

**THE REGULAR MEETING OF THE EDA BOARD HELD ON JUNE 19, 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 Charles Snustead, Genny Reynolds, Victoria Hallin, Cindy Riddle, and Mary Chapman. Staff present were Carie Fuhrman (Comm. Dev. Director) and Mary Lou DeWitt (Comm. Dev. Assistant).

Absent was Grady Clark.

**AGENDA ADDITIONS/DELETIONS:**

Fuhrman would like to add under Unfinished Business:

- B. NSP Updates
- C. Greater MSP

Walker would like to add under New Business:

- B. Utility Rebates Discussion

**APPROVAL OF MINUTES FROM REGULAR MEETING ON MAY 15, 2014**

HALLIN MOVED, SECOND BY CHAPMAN, TO APPROVE THE MINUTES OF MAY 15, 2014. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED.

**UNFINISHED / OLD BUSINESS:**

**A. Rum River Health Services Collateral Collection Update**

Fuhrman informed the EDA Board that with the help of the Public Works Department, staff has collected the computers and related equipment from the Rum River Health Services Community Health building. There were 29 hard drives, monitors, and keyboards collected.

Tom Trandahl from TDT Computers came Tuesday afternoon of this week to view the computers.

Rum River Health Services, Inc. has officially filed for bankruptcy. A letter from the City Attorney has been given to the EDA Board for review.

*City Attorney memo dated June 16, 2014:*

*Dear Carie:*

*I am enclosing a copy of the Notice of Chapter 7 Bankruptcy Case regarding Rum River Health Services, Inc. that was filed on June 5, 2014. Chapter 7 means that all listed debts will be discharged unless otherwise challenged. Since the Bankruptcy was filed as a "No Asset" case we will not file a claim at this time and only file in the future if we receive notice from the Bankruptcy Court to do so.*

*At this time, we are subject to the Order of the Court to not engage in collection efforts against the Debtor and the Debtor's property. This does not apply to the property has already been picked up and since the remaining computers are located on City property, I do not think it*

*would be objectionable if those computers are moved from the property room to other space on the city premises. However, no disposition should be made of the equipment until we have cleared such action. No notice regarding disposition of the property will be prepared at this time. However, you can review the status of the equipment and determine what may need to be done to it for resale.*

*Very truly yours,  
Paul D. Dove  
DOVE FRET LAND & VAN VALENBURG, PLLP*

Fuhrman said as the letter indicates they have filed for bankruptcy. The Police may utilize one of the computers. Staff is getting a quote from Trandahl and one other computer business to clean the computers.

Riddle asked what they are going to do with the building.

Fuhrman believes they plan to sell it.

Riddle said the church that was using a portion of the old Ben Franklin site has been looking for another site, maybe they could use it.

Walker asked if Rum River Health Services is non-profit.

Snustead said yes it is.

## **B. NSP Updates**

Fuhrman sent out the Request for Proposals for the construction contingency plan and that lays out what needs to be done with the demolition. They are finishing up the RFP's for the Bergstrom house. The RFP's have so many pieces to it. There might be a septic tank system on both properties and also a well on both.

Reynolds said the Soil and Water Conservation has grants for sealing wells.

Fuhrman is encouraged we are getting closer to having the Bergstrom property and old gas station site cleaned up.

## **C. Greater MSP**

Fuhrman gave the EDA Board a handout on Greater MSP that read:

Greater MSP (Minneapolis Saint Paul Regional Economic Development Partnership) is a private nonprofit organization dedicated to providing public and private sector leadership,

coordination, and engagement to grow the economy of the 16 county Minneapolis Saint Paul region.

The Greater MSP region will be recognized as a globally leading economy where business and people prosper. To accelerate job growth and capital investment in the Greater MSP region. Lead regional economic strategy development, aligning with regional partners to target key industry sectors for growth. Brand and market our region to key audiences, including business decision makers, site location consultants, workers, and residents. Drive a coordinated regional business retention, expansion, and recruitment program to stimulate capital investment and job creation in the region. Our new Collaborative Partner Space, which also houses our Greater MSP offices, provides a place for partners and visitors to meet, learn more about our region, and develop new opportunities for prosperity.

### **NEW BUSINESS:**

#### **A. PACE (Property Assessed Clean Energy) Program**

Sherburne County is excited to announce a partnership with the St. Paul Port Authority to administer the Property Assessed Clean Energy program (PACE). PACE allows property owners to borrow money from newly established municipal financing districts to finance energy retrofits (efficiency and renewable energy measures). The property owners then repay the loan through an annual special assessment on their property tax bill. Interested property owners evaluate measures that achieve energy savings and receive 100% financing which is repaid over time up to 20 years.

PACE is a financing tool used to assist commercial and industrial businesses (including agri-business) and multifamily housing properties with improvements that substantially increase energy efficiency. PACE allows businesses to make these fixture improvements without the up-front capital outlay. Costs for the improvements are paid back through a special assessment on their taxes. The increase in property taxes is offset by the decrease in energy costs so that the business sees no change in the bottom line. Dan Weber (contact person for Sherburne County Economic Development) said: "Sherburne County is interested in providing opportunities for our businesses to remain competitive in today's economy. This is one tool that can assist in reaching that objective."

Fuhrman said she spoke with someone who is involved in this program and they said they would be happy to talk to Mille Lacs County on it. She did send information to Roxy and Richard Baker at Mille Lacs County.

Walker commented that Fuhrman should ask ECRDC if they have this information. He believes Isanti and Chisago Counties are probably included in this.

#### **B. Utility Rebates Discussion**

Walker asked if we want to talk to the servicing utilities about rebates.

Snustead said we should know what could be presented for rebates before talking to new businesses.

Fuhrman will check what other utilities are doing for rebates and then give that information to the Princeton Public Utilities and see if they will do some type of rebate. She submitted information to the City of Isanti on what the cost for developments are and will hear back where we fall in with other communities.

Reynolds commented that she toured the St Cloud Police Station. She was very impressed. The guy who gave the tour said they put energy efficient lights and low flow toilets in the building. They are not happy with the energy efficient items and once they need replacing, they plan to go back to the regular items. Reynolds suggested that staff call other utility companies and see what they offer for rebates.

Walker said this item could be put on the agenda under old business in a couple of months for an update from staff.

#### **MISCELLANEOUS:**

##### **A. EDA Balance Sheet**

The EDA Board had no comments.

##### **B. Verbal Report**

###### **1) Pioneer Press Article Featuring Princeton Businesses**

Fuhrman said a few of the local businesses were featured in this article. They are doing a very good job at marketing themselves. She wanted to share the article with the EDA Board.

###### **2) Enterprise MN Article Regarding MN Manufacturing**

Fuhrman went to a meeting and it focused on what they are seeing and not seeing in regards to manufacturing in Minnesota. Minnesota is being competitive. A few of the issues that were mentioned was the taxes and rising health care and insurance cost. The ability to attract and retain qualified workers continues to grow as an increasing concern for manufacturers. Companies that have a formal marketing process expect an increase in gross revenues over those that don't.

Walker asked Fuhrman when she goes to the Grow MN visits do they say what taxes have increased the most for them. Is it local property taxes or income taxes.

Riddle commented that the school referendum passed so taxes are going up here because of it.

Reynolds said the property taxes downtown are high. Some are the same as those out by the Walmart area.

Walker expects a full house next year from the downtown business owners in regards to reducing their taxes and he is fine with that.

### **3) Planning Commission Update**

Fuhrman informed the EDA Board that on Monday night the Planning Commission approved the Fairview expansion for medical offices. Caribou Coffee will be going into the vacant lot between McDonalds and Shopko, along Rum River Drive. Fuhrman said we try to do the developments and additions in a fast track with arranging a Developer's meeting to make sure all questions are addressed before it goes to the Planning Commission for review.

Walker said that is good word of mouth that we try to move the project fast.

Fuhrman said this afternoon there was another meeting for the Mille Lacs Task Force. She brought a handout on the organization. They are non-profit and have 14 -16 counties they encompass. 75% invested by investors. They want the areas to grown and bring businesses to our regions. Mille Lacs County was added this year. Really good group with a lot of resources that we can tap into. They do BR&E also. They do not service as a lobbying service. Mille Lacs County does not pay to be in it. Fuhrman said the number one thing for our region that was mentioned was how cold it is in Minnesota for the winters.

Reynolds said Minnesota is a fly over state to get to Chicago.

### **4) Reminder: Next EDA meeting is July 10, 2014**

Fuhrman wanted to remind the EDA Board that the next EDA meeting is scheduled for July 10, 2014.

### **5) Next Coffee with the Mayor: July 19<sup>th</sup>, 9:30 – 10:30 AM at Madre Loca**

Fuhrman informed the EDA Board the next coffee with the Mayor is scheduled for July 19<sup>th</sup>, from 9:30 AM – 10:30 AM, at Madre Loca.

### **C. City Council and Planning Commission Minutes for May, 2014**

The EDA Board had no comments.

HALLIN MOVED, SECOND BY RIDDLE, TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 6 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 6:37 P.M.

ATTEST:

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Thom Walker, President

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Mary Lou DeWitt, Comm. Dev. Assistant