

**THE MEETING OF THE EDA BOARD HELD ON MAY 19, 2016 AT 6:00 P.M., AT
THE CITY HALL COUNCIL CHAMBERS**

The meeting was called to order at 6:00 P.M., by Thom Walker. Members present were Genny Reynolds, Sharon Sandberg, and Victoria Hallin. Staff present were Jolene Foss (Comm. Dev. Director) and Mary Lou DeWitt (Comm. Dev. Assistant).

Absent were Charles Snustead.

AGENDA ADDITIONS / DELETIONS:

REYNOLDS MOVED, SECOND BY HALLIN, TO APPROVE THE AGENDA WITH THE ADDITION TO THE VERBAL REPORT, ITEM 4, CHARLES SNUSTEAD ABSENCE. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

APPROVAL OF MINUTES FROM REGULAR MEETING ON APRIL 28TH, 2016

HALLIN MOVED, SECOND BY SANDBERG, TO APPROVE THE MINUTES OF APRIL 28TH, 2016. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

UNFINISHED / OLD BUSINESS:

A. Coffee Corner Discussion

Community Development Director Memo:

Scott and Cheryl Minks attended the April EDA meeting and made a request for funds from the Revolving Loan Fund.

The members of the EDA were able to ask questions of the Mink's and then had a private discussion afterward.

The EDA made a few additional requests:

1. The EDA would like to request certified financial statements for 2014 and 2015 to clarify.
2. A list of the total loan amounts and the monthly payment amounts for all of the loans that are outstanding for the Coffee Corner in Princeton.
3. A statement of the collateral that you are willing to put up for the loan.
4. A projection of costs for the new location, including rent and utility costs that would be subject to change from what you are currently paying.

Since the additional information was requested, there has been no communication from the Mink's.

*****End of Staff Memo*****

Foss said what is in the memo was discussed at the April 28, 2016 EDA meeting. The Mink's have not responded to the email she sent after the EDA meeting.

B. Central MN Art Co-op

Foss had included an email she got from Dick Marshall on May 15, 2016. Marshall is a Board member of CMAC and wrote that it was with knowledge and belief that all that stood in the way of developing an Art and Culture Center for the City of Princeton was a couple undefined glitches in some grant monies and loans. Based on that information, he thought they could straighten it all out in a short period of time with the help of those involved. A meeting date was set to invite all 105 members and only seventeen showed up. Some were not members and it is unknown how they learned of the meeting. Of those who were members, only six offered to help. They also received a lease proposal from the building owner that is higher and will make it difficult to make a profit. Because of the added difficulty to gain access to information that would help in clearing up CMAC's difficulties, Marshall regrets to say he is resigning as Director of the Board of CMAC, member of the Board, and member of CMAC, effective immediately.

Foss said other Board members have also resigned. CMAC and the Print Shop are still trying to separate. The building is up for lease. There is no active Board. Wendy Bursch owns the building.

Reynolds said she did a good job and brought the community together. Debbie Johnson-Knight is taking over the building and changing the name. She is changing it into a ballet dance studio, music center, and such. She wants to get little areas for vendors to rent space.

Hallin mentioned the letter from the City Attorney that was being sent to Wendy Bursch. Is there going to be funds paid back for the "It Starts Here" loan.

Foss said it is a dissolved loan so she is not sure what will happen with the owed funds.

Walker commented that the organization that worked on the "It Starts Here Program" worked very hard on it.

Hallin hopes this new venture remains and will be substantial.

Reynolds said Johnson-Knight has the energy to go forward with the plans she has for the place and hopefully it works.

NEW BUSINESS:

A. Resolution for Termination of Capital Improvement Plan Bonds, Series 2016A

On June 13, 2013 the EDA Board approved the resolution authorizing the issuance of \$2,240,000 Public Project Lease Revenue Bonds, Series 2013C (City of Princeton, Minnesota, Lease with Option to Purchase Project) and the Execution and Delivery of a Ground Lease Agreement, a Lease Agreement, and an Indenture of Trust in Connection therewith. This bond was to fund the Public Safety Building that would be occupied by the City of Princeton Police Department and Fire & Rescue Department.

Foss said this is the resolution for the City sales of the bond. This will pay back the EDA and the Liquor Store will directly pay the bond.

HALLIN MOVED, SECOND BY WALKER, TO APPROVE RESOLUTION AUTHORIZING TERMINATION OF A LEASE AGREEMENT, GROUND LEASE AGREEMENT AND AUTHORIZING EXECUTION OF AN ESCROW AGREEMENT RELATING TO THE ISSUANCE BY THE CITY OF PRINCETON, MINNESOTA, OF ITS \$2,240,000 GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2016A. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

B. Comprehensive Economic Development Strategy (CEDS)

Community Development Director Memo:

Comprehensive Economic Development Strategy, CEDS, is a strategy-driven plan for regional economic development.

A CEDS is the result of a regionally-owned planning process designed to build capacity and guide the economic prosperity and resiliency of an area or region. It is a key component in establishing and maintaining a robust economic ecosystem by helping to build regional capacity (through hard and soft infrastructure) that contributes to individual, firm, and community success.

The CEDS provides a vehicle for individuals, organizations, local governments, institutes of learning, and private industry to engage in a meaningful conversation and debate about what capacity building efforts would best serve economic development in the region.

The CEDS should take into account and, where appropriate, integrate or leverage other regional planning efforts, including the use of other available federal funds, private sector resources, and state support which can advance a region's CEDS goals and objectives.

Regions must update their CEDS at least every five years to qualify for EDA assistance under its Public Works and Economic Adjustment Assistance programs. In addition, a CEDS is a prerequisite for designation by EDA as an Economic Development District (EDD).

Please review our CEDS for 2015, the EDA Goals and Visions for 2016 and the Council Goal for 2016.

I will be asking for feedback on specific projects we would like to list.

*****End of Staff Memo*****

Foss said the CEDS Plan is the Regional Plan to receive Federal Funds. She included the 2016 City Council goals. The EDA's 2015 CEDS goals are also included. A copy of the Develop MN 2016 is included that gives a Comprehensive Development Strategy for Greater Minnesota.

Foss would like to go through the 2015 CEDS goals and see if there are any changes the EDA Board would like to make.

Project 1:

Purchase of additional acreage and provision of infrastructure to accommodate growing and new business, residential, and commercial development properties through extension of municipal services and land investment. The current availability of developable property is limited and there is a great need for growth.

Foss said we are in the process of doing this with extending utilities out west of town.

Project 2:

Implementation plan for MN Design Team recommendations, including marketing and promotion of the City's unique qualities and downtown corridor. The city has many great visions and plans that need the financial backing to be completed. Improvements in communication, connectivity, safety, and beautification are areas that were pointed out by the MN Design Team that mirrored the recommendations brought up by other sources over a number of years.

Foss said this is promotion of our community. DEED has a magazine where we could purchase an ad in the new publication. There is a community promotion budget where she could get funds for this and she would like to use some of the funds for this. Fairview Hospital will be in it for the top 100 hospitals and she called and asked if they would like to be a contributor to the price of the ad. The cost for a 2/3 page ad is \$5,800. She would like to get five contributors to help pay for the ad. She thinks it our best shot for promotion.

Reynolds asked how they are given out.

Foss said the website and conferences and such. The MN Design Team recommended to promote the city. We cannot afford an ad in other magazines so this will work. She has \$1,250 to go towards this. She plans to ask a few businesses in town like United States Distilled Products who does national selling. She asked Dan Weber, Sherburne County and he would rather invest in her going somewhere and not in ads. She asked Erdmann's and they cannot contribute and the Chamber of Commerce cannot either. The new publication will have the top 100 hospitals and Fairview will be in it so the section she is looking at would be that area to promote Princeton.

Project 3:

Market analysis and marketing promotion toward the sale of Aero Business Park lots. The city's investment properties include 7 shovel-ready lots that were purchased with the intent to sell and continue a retail/commercial corridor along 21st Avenue, near the airport and the new Fire

and Police Building. Analysis of these lots and professional marketing will increase jobs and tax base for the community.

Foss said she is making cold calls every week. She makes a proposal package and sends them out also. We have met the goal of the Industrial Park Study and the shovel ready site. Crystal Cabinets may expand, but they need workforce. Foss said Sherburne County does have a good workforce.

Project 4:

Industrial Park Study to address expansion opportunities and explore potential for creating shovel ready sites for new business. The current Industrial Park in Princeton is almost at capacity and the need to acquire new property and the needed infrastructure, including Broadband capacity, is imminent. In order for the City of Princeton to compete in the economic market with communities like Cambridge and Milaca, increase incentives to develop here must be provided. Shovel ready certified sites through DEED will be ultimate goal of Industrial Park Study.

Foss said number four is really done. She has been working on an Alternative Building Materials Ordinance and thought that might be helpful in selling lots in Aero Business Park. She is not sure how supportive the possible Ordinance amendment is with the Planning Commission.

Walker suggested changing the working of Industrial Park Study to Industrial Park Infill Development.

The EDA Board likes the change of working.

Project 5:

Riverside and Riebe Park improvements. Create an inter-connected regional trail system and ADA compliant facilities including a pedestrian bridge over the Wild and Scenic Rum River, replacement of bathrooms, campsites and picnic shelters and construction of a fishing pier and canoe/kayak launching site. The park is within the downtown portion of the city.

Foss thinks this should stay. The grant for the pedestrian bridge was not approved.

Hallin asked on the updates of Mark Park bathrooms.

Foss said the City is looking at buying the building that has the Tattoo Shop by Riverside Park and leasing the top to the Chamber and the basement area would have showers and restrooms. This is not an idea she supports. The Tattoo Shop does very good business and she knows the owners.

Hallin said the Tattoo Shop is well known for their good work. She had talked to the owner of

Modra Loca and she said she paid \$60,000 in assessments and she is not hooked up.

Foss said she looked at the Council goals and they are all economic and park improvements.

Reynolds said she would like to see something with the secondary education.

Sandberg agreed.

Reynolds said she went to the school scholarship awards ceremony last night and there were so many getting scholarships for tech schools. We do have good housing for the workforce.

Walker said if someone is worried on having enough workforce in the area, maybe we can partner with them to work on that.

Foss said Carla Vita does the workforce and the Princeton Schools brings students into facilities so they can see the workforce that is here.

Reynolds said the Workforce Committee meets quarterly and someone from the City should be attending.

Foss suggested an EDA Board Member attend. She will put something together.

C. St. Cloud State University Community Design

Community Development Director Memo:

Professor Ugochukwu, SCSU, and his Community Design Students approached the City asking if there were any projects his students could provide suggestions and design concepts for.

I invited them to come to Princeton and we took a tour of the City. I had them focus on Aero Business Park, and I gave them some suggestions to focus on.

- I would like to see this develop into a walkable location.
- The long term desire is for mixed use.
- Across the street is zoned R-3 Multifamily. I would like to see some senior or multi-family housing there.
- According to an Market Area gap analysis, there is a demand for a year round farmers market, a family style full service restaurant, a deli, a hobby shop, a musical instrument store, an indoor play area for youth of all ages, a high end spa, a beauty supply store, a gas station, and a leather shop.
- To the west is the airport with a 50 acre parcel that wants to be an organic non GMO farm that offers agri-tourism, agri-education, and higher education opportunity. This could be incorporated in to the design. An entrance to the farm could be accessed through one of the lots.

This is what the two teams came up with. I can use this if interested developers want an idea of what the City would like to see there. Or for grant opportunities that require some pre-planning requirements.

*****End of Staff Memo*****

Foss said this is informational only. There are two proposals they put together. She wanted to share their idea with the EDA Board.

MISCELLANEOUS:

A. EDA Balance Sheet

There was no EDA Balance Sheet for tonight's meeting.

B. Verbal Report

1) Troy Minske joins the EDA Board

Troy Minske has joined the EDA Board. He had a prior commitment so he could not make tonight's meeting.

2) Sherburne County Demographics

Sherburne County Demographic and Economic Trends:

- The largest growth came from the 55-64 year olds (+120%) and 65-74 year olds (+106%)
- 10% of your population is receiving SS retirement benefits in 2014, only Carver and Scott County's have a lower share.
- The average monthly individual gross income from SS retirement benefits in 2014, only Carver and Scott County's have a lower share.
- The average monthly individual gross income from SS retirement in Sherburne County is \$1,397.
- Sherburne County is young.
- 36.6% of the population is under 25 years compared to 33.2% for Minnesota.
- 19.4% of residents are 55 or older compared to 26.2% across the state.
- Sherburne County also has slightly fewer 15-34 year olds.
- Although there has been slight growth since 2012 we still have a smaller labor force than we did in at the start of the recession.
- Minnesota on the other hand has continued to increasing and surpassed precession amounts in 2011, with only 1 year of losses. Sherburne had a shrinking labor pool from 2008 until 2013.
- Sherburne County's Labor Force is expected to grow by 9% in the next decade.

This is a brief update on the economic demographics.

Walker asked if we have received one from Mille Lacs County.

Reynolds said they have a business one and a tourist one.

Foss will check with Mille Lacs for a copy.

3) TAP Grant Update

Community Development Director Memo:

City Staff had applied for a Transportation Alternatives Program (TAP) Grant for a pedestrian bridge to connect Riverside and Riebe Parks.

On May 2nd, the City received notice that our application was not among the list of applications selected for funding.

Applications were first reviewed by the designated regional planning organization (Central MN Area Transportation Partnership (ATP-3) and was determined that it did have regional significance and was one of only two projects in the region that were moved along to a second round of consideration.

The ATP-# Transportation Alternatives Program Committee then evaluated the project and out of a score of 100 points possible, the Pedestrian Bridge Project scored a 64.

Right of Way-	14 out of 15= 93%
Feasibility-	10 out of 15= 67%
Identified in Plan-	13 out of 20= 65%
Bike/Pedestrian Facilities-	9 out of 15= 60%
Purpose-	8 out of 15= 53%
Connectivity-	10 out of 20= 50%

Although the addition of a pedestrian bridge would significantly increase the usage of both parks, the connectivity of our parks at a regional level is not there yet.

*****End of Staff Memo*****

Foss said that the City did not get the pedestrian bridge grant she submitted.

4) Charles Snustead Absence

DeWitt said that Charles Snustead called and he is still not recovered from the back surgery and he is working with the doctors. He is hoping to be able to attend the EDA Board meeting by the end of summer, but there is no guarantee. If the EDA Board would like him to resign from the Board he understands.

Walker said a medical issue should be forgiven from absences. If he would like to stay on the EDA Board, we should allow him to stay on.

Hallin agreed, he does our financials.

Walker would like to change the Bylaws where medical issues is an excused absence and they can stay active on the EDA Board. He would like staff to look into if this could be changed in the EDA Bylaws.

C. City Council and Planning Commission Minutes for April, 2016

The EDA Board had no comments.

HALLIN MOVED, SECOND BY REYNOLDS, TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. THE MEETING ADJOURNED AT 7:08 P.M.

ATTEST:

Thom Walker, President

Mary Lou DeWitt, Comm. Dev. Assistant