

ECONOMIC DEVELOPMENT AUTHORITY

April 30, 2015

Pursuant to due call and notice thereof, President Menk called the meeting of the Brainerd Economic Development Authority to order at 7:02 A.M.

Present were Commissioners Ed Menk, Jerry Sinner, Wayne Erickson, Dale Parks, Council Liaison Bevans and Council Liaison Borkenhagen. Also present were City Administrator Wussow, Finance Director Hillman, HRA Director Bergman and Ms. Sheila Haverkamp and Mr. Chris Robinson from BLAEDC.

Approval/Amendment of Agenda – Approved

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND SINNER, DULY CARRIED, TO APPROVE THE AGENDA AS PRESENTED.

Approval of Minutes – October 6, 2014 – Approved

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND ERICKSON TO APPROVE THE MINUTES FROM OCTOBER 6, 2015 EDA MEETING AS PRESENTED.

Approval of Financial Report – Approved

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND SINNER, DULY CARRIED, TO APPROVE THE FINANCIAL REPORT AS PRESENTED.

Royal Tire, Inc. – Tax Increment Financing (TIF) Request – Endorse Project and Refer to City Council for Further Action – Approved

The Chair welcomed Chris Robinson of BLAEDC, who introduced the redevelopment project proposed by Royal Tire, Inc. for their store at 615 Washington Street. The project will include the demolition of the existing building, removal of existing parking lot and construction of a new retail tire and automotive service store. He stated that Tax Increment Financing (TIF) is being requested to make the project possible, and that community benefits include economic development/redevelopment, removal of blighted building, creation of new jobs and increased tax base to the City. He introduced representatives from Royal Tire, Inc.

The Chair recognized Mr. Brad Burley, VP of Retail Operations for Royal Tire, Inc. who summarized the redevelopment “vision” to update their building and remain part of the community they have been a part of for many years. He stated that during the 4 months planned for construction their facility at the Industrial Center will be used which will avoid any employee layoffs and allow for continued business. He answered questions of the Commission and the Chair thanked him for his presentation.

Mr. Robinson reported that conceptual endorsement is what is being requested from the EDA at this time, and that further evaluation of many factors will take place before actual financial information is recommended for approval.

Ms. Sheila Haverkamp of BLAEDC answered Commissioner’s questions relating to the City’s existing TIF Districts.

Staff answered questions of the Commissioners relating to how TIF works in general.

MOVED AND SECONDED BY COMMISSIONERS BEVANS AND ERICKSON TO ENDORSE PROJECT AS PRESENTED AND TO REFER TO THE CITY COUNCIL FOR FURTHER ACTION.

Upon roll call, commissioners Menk, Bevans, Sinner, Parks and Erickson voted "aye." No party voted "nay." The Chair declared the motion carried.

Industrial Park Pending Sale – Update

City Administrator Wussow reported that the sale of 9 acres/5 lots is proceeding with an anticipated May closing date.

BIC – Update

Chris Robinson of BLAEDC reported that prospects are being sought for leasing of space at BIC. He stated that there has been a substantial loss of progress in the decommissioning of the site based on the recent decrease to the price being offered for scrap metal.

BLAEDC – Update

Chair Menk reported that meetings of a very diverse group of representatives have been taking place recently to ensure the vitality of the Downtown business area and that a recent proposal has been received from Crow Wing Energized to install signage along three walking paths to showcase the area. He stated that he would continue to update all necessary parties.

City Administrator Wussow reported that a sub agreement for administration of the Riverwalk Grant will be presented to Council at the May 18, 2015 meeting from the HRA authorizing

Chris Robinson of BLAEDC reported that the JOBZ program, which provided tax benefits to participants, comes to a close in the end of 2015 and that Bang Printing, the one business that remains on the program, has made a significant contribution in employment and equipment to the Brainerd area in the past year.

Commissioners' Comments/Questions

Chair Menk reported that he has heard that a new leather goods store might be opening downtown and that a tenant might be moving into the Downtown Art and Frame building.

Adjourn

The Chair adjourned the meeting at 7:33 A.M.

Dale Parks
Secretary