

**BELLE PLAINE ECONOMIC DEVELOPMENT AUTHORITY
REGULAR SESSION
DECEMBER 14, 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, December 14, 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, Dawn Underferth and Gary Crosby present. Commissioners Rick Krant and Jim Lange were not present. Also present was Executive Director Trisha Rosenfeld.

2. APPROVAL OF AGENDA.

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

3. APPROVAL OF MINUTES. 3.1. November 09, 2009 Regular Session.

MOTION by Commissioner Crosby, second by Commissioner Fischer, to approve the November 9, 2009 Regular Session minutes of the EDA as presented. ALL VOTED AYE. MOTION CARRIED.

4. TREASURERS REPORT. 4.1. Approval of Bills.

MOTION by Commissioner Fischer, second by Commissioner Crosby, to approve the payment of bills as presented. President Fahey abstained. ALL OTHERS VOTED AYE. MOTION CARRIED.

5. BUSINESS.

5.1. Oppidan – Request for Tax Abatement.

President Fahey referenced a memo dated December 14, 2009 from Community Development Director Rosenfeld regarding a request for tax abatement.

Community Development Director Rosenfeld explained that Oppidan is requesting the review of a pre-application for Tax Abatement on the proposed Coborn's SuperStore. The application and correspondence from the applicant were included with Community Development Director Rosenfeld's memo. Also included was the current Business Subsidy Policy the City has adopted in 2004.

Community Development Director Rosenfeld further explained the process of a Tax Abatement request. The pre-application is submitted with a \$200 fee by the applicant. The EDA and City Council review the pre-application to determine if the request meets the requirements of the Business Subsidy Policy. If the request meets the requirements, the EDA and City Council can inform the applicant they may apply for the full application. The full application consists of a \$5000 fee, plus significant financial information from the applicant, including a financial commitment from the bank, financial statement, pro forma analysis, and background material of the company.

After the full application request has been made, and material is received from the applicant, the City's financial advisors, Ehlers & Associates, review the materials with staff and determine if the City is financially capable of providing a business subsidy. Ehlers and City staff also review the financial status of the applicant and proposed project. Once this has been completed, the full request, along with the financial analysis from the City & Ehlers, will go before the EDA and City Council for final action.

If the applicant also requests another jurisdiction to abate the taxes (i.e. County, School District), the applicant will apply directly to that jurisdiction. The City will work with the additional jurisdictions on the request.

The request from Oppidan can be summarized into the following:

- Pay-As-You-Go Tax Abatement in the amount of \$500,000
- A certain time period has not been requested.
- Oppidan is requesting the City and County taxes are abated.

Present were Paul Tucci and Joe Ryan of Oppidan. Mr. Tucci asked for consideration of tax abatement for the proposed construction of the Coborn's. He requested "pay as you go" tax abatement in the amount of \$500,000. Mr. Tucci explained that the new grocery store will create between 100 and 125 jobs, ranging in salary from \$7.25/hour and \$17.25/hour.

Commissioner Crosby asked about the amount that would be a typical request for tax abatement. Mr. Tucci explained that there is no typical amount, that each development is different. He stated that a request for \$500,000 is on the low side. Commissioner Witt asked the relationship between Oppidan and Coborns. Mr. Tucci explained that Oppidan is the owner/developer with Coborns as the tenant. This is Oppidan's fifth project with Coborns. Commissioner Fischer inquired about the projected amount of property taxes. Community Development Director Rosenfeld replied that property taxes are estimated at \$52,000 per year and includes city and county taxes.

MOTION by Commissioner Crosby, second by Commissioner Fahey, to recommend that the City Council proceed with accepting full application to consider tax abatement as a business subsidy for the Oppidan/Coborn development. ALL VOTED AYE. MOTION CARRIED.

5.2. Review of Financial Incentive Programs.

President Fahey referenced a memo dated December 14, 2009 from Community Development Director Rosenfeld regarding financial incentive programs.

Community Development Director Rosenfeld provided a brief overview of the status of the financial incentive programs. Salon 129 has requested funds from Façade Improvement Loan in the amount of \$790. New windows have been installed in the front of the property. Lisa Fahey Insurance/Chamber of Commerce has also requested funds from this program in the amount of \$1500. New shingles have been installed on the roof of the property. An updated spreadsheet of the Revolving Loan Fund and loan accounts was included with Community Development Director Rosenfeld's memo. There has been no interest recently for the use of the TCCCF program.

5.3. Economic Development Plan Update.

President Fahey referenced a memo dated December 14, 2009 from Community Development Director Rosenfeld regarding an update on the Economic Development Plan.

Community Development Director Rosenfeld explained that the City Council approved the 2010 budget and subsequently items requiring funding were highlighted in the Economic Development Plan.

5.4. EDA Brainstorming.

No items were discussed.

6. ADMINISTRATIVE.

6.1. Next meeting will be Monday, January 11, 2010.

The Commissioners were reminded of the upcoming meeting as listed.

7. ADJOURNMENT.

MOTION by Commissioner Crosby, second by Commissioner Witt, to adjourn at 5:31 p.m. ALL VOTED AYE. MOTION CARRIED.

Respectfully submitted,

Patricia Krings
Recording Secretary