

**THE REGULAR MEETING OF THE PRINCETON EDA BOARD HELD ON MARCH 27, 2008,
AT 6:00 P.M., AT THE CITY HALL COUNCIL CHAMBERS**

The meeting date was changed from March 20, 2008, to March 27, 2008

Paul Whitcomb called the EDA Board meeting to order at 6:00 P.M. Members present were Ben Hanson Vicky Hallin, and Cindy Riddle.

Absent were: Charles Snustead, Thom Walker, and Ken Haskamp.

APPROVAL OF MINUTES FROM THE REGULAR MEETING ON FEBRUARY 21, 2008

HALLIN MOVED, SECOND BY RIDDLE TO APPROVE THE MINUTES OF FEBRUARY 21, 2008. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

UNFINISHED BUSINESS:

A. Update on Economic Project Prioritization

On February 21, 2008, at the EDA Board meeting a survey was handed out from East Central Regional Development Commission. The purpose of the survey was to identify projects in the region that may be eligible for funding from the Economic Development Administration. Projects must be included in this plan in order to be considered for these federal funds. Then information that is provided will be compiled with information from other communities and submitted to the ECRDC where it will be used to evaluate the need of our region, and provide a listing of projects that could potentially be eligible for EDA funding. The EDA Board was asked to compile a list of the top five prioritized projects that would be good for the community.

1. 21st Avenue Extension between First Street and the Industrial Park
2. Construction of the new Wastewater Treatment Facility
3. Package Treatment for Industrial Waste Water
4. Improved Local Transportation Facilities
5. Increased Revolving Loan Fund Opportunities

Whitcomb noticed Industrial Park Lot Development is higher ranking then the Increased Revolving Loan Fund Opportunities.

Blake seen the error and will revise the form and send a new one in to the ECRDC.

B. Tax Abatement Policy and Application

The purpose of this policy is to establish the City of Princeton's position relating to the use of the tax abatement for private development above and beyond the requirements and limitation set forth by State Law. This policy shall be used as a guide in the processing and review of applications requesting tax abatement assistance. The fundamental purpose of providing tax

abatement in Princeton is to encourage desirable development or redevelopment that would not otherwise occur, but for the assistance provided through the tax abatement.

The City of Princeton is granted the power to utilize tax abatement by Minnesota Statutes, Section 469.1812 to 469.1815 (the Minnesota Tax Abatement Act) as amended. It is the intent of the City to provide the minimum amount of tax abatement, as well as other incentives, at the shortest term required for the project to proceed. The City reserves the right to approve or reject projects on a case by case basis, taking into consideration established policies, project criteria, and demand on city services in relation to the potential benefits from the project. Meeting all or a majority of the policy criteria does not guarantee the award of tax abatement to the project. Approval or denial of one project is not intended to set precedent for approval or denial of another project.

City Intern, Tom Terrio contacted neighboring communities for a copy of their Tax Abatement Policy. Elk River and Cambridge were very similar and that is what Princeton would like to use.

Riddle asked on Page Three, Item H., at the bottom there is no designation who will pay for the information requested by the City.

Blake said that is cost to the Developer. He will add it to the context of the form. On Page Four, Item B, we may want to add commercial/retail office. Blake would like to know what the EDA Board sense is with this. It could also state other duties assigned by the EDA Board. Blake believes to add the wordage downtown commercial/retail office or other uses recommended by the EDA.

Riddle said her concern with other projects would it open the EDA up to other businesses that want to come to Princeton.

Blake said it would be the quality of jobs and what that business brings to the community. It would be quality of building, and jobs in a whole. This can be narrowed down to certain criteria such as a high profile or high priority sites. We could map out the areas that are a high priority site. Historic or cultural value would be high priority. Blake understands that the EDA Board will want more say in the tax abatements that could be requested.

Hanson likes that the EDA Board would have more say in it where the policy is not just black and white. Take the minimum square feet off and have office facilities with higher quality structure.

Blake will work on the quality issue and bring it back to the EDA Board.

Riddle questioned Item D, Page 4, regarding the number of jobs and hourly rate, should it state the number of jobs. Item F, on the page, reads that it significantly increases tax base. Is that wording okay or should it be more descriptive.

Hanson liked that wording where it can give flexibility.

NEW BUSINESS: None

OLD BUSINESS:

A. Website Update

Blake added this item to the agenda. The new City website is up and looks good. In the EDA area of the website, Blake would like a listing of all businesses in the City. The Chamber list only their members on their website. The City news letter will be going out soon and Blake would like a small area in there that would give information to City businesses regarding having their business listed on the City website. The business has to be in the City of Princeton. Blake would also like to have available commercial and Industrial sites on the website. These could be vacant land or empty buildings. Blake asked the Board to look at the website and if they see anything else that should be added. Blake plans to take photos of areas in the City this summer and add them to the website.

B. Aero Business Park

Blake added this to the agenda. Steinbrecher's have backed out of their purchase agreement for the lot in Aero Business Park last month. Blake has spoken to a few individuals if they would like to purchase all of Aero Business Park from the City for what it cost and let them develop it. An outside party would have more contacts than the City would. Blake will bring this back to the EDA Board next month with a memo of plus and minuses regarding this.

Riddle believes the private sector is better at marketing than the public sector.

Whitcomb asked on the two lots that have been spoken of for the Public Safety Building, would those be included for selling. Blake said no. The City would keep those.

MISCELLANEOUS:

A. EDA Balance Sheet

The EDA Board had no comments.

B. City Council and Planning Commission Minutes for February, 2008

The EDA Board had no comments.

C. Verbal Report

Blake informed the EDA Board there may be activity out in the Rivertown Crossing Development with land surveyors and soil boring. It is not finalized, but a big box is interested in the remaining land. The BR&E Program is moving along slowly. Blake and Karnowski met with the owners of the RJ's Two building and they are asking for ideas of what could go into the building now that it is empty. Best possibility is a restaurant. They would even lease it out at a lower rate. The party interested in bringing a Mexican Restaurant to Princeton would look at leasing a part of the building. Blake said he sent traffic studies to Perkins Restaurant. Bio Matrix has an additional project that is a million dollar project. Intelligent Ingredients has gotten their first dispersment from the Initiative Foundation and should hopefully be moving into their site soon.

HALLIN MOVED, SECOND BY HANSON TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 6:50 P.M.

ATTEST:

Paul Whitcomb, President

Mary Lou DeWitt, Comm. Dev. Assistant