

**BELLE PLAINE ECONOMIC DEVELOPMENT AUTHORITY  
REGULAR SESSION  
MARCH 9, 2009**

**1. CALL TO ORDER. 1.1. Roll Call.**

The Belle Plaine Economic Development Authority met in Regular Session at 5:00 p.m. on Monday, March 9, 2009 in the Government Center, 218 North Meridian Street, Belle Plaine, MN. President Lisa Fahey called the meeting to order with Commissioners Phil Fischer, Troy Witt, Jenna Tuma and Dawn Underferth present. Commissioner Tim Lies arrived at 5:05 p.m. and Commissioner Jim Lange arrived at 5:13 p.m. Also present were Executive Director Trisha Rosenfeld and Finance Director Dawn Meyer.

**2. APPROVAL OF AGENDA.**

MOTION by Commissioner Fischer, second by Commissioner Underferth, to approve the agenda as presented. ALL VOTED AYE. MOTION CARRIED.

**3. APPROVAL OF MINUTES. 3.1. February 09, 2008 Regular Session.**

MOTION by Commissioner Underferth, second by Commissioner Fischer, to approve the February 09, 2008 Regular Session minutes as presented. ALL VOTED AYE. MOTION CARRIED.

**4. TREASURERS REPORT. 4.1. Approval of Bills.**

MOTION by Commissioner Tuma, second by Commissioner Underferth, to approve the payment of bills as presented. ALL VOTED AYE. MOTION CARRIED.

**5. BUSINESS.**

**5.1. Update on Financial Incentives.**

President Fahey referenced a memo dated March 9, 2009 from Community Development Director Rosenfeld regarding the status of the financial incentives.

The Commissioners reviewed the status report of the revolving loan fund as presented. Commissioner Tuma asked whether the City issues a 1099 IRS Form to a business owner when loan forgiveness is approved. Finance Director Meyer explained loan forgiveness becomes a "grant" and does not qualify under the requirements of a 1099 Form.

**5.2. EDA Resolution 09-01 Decertification of TIF District 1-4, Belle Plaine Clinic.**

President Fahey referenced a memo dated March 9, 2009 from Community Development Director Rosenfeld regarding the de-certification of TIF District 1-4, Belle Plaine Clinic.

The EDA made a final payment on the pay-go note payable from tax increment derived from the TIF District, 1-4 for the Belle Plaine Clinic. This final payment was made in December 2008. The term on the TIF has been completed and it is now necessary to decertify the TIF District.

MOTION by Commissioner Tuma, second by Commissioner Fischer, to approve EDA Resolution 09-01 Decertification of TIF District 1-4, Belle Plaine Clinic. ALL VOTED AYE. MOTION CARRIED.

**5.3. EDA Fund 801 Balance Shortfall.**

President Fahey referenced a memo dated March 9, 2009 from Community Development Director Rosenfeld regarding EDA Fund 801 balance shortfall.

Community Development Director Rosenfeld explained that 800 Fund is the Revolving Loan Fund (RLF) and 801 Fund is the general operation of the EDA. Previously the City/EDA issued a lease-revenue bond to pay for the library. In order to do the bonding, the EDA had to take out an \$80,000 Revenue CD. This was held in the 801 Fund. The City ended up paying the bond off early for the EDA, which gave the EDA access to the Revenue CD. This money was transferred from the 801 Fund to the 800 Fund (RLF) to help with costs for the incubator space. This transfer created a negative cash balance in the 801 Fund, but it was the intent to repay themselves with revenues from the incubator space. For the fact the EDA lost money on the incubator space, they were not able to repay themselves the \$80,000. Therefore this has caused a negative cash balance in the EDA 801 Fund. The current negative cash balance of the 801 Fund is -\$30,011.21. It is necessary at this time to eliminate this negative cash balance. Community Development Director Rosenfeld provided the following options:

- 1) Transfer funds from the 800 Fund to cover the negative balance in the 801 Fund.
- 2) Transfer funds from the 800 Fund and pay back the entire \$80,000 to the 801 Fund.
- 3) Request the City to transfer enough funds from the City's fund balance to cover the negative balance in the 801 Fund. If so, how much would you request of the City Council?
- 4) Cost-share the difference between the City and the 800 Fund account to cover the negative 801 Fund.

Commissioner Lies asked whether the transfer needs to be done immediately. Finance Director Meyer explained that it is appropriate for the transfer to occur now as there has been a negative balance since 2008. The Commissioners further reviewed the options.

MOTION by Commissioner Tuma, second by Commissioner Witt, to recommend the transfer of \$35,000 from the 800 Revolving Loan Fund to the 801 EDA Fund. ALL VOTED AYE. MOTION CARRIED.

#### **5.4. Update on Comprehensive Economic Development Plan.**

President Fahey referenced a memo dated March 9, 2009 from Community Development Director Rosenfeld an update on the Comprehensive Economic Development Plan.

Community Development Director Rosenfeld explained that on Tuesday, February 24, the first of two strategic planning sessions took place from 5:30 p.m. to 8:30 p.m. at the Government Center. Attendance included approximately 25 people from various entities. Staff is planning to meet with the consultant on Friday, March 13, to discuss the results of the session and next steps.

Commissioner Lies explained consultant Janna King provided information from area developers regarding their opinion on Belle Plaine's economic development process. He suggested that Belle Plaine refrain from duplication of services available in Shakopee. Also, Commissioner Lies commented that the new fiber optic cable line is an asset to the City. Commissioner Lange explained that two major areas to be discussed will be a redevelopment area along East Main Street and the City's natural resources. Commissioner Underferth commented that it is anticipated that Belle Plaine will see favorable economic development when the overall economy improves.

Community Development Director Rosenfeld reminded the Commissioners of the second and final strategic planning session for the Economic Development Plan scheduled for Tuesday, March 24, starting at 5:30 p.m.

#### **5.5. Update on RLF for Valley Business Park.**

Community Development Director Rosenfeld explained that Erik Johnson of Valley Business Park will be unable to attend tonight's meeting and he will be invited to attend next month's EDA meeting.

The Commissioners discussed the criteria for loan forgiveness and asked that staff research the minutes regarding Valley Business Park's application to determine if it was the intent of the EDA/City to include tenants in the compilation of job creation criteria. Airborne Athletics has already received loan forgiveness and the Commissioners were in agreement that Airborne Athletics should not be included when compiling job creation criteria. Commissioners Fahey, Fischer and Lange recalled that at the time of Valley Business Park's application for the RLF, it was assumed that tenant and partner Countryside Concrete would be included in the calculation for job creation.

Community Development Director Rosenfeld explained that legal counsel has advised that the language of the promissory note includes Valley Business Park only. An amendment to the loan documents would be necessary to include other partners or tenants.

Commissioner Lange recommended that the Commissioners discuss this issue further at the next meeting and to delay having Erik Johnson attend until the Commissioners have thoroughly researched the subject. Commissioner Lies commented that he does not want this issue to drag out for months.

Community Development Director Rosenfeld explained that this issue will be placed on next month's agenda.

## **6. ADMINISTRATIVE.**

**6.1. ED Strategic Planning Session, Tuesday, March 24, 2009 at 5:30 p.m.**

**6.2. Next meeting will be Monday, April 13, 2009.**

Community Development Director Rosenfeld distributed the Economic Development component of the 2008 Comprehensive Plan Amendment.

The Commissioners were reminded of the upcoming meetings as listed.

## **7. ADJOURNMENT.**

MOTION by Commissioner Underferth, second by Commissioner Witt, to adjourn at 6:02 p.m. ALL VOTED AYE. MOTION CARRIED.

Respectfully submitted,

Patricia Krings  
Recording Secretary