

**BELLE PLAINE ECONOMIC DEVELOPMENT AUTHORITY
REGULAR SESSION
MAY 9, 2016**

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, May 9, 2016 at City Hall, 218 North Meridian Street, Belle Plaine, MN. President Rick Krant called the meeting to order with Commissioners Cary Coop, Henry Pressley, Nathan Shutes, Dick Coleman and Crystal Doyle present. Commissioner Lisa Fahey arrived at 5:11 p.m. Also present was Community Development Director Cynthia Smith Strack.

2. APPROVAL OF AGENDA.

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

3. APPROVAL OF MINUTES.

3.1. Regular Session Minutes of April 11, 2016.

MOTION by Commissioner Coop, second by Commissioner Shutes, to approve the Regular Session Minutes of April 11, 2016 as presented. ALL VOTED AYE. MOTION CARRIED.

3.2. Workshop Session Minutes of April 25, 2016.

MOTION by Commissioner Coop, second by Commissioner Shutes, to approve the Workshop Session Minutes of April 25, 2016 as presented. ALL VOTED AYE. MOTION CARRIED.

4. TREASURERS REPORT.

4.1. Approval of Bills.

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

5. BUSINESS.

5.1. Financial Incentives Update.

Community Development Director Smith Strack reported the year to date expenditures under the Façade Improvement Loan are currently at \$1,500. The EDA has not been invoiced for work approved in January for Neisen's Corner Bar. The current balance of Fund 800, Revolving Loan Fund, as of the date of this memo is \$149,332.88. The current outstanding principal is \$174,363.30 with outstanding interest of \$13,061.32. All loans are current.

5.2. EDA Resolution 16-08 Resolution Accepting Transfer of Projects, Programs, and Property from the Housing and Redevelopment Authority In and For the City of Belle Plaine and Approving Certain Matters in Connection Therewith.

Community Development Director Smith Strack explained that with prior conceptual agreement of both the HRA and the EDA, the City Council authorized dissolution of the HRA and transfer of programs, projects, and property to the EDA. The next step in dissolving the HRA is for the EDA to approve the proposed resolution. Community Development Director Smith Strack explained that HRA funds will remain separate from EDA funds.

MOTION by Commissioner Coleman, second by Commissioner Coop, to approve EDA Resolution 16-08 Resolution Accepting Transfer of Projects, Programs, and Property from the Housing and Redevelopment Authority In and For the City of Belle Plaine and Approving Certain Matters in Connection Therewith. ALL VOTED AYE. MOTION CARRIED.

5.3. EDA Resolution 16-02 Façade Improvement Loan – Annie’s Café.

Community Development Director Smith Strack explained the façade improvement loan request from Ann Miller was for re-roof for the building at 201 West Main Street.

Commissioner Coop asked whether a list of expenditures is submitted by the applicant. Community Development Director Smith Strack explained that only invoices are required.

MOTION by Commissioner Coop, second by Commissioner Pressley, to approve EDA Resolution 16-02 Façade Improvement Loan for Annie’s Café at 201 East Main Street. Commissioner Coleman VOTED NAY. ALL OTHERS VOTED AYE. MOTION CARRIED.

5.4. EDA Resolution 16-03 Façade Improvement Loan – Sparetime Tavern.

Community Development Director Smith Strack explained the façade improvement loan request from Donald Savage was for the replacement of doors for the building at 117 West Main Street.

MOTION by Commissioner Coleman, second by Commissioner Coop, to approve the EDA Resolution 16-03 Façade Improvement Loan for Sparetime Tavern, 117 West Main Street. ALL VOTED AYE. MOTION CARRIED.

5.5. EDA Resolution 16-04 Façade Improvement Loan – Chestnut Realty.

Community Development Director Smith Strack explained the request by Cal Haasken, Chestnut Realty, does not refer to an awning. The bid for the “replacement of the awning” is from a sign company and therefore recommended denial.

MOTION by Commissioner Coop, second by Commissioner Pressley, to adopt EDA Resolution 16-04, Denying the Façade Improvement Loan for Chestnut Realty at 351 East Raven Street. ALL VOTED AYE. MOTION CARRIED.

5.6. EDA Resolution 16-05 Façade Improvement Loan – Southern Rentals (104 Main).

Community Development Director Smith Strack explained that Jeff and Michelle Carlson propose tuck pointing, painting, and awning replacement at 104 Main Street West (our address 108 Meridian North). Project cost per bid estimate is \$6,095 (Acme Awnings, Sayre Brothers Painting, & Simon Brick and Stone). The paint color will be similar to the brick color shown on the upper level of the building.

MOTION by Commissioner Pressley, second by Commissioner Coop, to approve EDA Resolution 16-05 Façade Improvement Loan for Southern Rentals at 104 West Main Street for tuck pointing, painting and awning replacement. ALL VOTED AYE. MOTION CARRIED.

5.7. EDA Resolution 16-06 Façade Improvement Loan – Southern Rentals (118 Meridian).

Community Development Director Smith Strack explained that Jeff and Michelle Carlson propose awning replacement at 118 North Meridian Street.

MOTION by Commissioner Coop, second by Commissioner Coleman, to approve EDA Resolution 16-06 Façade Improvement Loan for Southern Rentals at 118 North Meridian Street. ALL VOTED AYE.
MOTION CARRIED.

5.8. EDA Resolution 16-07 Façade Improvement Loan – Andy’s Bar.

Christine Panning proposes tuck pointing at 114 Meridian Street North. Project cost estimate is \$4,000 from a local contractor.

Commissioners Pressley and Doyle commented that this project appears to be one of maintenance rather than a façade improvement. Commissioner Shutes considers it as maintenance, further commenting that it is a safety issue, rather than for aesthetics. Commissioner Coleman noted that although it is maintenance, the EDA as previously approved tuck pointing as an eligible expenditure.

MOTION by Commissioner Pressley, second by Commissioner Doyle, to DENY the request as indicated in EDA Resolution 16-07 Façade Improvement Loan for Andy’s Bar, 114 North Meridian Street, due to the lack of aesthetics and façade improvement associated with the project. Commissioners Pressley, Doyle, Shutes, Fahey and Krant VOTED AYE. Commissioners Coop and Coleman VOTED NAY. MOTION TO DENY CARRIED.

The request was denied. Commissioner Coleman suggested the applicant include additional projects and re-submit the request.

5.9. EDA Resolution 16-09 Business Subsidy Agreement – Ridgeview Medical Campus.

Present were Max Scheuer, The Lutheran Home, and Sara Auzilia and John Prondzinski of Ridgeview Medical Center.

Community Development Director Smith Strack explained that Ridgeview Medical Center has filed documents and applications related to “Ridgeview Health Campus” an innovative and cohesive mixed use planned unit development. RHC includes a three story 54-unit senior independent living center, a 10,000 square foot health/wellness center, and a 12,900 square foot medical clinic. The medical clinic will initially be one story but will be designed to accommodate two additional stories (total of three). Project cost is estimated at \$6.5M and will be subject to real estate tax. Ridgeview Medical Center and the City of Belle Plaine have entered into a purchase agreement for the sale of property at 165 Commerce Drive West. The purchase agreement contemplates sale of the property for \$1 equating to a land write-down in the amount of two hundred sixty-five thousand dollars and no/cents (\$265,000.00). The land write down qualifies as a ‘business subsidy’ under Minn. Stat. § 116J.994. Because the subsidy exceeds \$150,000 in value, the City must hold a public hearing and enter into a business subsidy agreement with the recipient. The agreement ensures wage and job goals resulting from the project are met and retained. Failure to meet job/wage goals results in a reduction of the business subsidy. In exchange for the land write down Ridgeview Medical Center is to create a minimum of twenty (20) full-time equivalent jobs with a starting wage of no less than \$12.69, exclusive of benefits.

The City Council has scheduled a public hearing on May 16th. Following the hearing the Council will take action to authorize execution of the business subsidy agreement. A copy of the agreement was included in the EDA packet. The EDA is to make a recommendation to the City Council regarding the agreement. Staff recommends approval of the agreement.

Commissioner Coop inquired as to how the value of \$265,000 was determined. Community Development Director Smith Strack explained it is the 2015 market value as determined by Scott County. Commissioners Coop and Pressley commented on the minimum requirement of the creation of 20 new jobs and noted that it includes the housing complex. Mr. John Prondzinski said the minimum job requirement will be met with the clinic and the wellness center.

MOTION by Commissioner Coleman, second by Commissioner Shutes, to approve EDA Resolution 16-09 Business Subsidy Agreement with Ridgeview Medical Campus. ALL VOTED AYE. MOTION CARRIED.

5.10. EDA June Meeting Date.

Community Development Director Smith Strack requested the June meeting be scheduled for June 7, 2016.

MOTION by Commissioner Shutes, second by Commissioner Fahey, to schedule the next regular session of the EDA for 5:00 p.m. on Tuesday, June 7, 2016. ALL VOTED AYE. MOTION CARRIED.

5.11. Assume Ownership of Chamber Sign.

Community Development Director Smith Strack explained the EDA revisited an offer to assume ownership of a sign in the Laredo Street right-of-way at a work session on April 27th. The EDA discussed the merit of the sign in terms of directional signage for the Downtown following completion of the CSAH 3 interchange. Included with Community Development Director Smith Strack's memo were mock-ups of potential directional sign designs.

Commissioners Coleman and Krant inquired about the costs associated with upgrading the sign. Commissioner Coop wanted the assurance that the EDA has autonomy with the sign. Commissioner Doyle suggested positioning the sign for better viewing by motorists. Community Development Director Smith Strack explained that refurbishing costs are unknown at this time. Commissioner Fahey commented that the Chamber of Commerce may have records pertaining to the previous refurbishing of the sign and will advise accordingly.

MOTION by Commissioner Pressley, second by Commissioner Coop, to TABLE action on the Chamber sign until the next meeting to allow time for Staff to research the refurbishing costs and re-location costs. ALL VOTED AYE. MOTION CARRIED.

5.12. EDA Resolution 16-10 Acknowledging Amendments to the Belle Plaine Economic Development Authority Enabling Resolution and Approving Amendments to the Belle Plaine Economic Development Authority By-Laws.

Community Development Director Smith Strack explained the City Council approved an EDA Enabling Resolution in 1990 creating the EDA. As noted in our goal/work plan setting discussions, the EDA enabling resolution approved in 1990 was inconsistent with Minnesota Statutes relating to the length of EDA terms. In addition, the original enabling resolution was outdated in regard to representation and staff function. The City Council on April 18, 2016 approved Resolution 16-39 Amending and Restating the EDA Enabling Resolution. The amended enabling resolution is now offered for acknowledgement by the EDA. The EDA bylaws mirror certain standards contained in the Enabling Resolution with regard to term length, board composition, and staffing arrangements. The EDA has the authority and responsibility to amend the bylaws.

MOTION by Commissioner Coleman, second by Commissioner Fahey, to approve Resolution 16-10 Acknowledging Amendments to the Economic Development Authority Enabling Resolution and Approving Amendments to the Belle Plaine Economic Development Authority Bylaws is attached and offered for consideration. ALL VOTED AYE. MOTION CARRIED.

6. ADMINISTRATIVE REPORTS.

6.1. Commissioner Comments.

There were no further Commissioner comments.

6.2. Director's Update.

Community Development Director Smith Strack summarized the activities of the various City boards and commissions.

6.3. Upcoming Meetings.

Note: New Schedule for June:

- 1. Next Regular Session, 5:00 pm, Tuesday, June 7, 2016.**
- 2. City Council and Boards, Committees, Commissions Joint Meeting:
June 8, 6 p.m. to 8 p.m. Focus is Planned Land Use**

The Commissioners were reminded of the upcoming meetings as listed.

7. ADJOURNMENT OF REGULAR SESSION.

MOTION by Commissioner Coop, second by Commissioner Fahey, to adjourn the meeting at 6:13 p.m.
ALL VOTED AYE. MOTION CARRIED.

Respectfully submitted,

Patricia Krings
Recording Secretary