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

Absent were Thom Walker, Jules Zimmer, and Troy Minske.

**AGENDA ADDITIONS / DELETIONS:**
Foss would like to add under Verbal Report, Item 3, Cyber Security Colloquium.

HALLIN MOVED, SECOND BY SNUSTEAD, TO APPROVE THE ADDITION TO THE AGENDA: VERBAL REPORT, ITEM 3, CYBER SECURITY COLLOQUIUM. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

**APPROVAL OF MINUTES FROM REGULAR MEETING ON APRIL 20, 2017**
SNUSTEAD MOVED, SECOND BY SANDBERG, TO APPROVE THE MINUTES ON APRIL 20, 2017. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

**UNFINISHED / OLD BUSINESS:**

A. Aero Business Park Lots Commercial Real Estate Brokers
Foss said last month at the EDA Board meeting she would look into marketing Aero Business Park and has reached out to billboard owners and brokers. She did hear back from Coldwell Banker Commercial Real Estate from St. Cloud and they do work on a commission, but they have other resources to advertise in. There is a realtor from town that is interested in trying to sell these lots, but local realtors were involved at one time to sell the lots and nothing happened. It was the wish of the EDA Board to look outside the area for interested Real Estate brokers. She did speak with Lamar Outdoor Advertising on their billboard fee and it is expensive. They gave her a few quotes around the area. It can run from $2,400 - $7,200 for the year. She would like to wait one more month. She will have a spread sheet for next month.

Sandberg commented that Foss should speak to the sales person at the Lamar office. Sandberg had gotten a month to month quote.

Foss said she will bring some more information next month.

Reynolds asked Foss to put Aero Business Park on the community sign.

Foss will check into the hockey arena billboard and if they rent that out.

Sandberg mentioned that Foss should check with Princeton Chamber and see if we could put an
NEW BUSINESS:
A. “It Starts Here” Forgivable Loan

Community Development Director Memo:

The Princeton EDA and the Chamber of Commerce awarded $10,000 to a local small business owner who desired to open a business in Princeton’s Downtown in June of 2015.

The loan forgiveness provisions are below:
1. The loan proceeds were wholly invested in or for the benefit of the business.
2. The loan proceeds were wholly invested in improvements, products or expenditures approved by the LENDER (City) in accordance with the terms of IT STARTS HERE CHALLENGE.
3. The Business employed at least one full time employee at the above location during the relevant year.
4. The Business remained in full operation during the relevant year.
5. The Business remained in compliance with all City of Princeton Ordinances, codes and permits related to the Business during the relevant year.
6. The Maker successfully completed the Profit Mastery Course offered by the Small Business Development Center during the first year following the advancement of the principal or any part thereof.
7. The Maker participated in the Business Success Group of the Princeton Area Chamber of Commerce in two of the six years of the life of the loan.
8. The Maker and the Business paid when due all real property taxes, special assessments, installment payments, sewer, water and electricity charges billed by the Princeton Public Utility which were the legal responsibility of the Maker and the Business.
9. The Business was not moved to a different location without the approval of the Lender, The Princeton City Council and the Business Acceleration Committee.

In the last year, City Staff has been in communication with the Awardee and she has expressed difficulty in meeting some of these provisions.

City staff has agreed that #3 can include any number of people that make up the one Full Time Equivalent (FTE). The Chamber of Commerce worked with the Awardee on #7 as there were some changes that needed to happen regarding the subcommittee of the Chamber. Most recently, the Awardee has informed me that the business will no longer be open to the public 40 hours per week. The retail store hours are expected to go down to 22 open hours per week, with hours available by appointment, as well. There is a 24-hour online presence.
I have reached out to the City Attorney for clarification. Under the Promissory Note, no payment was required in June of 2016, but a Principal payment of 20% plus interest will be due in June of this year unless the EDA adopts a Resolution forgiving the payment based upon the Loan Forgiveness provisions.

Staff requests EDA input and recommendation for City Council’s June 22nd meeting.

Foss said this program was started with the Shop Local Committee and Princeton Chamber. There are three sections of the loan forgiveness provisions that are in conflict with the awardee and those are; the business employed at least one full time employee at the above location during the relevant year, the business remained in full operation during the relevant year, and the Maker participated in the Business Success Group of the Princeton Area Chamber of Commerce in two of the six years of the life of the loan. The business in question is going down to 22 hours a week, but would be available by appointment as well, along with 24 hour online presence. Under the promissory note it does not define what full time is. The loan was given in 2015 and now in 2017 the business owner would have to make their first interest payment. The intention of this program was to spur downtown business.

Sunstead commented that is not much time for being open, 22 hours a week.

Foss said yes, that is true, but if we say they have to be open 40 hours the business would have to close. Online is good presence.

Reynolds said when she meets with clients after business hours, those hours would count towards the hours of operation.

Foss said yes, for the pregnancy spa and salon. If one full time employee we have to have one working 40 hours. If by appointment only then it adds to the hours, she has not requested a financial.

Snustead said that we should look at financials.

Foss said the City Attorney said we have to determine what is full operation. Her business plan she submitted she is not following her business plan. Six years she needs to be open and she still has four more years for the loan to be forgiven. Foss will request some financials.

Hallin commented that in the Aero Business Park Agreement that we make them have one full time employee.

Foss said you could have two part-time employees and meet the 40 hours. If this place is having offsite, then it should count. Foss will ask for financials, and offsite visit hours. Maybe they could get those numbers out of their mileage they record.
Reynolds asked if there is anything the City could do to help her advertise her business. Sandberg said when her non-profit gets a grant from Sherburne County, they give an update on how the business is doing, and what other stuff is going on, and not only the financials.

Foss said there is a fine line of helping them market. She will talk to her on if there is anything needed.

B. Termination of 2013 Lease Agreement for Public Safety Bldg. Bond
DeWitt informed the EDA Board that this is a termination of the 2013 Lease Agreement for the Public Safety Building Bond with the EDA Board. The Bond has been refinanced for better rates and this is just a procedure that needs to finalize the 2013 Bond.

C. Mille Lacs County Depot Revolving Loan Fund Request
Barry Schreiber, Mille Lacs County Historical Society Memo:

City of Princeton Development Director

Re: Reinvestment of City of Princeton Small Cities Development Program (SCDP) money in the Princeton Great Northern Railway Depot

Greetings Jolene,

1) It is my understanding that there is a small fund of returned Small Cities Development Program money in Princeton that may be available for reinvestment in appropriate buildings within the target area of the City of Princeton.

2) The Princeton Great Northern Railway Depot, 101 10th Avenue South, is in this target area of the City of Princeton. On behalf of the Mille Lacs County Historical Society (MLCHS) which owns this building, and with the support of the MLCHS Board of Directors, I would like to make the following proposal to the City of Princeton for returned SCDP funds in the form of a ten year, 0% interest loan, reducible by 10% of the original loan amount each year the building is owned by the MLCHS and used for public purposes, during which time property taxes and city municipal bills are to be paid current and proof of building insurance is required. Like the original SCDP loans, the balance remaining on this loan would only be repaid if the property is sold, or the title is transferred or conveyed within the 10 year term of the loan. After 10 years, if the depot property is still owned by the MLCHS, this loan will be completely forgiven and will be considered a grant.

3) A $25,000 gift was received in April 2017 by the MLCHS from a donor to make needed depot building improvements. This gift will form the 50% match required for this proposal.
4) The proposed improvements to the depot building in this proposal fall under three of the four categories stipulated under the original SCDP program, namely:
   a) “Ramps and bathroom accessibility conversions”
   b) “Energy improvements (heating system upgrades, insulation)” and
   c) “Code violation corrections (handrails, exit signs, health and safety issues”.

5) The proposed scope of work in this proposal includes:
   a) **Main Depot Entry Door Upgrade to ADA Standards - $1,100.** The main depot entry door (in the north waiting room on the First Street side) has a carved stone threshold which is not ADA compliant. In addition, the door swings in which is a code violation. The existing stone threshold will be removed and replaced with a concrete zero height threshold with new door weather stripping and astragal. Door glass will be replaced by dual pane thermal glass, and the door will be rehung to swing out. Exterior lighting of this main depot entry will be upgraded to ADA standards.
   
   b) **Depot Bathroom Upgraded to ADA Standards -- $4,700.** To meet ADA standards, the existing depot end bathroom will have its current west wall removed to expand the bathroom into the current adjacent refrigerator and microwave room. This will allow the needed 60” clear turning space inside the bathroom. The passageway door frame will become the unisex bathroom entrance door, and will need to be widened to the required 36” width. ADA compliant water closet, sink, mirror, grab bars and accessories will be installed, with an energy efficient 2 ½ gallon electric hot water heater. A new unisex bathroom entrance door will be built in the style of the original depot doors, and nonslip flooring will be installed in the bathroom.
   
   c) **Asbestos Abatement from Depot Basement -- $1,700.** About 65 feet of friable asbestos insulation around hot water pipes in the depot basement will be removed by a team led by a certified asbestos removal specialist. Modern fiberglass insulation will replace the asbestos insulation material.
   
   d) **Dry Pipe, In Ceiling Sprinkler System in Amdall Room -- $5,600.** With groups of up to 125 people in the Amdall meeting room of the depot, fire safety needs to be brought up to modern code standards. A dry pipe, zone activated, pressure tank fed fire suppression system with heads mounted both below the suspended acoustical ceiling and heads mounted above the suspended ceiling to cover the 115 year old wood roof framing and the cedar shake shingles above will be installed.
   
   e) **Ceiling Insulation -- $1,900.** Additional blown in insulation will improve the energy efficiency throughout the 115 year old, 6600 square foot building.
   
   f) **Total Proposed Investment --$15,000**

I look forward to discussing this proposal with you and/or the City Council.

Regards, Barry Schreiber, Mille Lac County Historical Society

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

Barry Schreiber was present to answer any questions the EDA Board may have.
Foss said the Mille Lacs County Depot has received a $25,000 gift from a family and they would like to use the funds to update different areas of the Depot. They are requesting $15,000 from the Small City Development Program. Lakes and Pines oversees the funds that are being distributed. Foss will need to check what the amount of funds is still available in this program. This would be a recommendation to the City Council for final approval. Lakes and Pines oversees the funds being distributed.

Reynolds said this is a great program and the funds have been great for our community.

Schreiber said the cliental they have at the Depot is a little older than the average so the bathroom update is necessary. There is a one ice weather strip that needs to be corrected. The bathroom area has to be ADA 60 inch compliance. The building is 115 years old. This is the oldest public building in Princeton. The Depot is original depot. That is the last one of the James J. Hill designs. They have the Long Siding Depot on their grounds now. There is a lot of history with this Depot. Schreiber said in the future they would like to do historic restoration to the building and improve the Amdall room where it can host weddings and such. Weddings give a lot to the community and the building can hold 125 occupancy. This is the second stage of the gift from this family. They received $30,000 two years ago.

HALLIN MOVED, SECOND BY SANDBERG, SUPPORTS AND MOVE FORWARD TO THE CITY COUNCIL FOR RECOMMENDATION OF APPROVAL FOR THE SMALL CITY DEVELOPMENT LOAN FOR MILLE LACS COUNTY DEPOT IN THE AMOUNT OF $15,000. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

Foss said she would have this on the City Council Agenda for May 25, 2017.

D. Fireworks Request
Foss said she received a letter from the American Legion to sponsor the fireworks event in Princeton. She is not sure how the EDA Board comes into this.

The EDA Board told her that the EDA Board has never contributed to the fireworks in the past and decided not to contribute now.

MISCELLANEOUS:
A. EDA Balance Sheet
There was no Balance Sheet for this month because the Finance Department is having an audit this week.

B. Verbal Report
1) Community Venture Network
Foss said this is a quarterly event in the Twin Cities. This is just for your information. Foss mentioned a few things on the list. Foss has been working on senior housing information of
what we have in the city, how full they are, and if there is a waiting list. She will reach out to see if other Developers who opened one like Steering Pointe to see if they are interested in building senior housing.

Snustead asked if there is any further conversation on another hotel coming here.

Foss said after ten years Roger Winkelman said he just came out of the red and it still is not a 100 percent occupied. That was last year when she asked him. She will follow up with the person who was interested in building a hotel in Princeton.

2) Dementia Friendly Community
Foss said her and Reynolds went to a community meeting for Alzheimer’s and Dementia. They do have a coordinator and now are putting together an action team. They will train this action team to help bring the community together in support and knowledge of Alzheimer’s and Dementia. Memory Care comes up as a top need.

Reynolds said Mille Lacs County has a piece of property by Rainbow Park they would like to get rid of. She wonders if it would handle single housing.

Foss will follow-up on that strip of land.

3) Cyber Security Colloquium
Foss said she attended this meeting on cyber security that was held in St. Cloud. There were a lot of guest speakers. One of the speakers was from the FBI and was very informative. Another speaker was from US Bank and gave a lot of good information also. Foss will put together a page of points of interest for the Industrial Park manufactures to watch for.

Snustead said he gets updates on activity on cyber security.

Foss said there are so many ways this can happen to a business, City Government, and such.

Foss said on another topic, her and the Chamber will be hosting “Eggs & Issues” breakfast meeting with Sherburne County Commissioners. Sherburne County was going to host it, but there was not enough who wanted to attend. This breakfast will be held on May 23rd, 2017 at 8:30 A.M. at City Hall. If you would like to attend just let her know. She will send an email invitation out. They are renaming it to “Sherburne County Update”. Items that will be on the agenda are; County wide demographics broken down by city and township, Real Estate Market update including housing starts, Employment & Commuting Patterns, the Government Center Building expansion, Economic Development & County Loan Programs, Transportation planning for the county, and Legislative work for freight railroad improvements.
Foss said we received a request for a “Day of Kindness”, and this is the third annual event. They are asking for a financial donation or provide an item to auction. The date of the event is August 5, 2017. If anyone on the EDA Board wants to contribute to let her know.

C. City Council and Planning Commission Minutes for April, 2017

The EDA Board had no comments.

HALLIN MOVED, SECOND BY STNUSTEAD, TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 6:59 P.M.

ATTEST:

______________________________    ______________________________
Genny Reynolds, Vice President    Mary Lou DeWitt, Comm. Dev. Assistant