

EAST BETHEL ECONOMIC DEVELOPMENT AUTHORITY (EDA) MEETING
May 19, 2025

MEMBERS PRESENT: President Julie Lux, Brian Bezanson, Mayor Ardie Anderson, Council Members Suzanne Erkel, Tim Miller, Brian Mundle.

MEMBERS ABSENT: None.

ALSO PRESENT: Matt Look, City Administrator

1.0 – Call to Order

President Lux called the regular meeting of the EDA to order at 7:00 pm.

2.0 – Oath of Office for New Members

Miller took the Oath of Office for the Economic Development Authority.

Mundle took the Oath of Office for the Economic Development Authority.

3.0 – Adopt Agenda

Erkel moved and Anderson seconded to approve the agenda as presented. Lux asked any discussion? To the motion, all in favor say aye. **All in favor.** Lux asked any opposed? That motion passes. **Motion passes unanimously.**

4.0 – Approval of Meeting Minutes

Erkel moved and Bezanson seconded to approve the January 21, 2025, meeting minutes as written. Lux asked any discussion? To the motion, all in favor say aye. **All in favor.** Lux asked any opposed? That motion passes. **Motion passes unanimously.**

5.0 – 2026 EDA Levy Review and Recommendation

Look stated that the 2025 EDA budget levy was set at \$136,200, and the 2025 EDA expenditure budget was \$134,300. The City will receive the 2025 levy settlement amounts in installments from the county in July and December. These payments will provide an approximate balance of \$98,000 at year-end if there are no additional un-budgeted expenditures during 2025.

Look stated that the 2026 EDA budget is proposed to be \$147,300. This amount would be used to support the Executive Director, Community Development Director, Finance Director, and Administrative Support for EDA related work, EDA projects and marketing efforts.

Look stated that the maximum statutory levy that can be adopted by an EDA is 0.01813 percent of the previous year's estimated market value of all property in the City. In 2025, the total estimated market valuation of all property in the City was \$1,868,273,200, which could produce a maximum levy of \$338,718.

Erkel asked why there is an increase if they have \$98,000 left over from last year. Look stated that they should ideally be slowly building up the balance to pay for things like a study or a new flyover if needed.

Mundle stated that the EDA has attended various expos in the past, so the balance can be used for marketing and expos.

Bezanson stated there may be an opportunity to have some matching funds with a utility company or to put in needed infrastructure, among other reasons.

Look went through the budget line items that make up the total.

Erkel clarified the budget for next year. Look stated that the final levy adoption takes place in November.

Mundle stated I'll make a motion to recommend a minimum 2026 budget levy of \$147,300 to the City Council. Bezanson stated I'll second. Lux asked any discussion? To the motion, all in favor say aye. **All in favor.** Lux asked any opposed? That motion passes. **Motion passes unanimously.**

6.0 – Market Update: Cushman Wakefield Presentation

Ben Drew, Cushman & Wakefield, presented information regarding current market trends. Mr. Drew discussed things like multi-tenant buildings becoming harder to find, low vacancy rates, current interest in the Elevage/Bader site from industrial users, and common feedback from residents on wanted uses for the Highway 65 corridor.

Lux asked what the radius for Scooter's or Caribou Coffee is to build another location. Mr. Drew stated that they would likely want to be on the AM side of the highway going south on Highway 65, QuikTrip would like to be on the PM side of the highway going north.

Mundle asked if the empty parcel on the northwest side of Highway 65 affects the development at the Elevage site. Mr. Drew stated that there will be some competition there about where the user would like to go.

Lux asked where they are regarding density and rooftops. Mr. Drew stated that he likes to think of it as hundreds of rooftops, and a couple more sites like the Bader/Elevage site would be great.

Erkel asked if they ever use the Anoka-Blaine Airport as a selling point for businesses to come to East Bethel. Mr. Drew stated that they are familiar with the whole area on the industrial and residential sides, and they try to promote the airport as much as possible, but they have not seen much interest from the groups they have talked to.

Mr. Drew stated that patience is key here, uncertainty is starting to diminish, and they should see more commercial growth in the next 5 years.

Erkel stated that she has heard from residents that they are looking for a coffee shop or something smaller where they can have little catch-ups or meetings without having to get a full meal.

Anderson stated that he saw 40 acres on the northwest corner of Highway 65 and Viking Boulevard went up for sale.

Look asked Mr. Drew what his read on interest rates are. Mr. Drew stated that it depends on what is being built, but their economic forecaster thinks that it is trending in the right direction, adjusting down.

Mundle asked if there is anything the EDA or City can do to help in his efforts. Mr. Drew stated that promoting development in and around the residential areas is helpful, understanding drivetime and promoting businesses, and being flexible on use.

Mr. Drew stated that promoting development means showing development and where growth is happening.

Bezanson stated that there is prime developable land owned by local residents south of the Elevage development.

Mundle invited Mr. Drew back in about 6 months when he has an update for the EDA.

Look asked what they are seeing regarding deals on City-owned land vs privately owned land. Mr. Drew stated that if a city owns the land, typically, they are ready to promote development.

Miller stated that there is a 2.2-acre property at 1347 Sims Road, and they just heard that 1-2-acre lots are popular. Miller stated that the City should look into purchasing this land, because it would benefit the City, and City sewer already runs through the property.

Erkel stated that it is close to the school, so it could be a perfect location for a coffee shop or an Aldi. Lux stated that the price seems very reasonable.

Look stated that they have a balance in EDA and HRA that could be used.

Look stated that they would want to do some due diligence on the lot to see if there is any contamination and talk with the County to get all the information.

Lux stated I'll make a motion to direct City staff to do further research into the potential purchase of the land at 1347 Sims Road NE. Erkel stated I'll second. Lux asked any discussion? To the motion, all in favor say aye. All in favor. Lux asked any opposed? That motion passes. Motion passes unanimously.

Lux asked if they had sold the property on Taylor Street. Look stated that Price Homes is very interested in that property.

7.0 – City Council Report

Look stated that the new Fire Chief started today and was introduced to everyone, and stated that Ben Uden is the new Deputy Fire Chief and will be conducting fire inspections.

Look stated that they are working with the Union to establish wage issues, and they will be working to finalize budgets with department heads.

Look stated that they have had 3 applications for a new Community Development Director, but they may not want to hire anyone until the interest in development picks up.

Look noted that Elevage and Capstone will be dropping off building plans for models being built as early as tomorrow. They are moving at an incredible speed, and he is impressed with how they have been working.

Look noted that the legislative session should adjourn at some point today, but will probably be looking at additional sessions to get through the work they have not gotten to yet.

Mundle wished everyone a good Memorial Day weekend.

8.0 – Adjournment

Erkel moved and Mundle seconded to adjourn at 8:17 pm. To the motion, all in favor say aye. All in favor. That motion passes. Motion passes unanimously.

Submitted by:

Lilian Rokosz

TimeSaver Off Site Secretarial, Inc.