ECONOMIC DEVELOPMENT AUTHORITY
Thursday, August 28, 2008

Pursuant to due call and notice thereof, President Menk called the meeting of the Brainerd Economic Development Authority to order at 8:09 A.M.

Present were Commissioners Menk, O'Day, Nesheim, and Johnson.

Also present were City Administrator Vogt, City Engineer Hulsether, Finance Director Goble, Elissa Rogers from BLADC, and Mainstreet Coordinator Emily Roragen.

Noted absent were Commissioners Trimble and Bonde.

#2 Approval/Amendment of Agenda – Approved.

President Menk asked if there were any changes to the Agenda; as there were none, the agenda was approved as presented.

#3 Approval of Minutes – August 4, 2008 – Approved.

President Menk asked if there were any changes or additions to the Minutes; as there were no changes, the Minutes were approved.

#4 Small Cities Development Program Grant Application and Proposed Resolution – Recommended Approval to Council – Approved.

The Chair recognized Ms. Elissa Rogers of BLADC, who discussed the proposed application and resolution. She stated that there are 3 primary objectives that the funds are supposed to be used for, including the benefit to low and moderate income individuals or households, slum and blight, and any public urgent threat and that BLADC has been working with DEED over the past year to discover the best ways to utilize the SCDP funds most efficiently for the entire Crow Wing County area. She stated that the 4 areas BLADC feels would benefit the area the most would be helping businesses get through the Downtown Construction, Commercial and Rental Rehabilitation, Expanding the Current Footprint of the Downtown Area, and Demolition in order to create parking and "Green Space." She stated that the application process is very competitive, and BLADC is recommending that "Downtown" would be the best choice because it could be done relatively soon and as the loans were repaid it would re-capitalize that existing fund. She stated that BLADC is requesting recommendation from the EDA to the City Council to adopt the resolution required for pre-application and authorize the Mayor and City Administrator to sign documents for the final application if they are called back.

Ms. Rogers stated that the "Commercial Maximum Funding" has been changed to $40,000 per project. She stated that the City of Brainerd Downtown Revolving Loan Fund right now allows for $50,000, so as the application process continues, the amount will have to be changed to be in compliance.

NOTE: Page 2 of attached SCDP information mistakenly lists "Deerwood Auditorium" in the Maximum funding amount area.

President Menk asked if WSN will be contacting the various buildings that were identified as storm water infiltration

Ms. Rogers stated that they would, and discussed the maximum amount that can be applied for.

Commissioner Johnson stated that he feels tying this program to the Downtown Improvement makes sense because without the help there might be some businesses that won't make it through the construction period. He asked how reasonable or flexible the 11% administration figure is, stating that he does not feel it is reasonable.

Ms. Rogers stated that BLADC will ask for the maximum amount on the project portion of the application, and that she will be discussing with DEED the reality of the administration figure.

MOVED AND SECONDED BY COMMISSIONER JOHNSON AND O'DAY TO RECOMMEND APPROVAL OF THE PROPOSED RESOLUTION AUTHORIZING THE APPLICATION FOR A SMALL CITIES DEVELOPMENT GRANT AND AUTHORIZING THE PROPER OFFICIALS TO SIGN THE APPLICATION.

City Administrator Vogt asked Elissa to review the Downtown Revolving Loan Fund amounts because, as he stated, the fund is very low at this point. He stated that it is; however, capitalizing at $3,000 to $4,000 per month.

Ms. Rogers stated that the Downtown Revolving Loan Fund is seeing a lot of "use" lately, with more applications on the way, and that DEED is aware of the low fund balance and the fact that the fund is re-capping and loans are being made as this is done.

#5 Main Street Coordinator – Monthly Report.

The Chair recognized Ms. Emily Roragen, Mainstreet Coordinator, who summarized her report for the month of August. She highlighted the Downtown fundraiser of canvas bag sales and upcoming events as well as Brainerd's Main Street being considered as a model for a State program on small town main streets.

#6 Staff Reports.

City Administrator Vogt stated that the industrial parks are being finished, and that sale of the "Thiesse Property" is being discussed with Ms. Patti Harrison. He stated that there is a prospective client for next year for Phase IV. Regarding the budget, he discussed the EDA's budget and the future funding of the Downtown Coordinator position. He stated that plans have been received for a business moving into the East Brainerd Mall, that Taco John's is open and O'Reilly Auto Parts' new building is being developed.

Commissioner O'Day asked the status on the call center that was put into the State Hospital, and the hiring done there was discussed.

President Menk stated that several buildings downtown are empty and that there is interest in the buildings.

#7 Commissioners' Comments/Questions.

None.

#8 Adjourn.

The Chair adjourned the meeting at 9:00 A.M.

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Tom Johnson, Secretary