

**THE MEETING OF THE PRINCETON EDA BOARD HELD ON DECEMBER 23, 2010, AT 6:00 P.M.,
AT THE CITY HALL CONFERENCE ROOM**

Paul Whitcomb called the meeting to order at 6:00 P.M.

Members present were Paul Whitcomb, Victoria Hallin, Ben Hanson, Cindy Riddle, Thom Walker, and Charles Snustead. Jeff Holm was not present.

Staff present: Jay Blake

Minutes

As this was a special meeting, no minutes were presented for consideration. Minutes from the December 16, 2010 and December 23, 2010 meetings will be considered at the January EDA meeting.

UNFINISHED BUSINESS:

A. Proposals for West Branch Re-development Site

At the December 16, 2010 meeting Blake was asked to contact the Development Teams and ask whether or not the projects were dependent upon Tax Increment Financing (TIF) revenues. Concern was expressed that since none of the projects had significant job creation, the EDA would not support the use of TIF on this project. They did agree that other direct and indirect assistance may be considered during the negotiation process.

The EDA discussed the potential direct and indirect costs associated with both the Trident Development Corporation proposal and the Central Minnesota Housing Partnership (CMHP) proposal. Each had submitted statements that their projects could move forward without the need for Tax Increment Financing (TIF) from the City. Rum River Health Services did not respond to staff's request for further information.

Concern was raised that if negotiations fail with either team, we would be back to ground zero.

The EDA discussed the possible use of additional NSP funds on the project. Blake noted that we are currently unable to commit any additional funds to the project and that the donation of land or the significant reduction in the sale price would be the most the City could do with NSP funds. NSP funds can only be used for NSP projects and not to meet other housing needs. Blake noted that the State has not determined the sale price of the land if we work with a for-profit group.

Blake complimented the EDA on the in-depth nature of their discussion has been on this project.

Riddle stated that she was concerned with the team's experience in maneuvering the Housing Finance programs.

Snustead noted that Trident's for-profit nature will make them more efficient than other proposals.

Walker made a motion to call the question. Riddle seconded the motion. Motion Carried 6-0

Blake noted that the EDA should make a motion to recommend to the City Council to enter into negotiations with the preferred group and that it could be placed on that evening's City Council meeting.

Riddle made a motion to recommend to the City Council that the City of Princeton begin negotiations with Central Minnesota Housing Partnership on the West Branch Redevelopment Project. Hallin seconded the motion.

Walker stated that he was disappointed that Rum River Health Services did not submit further information on the need for TIF financing.

Motion Carried 4-2. Hallin, Riddle, Whitcomb and Walker voting Aye. Snustead and Hanson voting Nay.

Motion to adjourn was made and seconded. All voted Aye.

THE MEETING ADJOURNED AT 6:45 P.M.

ATTEST:

Paul Whitcomb, President

Jay Blake, Community. Development Director