

**THE MEETING OF THE EDA BOARD HELD ON APRIL 16, 2015, AT 6:00 P.M., AT
PRINCETON CITY HALL COUNCIL CHAMBERS**

The meeting was called to order by Thom Walker. Members present were Genny Reynolds, Victoria Hallin, Charles Snustead, and Cindy Riddle. Staff present were Jolene Foss (Comm. Dev. Director) and Mary Lou DeWitt (Comm. Dev. Assistant).

Absent was Grady Clark.

AGENDA ADDITIONS/DELETIONS: None

APPROVAL OF MINUTES FROM REGULAR MEETING ON MARCH 19, 2015

RIDDLE MOVED, SECOND BY REYNOLDS, TO APPROVE THE MINUTES OF MARCH 19, 2015. UPON THE VOTE, THERE WERE 5 AYES, 0 NAYS. MOTION CARRIED.

UNFINISHED/OLD BUSINESS:

A. Finance & Commerce MN 2015 Award Dinner – BioMatrix

The Progress Minnesota program, now in its fourth year, recognizes individuals, entrepreneurs, businesses and organizations that are driving business growth and economic development in Minnesota in innovative ways. BioMatrix International, Inc. is one of the 23 businesses in Minnesota being honored at a dinner on April 9, 2015 at the Hyatt Regency Minneapolis.

The EDA Board and Chamber nominated BioMatrix as a candidate. Once it was announced that BioMatrix would be honored at the dinner, the Chamber asked if the City would contribute to paying \$450 and the Chamber would pay \$450 for the \$1,000 table cost. The candidate being honored will receive one free chair at the dinner and the remaining nine at the table will have to be purchased for those that would like to attend. A resolution authorizing the expenditure of \$450 for Public Relations for the City of Princeton was brought to the EDA Board at their March 19, 2015 meeting. The EDA Board had made a motion to table the BioMatrix expenditure until staff found out what the fund raiser for the event was for.

Foss said last month at the EDA Board meeting the EDA motioned to table the BioMatrix expenditure. She was asked to check what the fund raiser for the event was for. Foss and Thom Walker did attend the event. She thought the event was great. Foss believes it was good recognition for those that were acknowledged. Foss showed the EDA Board the Chamber Focus article of who was honored at the dinner. This was not a fund raiser.

Hallin mentioned that she talked to someone and heard it was not a fund raiser.

Riddle said the company that put this event on profited \$21,000 in funds from this event. This event was not even mentioned in the Star Tribune. Riddle asked if there is a motion on this.

Walker said it could be un-tabled.

Riddle said she will not un-table it.

Foss said the Chamber paid for it. There is value of being in the Finance and Commerce magazine. It might not be in the Star Tribune, but she believes it is still an accomplishment to be honored at this.

Reynolds said this company will not deny anyone who wants to be recognized. They do not honor anyone with this type of procedure. It was \$6,000 for the room and then they profited \$21,000.

Riddle does not know how the City would profit from this type of program.

Walker said he made a contact with an aviation company from Duluth.

Foss said it is a higher education program that we might have here for Aero Tech. There were other individuals from DEED that were there. She believes there was value in that to be there.

Reynolds said because they did attend we should pay, but does not like how we were roped into it.

Hallin agreed.

Foss said Chamber paid \$450 and we pay \$450.

Hallin said when she goes to a three day State convention and meets all the connections it does not cost that much. Princeton is recognized at that convention.

Walker said since there is no movement to un-table this, he said we can move on with the agenda.

B. MN Partners Membership Registration

Comm. Dev. Director memo:

The EDA had approved the City of Princeton's registration into the Minnesota Marketing Partnership. Staff has registered but is awaiting response from Jenn Pettit regarding a pro-rated fee.

I have reached out to a couple of the individuals that are members and the response I got was overwhelming positive.

Linsey Pruess from the City of Fairmont said it was "one of the best networking opportunity she has had, there was a very high quality membership and they provide opportunities to meet with site selector and practice the techniques and skills needed to bring in those individuals.

One consideration is that the cost of members alone will not bring you the highest return because there are many national events that will have additional cost but are well worthwhile. E.g. Data world in Las Vegas, Biofuels conference in MPLS..."

Tom Lambrecht of Great River Energy has highly recommended membership, as well as Cathy Mihelich from St. Cloud EDA, Jean Spaulding from Kandiyohi County and the City of Wilmar, and Bill Kemp of the Greater St. Cloud Development Corp.

*****End of staff memo*****

Foss said there are a few conferences nearby that would not be much travel time.

Riddle asked how much it is to attend the Duluth and MPLS conference.

Foss said when she had gone before it was \$300.

Hallin asked what are the other organizations that we belong too.

Foss said she did ask Steve Jackson, but she did not know what they are and will have to provide that information next month. She believes Greater MN Parks & Trails is one. There is also the Greater MN Marketing Group. She will let the EDA Board know if she was able to get the pro-rated fee.

Riddle said there is a three day conference on April 20th in Minneapolis that maybe she would want to attend.

Foss said this is the Biomass conference. She has Planning Commission meeting that night, but might be able to go for the day.

Walker said Sylva was doing the biomass. They are not doing that anymore.

Foss said Monday night she has to be here for the Planning Commission meeting, but she could maybe go during the day. The membership ends for MN Partners on December 31, 2015. She has kids at home she has to think about so she cannot do this April meeting. She may be able to go to the June 1-3 meeting in Duluth. That one would be good to network at. She will bring that up at the next meeting.

Walker said we should tie in with the businesses that we have here.

Foss said there is a Data Center conference in September, but it is in Maryland. Her and the owner of the land west of town have been working on getting the land shovel ready in case a Data Center were to come here. If not, the land would be ready for someone else. Foss said she will provide a list of who we are currently members with.

Reynolds wants to know who we are a member with, how long we have been a member with them, and what have we done with them.

Hallin agreed, she would like to know that information also.

C. NSP Update

Foss said her and Steve Jackson, City Finance Director had met the Nira Ly and she said the RFP for the West Branch Project is not complete. Nira Ly said it was a good start. Foss said that Nira Ly and Cherre Palenius are giving conflicting information so she had a conference call with them. The West Branch Project is tabled till September and they want her to complete the underground storage tank removal at 903 9th Avenue North (former gas station). They have set up a time line where April 27th the RFP will go out for the tank removal. In May the contractor will be chosen and two weeks after that he will do the job. It should be completed by the end of August.

Foss said she met with Wayne Eller, Habitat for Humanity and she took him by the sites available. He is very interested, but would like the SAC & WAC fee waved. There is a possibility that would be okay through the program if Eller were to complete the paper work that would be needed. Eller had asked about the second lot by Triangle Park and the SAC & WAC fees were \$19,000 to build a home on that lot at that time. He would like to know if services can be provided free for that location also. Mike Nielson, City Engineer with WSB is looking at the hook up there and seeing if that would be possible.

Foss said someone had talked to her about getting a free Habitat House and they do not pay taxes. She explained to the person that they do pay for the house and they do pay taxes on the property. Maybe an ad in the Union Eagle would be good to provide facts about Habitat homes.

NEW BUSINESS:

A. Tax Increment Financing & Tax Abatement Discussion

Foss said she had spoke with the gentleman who owns the Cambridge Culvers. He would like to build another one and is seeing if the City of Princeton has any incentives. Foss asked what would we be willing to provide that is helpful to bring someone in.

Hallin asked how long TIF is running.

Foss said it is still running. She needs numbers for Aero Business Park.

Walker said at Aero Business Park it runs about \$2.50 a square foot. This is twice as much as the going rate right now. We should take the assessments off and maybe offer tax abatement or TIF.

Foss said when someone comes in and ask about Rivertown Crossing area, would we offer TIF or not. That land is not owned by the City.

Riddle said yes.

Walker said the schools are looking at enrollment money.

Reynolds said any business that is wanting to come into the City, we should have a package to give them. She told Foss to talk to Richard Baker.

Walker said the cost did not change, but what is left is smaller.

Riddle said if a business came in with an offer it should be looked at.

Walker said jobs have to be created with the tax abatement program and retail does not do that. Retail in the past we did not do so much for. Rivertown Crossing is already developed. TIF cannot happen there.

Foss said TIF would be for Industrial. Tax abatement can be for retail and such. She will get a list of where we are at with what is left.

Reynolds told Foss to talk to the Cambridge Economic Development Director and he will give information on it.

Walker said if we do not charge the assessments maybe that is the way to sell lots in Aero Business Park. He directed Foss to see if the City is able to do that with those lots.

Riddle said the sooner we get someone in Aero Business Park the better.

B. Industrial Park Expansion Study Proposals

Comm. Dev. Director Memo:

The Industrial Park Expansion Study RFP deadline has passed on April 10th. The EDA has received 3 proposals from firms interested in completing the study.

Staff suggests that we look over the proposals tonight and if the EDA is comfortable with making a decision, Staff would contact the company and ask them to come to a special meeting on the 23rd at 6 PM before the Council meeting to present their plan.

The three companies that responded were:

- Ulteig, Brian King \$41,000
- Loucks Associates, Tina Goodroad and Kirstin Barsness \$34,790
- WSB & Associates, Inc., John Uphoff \$40,390

Proposed timeline:

April 16th – Choose consultant

April 23rd – Consultant present to EDA

May 1st – Contract signature/work begins

August/September – Study Completion

September/October – Present to Council

*****End of staff memo*****

Foss said she looked at the references and previous jobs and experiences of each of the three companies that responded. Ulteig had worked with Princeton Public Utilities and Connie Wangen. Loucks/Barsness worked on putting together the RFP.

Loucks/Barsness had the time frame for the project as starting in May and ending in October.

Ulteig has the time frame for the project with the starting time in April with the EDA's selection and ending in July with the final report.

WSB has the time frame for the project to begin in May and end in August.

Foss asked when do we want the data by. If we need it quicker that could be a reason for picking the shorter time period one.

Riddle asked if the shovel ready land west of town is related with this project.

Foss said no. That data center would not be in this Industrial Park. If we do not get a data center than we could have land that is shovel ready.

Walker asked if any of the proposals have market analysis.

Foss said look on page 29 of Ulteig proposal and you see a timeline schedule and fee proposal. The Loucks/Barsness references are on page 17. WSB is on page 10 has their references. She knows one of the references listed and values their opinion. For Ulteig they have Connie Wangen at Princeton Public Utilities listed as a reference so she could ask Connie what she thought of them. Loucks/Barsness had done the Oakdale Mall redevelopment and that was a huge operation.

Hallin likes to use the cheapest one.

Walker said Loucks has their inventory analysis is more detailed. We need to know if we can sell the lots. This is important.

Foss said we could request that all three firms come to present their proposals to the EDA Board.

Walker would like that.

Foss asked if the time period of 20 minutes each on April 23rd at 5:30 P.M.

Reynolds cannot make it on April 23rd.

EDA Board agreed that April 30th, 2015 at 5:30 P.M. to schedule the presentations.

C. It Starts Here

The Princeton Chamber is recommending Faith Goenner, "Mama G's Pregnancy Shop" as the winner of the \$10,000 forgivable loan. The concept is to bring retail and clinic support for pregnant women. Goenner has 20 years of experience supporting the research, clinical and academic missions within the University of Minnesota.

Foss handed out Goenner's business proposal. Her background is in working with the financial aspects for the different areas for the University of Minnesota. Goenner wants to provide products and healthcare services to support healthy women during pregnancy and beyond. She plans on partnering with resources surrounding Princeton such as Fairview Northland, local midwives, relevant nonprofits, fitness centers and local professionals such as attorney, accountant, and IT services. Goenner will be renting a space in the back of Minute Man Press building. Foss said she did have Steve Jackson, City Finance Director look at her business proposal and the numbers she presented.

Snustead looked at the business proposal and asked how she is going sustain herself.

Foss said she must have personal finances.

Snustead asked if Foley has a midwife facility.

Reynolds said Mille Lacs County does have a midwife facility.

Foss said the Board who reviewed this from the Chamber is offering her this grant. She lives outside Princeton, but speaks highly of Princeton. Goenner is a very nice lady and has good references. We are asking for the EDA Board's approval.

REYNOLDS MOVED, SECOND BY WALKER, TO ACCEPT FAITH GOENNER, "MAMA G'S

PREGNANCY SHOP” AS THE RECIPIENT OF THE “IT STARTS HERE” \$10,000 GRANT.

Snustead said he will abstain. He wants to know how she is going to make money.

Riddle is not as excited with this recipient as she was with the Art Co-op. We gave it to the Chamber to handle now and we need to trust their recommendation.

Reynolds said Fairview delivers more babies than any other area.

Walker said she is partnering with Fairview.

UPON THE VOTE THERE WERE 4 AYES, 1 ABSTAIN. (Ayes: Riddle, Hallin, Walker, and Reynolds. Nay: Snustead) MOTION CARRIED.

MISCELLANEOUS:

A. EDA Balance Sheet

The EDA Board had no comments.

B. Verbal Report

Foss said she gets to decide the use of the \$3,000 budget to be used to promote the area. Those are not EDA funds, but comes from the Community Development budget. She is going to have Hendricks Marketing in St. Cloud design the website and brochure. She will have the printing of the brochure done in town. She will sell half page ads for the brochure to pay for the printing. She would like the EDA Board’s support on this and has high hopes of this being a positive thing to promote the City.

Walker would like on the August or September EDA agenda to have budget proposals. It would be good for the EDA Board to review the budget proposal and how we want to spend money. If we need funds from the general funds we should have a guideline on how we want to use those.

Reynolds said Foss did a presentation at the Chamber meeting and she did a good job.

C. City Council and Planning Commission Minutes for March, 2015

The EDA Board had no comment.

REYNOLDS MOVED, SECOND BY RIDDLE, TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 5 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 7:19 P.M.

ATTEST:

Thom Walker, President

Mary Lou DeWitt, Comm. Dev. Assistant