

MINUTES
ECONOMIC DEVELOPMENT AUTHORITY
Regular Meeting
May 23, 2011

1. CALL TO ORDER

The meeting was called to order by Chair Bartholomay at 6:00 p.m.

Members Present: Bartholomay, Larson, May, Fogarty (arrived 6:05 p.m.)

Members Absent: Donnelly

Also Present: Kevin Schorzman, Interim City Administrator; Tina Hansmeier, Economic Development Specialist; Lee Smick, City Planner; Cynthia Muller, Executive Assistant

2. PLEDGE OF ALLEGIANCE

3. APPROVE AGENDA

MOTION by Larson, second by May to approve the Agenda. **APIF, MOTION CARRIED.**

4. CITIZEN COMMENTS/PRESENTATIONS

5. CONSENT AGENDA

MOTION by May, second by Larson to approve the Consent Agenda as follows:

a) Approved Meeting Minutes April 25, 2011

b) Approved Bills 4/25/11 – 5/22/11

APIF, MOTION CARRIED.

6. PUBLIC HEARINGS

7. CONTINUED BUSINESS

a) Amendment to Contract for Private Development (McVicker Lot)

The EDA entered into a Contract for Private Development to sell the McVicker lot to Dr. Linden Dungy on April 25, 2011. Dr. Dungy has created a limited liability company and assigned his interest to Philippians 4:19. The amendment extends the closing date to June 23, 2011. The extension is necessary to address title issues. Staff is working on utility easements before closing can occur.

(Member Fogarty arrived).

Member May asked if there were any issues with the assignment as far as the granting of funds. Staff is not aware of any issues. The assignment was provided for in the original development contract. They still need to be in the ground by June 30, 2011, to obtain the grant. **MOTION** by May, second by Fogarty to approve the First Amendment to Contract for Private Development. **APIF, MOTION CARRIED.**

b) Economic Development Strategic Plan Priorities

The EDA has selected the following strategic plan priorities:

- Business Recruitment/Expansion and Retention Program
- Creation of a Marketing Plan
- Resources for Economic Development

City Planner Smick will begin writing the strategic plan. Proposed action steps will be discussed at the next meeting.

8. NEW BUSINESS

a) Minnesota Targeted Brownfield Assessment Program

This program provides technical services and assessments to municipalities. This program would help cover the costs for a phase I, phase II, and response action plans that are associated with Brownfield cleanups. This is not available to private individuals, but cities can apply on behalf of individuals.

9. CITY STAFF REPORTS

a) Major Economic Development Activities - May

Economic Development Specialist Hansmeier reviewed activities that took place in May.

b) 431 3rd Street (former Senior Center)

A mold specialist reviewed the building and has determined it is surface mold. An option would be to clean the carpets and encapsulate to prevent further mold growth. He also recommended cleaning the vents and duct system for approximately \$1,000. Staff will bring this to a future Council meeting.

Councilmember May was frustrated with the process as it was supposed to be brought to a Council meeting and it hasn't been. She asked if anything has been done in the building. Staff has turned up the air to cut down on moisture. Staff stated the company could clean or remove the carpet. Councilmember May would not want anyone to see the building in this condition. The realtor has shown the property to some interested buyers who would remodel the interior. Councilmember May felt it is taking too long to do a minor cleaning job and asked staff to keep it as a priority. Interim City Administrator Schorzman stated staff has had internal discussions and he has pulled this back a little because he heard staff should clean it up when they have time. He did not want to expose staff to a potential risk when it is something we do not do. He asked the EDA how cleaned up do they want it to be? Staff is trying to limit the cost and explore the cheapest option to put it in a saleable condition. He would not be in favor of putting staff in there unless we know how to handle mold contaminated material.

(Mayor Larson left at 6:20 p.m.)

Chair Bartholomay realized staff is busy, but asked to speed up the process. Member May noted it was not that long ago it was full of senior citizens. She asked that something be brought to Council so we can move forward and get it done. Staff will bring a recommendation to the June 6, 2011, Council meeting.

c) **Farmers' Market Update**

The Market will start on June 16, every Thursday through September 15. There are 16 vendors offering a variety of items. Staff held a vendor meeting today. Staff has obtained seven businesses to sponsor the Market. There are events planned for six nights. Staff has numerous ideas for advertising and marketing.

d) **Roundtable**

Member May asked about renting the second floor of City Hall and would like this moved up as a priority. She suggested contacting local schools and businesses. She also mentioned moving the entire staff to the first floor and renting the entire upstairs. Member May asked for an update on the license center. Chair Bartholomay mentioned names were going to be changed on the application to reflect City staff. Member Fogarty asked for an update on the license center at the next Council meeting.

Economic Development Specialist Hansmeier is waiting for the assignment approval from Dr. Dungy's attorney. This will be forwarded to the EDA when received. Member May asked if they can vacate the utility easement. Staff explained there are two easements; Xcel and Frontier. Xcel is the overhead electric line from the pole on the McVicker lot to Gossips and a line that goes south to the Steakhouse. The Frontier easement is the east 25 ft of Lot 5. We need to have permission to have parking over their easements.

Chair Bartholomay asked that a timeline be set for the lease for the liquor store. Information provided was not the direction Council gave. Member May asked if staff consulted with a professional realtor on the lease proposal. Chair Bartholomay suggested using the realtor that works for the EDA. Member May felt it is worth a small fee to contact the realtor for an opinion on the lease amount. Also the term is for five years, and asked if this consistent with the market. She would not vote on this until she has their opinion. Interim City Administrator Schorzman stated part of the upcoming workshop was to be a discussion on the liquor stores. Staff will contact the realtor prior to the workshop.

Chair Bartholomay stated the school district would like to rent the entire upstairs of City Hall. Staff asked that we have a serious discussion before moving everyone downstairs. Member May stated it is frustrating we have never had that serious discussion and we are overdue. She expected there to be a cost with moving, but if we could quickly offset that cost, it would be worth it.

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10. *ADJOURN*

MOTION by Fogarty, second by May to adjourn at 6:42 p.m. **APIF, MOTION
CARRIED.**

Respectfully submitted,

Cynthia Muller
Executive Assistant