He added that since the project will start with building one section, it provides flexibility for the opportunity for a commercial building to come in later. It also provides flexibility to move the parcels around.

Buesgens mentioned that it would be a nice feature to have a dry, green turf area for people to enjoy. She asked if Alatus was planning on reusing some of the water on the site with a fountain. Mr. Kuechle replied that he is not that far in the planning with the watershed district, but he has done that on previous sites.

Buesgens asked Mr. Kuechle if he would consider doing a survey for Ratio residents on where they shop and eat to determine what amenities they are using in the City.

Márquez-Simula asked if there could be a discussion about having a municipal grocery store on the site. She added that the super block on the site could be more rectangular, going towards the back.

James asked if Mr. Kuechle needed anything else from the EDA. Mr. Kuechle replied that he got the input he needed and summarized that they would move forward with the modular approach. He added that they would develop the plan further and come back to the EDA and have a work session. James asked the EDA if they agreed with the modular approach. The EDA agreed.

Spriggs asked if the daycare was a proposal or if it was definitely going to happen. Mr. Kuechle explained that City staff came up with the idea, and he brought the idea to his brokers and discovered that there is a hole in the market for a nationally branded daycare.

BUSINESS ITEMS

a. Heights Rental Sale

Forney explained that Heights Rental approached the City and acknowledged the first right of first refusal to their upcoming sale, and wondered if the EDA was interested. They have identified some partners that might want to purchase the property. He asked the EDA if they wanted to execute on their right of first refusal, or if they wanted to consider not acknowledging and letting Heights Rental move forward with the sale without interfering. He wondered if the EDA would want to lock down the right of first refusal in the future. Staff do not identify a huge use for the Heights Rental location other than being a rental service business at this time. He asked the EDA if they wanted the parcel.

Spriggs asked if the use would be the same after the sale. Forney confirmed that it would be a rental service business.

James asked if there was a cost to the City to retain the right of first refusal. Forney replied that it is just attorney costs. Staff would recommend retaining the right of first refusal so the City would have the ability to purchase the parcel in the future. James stated she would not want to purchase the parcel right now. Márquez-Simula added that it would be interesting to keep it for the future. James stated that if it is not ridiculously expensive to retain the right of first refusal for future purchase, it would be interesting to look into it.

b. Columbia Heights – Fridley Business Council Meeting

Voight stated that the Twin Cities North Chamber of Commerce is having their quarterly Business Council meeting this Friday from 8:00 am to 9:00 am at City Hall. She asked what EDA members were going to attend and added that she would post a quorum notice.

Márquez-Simula mentioned that businesses are not shoveling the sidewalks and wondered if there could be communication to businesses to remind them of business district guidelines. Forney replied that he drove around the City, and the City will be sending out letters to businesses that are not in compliance. He added that the City has an abatement contractor.

Buesgens asked if there was an update on the Fairview auction. Forney explained that since the last EDA meeting, the Fairview building had gone up for auction. Staff kept a close eye on it and received a number of calls. There are no updates on how much the building sold for. There were some home healthcare businesses that would not be able to go in, but expressed interest in the site. An antique mall was interested. He noted that they will have to wait and see.

Spriggs asked if Rapid Graphics was for sale. Forney replied that it is not for sale, and the City has had difficulty in getting in touch with the owners.

Buesgens asked if there had been a discussion about finding owners of vacant properties that are letting vacant buildings sit. James replied that they had discussed that, and many commissioners were interested in doing that since there are owners leaving properties vacant. She added that it would be a good thing for the EDA to look at. Voight mentioned that all of these could be good topics for goal setting.

ADJOURNMENT

Motion by Deneen, seconded by Spriggs, to adjourn the meeting at 5:59 pm. All ayes. MOTION PASSED.

Respectfully submitted,



Sarah LaVoie, Recording Secretary

DRAFT