

**BIG LAKE CITY COUNCIL AND ECONOMIC DEVELOPMENT AUTHORITY  
JOINT WORKSHOP MINUTES**

**OCTOBER 11, 2023**

**1. CALL TO ORDER**

Mayor Knier called the meeting to order at 4:30 p.m.

**2. ROLL CALL**

Council Members present: Ken Halverson, Sam Hanson, Paul Knier, Kim Noding, and Paul Seefeld.

BLEDA Commissioners present: Donna Clarksean, Jim Dickinson, Ken Geroux, Alan Heidemann, Paul Knier, and Kim Noding.

Also present: City Administrator Hanna Klimmek, City Clerk Gina Wolbeck, Finance Director/BLEDA Assistant Treasurer Deb Wegeleben, Community Development Director/BLEDA Executive Director Therese Haffner, City Engineer Layne Otteson, Police Captain Sam Olson, Streets/Parks/Fleet Superintendent Norm Michels, and Water/Wastewater Superintendent Dan Childs.

**3. PROPOSED AGENDA**

Council Member Seefeld motioned to adopt the proposed Agenda as presented. Seconded by Council Member Hanson, unanimous ayes, Agenda adopted.

**4. BUSINESS**

**4A. Old School Building/City Hall Redevelopment Project**

Therese Haffner reviewed the Big Lake Economic Development Authority's (BLEDA's) purchase of the old school building located at 160 Lake Street North in April 2023. Haffner discussed both City Hall and the old school building were identified as a redevelopment site in previous years, noting the BLEDA acquires properties that are challenging for the private sector to develop and, in addition, typically works to eliminate barriers in order to attract a private developer to purchase and develop the land into the highest and best use to increase the tax base. The old school building is a complex project given the condition of the building, location of utilities, its location on four separate parcels, it is attached to City Hall, and is located on a highly visible corner of Highway 10 and Lake Street North. Haffner reviewed the steps completed over the past couple months include 1. A Phase I Environmental Site Assessment (ESA), a Phase II ESA (soil borings, soil sampling, and testing), 3. A Hazardous Building Materials Inspection and Report, 4. A Redevelopment TIF District Inspection and Analysis, and 5. An ALTA Survey. The Redevelopment TIF District Inspection and Report found that the old school building/event center is substandard because substantial renovation is required to correct the conditions found. The estimated

cost to correct the building code deficiencies in the old school building is \$1,591,812 and the estimated cost to correct the building code deficiencies for the event center portion of the building is \$2,735,736. Haffner indicated we are now at a point for the City Council and BLEDA to determine next steps and to decide whether the redevelopment site should include City Hall. The site was platted as Browns Square in 1994 and the park on the northwest corner of the Highway 10 and Lake Street North was a dedicated park and is not able to be sold. Haffner identified the purpose of the Council and BLEDA meeting jointly is not to establish a vision for the development as that will be discussed at a future meeting.

Council Member Halverson asked if any of the environmental tests came back with bad results. Haffner responded the building has some asbestos, but there were no negative findings regarding soil contamination.

Commissioner Dickinson discussed the purpose of the joint workshop is for everyone to understand the complexity of these parcels, noting it makes sense for the EDA and City to work together to come up with a plan. Dickinson discussed the two properties cannot be separated, and we should consider opening up discussions with adjacent property owners. Dickinson noted that out of respect for the City Council, BLEDA members felt both entities should be partners in the dialogue.

Council Halverson stated it is his opinion that we are sitting on one of the more expensive pieces of property in the City, and he would like to develop this parcel and build a City Hall elsewhere, noting it seems silly to have a conversation on keeping City Hall here. Mayor Knier reminded the group that the conversation today should be centered on if we are open to relocating City Hall. Dickinson suggested the City consider looking at doing a study that would identify potential relocation options.

Mayor Knier discussed the need for us to be flexible and open to all options, with the main focus being on if a relocation will be a benefit to the taxpayers. Knier stressed if we do decide to sell this property, we need to focus on building a cost efficient City Hall space, which would be a win for taxpayers.

Halverson asked if it would be in the City's best interest if our redevelopment efforts should focus on purchasing a bigger piece of property, asking if we would get more money per square foot and if it would bring a bigger development in. Knier responded it probably would be better, but it might not be necessarily something the City should be involved in, noting a developer could open up negotiations with the surrounding properties themselves. Dickinson discussed we shouldn't be worrying about the price per square foot, but more so what the end product would be and what would be the best end result for the residents. Focusing on the dollars per square foot could hurt us, noting the importance is to look at the end product.

Council Member Hanson asked if the BLEDA has put any thought into looking to the east, to include those properties in a future redevelopment. Commissioner Geroux responded the hope of BLEDA is that development will spur development, noting private money and private development could move that way. Deb Wegeleben discussed the City could facilitate discussions between a developer and surrounding property owners to negotiate expanding the redevelopment area. Dickinson discussed BLEDA's mission is to remove barriers.

Commissioner Heidemann stated he is in favor of exploring other sites to relocate City Hall. Hanna Klimmek discussed the direction is understood to be for staff to bring forward further discussion to the Facilities Committee on next steps in the potential future relocation of City Hall.

Council Member Halverson asked if the Brown's Park site will affect future development. Haffner responded it has been confirmed the 0.03-acre site known as Brown's Park was dedicated to the City and cannot be sold. Dickinson noted while it cannot be sold, the City could allow private development to spend money in a park.

5. **OTHER** – No other.

6. **ADJOURN**

Council Member Seefeld motioned to adjourn at 4:47 p.m. Seconded by Council Member Hanson unanimous ayes, motion carried.

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Gina Wolbeck  
City Clerk

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10.25.23  
Date Approved by Council