

**THE REGULAR MEETING OF THE PRINCETON EDA BOARD HELD ON  
OCTOBER 29, 2009, AT 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, Charles Snustead, Cindy Riddle, and Victoria Hallin.  
Absent were Ben Hanson and Ken Haskamp.

**APPROVAL OF MINUTES FROM THE REGULAR MEETING ON SEPTEMBER 17, 2009**

HALLIN MOVED, SECOND BY SNUSTEAD TO APPROVE THE MINUTES OF THE REGULAR MEETING ON SEPTEMBER 17, 2009. UPON THE VOTE, THERE WERE 5 AYES, 0 NAYS.

**UNFINISHED BUSINESS:**

**A. Industrial Park Lot Sale and Business Expansion Agreements**

This item is tabled. Blake told the EDA Board he has not looked into the agreements and will bring it back to the EDA Board next month.

**NEW BUSINESS:**

**A. Wayne Eller – Habitat for Humanity Presentation**

This item was moved forward after approving the Minutes in consideration of our guest. The City purchased the property with the NSP Funds at 316 10<sup>th</sup> Avenue North. The City is going to donate this land to Habitat for Humanity in Cambridge for them to build on.

Wayne Eller, Habitat for Humanity representative, gave a presentation on what the foundation is about. Habitat for Humanity is a Christian ecumenical self help housing provider organized to eliminate substandard housing. It was founded in 1976. The foundation donates 10% of their funds for Habitat International. The family who is qualified to receive a home has to put in 250 hours. They have to contribute these hours or they will not close on the house. Many of the materials are donated. So far the foundation has built 26 homes which has given 80 children a nice place to live, and 2% of these homes are handicapped equipped. The applicants make the down payment and mortgage payments. Those payments are used to fund more homes to be built. There is no profit made on these homes, and no interest loans. The mortgage payment is approximately \$300 a month then taxes and insurance are built in the payment. There are three areas where the potential needs to qualify for are: 1) They need to currently be living in substandard housing. 2) Have to be local people and willing to partner in the building of the home. 3) They have to be willing to repay the no interest loan. There are background checks done on the applicants. The foundation believes not only helps the homeowner, but the community. The family is put through a training program to help them budget.

There are three basic designs: Two bedroom is 900 square feet  
Three bedroom is 1,070 square feet  
Four bedroom is 1,230 square feet

All the homes are basically ramblers unless the lot size is smaller, then it will be a split design. The ramblers are easier plans for the volunteers to do.

They would like to use the lot in Princeton for two homes. They could meet the setbacks. No variance for setbacks would be needed, but the size of the homes could be an issue. Both homes would be 18' x 22'. Both homes would face 10<sup>th</sup> Avenue North and the garages would be in back of the home. They have a site supervisor usually a retired contractor who knows how a home is built. Also on site is a host and safety coordinator. They work five to six days a week. No Sundays unless an emergency. They do have group called the RV Care-A-Vanner that go to different sites, usually six to eight who assist with framing and enclosing the house. They need a camp ground to park their rv's while they are here and Riverside Park was suggested. They would like to build the two homes at the same time.

Blake said that the City Attorney is making a document that the land can be sold to Habitat for \$1.

Eller said it takes approximately two months and a week to build a home. His goal this year is one and a half months from frame to finish. This does not include site preparation. The date is June 14 to July 31<sup>st</sup>. They are in the process of selecting families. He has mailed out six applications to families. The mortgage is based on what it cost to build the home. The mortgage breaks down in two parts, a note and a mortgage disclaimer agreement. There is a reduction in the mortgage as an incentive for the length they are in the home and paying the mortgage. This incentive encourages the families to make their mortgage payment.

Blake said the set date for the home on this site to be burnt down has been delayed because of the high quantity of asbestos that needs to be removed before the burn. The Fire Department should be able to do the burn within a month.

### **B. Rural Taxing District Concept**

Blake said the City of Wyoming has implemented an ordinance regulating all taxing districts within the corporate limits of the city. Blake would like have discussions regarding this for the City of Princeton. He believes that would help entice annexation into the city. If the property does not get all the city services then the taxable rate would be lower. Once a service is provided to that property then there will be more taxes acquired to that site. This would help those that want to annex into the city, but do not want the higher tax rates.

### **C. Trident Dev. Corp. Senior Housing Project Update**

A Memory Care Facility is looking at building on the site of the former Smith System/ThunderAlley property, across from the hospital. At the October 19, 2009, Planning Commission Meeting almost four acres of this site was rezoned to Medical Office/Residential District. The remaining six acres will be staying B-2 General Business. Blake believes they will approach the EDA Board for TIF Financing. Blake would like to make a condition on the financing that they would need to adjust the corner of old Hwy. #18 where the curve is into a 30 miles an hour road. This facility would bring approximately 29 to 35 jobs. Next month Blake will have some numbers on this and will be asking permission to work with the TIF consultant on a contract. They would like construction to begin in June of next year.

**OLD BUSINESS:**

**A. Salvaging Policy for NSP Program**

A policy is being set up where items that could be reused from the properties that the city is purchasing through the NSP Program can be given to the Mille Lacs County Historical Museum for them to sell and raise funds. These items would be from properties that will be demoed.

**B. NSP Update**

**1. 1317 15<sup>th</sup> Avenue North**

The City closed on this property today. There is a potential buyer on this home, but to qualify for the tax advantage the closing would need to be done by November 30<sup>th</sup>, 2009. Blake would like to offer the resale for \$70,000 so they can have the closing cost included. The City purchased this property for \$79,200. He is suggesting the selling price be \$74,000 and offer the closing cost of \$4,000. This would be \$9,200 down from the price the City purchased it. The City would also be replacing the appliances and the windows that are missing. Blake said he may ask in November a reduction on the sale price if we can not meet the deadline.

Whitcomb asked why and Blake said it would be more affordable to the party buying it. Blake also said the listing agent held off of this for so long where he did not get any news back on it and then the closing was just done.

Riddle said she would be okay with \$8,000 so it would be the same as the other party that we would probably be giving this too.

Snustead said if Congress does move the date back for the tax advantage then we would not have to give this to them.

WALKER MOVED, SECOND BY RIDDLE TO AUTHORIZE UP TO \$8,000 BE GIVEN TO THE BUYER IF THE TAX ADVANTAGE DEADLINE IS MISSED TO USE ON THE PURCHASE PRICE OR CLOSING COST. UPON THE VOTE, THERE WERE 5 AYES, 0 NAYS. MOTION CARRIED.

**2. 611 5<sup>th</sup> Avenue North**

This property is a remodel. This will be brought back to the EDA Boart in November.

**3. 316 10<sup>th</sup> Avenue North**

There was asbestos inspections and this site has a high quantity that needs to be removed before the Fire Department burns it down. Quotes for the removal are going out.

**4. 609 Old Highway 18 South**

The Fire Department will be burning this site down. Should be within 30 – 45 days. This site is a future site for storm water or industrial.

**5. Arcadian Homes**

Arcadian Homes has two agents representing the property. They have a new attorney on this and the City Attorney, Blake, and Acadian Homes Attorney will be meeting on this. The City would still like to buy this and tear it down. The property site is 1.5 acres.

**MISCELLANEOUS:**

**A. EDA Balance Sheet**

The EDA Board had no comments.

**B. Verbal Report**

The property at 1103 8<sup>th</sup> Avenue North refused the City offer for purchase. Blake and Karnowski met with a gentleman from Air Wings Museum. This museum is located in Blaine, MN. They had a lease agreement there and built a million dollar building and the rent has gone up and now they have lost it. They are interested in moving the museum to Princeton. The city is looking at stimulus funds for them. Financially they are not in good times. The area Blake would like to see this museum would be next to the proposed Public Safety Building. The Air Wings Museum representative met also with New Richmond, WI.

SNUSTEAD MOVED, SECOND BY RIDDLE TO ADJOURN THE EDA BOARD MEETING. UPON THE VOTE, THERE WERE 5 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 8:07 P.M.

ATTEST:

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Paul Whitcomb, President

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Mary Lou DeWitt, Comm. Dev. Assistant