

BRAINERD ECONOMIC DEVELOPMENT AUTHORITY

Thursday, March 15, 2007

Pursuant to due call and notice thereof, President Menk called the meeting of the Brainerd Economic Development Authority to order at 8: 04 A.M.

Present were Commissioners Menk, Pearson, Johnson, and O'Day. Also present were City Administrator Vogt, City Planner Ostgarden, and City Engineer Hulsether.

Noted absent were Commissioners Nesheim, Bonde and Kummet.

Also present were Ms. Sheila Haverkamp and Ms. Elissa Rogers representing BLADC.

#2 Approval/Amendment of Agenda.

President Menk asked if there were any changes or additions to the agenda. As there were no changes, the agenda was approved as submitted.

#3 Approval of Minutes – February 15, 2007.

President Menk asked if there were any corrections to the minutes. As there were no corrections, the minutes were approved as submitted.

#4 Brainerd Industrial Park Phase IV – Platting and Infrastructure – Discussion of.

City Engineer Hulsether stated that as part of the RFP for Engineering services for the Industrial Park, it was requested that the consultant meet with both the EDA and the Planning Commission for preliminary discussion of the project. He stated the consultant will come back in the future for an update. He stated the general purpose of the meeting is to give the consultants some feedback in terms of what the EDA needs in the Industrial Park. He stated issues such as lot sizes, number of lots, and anything that the EDA wanted to bring up should be discussed. He then introduced the consultants from KLD.

City Administrator Vogt stated that input from BLADC would be appreciated regarding the desired lot sizes from current and prospective businesses, as Ms. Sheila Haverkamp with BLADC was in attendance.

Mr. Jared Leese, Land Surveyor with KLD, and his business partner, Mr. Bob Miller, a Civil Engineer with KLD stepped forward, presenting an aerial photograph of the project area. Mr. Leese stated that he had received a preliminary plan from the Engineering Department, and went over some plans he had come up with relation to lot sizes and storm water retention. He stated that most of the lots ranged in size from 1.5 acres to around 3.6 acres, with one large 5.77 acre lot area, and mentioned the possible necessity for "buffers" because of future residential growth.

Commissioner O'Day stated that his suggestion would be to put the Right-of-Way in through the connection road, but to also put a cul-de-sac to the north in case of future development in the north end of the large lots.

Ms. Sheila Haverkamp, BLADC, stated that she has noticed that an industrial park sites with varying sized lots works well, so the business owners have the ability to buy as
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needed. She suggested a 1.2-1.5 acre minimum size to around 3 acres would be good sizes to start with.

Commissioner Johnson stated that he, too, agreed with smaller lots.

Discussion was held on storm water retention and the size and location of lots.

City Administrator Vogt stated that Street Lights should be part of the initial plan.

Mr. Leese stated that they would like to come to the next Planning Commission Meeting, present the plat at the Planning Commission meeting after that, and begin construction in August. He asked if there was any interest in sidewalks.

Commissoner O'Day stated that there was not a need for sidewalks.

City Planner Ostgarden stated that the Planning Commission had decided on no sidewalks. He stated that a trail was discussed, with a future plan of extending the trail into the residential areas.

#5 **BLADC**

- 2020 Economic Development Vision – (See Attachment).
- BRHSC Master Plan – Status Report.
- Project Status.

2020 Economic Development Vision.

Ms. Sheila Haverkamp, BLADC, stated that a strong focus for the 2020 plan is on the attraction of manufacturing and healthcare/human services. She stated they are going to develop prospect lists by looking at the resources Brainerd already has within the Community. She thanked the City of Brainerd and the EDA for the funds to get the effort started in 2007.

BRHSC Master Plan – Status Report.

Ms. Haverkamp stated the BRHSC Site has about 127 acres, and that the campus has not been utilized by the State to its capacity. She stated that as a result of this a grant has been issued to Crow Wing County to go through a Master Planning process to develop the site. She stated that a handout she had provided to the EDA identified 9 sections of the master Plan. She stated that a healthcare/living made sense for the area and that the Community liked the idea of this. She stated that Mille Lacs Academy was “waiting in the wings” to make a major investment if their project can be brought together, as well as Minnesota Teen Challenge, which is a national faith-based chemical treatment facility. She stated that after the Master Plan is accepted, the location of the different businesses would be decided, followed by a property appraisal done by the State, and then the attempt to make Mille Lacs Academy a tax-exempt facility. She stated that their initial application for Property Tax Exemption was denied. She stated that if the facility was kept in Onamia, it would be fully tax-exempt. If the facility was moved to Brainerd, the living quarters may not be tax exempt, although the school portion likely would be.

Discussion was held on tax exemption, including information about tax-exemption requirements being lower than market rate fees and a large portion of public assistance. The academy provides fee-for-service at market rates, however it was mentioned that the more the treatment at Mille Lacs costs, the more the County will pay to send people there.

City Administrator Vogt stated that Onamia would prefer to keep Mille Lacs Academy located there, as it provides 143 jobs, resulting in \$4.3 million in wages. He mentioned that Tax Increment Financing was being explored. He stated that Mille Lacs Academy wants a proposal by the beginning of April, so this is all on a tight time schedule.

President Menk asked Ms. Haverkamp what the EDA can do to get the process moving.

Ms. Haverkamp stated that the Master Plan needs to be accepted and supported by the Council and EDA, and then the City needs to decide how they will be involved in the implementation of the Master Plan, and finally be involved with the tax-exemption process.

President Menk asked if the EDA would be the lead entity in the project.

Discussion was held regarding the concern that City residents might have over Mille Lacs Academy housing adolescents with sexual behavior problems and a possible treatment facility for women with methamphetamine addiction. Other Communities may be contacted to discuss what, if any, issues have come up in similar situations.

City Administrator Vogt stated it would likely be the Council as the lead agency. He stated that the BRHSC Master Plan would be presented at the April 2, 2007 Council meeting.

Project Status.

Ms. Haverkamp stated that there is a company prospect that is interested in putting their 13,000 square foot manufacturing operation into the Industrial Park, and is requesting to put in their own well. Discussion was held on this process. She stated that there is also a Little Falls, MN company that is interested in the Brainerd/Baxter area, and some businesses wanting to come to the downtown Brainerd area. She stated that there are also companies looking at moving into the former Riverton Company location.

#6 Downtown Coordinator – Status.

City Administrator Vogt stated that final interviews are being done at the Chamber next week, with possible starting date being in April. He stated that there is also a survey being done by a graduate student assistant for the Planning Department that is yielding great results.

City Administrator Vogt stated that the Brainerd City website has a great deal of information on the Industrial Park, including pricing for both Phases II and IV. He stated there is also a link to the BLADC website showing all four phases and specific information about each lot. He stated there is also a great deal of information on water, power, telecommunications, transportation, etc.

Ms. Haverkamp stated that their website is very useful and suggested the EDA members explore it.

#7 **Special Service District – Downtown – Discussion of.**

Held over

#8 **Staff Reports.**

#9 **Commissioners' Comments/Questions.**

#10 **Adjourn.**

As there was no further business, President Menk adjourned the meeting at 9:13 A.M.

Respectfully submitted,

Tom Johnson, Secretary
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