

ECONOMIC DEVELOPMENT AUTHORITY
Monday, October 25, 2010

City Administrator Vogt stated that EDA President Menk was not going to be attending the meeting and suggested the remaining members appoint an acting Chair for this morning's meeting.

Commissioner Nesheim nominated Commissioner Bevans; the board unanimously agreed.

Pursuant to due call and notice thereof, Acting Chair Bevans called the meeting of the Brainerd Economic Development Authority to order at 8:03 a.m.

Present were Commissioners Terry Johnson, Kim Ellingson, Wayne Erickson, and Council Liaisons Kelly Bevans and Lucy Nesheim.

Also present were City Administrator Vogt, Finance Director Goble, City Planner Ostgarden, Mainstreet Coordinator Amanda Larson, Council Member Cumberland, Sheila Haverkamp representing BLADC, and Kevin Close representing Close~Converse.

#2 Approval/Amendment of Agenda – Approved.

Chair Bevans asked if there were any changes or requests concerning the current agenda and as there were none the agenda was approved as presented.

#3 Approval of Minutes – September 28, 2010 – Approved.

Chair Bevans asked if there were any changes or requests concerning the September 28, 2010 EDA minutes and as there were none the minutes were approved as presented.

#4 Approval of Financial Reports – Approved.

Chair Bevans asked if there were any changes or comments concerning the financial reports and as there were none the financial reports were approved as presented.

#5 Industrial Park Marketing Status – Informational.

City Administrator Vogt stated that the Commercial Exclusive Listing Agreement had been signed with Close~Converse.

The Chair recognized Mr. Kevin Close, Close~Converse, who stated that the company's marketing plan goes deeper than just posting on MLS and that they want to be ready when an interested party shows up. He stated that they need the support of the City and the Council so interested party does not need to fight to come in and, in turn, ends up turning to other available lots in other communities.

Commissioner Johnson stated that because of the site-certified, shovel-ready certification being up-to-date it is only lot discounts/financial incentives that need to be considered.

Mr. Close agreed, stating he feels these types of incentives should be set up ahead of time.

Chair Bevans asked Mr. Close to put a strong package together to present to the EDA and Council.

Mr. Close stated that he could have something ready in a month.

The Chair recognized Ms. Sheila Haverkamp, BLADC, who stated that she could work with Mr. Close and offered to share a power point presentation she had from a site selector who discussed what they look for in a community when looking for a site for business.

City Administrator Vogt asked Ms. Haverkamp to send the presentation to him at City Hall and stated that he would forward it to the EDA members.

#6 Brainerd Lakes Area Development Corporation (BLADC):

Downtown Brainerd SCDP Grant Update – Informational.

The Chair recognized Ms. Sheila Haverkamp, BLADC, who discussed the grant that had been approved last year to repair roof drains in Downtown businesses. She stated that none of the 10 property owners who were eligible for the grant chose to use it; however, BLADC had appeared before the State with the hope to use the funds elsewhere in Brainerd. She stated that this request was approved in the lesser amount of \$130,000 for commercial rehab types of projects (code/façade improvements)

Details were discussed.

BLADC Mid Year Report – Informational.

Ms. Haverkamp summarized the Mid Year 2010 Report, stating that BLADC's approach has "stayed the course" when it comes to bringing business into the area. She discussed the Wausau paper investment as one of their most successful ventures.

Commissioner Johnson asked that Brainerd-specific projects be presented in future reports rather than the projects for the whole "lakes area."

#7 Brainerd Mainstreet Update.

The Chair recognized Ms. Amanda Larson, Mainstreet Coordinator, who offered to answer any questions related to the annual report that had been submitted for the last meeting. There were no questions.

#8 2011 Budget – Recommend Adoption of "Proposed" EDA Budget for Approval to Council – Approved.

City Administrator Vogt discussed the budget proposal as attached to the packet including how they are related to the funding of the EDA and also BLADC's voluntary reduction in fees. He also asked for input to bring to the Council regarding the Mainstreet Coordinator salary as the "recommended" budget by Goedker and Koep recommends zero dollars for funding that position as opposed to the "proposed" budget that carried forward the request by the Mainstreet Advisory Committee of \$28,000.

Commissioner Johnson asked if EDA revenue is fixed percentage.

City Administrator Vogt stated that the percentage is set by State Statute and that the funds must be used for economic development.

Suggestions for any surplus in funds were discussed.

MOVED AND SECONDED BY COMMISSIONERS ELLINGSON AND JOHNSON, DULY CARRIED, TO APPROVE THE "PROPOSED" BUDGET FOR EDA INCLUDING THE \$28,000 TO BE ALLOCATED FOR THE MAINSTREET COORDINATOR POSITION.

City Administrator Vogt stated that he wanted it discussed whether there is a conflict of interest with Commissioner Ellingson being an employee of Bremer Bank located in Downtown Brainerd and active in the Mainstreet program.

Commissioner Ellingson stated that if an item directly involved Bremer Bank from a financial standpoint, she would abstain.

The Board concurred that there is no conflict of issue in this instance.

#9 Staff Reports.

City Administrator Vogt stated that in the last couple years BPU has put about \$10-15 million into upgrading the electric utilities and that this is obvious from there being no power outages happening. He stated that he feels that this along with low rates is a great incentive for economic development. He also mentioned the \$30 million wastewater treatment plant project and its increased capacity, and discussed the success of that plant construction which is now in full operation.

#10 Commissioners' Comments/Questions.

Commissioner Johnson questioned the status of the Meadowview Manor project. Ms. Haverkamp clarified that the City Council had approved the \$50,000 for the Meadowview Manor Manufactured Home Community as recommended by the EDA. She stated that the deal will hopefully close by the end of the year with resident ownership to take over in January.

#11 Adjourn.

The Chair adjourned the meeting at 8:50 a.m.

Kim Ellingson, Secretary