

**THE REGULAR MEETING OF THE PRINCETON EDA BOARD HELD ON
DECEMBER 17, 2009, 6:00 P.M., AT THE CITY HALL COUNCIL CHAMBERS**

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Paul Whitcomb called the meeting to order at 6:00 P.M. Members present were Thom Walker, Ben Hanson, Victoria Hallin, and Charles Snustead. Staff present were Jay Blake and Mary Lou DeWitt.

Absent were Cindy Riddle and Ken Haskamp. (Riddle arrived at 6:03 P.M.)

APPROVAL OF MINUTES FROM REGULAR MEETING ON NOVEMBER 19, 2009

WALKER MOVED, SECOND BY SNUSTEAD TO APPROVE THE MINUTES OF THE REGULAR MEETING ON NOVEMBER 19, 2009. UPON THE VOTE, THERE WERE 5 AYES, 0 NAYS. MOTION CARRIED.

UNFINISHED BUSINESS:

A. Neighborhood Stabilization Program – Update

i. 316 10th Avenue North

Blake said that Howard Homes was the lowest bid. This home will be burnt down and then Howard Homes will be doing the clean up. This will be burnt down by the Fire Department soon.

Riddle came at 6:03 P.M.

ii. 609 Old Highway 18 South

This home will be another burn by the Fire Department. The burn had to be rescheduled because of the weather, but should happen soon. It was approved this week by the NSP Program that the City will get reimbursed for what this property was purchased at.

iii. 611 5th Avenue North

The remodel is almost complete on this home and has turned out well.

iv. 1317 15th Avenue North

The bids have been sent out on the contractors. Closing is hopefully the end of January, 2010.

v. Arcadian Homes Property

There is no additional news to report on this.

vi. 204 8th Avenue South (New)

A City resident has asked on this property if it would qualify for the NSP Program. This party is interested in having the home torn down and have a duplex built on the site. The property is listed for \$36,900. Blake said this home is in bad shape and would be a site that could be torn down. The size of the lot is close to two City lots. The garage is a nice two car garage. Blake is asking the EDA Board for approval to get an appraisal and that would cost \$300.

Walker asked if this person is looking at owner occupied duplex and would he rent the other half.

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Blake said yes. This person would live in one side of the duplex and rent in the other.

The EDA Board questioned if this is a direction of where the City would like to go with this NSP Program.

Walker commented that he thinks the appraisal should be done and he is okay with the owner occupied duplex with a rental unit on the other side.

Hanson said a few months back the EDA Board turned a party down because they wanted to do an owner occupied with rental.

Riddle said if we buy the property and demolish it, the lot would still have value.

RIDDLE MOVED, SECOND BY HALLIN TO APPROVE STAFF TO OBTAIN AN APPRAISAL AT 204 8TH AVENUE SOUTH.

Walker commented that maybe staff should check if the NSP Program allows owner/rental housing before getting the appraisal.

Blake will do that.

UPON THE VOTE, THEIR WERE 6 AYES, 0 NAYS. MOTION CARRIED.

B. Sterling Pointe Senior Assisted Living – Project Update

The City hired Ehlers & Associate, Inc. Blake needs the EDA Board to adopt a resolution requesting the City Council call a public hearing to be held on March 11, 2010, to consider the proposed adoption of the Tax Increment Financing Plan for the establishment of a Tax Increment Financing District.

Blake said the feasibility study was approved by the City Council for Old Highway #18.

WALKER MOVED, SECOND BY HALLIN TO FORWARD THE RESOLUTION REQUESTING THE CITY COUNCIL TO CALL A PUBLIC HEARING TO BE HELD ON MARCH 11, 2010, TO CONSIDER THE PROPOSED ADOPTION OF THE TAX INCREMENT FINANCING PLAN FOR THE ESTABLIMENT OF A TAX INCREMENT FINANCING DISTRICT. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED.

NEW BUSINESS:

A. UDAG Revolving Loan Fund – Retail Loan Program Proposal

Blake said he spoke with Steve Jackson, City Finance Director, about the old UDAG Revolving Loan Fund. There is approximately \$90,000 in this revolving loan fund and Blake suggest to use it for commercial retail. Coborns building has three potential tenants. Two are profitable and one is not. Blake would like to have the funds go towards equipment or other loan finances. Sears is one of the potential people. With Sears you do not own the merchandise, but get a commission on what is sold. Sears up fronts the merchandise. They have an interested party who has been approved by Sears. This person owns one in Waite Park. The location they are looking at is the north third of the Coborn's building. This interested party is moving forward quickly and he is hoping that Sears approves the site and lease program. The Ben Franklin in Cambridge closed and someone is interested in opening a craft Ben Franklin here. This site might need a loan for equipment. Blake is thinking of \$30,000 for Sears , \$30,000 for Ben Franklin, and \$30,000 for the other nonprofit party.

Hallin asked if we loaned the \$30,000 to each, would we get it back.

Blake said yes, with competitive interest and secured by equipment.

The EDA Board likes the idea of the equipment and being in the first position on the equipment.

Blake said him and Jackson would put the loan together and then the EDA Board can decide the terms.

The EDA Board would be more comfortable if both the EDA Board and the City Council were to approve the loan where another Board is looking at this and feeling secure with it.

Blake listed seven areas that could be used as potential use of these funds:

1. Location Issues – Downtown vs. West Side
2. Terms
3. New or Expanding Businesses
4. Building Acquisition
5. Building Rehabilitation
6. Equipment Purchase or Lease
7. Other

The EDA Board liked this as a guideline for the Revolving Loan Fund.

Blake said he will update the EDA Board on this at next month's meeting.

OLD BUSINESS: None

MISCELLANEOUS:

A. EDA Balance Sheet

The EDA Board had no comments.

B. Verbal Report

Blake said he met with Marty Tucs a few weeks ago. Tucs has really cleaned that site up. They are making these huge cooling and cooking manufacturing equipment. His site is in the old Westling building and approximately 60,000 square feet and still has room for expansion in their building. Walker asked Blake if Tucs does expand to a soup plant if he could tap in on USDP with the packing and Blake said yes.

Roger Winkelman is going to have a Site Plan Review at the January, 2010, Planning Commission meeting on a 20 unit Memory Loss Care facility. He would like to break ground on the building this spring. The bakery closed in town.

The City Council approved 21st Avenue to connect to the industrial park. Staff is looking at were assessments could come from.

Reibe Park is moving forward. Sylva cleared many trees out of Reibe Park and it looks nice. The Frisbee golf baskets have been ordered.

C. City Council and Planning Commission Minutes for November, 2009

The EDA Board had no comments.

SNUSTEAD MOVED, SECOND BY HALLIN TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 7:14 P.M.

ATTEST:

Paul Whitcomb, President

Mary Lou DeWitt, Comm. Dev. Assistant