

**THE REGULAR MEETING OF THE EDA BOARD HELD ON MAY 15, 2014, AT 6:00 P.M.,
AT THE CITY HALL COUNCIL CHAMBERS**

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The meeting was called to order by Thom Walker. Members present were Grady Clark, Charles Snustead, Genny Reynolds, and Mary Chapman. Staff present were Carie Fuhrman (Comm. Dev. Director) and Mary Lou DeWitt (Comm. Dev. Assistant).

Absent were Victoria Hallin (Arrived at 6:03 P.M.) and Cindy Riddle (Arrived at 6:11 P.M.)

AGENDA ADDITIONS/DELETIONS: None

APPROVAL OF MINUTES FROM REGULAR MEETING ON APRIL 17, 2014

CLARK MOVED, SECOND BY SNUSTEAD, TO APPROVE THE MINUTES OF APRIL 17, 2014. UPON THE VOTE, THERE WERE 5 AYES, 0 NAYS. MOTION CARRIED.

Hallin arrived at 6:03 P.M.

UNFINISHED/OLD BUSINESS:

A. Rum River Health Services RLF Collateral Collection

Fuhrman said at the last EDA Board meeting, the EDA directed staff to review the computer equipment that was left at Rum River Health Services and take what is feasible to be used or sold. Fuhrman and Steve Jackson, City Finance Director, went to Rum River Health Services Community Health Building and there were 30 computers that they counted that appeared to be on our collateral list: 22 computers with Windows 7; three computers have Vista; and four have XP. One computer appears to have been taken by the Police Department for their investigation. The other four computers along with other computers have either been taken by the Police for investigation, or are in the Corporate Office in the Belle Haven building, which we have not gotten into yet.

Fuhrman did call Tom Trandahl, TDT Computers and asked him for an approximate figure to have the computers wiped clean of all personal data and restore them. Trandahl said for one computer it would be \$120, plus tax. It could be as low as \$50 depending what is on them. The City could use four computers and the remaining we would sell. Trandahl said he will work with us to sell them. He does work with a lot of people in selling computers. They are looking for inventory. They clean the computers out, restore them, and list them. We probably won't get much money for them, but it will at least be something.

Snustead said he has used TDT Computers for years for his own computer updating.

Fuhrman said that the City Attorney advised her that the EDA Board should make the decision tonight on the computers. He is concerned it will be limited time that they are available for the City to pick up.

CHAPMAN MOVED, SECOND BY REYNOLDS, TO APPROVE STAFF COLLECTING THE COMPUTERS AND RELATED EQUIPMENT AS SOON AS POSSIBLE USING THEIR DISCRETION TO TAKE ALL THE COMPUTERS THAT WOULD BE USEABLE OR SELLABLE THAT ARE ON THE COLLATERAL LIST FOR THE RUM RIVER HEALTH CARE SERVICES REVOLVING LOAN, THEN HIRE A COMPANY TO CLEAN

OUT ANYTHING THAT IS ON THE HARD DRIVE AND RESTORE THE COMPUTERS. THE CITY WILL KEEP ANY NEEDED COMPUTERS FOR STAFF AND SELL THE REMAINING.

Walker asked if Tom Trandahl can wipe the computers clean or is that an issue.

Fuhrman will talk to the City Attorney and see what he suggest with cleaning the hard drive. She believes you have to be certified to do that and Trandahl has worked on the one the Police have. She understands the concern is the patient data.

Riddle arrived at 6:11 P.M.

Reynolds asked how the Police Department did on their auction. Maybe we would like to use the same procedure with the remaining computers.

Riddle said she spoke with Todd Fredrick at the Police Department about using the procedure the Police used to get rid of office equipment and he did not recommend it.

Walker said to use discretion on the older computers and not bring them to City Hall so we do not have to get rid of them.

Snustead said the Vista and XP computers can be converted to Windows. He has had his old computer updated from Trandahl.

Reynolds said the older computers could be used for parts.

Riddle commented that XP computers is supposed to have a huge security breach on them.

Clark asked for the computers that are left there, who will be responsible for them.

Walker said the owner of the building.

Snustead questioned if any that are left there are listed as our collateral would we be responsible for those computers that would be left there.

Fuhrman will ask the City Attorney.

Walker said if we are responsible for them we should take them.

Fuhrman commented that the City has spent close to \$1,800 for Attorney fees just on this loan default.

Chapman said there are companies that buy office furniture and such, maybe we can get some of those items.

Fuhrman said our list for collateral was only desk top computers. She will ask the City Attorney if printers could be part of what we get.

UPON THE VOTE, THERE WERE 7 AYES, 0 NAYS. MOTION CARRIED.

B. NSP Update

a. Former Arcadian Homes Site

Fuhrman informed the EDA Board that the City and Princeton Public Utilities have been discussing the water main update work that is needed, as well as other associated work with the project. The Princeton Public Utilities is now researching financing options for the project, which could happen as soon as this year, but likely next year.

Staff has discussed the future multi-family redevelopment project on the site with the NSP Advisor, and if the water main upgrade occurs, we should be on track to issue a Request for Proposals early next year. That will give the chosen developer time to prepare for and submit application for the tax credits, which are due mid-June.

b. Former Bergstrom & Gas Station Sites

Fuhrman informed the EDA Board that we had a brief interruption in acquiring the former gas station from the County while the MPCA review took place, but staff has now submitted the formal request to the County staff to take ownership of it.

Fuhrman would like to move forward with acquiring bids to demolish both the former Bergstrom home and gas station. If the EDA Board is in favor, a motion directing staff to send out a call for bids would be in order. The direction to begin work would not happen until the city has full ownership of the former gas station property. Fuhrman can then bring the bids back for the EDA review at the next meeting.

RIDDLE MOVED, SECOND BY HALLIN, TO CALL OUT FOR BIDS TO DEMOLISH THE PROPERTIES AT 903 9TH AVENUE NORTH (TAX FORFEITED; FORMER GAS STATION) AND 980 9TH AVENUE NORTH (FORMER BERGSTROM HOME). WORK WOULD NOT BEGIN UNTIL THE CITY HAS FULL OWNERSHIP OF THE FORMER GAS STATION PROPERTY. UPON THE VOTE, THERE WERE 7 AYES, 0 NAYS. MOTION CARRIED.

C. Regional Housing Study

Fuhrman informed the EDA Board that last fall, the City agreed to participate in a Regional Housing Study. The consultant, Maxfield Research, Inc. was chosen, and the kick-off meeting was held. They are currently collecting pertinent information from all the participating communities to begin the process. The full study is expected to be completed late this summer. The results of this study will hopefully help in attracting developers on the former Arcadian Homes site.

Walker asked what the cost was for this.

Fuhrman said \$3,000 was allocated for it.

NEW BUSINESS:

A. Industrial Park Expansion Request for Proposals

Fuhrman informed the EDA Board that our current Industrial businesses are in, and continue to be in, expansion mode. BioMatrix and Minnesota Industrial Coatings are just two current examples of that fact. For quite some time, the City has been preliminarily looking into how to add additional industrial land, but a formal study has not been conducted. A study is really needed in order to determine what the needs of businesses are (market analysis), performing a preliminary site assessment, putting together a potential layout, and cost estimate.

Fuhrman has put together a draft of an Industrial Park Expansion Study Request for Proposals for the EDA Board to review. It includes all of the components needed. However, pending what the cost estimates are, the City may choose to only fund a portion of the Study at this time.

In addition, Connexus Energy, which serves our Industrial Park, has indicated interest in assisting in this effort as they are interested in helping to see their manufacturing base grow. Fuhrman has sent the attached draft Request for Proposal to Connexus and is waiting to hear a response.

Fuhrman is requesting the EDA review the draft Request for Proposal, and if they are okay with it, she is asking for a motion to proceed with sending it out.

HALLIN MOVED, SECOND BY RIDDLE, TO APPROVE STAFF TO SEND OUT THE INDUSTRIAL PARK EXPANSION REQUEST FOR PROPOSALS.

Walker would like to see a market study and what people would pay for the sites.

Fuhrman will add that to the Request for Proposals.

Reynolds commented that she has been hearing that people want buildings that are already there.

Chapman wondered how many buildings are vacant in our industrial park now. She has seen a few there. Maybe something to look into.

Walker wondered if a contractor would be interested in building some buildings to sell.

Fuhrman said she has talked to someone who could build a shell.

Riddle said to start with the study first.

UPON THE VOTE, THERE WERE 7 AYES, 0 NAYS. MOTION CARRIED.

B. Mock Interview Volunteers Needed

Fuhrman said they did fill the two interview spots.

MISCELLANEOUS:

A. EDA Balance Sheet

The EDA Board had no comments.

B. Verbal Report

a. MN Industrial Coatings TIF & BioMatrix Tax Abatement Updates

Fuhrman said that City Council approved both so they are moving forward. The Council approved MN Industrial Coatings with adding 20 jobs in the next two years and the EDA wage standard requirement. BioMatrix was approved with three jobs being added and EDA wage standard requirement. Sherburne County also approved the abatement request.

b. Regional Education Presence

Fuhrman said herself, Genny Reynolds, and Richard Baker attended a meeting at St. Cloud Tech College. There were also a couple others that joined the meeting. It was very informative. If the proposed 2014 Bond Referendum is approved for Princeton Schools, part of the funds would go towards updating the Tech Ed classes. They are looking at the CAN Program and Cambridge and Anoka Ramsey have those, but it will be nice to have here.

c. Sherburne & Mille Lacs County Economic Development Taskforces

Both counties are continuing on this and they both are taking a different approach. Fuhrman will keep the EDA Board updated on this.

d. MN Design Team Visit

Fuhrman said the MN Design Team visit is set for September 25-27. She will be looking for volunteers for Friday and Saturday. They had a meeting on this last night and they said word of mouth is the best for getting participation. Host families and food donations will be needed.

e. Grow MN Update

They are continuing to go on visits and they are going well.

f. Coffee with the Mayor

Mayor Paul Whitcomb is having Informal meet and greet with the Mayor. He is planning a few more. Heidi Burns from Madre Loca has reopened and she needs the word out. She saw the ad

for "Coffee with the Mayor" and talked to Mayor Whitcomb, and he will be hosting one at Madre Loca.

g. Reschedule July meeting date

Fuhrman said she will be out of town for the July 17, 2014 EDA Board regular meeting. She is asking the EDA Board if they would like to reschedule it for July 10, 2014 or she could ask the City Administrator to fill in for her for on the regular date.

HALLIN MOVED, SECOND BY CHAPMAN, TO RESCHEDULE THE EDA BOARD MEETING OF JULY 17, 2014 TO JULY 10, 2014. UPON THE VOTE, THERE WERE 7 AYES, 0 NAYS. MOTION CARRIED.

Fuhrman said in the Union Eagle newspaper there is an article on Andy and Teri's Second Chance Pets store. There were no criminal charges. It was recommended to make changes of operating the business and layout of the shop. The City is looking at a potential licensing ordinance for pet stores.

Chapman said their sign is bad.

Fuhrman said she is aware of it and she will look into it. She is not sure if they are in business right now.

The issue with the signs for Paws Up 4 You has been resolved. Minuteman Press admitted to guilt and had to pay a cost. The Judge said if there are no more violations for one year, they will take this off his record. Their Building Permit has been submitted.

The City did received approval for the Small Cities Development Program. Lakes and Pines will be overseeing it. This is for updates on commercial and residential properties that qualify.

C. City Council and Planning Commission Minutes for April, 2014

The EDA Board had no comments.

RIDDLE MOVED, SECOND BY CHAPMAN, TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 7 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 6:51 P.M.

ATTEST:

Thom Walker, President

Mary Lou DeWitt, Comm. Dev. Assistant