

**THE REGULAR MEETING OF THE PRINCETON EDA BOARD HELD ON JULY 16, 2009,  
AT 6:00 P.M., AT THE PRINCETON CITY HALL COUNCIL CHAMBERS**

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Paul Whitcomb called the meeting to order at 6:00 P.M. Members present were Victoria Hallin, Cindy Riddle, Thom Walker, and Charles Snustead.

Absent was Ken Haskamp and Ben Hanson (Hanson arrived at 6:04 P.M.)

**APPROVAL OF MINUTES FROM THE REGULAR MEETING ON MAY 21, 2009, AND  
JULY 9, 2009** (No quorum for June 18, 2009)

WALKER MOVED, SECOND BY HALLIN TO APPROVE THE MINUTES OF THE REGULAR MEETING ON MAY 21, 2009. UPON THE VOTE, THERE WERE 5 AYES, 0 NAYS. MOTION CARRIED.

WALKER MOVED, SECOND BY HALLIN TO APPROVE THE MINUTES OF THE SPECIAL MEETING ON JULY 9, 2009. UPON THE VOTE, THERE WERE 5 AYES, 0 NAYS. MOTION CARRIED.

**UNFINISHED BUSINESS:**

**A. NSP Updates**

**a. Acquisitions –**

**i. 609 – Old Highway 18**

Blake informed the EDA Board that this property is listed at \$41,000 and the appraisal came in at \$37,000. An offer has been made at 85% of the appraisal price and that is \$31,450. They countered offered at \$39,000 and then accepted our offer and the closing should be done in July.

Hanson arrived at 6:04 P.M.

**ii. 1103 – 8<sup>th</sup> Avenue North**

The appraisal came in at \$57,000 and the City made an offer of 85% of that appraisal which would be \$48,450. US Bank owns this property. This is a nice lot, the home needs structural updating. The closing will be in the middle of August, 2009.

**iii. 316 – 10<sup>th</sup> Avenue North**

The City made an offer on this property for \$19,900. Staff has not heard back if they will accept the offer. If the offer is accept then the closing will be the end of August, 2009.

Blake would like to take a \$200,000 loan through Greater Minnesota Housing Fund with a 2% interest rate for one year. The 2% interest would come from the funds the City would received from the NSP Program. This would make it easier for Staff to make offers on properties with having earnest money.

**b. Other Status Reports -**

**i. 503 – 6<sup>th</sup> Avenue North – Property Off Market Temporarily**

**ii. 611 – 5<sup>th</sup> Avenue North**

There is a pending offer on this property and they are applying for a FHA Loan. Blake does not believe this property will qualify for a FHA Loan and the Realtor believes it will. Blake spoke with the Realtor that her client could use the NSP Program on fixing the property, but the Realtor is not sold on the City Program and will continue to proceed with the FHA Loan.

**iii. 710 – 2<sup>nd</sup> Street North**

Blake would like to order an inspection on this property. The house has new siding and windows. There needs to be some work done inside, but it is a nice property with an extra deep lot.

**iv. 306 – 7<sup>th</sup> Avenue North**

An appraisal will be ordered on this property and will have an inspection. Blake has a potential buyer on this one. The party that is interested in purchasing the property would like to occupy it and also have a renter in it so it would be owner occupied with a renter. Blake asked what the EDA Board thinks of this idea.

Hanson commented that he sees it as financing someone else's business with receiving rent. City would be putting money into the property and then the owner would be making a profit off of it with the renter. The EDA Board agrees. The City will hold off on this. The EDA Board wants to look at owner occupied or single family dwellings for this NSP Program.

**v. Arcadian Homes**

Blake talked with Dick Schieffer, City Attorney and was told that Chase Mortgage has recorded the deed to the property. Schieffer told Chase of the fees that they owe the City on this. Our attorney believes a quick claim deed could be done. The cost to the city would be extremely low on this. There is a trespasser in this building site. Unit 123 is the trespassers are staying in. Sheriff office will have to remove them and Chase would have to deal with that matter.

**vi. 1317 15<sup>th</sup> Avenue North (Added to the Agenda)**

Blake said this house is solid, but the previous owner did remove a lot of things, so the condition is not great. Blake has a potential buyer for this property. He told the interested party to get their application in at Lakes and Pines. They would need to sign a First Option to Acquire Agreement and then City would do the remodel. The intended buyer could still walk away even after signing the paper. If the City put the money into the remodel we still could sell it. It is for sale for \$109,000. If the potential buyer signs a First Option Agreement, then Blake would like to order an appraisal and inspection. Blake is asking the EDA Board if he gets the acquired agreement, and

the inspection and appraisal come back with reasonable numbers, if he could make an offer on this property.

The EDA Board is concerned that the City could be sitting on this property. This is a split home and those do not move on the market as well.

WALKER MOVED, SECOND BY RIDDLE TO GET A SIGNED LETTER OF INTENT TO PURCHASE FROM THE INTERESTED PARTY, THAN STAFF COULD MOVE FORWARD WITH AN APPRAISAL. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED.

Blake informed the EDA Board that he had taken Wayne, from Habitat for Humanity to 316 10<sup>th</sup> Avenue North. Staff would like to demo the dwelling and have Habitat build a new home. Habitat is very pleased with the idea and would be able to build in 2010.

Blake asked the EDA Board on their opinion of paying half of a commission, usually around 2.7%, to the Buyers Agent who helped the buyer in purchasing a City property that has been updated. The commission would be half of that is advertised on the MLS listing.

RIDDLE MOVED, SECOND BY SNUSTEAD TO APPROVE THAT THE CITY PAYS HALF OF THE ADVERTISED MLS PAYOUT FOR THE COMMISSION FEE TO THE AGENT WHO HELPED THE BUYER PURCHASE CITY PROPERTY ON THIS PROGRAM. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED.

### **c. Family Updates**

Five families have received applications for the NSP Program, but no one has been accepted yet.

## **B. Eco-Industrial Development (EID) Grants Update**

### **a. Brad Scheib - Hoisington Koegler Report**

On the Energy Efficiency and Conservation Block Grant (EECBG) Program the Princeton Public Utilities did offer to pay for half of the grant cost and that would be \$1, 200. PUC will pay \$1,200 for half of the grant cost for LED lighting.

Hanson mentioned that plaza lighting is out for street lighting and he will email an update of this to Blake.

### **b. Community Growth Options – Center for Urban and Regional Affairs Application**

Blake said that we are shortlisted on the University of Minnesota's Community Growth Options (U-CGO) Program. This program provides research assistance to help growing communities on the edge of the Twin Cities metropolitan area manage growth and development effectively.

Communities work with U-CGO staff to define a research project, and U-CGO provides a qualified

University of Minnesota faculty member or graduate research assistant to carry out the research. There is no financial obligation on the part of the community. The student will work approximately 20 hours a week on this. Princeton is on the short list for this program.

**4. NEW BUSINESS: - NONE**

**5. OLD BUSINESS: - NONE**

**6. MISCELLANEOUS:**

**A. Verbal Report**

Walker asked how the sale of the north airport hangers is proceeding.

Blake said he had given this to Karnowski about a month and a half ago and has not heard anything on it. Hanson owns one hanger that should be in agreement for selling and the other hanger is owned by Anderson. Blake will check with Karnowski on this.

The Alzheimer Clinic made an offer to RW for two acres. There are two separate companies proposing different sites. Heritage House is interested in the Coborn's site. They have a facility in Milaca. Trident Development is the other facility that has ten senior housing sites. Trident is interested in the property by the hospital. They will probably ask for Housing Bonds.

The manufacture in Cambridge who was interested in buying the Glenn Metalcraft building is not moving their business to Princeton. Glenn Metalcraft is looking at increasing their building instead of building a larger site. USDP is proposing a 22,000 expansion on their site. The Site Plan Review is moving forward and hopefully will be on the Planning Commission agenda next month.

The old City Liquor Store that just sold will start remodeling in August, 2010.

Hohlen property on First Street is being demoed by the owners right now. They have taken out the permits. The owners owe seven years in back taxes on this property. The City still might acquire it. This will be discussed later date.

**B. City Council Minutes for June, 2009**

The EDA Board had no comments.

RIDDLE MOVED, SECOND BY SNUSTEAD TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. UPON THE MOTION, THE MEETING ADJOURNED AT 7:36 P.M.

ATTEST:

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Paul Whitcomb, President

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Mary Lou DeWitt, Comm. Dev. Assistant