

**THE REGULAR MEETING OF THE PRINCETON EDA BOARD HELD ON
SEPTEMBER 15, 2011, AT 6:00 P.M., AT THE CITY HALL COUNCIL CHAMBERS**

Paul Whitcomb called the meeting to order at 6:00 P.M. Members present were Thom Walker, Grady Clark, Cindy Riddle, Charles Snustead, Ben Hanson, and Victoria Hallin. Staff present were Carie Fuhrman and Mary Lou DeWitt.

APPROVAL OF MINUTES FROM THE REGULAR MEETING ON AUGUST 18, 2011
WALKER MOVED, SECOND BY HALLIN, TO APPROVE THE MINUTES FROM THE REGULAR MEETING ON AUGUST 18, 2011. UPON THE VOTE, THERE WERE 7 AYES, 0 NAYS. MOTION CARRIED.

UNFINISHED BUSINESS:

A. Madre Loca Revolving Loan Fund Update

Fuhrman informed the EDA Board that the City is still holding the check for Madre Loca from the Revolving Loan Fund. Heide Burns had signed the loan application on August 10, 2011. At the signing, Burns was to bring the receipts for the merchandise that was purchased. As of yet, Burns has not brought the receipts in. Paul Dove, City Attorney contacted Burns Attorney and reminded him that the check can not be released until we have the receipts. October 1st, is the first scheduled payment on the loan. The City Attorney contacted Burns Attorney again asking if Burns is still interested in the loan. The loan documents will have to be rewritten if the City does not receive the receipts by October 1st. Staff is asking the EDA Board on the direction they would like to proceed with this.

The EDA Board was in agreement that if Burns does not bring the receipts for the items that were on the Loan Agreement by October 1, 2011, the Revolving Loan Application is null and void. Burns would need to come to the October 20, EDA meeting and make a new request. The EDA Board would not approve a new loan on previous purchases.

HALLIN MOVED, SECOND BY HANSON, TO CANCEL THE CONTRACT OF THE REVOLVING LOAN AS OF OCTOBER 1, 2011, IF THE RECEIPTS ARE NOT ACQUIRED BY THEN. UPON THE VOTE, THERE WERE 7 AYES, 0 NAYS. MOTION CARRIED.

B. Bergstrom Property Discussion

Fuhrman informed the EDA Board that they had approved the purchase of Kenny Bergstrom property, 809 9th Avenue North, at a Special EDA meeting held on October 7, 2010. The EDA requested Lakes & Pines Community Action Council to acquire the Bergstrom property under the terms of the NSP Program within the City of Princeton. The City Attorney then wrote up a Purchase Agreement for \$12,000 plus closing costs, which was signed by Mr. Bergstrom and Jay Blake.

The City expected to use NSP funds to purchase this property; however, the NSP funding has been exhausted. Therefore, the City Attorney has sent a letter to the conservator of the property, requesting her to sign a Cancellation of the Purchase Agreement.

In the meantime, the City has continued to receive concerns and complaints regarding the subject property. Staff has been researching various options for the property. One of those options was to use the property in a training exercise for the Fire Department. The property conservator was in favor of this option, but once the Fire Department contacted her regarding the costs involved, she stated that neither she nor Mr. Bergstrom have funding available for those expenses.

Fuhrman is asking the EDA Board to make a motion to cancel the purchase agreement. Fuhrman would also like to have the EDA Board give suggestions of what could be done with this property.

RIDDLE MOVED, SECOND BY WALKER, TO CANCEL THE PURCHASE AGREEMENT AT 809 9TH AVENUE NORTH, PID #24-040-1910. UPON THE VOTE, THERE WERE 7 AYES, 0 NAYS. MOTION CARRIED.

The EDA Board asked if there are any funds left from the NSP Program.

Fuhrman said the remaining funds have been used to correct the foundation on one of the NSP homes and the Program is completed.

Walker asked if there is any grant funding available if this property were to be used as a storm retention pond.

Fuhrman will check if there are any grants available. The EDA Board mentioned that the Rose family that lives next to this property was once interested in it and Fuhrman will check if they still are. Fuhrman will also contact a local contractor who has removed a home for charity and maybe he would be willing to remove this building.

Walker asked if the taxes on the property are current and Fuhrman said no.

NEW BUSINESS:

A. Meet with Carol Ossell

Carol Ossell, owner of Ossell Department Store downtown Princeton, introduced herself to the EDA Board. Ossell wanted to talk to the EDA as a local business woman. Business owners downtown are very concerned what the City is doing to help the downtown area. Locals are not shopping local. In 2008 was the Business Retention Program and whatever happened with the information that was collected, nothing. People volunteered to interview other businesses and see what was needed. Kent Robertson was hired to see what the downtown needed and gave some advice of what the downtown could use and what it had that was a plus. The one plus is parking availability. Nothing was used with that information. The downtown needs help from the City officials to make this town prosper. Ossell talked about the number of buildings that are closed downtown. She drove through three other towns recently that have more happening than Princeton; Mora, Foley, and Milaca. The Mora downtown had one empty space, Foley had none.

She would like to know what they are doing right. We have to be missing something that they are doing right. There is no program working for the downtown right now for business retention and expansion. The Visionary Committee has done their own program and has been working on getting funding from grants in the past three years. They have been working on getting the amphitheater built in Princeton.

Ossell then started talking about how terrible the outside of City Hall looks. This City building is not being taken care of and this is where people come to get information on moving their business here. The paint is peeling and the grounds need better care. This building represents the city.

Helen Piper, Timber Trails Representative, spoke that she does the Mora bus service and Mora's service has grown in the past few years and Princeton's has decreased. This is a bus service that provides transportation within the community. She agrees with Ossell and said you can feel the energy in Mora and it is not the same here in Princeton. She would like to keep the bus service going in Princeton, but it really has decreased.

Riddle said she agrees the primary focus has been the Industrial Park then the downtown area. Mora, Milaca, and Foley are not as high in commuting as our community that drives to the cities for work.

Hanson suggested that it would be helpful if the businesses stayed open later for those who do commute.

Ossell said most stay open till 7:00 P.M. and also later during the Christmas holiday.

Riddle said the EDA Boards plan is to bring jobs here and get people working here and that will also help the downtown.

Joan Quickstrom, Quickstrom Real Estate was present and commented that there is not enough open shops downtown to keep people coming back. There is nothing left here.

Ossell said it is hard to stay afloat if something does not happen in this town. Maybe the City could offer an incentive to bring other businesses in. Duluth has purchased buildings and has gotten businesses in them with an incentive. She has asked other businesses to bring their business to Princeton. She is working with the Visionary Committee to build an amphitheatre in the park and a bridge across the river. The City needs to help.

Walker said all she has been working on is producing traffic to her store. More businesses downtown would help with the customer traffic. Specialty shops and another restaurant would be nice. We do have the parking available. The City of Milaca has Law Offices and Sheriffs Department that helps give business during the day hours. Those professional buildings are fully staffed.

Snustead asked if she has contacted the leader in Cambridge to see what they are doing to bring business in.

Ossell has not.

Hallin said she agrees with the Tax Abatements to bring businesses in.

Ossell said so much time has been spent on the west side of town, but there is a need for the downtown also.

Fuhrman said she met with Mary at the Chamber of Commerce and the Chamber is concerned for the downtown also. The Chamber would love to work with the City Boards and share ideas. Fuhrman said her and Mary had brainstormed and made a list of different shops that would be beneficial for the downtown area. Another idea would be co-working where two or three businesses share a space in a building to lower the cost.

Ossell said they are already doing that in their building. They are even advertising together.

Riddle commented that a City bill board of events would be nice on a high traffic area like the hockey arena bill board along Highway 169.

Walker suggested the Liquor Store maybe could have a sign.

Riddle suggested contacting the Computer Science Department at the High School and seeing if they would be interested in setting up an activity calendar on the City and Chamber's website of activities that is happening in the City. Maybe ads could run along the side of the screen.

Hanson said the Union Eagle website would be a possible site for advertising City events and maybe Facebook.

Ossell said they should look at Milaca's website. It is so warm and welcoming. It is very inviting and that is what the City of Princeton's should look like.

Fuhrman said the ice cream shop downtown is looking at staying open longer for the year.

Ossell said birthday parties would be excellent there. Have birthday cakes made at Coborns and have a party there.

Fuhrman will bring that idea to their attention.

Walker liked the Block Party and they had good attendance. It would be nice to see that continue. Those that attend will be walking by the stores and seeing what they sell. That is advertising in itself.

Ossell would like to see a two year plan to get things started. See if local businesses would like to expand and maybe the City could come up with a plan to lower the tax base to help this.

The EDA Board thanked Ossell for attending the meeting.

B. Meet with Timber Trails Representative (Discuss commuting program possibilities)

Helen Piper, Timber Trails Representative, was present to discuss the commuting program possibilities. Piper said the bus service is an 85% grant from MNDOT. Each year they have to list routes that are not serviced and the need for this additional route. Expansion money is available. To expand the service route a survey would be required to gather information on the needs that residents are wanting and what the time period would be for the route. The cost is approximately \$53 an hour to operate Timber Trails Service. The other 15% comes from what they make from the service sales. The fee for a ride for a full route is \$3. MNDOT would like eight on the bus, and Timber Trails would like to have five, but are currently at four. The medical rides are what really helps their program and they will be working more with Fairview. Piper is going to look at working together with the senior living places to see if they could work together to fill gaps.

Hanson suggested Piper contact Sterling Pointe and Caley House on what it cost them to use their buses and see if it would be cheaper to use Timber Trails busing route.

Piper is in favor of doing a study and she would set up a meeting with Fuhrman and the Project Manager of Timber Trails. There would be an expense to do the survey and the Initiative Foundation may help fund the study. There have been other contributors in the past that have helped with funding. All grants would have to go through Timber Trails for approval.

Piper said where she would like to expand the service route would be in commuting. There is a limited need in commuting for nights and weekends. She would like to extend their hours. Another need is for people who have been brought in to the hospital by ambulance and are released. There is no service available in Princeton who could pick them up in the middle of the night or early morning hours.

Walker suggested doing a service like an after school activity bus. The School District does not have that anymore.

Piper said their bus service goes ten miles out and they would need four buses. She is not sure they would have that kind of availability right now. She would like to have evening hours on their schedule. The fees for in town are \$3 and out of town is \$5 for a round trip. One way is a \$1.50. They have not had a rate increase since 2004 or 2005.

Fuhrman said she will work with them to look at grant money available for a survey.

The EDA Board thanked Helen Piper for coming and talking about the Timber Trails service.

OLD BUSINESS:

A. Small Cities Development Program Update

Fuhrman informed the EDA Board that the City has received four applications for residential and five for commercial. Fuhrman does not know at this time what type of work they need the funds for. Milaca had seven applications for residential and three for commercial. Dana at Lakes & Pines believes we could reapply in November of 2012 for more funds.

MISCELLANEOUS:

A. EDA Balance Sheet

The EDA Board had no comments.

B. Verbal Report

1) Inquiry into Aero Business Park

Fuhrman said she received a call from a resident south of town that is looking at relocating his business. This party said he had contacted City of Howard Lake and they would sell him a lot that is worth \$75,000 for a \$1 and wave the sewer and water hook-up fee. Fuhrman told him about the lots at Aero Business Park that the City has for sale.

2) Business Incubator Article

Fuhrman thought the Business Incubator article was interesting and could be discussed at a future EDA Board meeting.

The next EDA meeting Fuhrman would like to discuss Aero Business Park further in regards to filling up the lots. She found a Minnesota website that we could advertise Aero Business Park and maybe buildings that are available in town.

Whitcomb said to tell Public Works to straighten the sign that is out at Aero Business Park.

C. City Council and Planning Commission Minutes for August, 2011

The EDA Board had no comments.

HALLIN MOVED, SECOND BY HANSON TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 7 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 8:11 P.M.

ATTEST:

Paul Whitcomb, President

Mary Lou DeWitt, Comm. Dev. Assistant