

**THE REGULAR MEETING OF THE PRINCETON EDA BOARD HELD ON MARCH 21, 2013, AT
6:00 P.M., AT CITY HALL COUNCIL CHAMBERS**

Thom Walker called the meeting to order at 6:00 P.M. Members present were Mary Chapman, Charles Snustead, Victoria Hallin, Cindy Riddle, and Genny Reynolds. Staff present were Carie Fuhrman and Mary Lou DeWitt.

Absent was Grady Clark.

APPROVAL OF MINUTES FROM THE REGULAR MEETING ON FEBRUARY 21, 2013

CHAPMAN MOVED, SECOND BY HALLIN, TO APPROVE THE MINUTES OF FEBRUARY 21, 2013. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED.

UNFINISHED BUSINESS:

A. NSP Update

1) Former Arcadian Homes Site

Fuhrman said the deadline date for the Request for Proposals is April 11th, 2013. No action is required at this time.

2) 809 9th Avenue North (Former Kenny Bergstrom property)

The next step is removal of the asbestos and vermiculite, but this cannot be complete until the springtime, so things are on hold for a bit. Request for Proposals will be sent out as the time nears, depending on the weather. Once that is complete, a company will be hired to demolish the home.

3) 903 9th Avenue North – Review Phase II Environmental Proposals

Fuhrman met with Mille Lacs County Board of Commissioners on March 5th to discuss negotiating a purchase for the property as it is in tax forfeiture. They gave their approval of a Phase II being conducted on the site; and County Board directed staff to work with Fuhrman in regards to establishing a purchase price for the property.

The Phase II Environmental Assessment Request for Proposals were sent out, and the deadline date is March 20th. Fuhrman handed out a review of the proposals. There were seven proposals, ranging from \$6,179.75 to \$12,953.37. The proposals are listed as follows:

- * Javelin Group - \$6,179.75
- * West Central Environmental Consultants - \$7,750.00
- * WSB - \$7,840.00
- * Braun Intertec - \$8,229.00
- * Peer Engineering - \$9,850.00
- * American Engineering Testing - \$11,650.00
- * ECAD Engineering - \$12,953.37

An analysis in the form of a spreadsheet of each of the proposals was given to the EDA Board for review. Fuhrman went through the spreadsheet. Fuhrman noted that West Central Environment Consultants' (WCEC) proposal was thorough and was clear the site had been viewed prior to submitting the proposal. Their proposal was second to the lowest bid. Javelin

Group was the lowest bid, but they had conditions on the cost. WSB was close to the WCEC proposal, but did not include the reliance letter in the bid and was not as thorough.

Fuhrman would recommend approval of hiring and entering into a contract with WCEC to perform the Phase II environmental assessment at 903 9th Avenue North, based on the finding that the proposal appears to be the most responsive to the Request for Proposals at a reasonable cost.

Fuhrman was asked if this is the building with the collapsed roof and she said that building is Cliff's that is just north of this property. The person who owns that site wants more than what is left in the Neighborhood Stabilization Funding program.

As you will recall, the original plan was for the City to enter into a Purchase Agreement with Habitat for Humanity for a future home to be constructed on the former Bergstrom property, and the former gas station property was to be utilized as yard. Since the last EDA meeting, staff has been contacted by Eldon Johnson of Remax Realty. He indicated that there is a lot of demand for a twinhome development, similar to the development just north of Cliff's because of its location along the West Branch of the Rum River.

Fuhrman contacted NSP staff, and they suggested this may be a possibility, pending if there is room on the site for this type of development. Staff is reviewing the site closer and there are some limitations with the site, including the odd configuration of property lines, due to the original plat of the City and then Highway 169 going through this end of town; the close proximity of the West Branch of the Rum River; setbacks to the bluffs; and uncertainty of the environmental state of these properties.

As you will recall, Rick Johnson approached staff regarding the redevelopment of this site as commercial; however, that was not possible if NSP funding were utilized. In this case, if housing is the end use, it should be allowed, as long as there is some affordable housing aspect to it.

If the City were to pursue this option, in regards to NSP, we would likely need to land bank the property in order for further investigation to occur. On that front, Fuhrman just attended a workshop in regards to Brownfield funding through DEED. There is funding available for Brownfield investigation and clean-up. Fuhrman is looking for direction from the EDA whether they would like to pursue this option further. To do more twin home lots it would need to include the Cliff Sales lot and there is the bluff line also that needs to be considered. Fuhrman believes there would be room for twin homes, but is not sure about the access. A survey would need to be done, even on the Bergstrom's property. There is no motion or decisions on this. We have met our low income unit requirements with NSP, except for some outstanding rules.

Snustead commented that twin homes are nice to have.

Fuhrman said land banking it right now would be good.

Reynolds said twin homes would be good. Princeton has more elderly residents.

Fuhrman said she would concentrate on the two properties, and a developer would have to work with the owner of Cliff's property.

Reynolds said the service drive may be difficult.

Walker said he is okay with a different developer on this because Habitat already has another lot to work on.

Fuhrman said twin homes would be higher tax base. Rick Johnson wanted it as commercial. There is interest in these lots. She will continue looking into it. Another staff member with NSP is looking into if we can land bank this. She believes we would be able to.

The EDA Board would like Fuhrman to continue researching this with the NSP staff.

Walker asked on the cost of property at 903 9th Avenue North.

Fuhrman said she met with Mille Lacs County Board and they voted to allow the Phase II to be conducted, and Roxy Traxler to work with city staff on a price. She will talk to Roxy further on this.

Reynolds believes \$500 would be the price.

Walker wants the County to give the land to the City if the City is cleaning the site up.

Reynolds said \$500 would cover the transfer costs.

HALLIN MOVED, SECOND BY RIDDLE, TO APPROVE THE HIRING AND ENTERING INTO A CONTRACT WITH WEST CENTRAL ENVIRONMENTAL CONSULTANTS TO PERFORM THE PHASE II ENVIRONMENTAL ASSESSMENT AT 903 9TH AVENUE NORTH, BASED ON THE FINDINGS THAT THE PROPOSAL OF \$7,750.00 APPEARS TO BE THE MOST RESPONSIVE TO THE RFP AND AT A REASONABLE COST. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED.

The EDA Board commented that if a developer wanted to build twin homes on this site, the cost of Phase II could be saved in the NSP funds. It was decided to move forward with Phase II and that information regarding the Phase II could be given to a possible buyer if they chose to purchase the site.

B. Downtown Business Signs by Walmart

Fuhrman said at the February 21, 2013 EDA meeting, the EDA Board directed staff to explore the costs for three "Downtown Business District" directional signs to be placed out by Walmart.

After that meeting, Scott Berry, Chamber President, contacted Fuhrman and expressed his interest in a larger sign that would illustrate individual downtown business names and/or logos. Fuhrman told him that this idea was brought up at the EDA meeting, but was decided not to be explored because of potential costs, maintenance, and upkeep issues. His feeling is that the green signs with white lettering will not be noticed because those can be found in many different locations and are not unique. He requested that the "Experience Princeton" logo be priced out in addition to the "Downtown Business District" with arrow signs.

Fuhrman requested cost estimates for both sign types. The cost estimate was given to the EDA Board for their review. Fuhrman also had a map with potential locations for the three signs.

Chuck Nagel had emailed an example of a main street sign in Siren, WI. Chapman said the Chamber is interested in that style of sign, but is concerned on how it would be maintained.

Fuhrman said that Berry suggested the Chamber could help contribute towards this type of sign.

Walker suggested that the Chamber should be in charge of the sign. The business could pay for their name plate, and the Chamber would have the sign made and maintained.

Reynolds commented that could work.

Riddle said that the Chamber should put it up.

Walker said the EDA could facilitate in getting the sign located and in the ground.

Riddle said the green and white directional sign we will do. The Chamber can do the business sign.

Chapman said the two areas on the map Fuhrman made could have the green and white sign and the business sign could go by Aero Business Park. Would the business sign be able to go in that area?

Fuhrman said that is an off-site sign, and the Ordinance would need to be amended.

Snustead said if someone bought the corner lot in Aero Business Park they may not want the sign there.

Walker said Soule's had said they would allow a sign on their property. It would be the main

outlet coming and going on 21st Avenue from Hwy. 95.

Fuhrman said have it seen on Hwy. 95 would be nice, but then again the speed limit may be too fast along 95, so at an intersection may be best.

Reynolds said with the downtown directional sign the lettering is 3 ½ inches tall.

Chapman said they should be seen at a stop sign.

Riddle suggested that they are attached to the legs of a current sign.

Fuhrman is not sure of the standard height and will ask public works.

Reynolds said there is a certain height by sidewalks where no one hits it.

Walker said that the blue signs along the highway that shows food and lodging places are visible.

Reynolds said those signs along the highway you apply to MnDOT and they make the sign and put it up for a onetime fee of \$1,500. That sign stays up as long as you like.

HALLIN MOVED, SECOND BY RIDDLE, TO APPROVE THE THREE DOWNTOWN DIRECTIONAL SIGNS THAT WILL BE PLACED ON 21ST AVENUE/ FIFTH STREET NORTH, 21ST AVENUE/SECOND STREET NORTH, AND FIRST STREET. THERE WILL BE TWO SEPARATE SIGNS AT EACH LOCATION; ONE WILL BE THE GREEN WITH WHITE LETTERING STATING "DOWNTOWN BUSINESS DISTRICT" WITH A DIRECTIONAL ARROW, AND BOLTED BELOW THAT WILL BE A SEPARATE SIGN IN THE GREEN AND WHITE COLORS WITH THE "EXPERIENCE PRINCETON" LOGO. THE COST IS APPROXIMATELY \$165, AND THE POLES MAY BE EXTRA. THE EDA WILL HELP FACILITATE THE LOCATION OF THE CHAMBER'S BUSINESS SIGN. UPON THE VOTE, THERE WERE 5 AYES, 0 NAYS, 1 ABSTAINED. (AYES: HALLIN, RIDDLE, REYNOLDS, SNUSTEAD, AND WALKER) (ABSTAINED WAS CHAPMAN).

NEW BUSINESS:

A. Downtown Parking Discussion

Fuhrman informed the EDA Board that at the March City Council Study Session, Kelly Guptil (owner of Louise's Basement and manager of Ossell's) and Scott Berry (Chamber President and owner of Berry Law Office) approached the City Council regarding concerns of parking in the downtown business area. They notified the City Council that some apartment tenants, employees, and business owners are parking downtown for long periods of time and taking up potential customer spaces for businesses that rely on foot traffic. As they pointed out, customers often times want to park right in front of the business, and many people will move on if they cannot find a place to park.

Discussion ensued at the Study Session regarding potential solutions to the parking issue, including:

* Install two hour parking limit signs in designated areas – along Rum River Drive (from Hytech to Bremer) and along First Street (from the Elim Home to the library). This was the suggestion from Guptil and Berry.

Comment: Guptil and Berry argued that this was an easy fix, the public would respond to notices and signs, and would not require much enforcement.

Numerous points were made during the discussion of this potential solution, including:

- Is there adequate manpower for consistent enforcement of these regulations?
- Is two hours long enough for someone who may be doing extended shopping in downtown?
- The potential for upsetting shoppers/visitors to the community who get ticketed, which may defeat the purpose of growing a vibrant downtown community.

* Install “customer only” parking signs throughout downtown to deter non-shoppers from parking in potential customer spaces.

* Suggest the downtown business owners come to a solution to the problem without city intervention.

Comment: The Police Chief pointed out that the solution needs to come from the businesses themselves. But, in order for it to be effective, everyone needs to be involved.

* Send a letter from the City Council and Chamber Board jointly to the businesses reminding them to the public parking lots available in downtown and encouraging the owners and employees to utilize those lots as a courtesy to other businesses in downtown.

Comment: Guptil mentioned that she has spoken with some people who are parking in these spaces and has not gotten anywhere with them.

Mark Karnowski, City Administrator, checked with both the League of Cities and the Clerk/Administrator Listserv to see what other cities have done. The comments were given to the EDA Board. This is a long-standing problem not unique to Princeton’s downtown. It was requested at the Council Study Session that this issue be brought in front of the EDA for their discussion.

Brian Payne, Police Chief, had did some monitoring of the downtown parking on Tuesday, March 12th. He observed that several business owners were still parked in the downtown parking spots along Rum River Drive and First Street. A lot of business people were parking along 6th Avenue North in front of Cooks, and there were three of the five parking spaces behind Ossell’s taken up by owner/employee parking. At that time, he observed two vehicles parked in the City lot between Trinity Church and the Masonic Hall.

The City owns four parking lots in the downtown area, which provide 364 free, off-street

parking spaces. Fuhrman had a map exhibit showing these parking lots.

Riddle said it is a problem of courtesy. She noticed that the cars pictured in the paper are no longer parking along main street since that photo.

Snustead asked what the objection is in regards to the two hour parking.

Chapman said Anoka has the two hour parking downtown, but they do not monitor it.

Walker said two hours is not long enough to shop and have something to eat.

Hallin agreed.

Walker said there are a lot of parking spots for business staff to park at. Send out reminder letters to park in the lots. Signs are approximately \$30 a piece. There may be 20 signs needed to be posted for customer parking. Maybe we have grant money that could help on the cost.

Chapman said she could make a note to send it in the fall for business owners as a nice reminder. Two or three signs per block would be nice. Guptil had a petition signed in support of customer parking.

Reynolds said in there was parking restrictions and most were supportive of it.

Walker said he likes customer parking signs, not two hour LIMIT parking signs. Where would the money come from? Customer only please, he would like it to say in a 12" x 18" sign size. Like a handicap sign size. A total of 16 signs is all that would be needed. There could be two placed on each side of each block. We would have to find money somewhere, but not from the EDA funds. The City would have to do take care of the signage placement.

Fuhrman said Karnowski will be putting it back on the City Council agenda. She will let him know of that the EDA Board suggests "customer parking only please" signs for a total of 16 signs, in the size of 12" x 18".

CHAPMAN MOVED, SECOND BY REYNOLDS, TO FORWARD TO THE CITY COUNCIL THE EDA BOARDS SUGGESTION OF HAVING "CUSTOMER PARKING ONLY PLEASE" SIGNS IN THE SIZE OF 12" X 18", WITH TWO SIGNS PLACED ON EACH SIDE OF EACH DOWNTOWN BLOCK FOR A TOTAL OF 16 SIGNS. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED.

B. Call for Special Meeting – April 4th, 2013 at 6:30 PM

Fuhrman said the the EDA Board needs to hold a special meeting for April 4, 2013 at 6:30 PM to authorize the sale of a bond to pay for the structure of a Public Safety Building. The EDA would

construct the building and rent or lease the building back to the City. Future sales of liquor store would pay back the bond. The building will be a little over two million dollars.

Hallin, Walker, Chapman, and Snustead said they will be available to attend that meeting. That will make a quorum.

Walker said about the EDA needs to get paid for this property.

Fuhrman said she does not know if that will be happening.

Walker said he will bring that question up at the special meeting.

OLD BUSINESS: None

MISCELLANEOUS:

A. EDA Balance Sheet

The EDA Board had no comments.

B. Verbal Report

1) Greater MN Economic Development Partnership

Fuhrman said the last EDA Board meeting Hallin had brought this up. Fuhrman talked to three communities that are members. International Falls said they joined for networking. The City of Crookston EDA joined for a greater voice from this partnership. The City of Fergus Falls said that they have seen general benefits from this partnership.

Fuhrman likes the networking piece, but GPS 4593 offers a great networking opportunity as it is they also provide updates when outside businesses are looking to expand. There is no funding in the budget right now to join the Greater MN Economic Development Partnership. If the EDA Board wanted to join it for next year she would put that in the budget. Fuhrman believes they have an annual meeting and a June conference in Duluth.

Walker said it is most likely something we do not need.

Hallin said that the membership fees are to enhance the commitment they already have in place, such as bonding bills. They go to the Capital to push items and they have different budgets they have to work within, and this program helps enhance their budget to go there.

Fuhrman said she will bring it back to the EDA Board for next budget and see if they want to participate in it.

2) It Starts Here Challenge Update

Fuhrman said the credit checks are being run on those eligible and then on to Phase II.

3) Grow MN Update

Fuhrman said that the next Thursday will be another visit her and Chapman will make. They are happy with the program.

4) Princeton Community & Business Expo: March 23rd, 9am-2pm at the High School

Fuhrman said that the EDA does not have a booth there, but the Chamber will have some information in regards to the EDA and City at their booth. Fuhrman will be there and visit with people.

C. City Council and Planning Commission Minutes for February, 2013

The EDA Board had no comments.

Hallin asked if it is true that Sylva Corporation has closed.

Fuhrman has not verified this information, but has heard the rumor.

Reynolds said Congressman Nolan will be touring United States Distilled Products. They are pushing to get Princeton in the move with their companies. E Ride Industries is trying to be the vehicle used by the Postal Service. All elected people are invited to meet with Nolan.

Fuhrman said that she has talked to Nolan's representative about this. E Ride is in Princeton Township Industrial Park outside the City limits, but it is a benefit for our community. She has also talked to Nolan's representative about the extension of 21st Avenue project.

WALKER MOVED, SECOND BY CHAPMAN, TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED TO ADJOURN THE MEETING AT 7:28 P.M.

ATTEST:

Thom Walker, President

Mary Lou DeWitt, Comm. Dev. Assistant