BRAINERD ECONOMIC DEVELOPMENT AUTHORITY
Thursday, June 14, 2007

Pursuant to due call and notice thereof, President Menk called the meeting of the Brainerd Economic Development Authority to order at 8:03 A.M.

Present were Commissioners Menk, O'Day, Pearson, Nesheim, and Kummet.

Also present were City Administrator Vogt, Finance Director Goble, and Ms. Sheila Haverkamp and Ms. Elissa Rogers representing BLADC.

Noted absent were Commissioners Johnson and Bonde.

#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 – March 29, 2007.**

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

#4 **Approval of Financial Reports.**

Commissioner Kummet asked Finance Director Goble to refresh his memory on the land booking included in the financial report. Finance Director Goble stated the item in question was the Bruce Isebrand/Mildred Thiesse and Harold Thiesse property owners.

President Menk stated that the Financial Reports are accepted as presented.

#5 **Revolving Loan Fund (RLF) Application – Range Printing – Approved.**

The Chair recognized Ms. Elissa Rogers, who introduced Steve and Judy Sundquist, who are applying for a revolving loan fund for their company, Range Printing. Ms. Rogers gave a brief history of the Range Printing Company, which has been in business since 1968. She stated that she hoped the EDA would consider the loan, noting that it was realized that certain provisions of the proposal do not adhere to the regular RLF stipulations.

City Administrator Vogt read the policy regarding revolving loans which stated that a 2/3 majority vote could change the terms of a loan being applied for. He stated that Range Printing Company had a good and long history with the City and that this would be a legitimate reason to make the change in this case.

The Chair recognized Ms. Sheila Haverkamp, who stated that Range Printing was a company that helped the City of Brainerd establish and capitalize the original revolving loan fund. She stated that the guarantee from Range Printing is a minimum of 4 jobs being created in the next two years.

Commissioner O'Day asked if that estimate was conservative. Mr. Sundquist stated that it was.

Commissioner Kummet asked about the balance in the Revolving Loan Fund which is over $400,000.

MOVED AND SECONDED BY COMMISSIONER O'DAY AND NESHEIM, DULY CARRIED, TO ACCEPT THE PROPOSAL FOR THE REVOLVING LOAN FUND APPLICATION FOR RANGE PRINTING AS PRESENTED, BASED ON THE LONG-STANDING RELATIONSHIP BETWEEN THE CITY OF BRAINERD AND RANGE PRINTING RECOGNIZING THAT CERTAIN PROVISIONS IN THE RLF ARE BEING RELAXED.

Commissioner O'Day asked for some changes to be considered regarding interest rates on the revolving loans, and Ms. Haverkamp stated that her and Finance Director Goble could consult and change this if necessary.

#6 **Industrial Park Expansion Projects – Status Report.**

City Administrator Vogt drew the attention of the Commissioners to the Industrial Park plat map included in the packet, and discussed details of "per acre" prices, expenses, etc., stating that he recommends moving the lot price up to cover the City's costs. He stated that he had asked Ms. Haverkamp to put together some comparables for the Commissioners.

The Chair recognized Ms. Sheila Haverkamp, who discussed area industrial park prices and how they affect where various projects have gone. She stated that there are different factors to consider, such as whether or not the industrial park is paved. These factors and prices were discussed.

City Administrator Vogt stated that a decision was made by the City in the past to include interest costs of industrial park purchases into the general levy for the taxpayers, and that the discussion comparing costs with other communities is a bit of a deviation from this.

MOVED AND SECONDED BY COMMISSIONER O'DAY AND PEARSON TO INCREASE THE PRICE PER ACRE FOR INDUSTRIAL PARK LOTS FROM $20,000 TO $24,000/ACRE BECAUSE OF INCREASING COSTS, DULY CARRIED.

#7 **Downtown Coordinator – Report – Held Over.**

City Administrator Vogt stated that one of the items that he knows Ms. Emily Roragen, the Downtown Coordinator, is working on is a presentation for the Capital Funding program through the State.

#8 **Region 5 – Notice of Funding Opportunities -**

The Chair recognized Ms. Sheila Haverkamp, who agreed that the Downtown project may not be given funding because of there not being as much "regional" benefit as some of the other projects. She stated that other projects that should possibly be included are the Brainerd Regional Human Services Center implementing a Health and Human Services Center or an industrial park, and the Brainerd Regional Airport.

City Administrator Vogt stated that other suggestions include College Drive, the study for the Mississippi River Crossing, Cuyuna Lakes Trail System, and a center for performing arts at the College, and that the Council would be making the decision on which projects to include at their June 18th meeting.

Commissioner Nesheim stated that the economic director at Region 5 is very enthusiastic and competent, and that she is very impressed.

Ms. Haverkamp stated that historically the funding has been given to industrial park projects. She stated that she still feels that the Downtown project should be submitted, but that others should be included.

Commissioner O'Day suggested that the commissioners contact City Administrator Vogt with their ideas and that the EDA meet again in two weeks to make a decision as to which projects they want to include. A meeting date was set for July 5, 2007.

President Menk stated that another project that could be included is the Downtown storm water problem.

#9 **Staff Reports.**

Ms. Haverkamp stated the Minnesota Teen Challenge, a Veteran's Memorial Hospital, Health Care Human Service, are all interested in the BRHSC Facility.

Discussion was held about property taxes for the BRHSC.

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

None.

#11 **Adjourn.**

The President adjourned the meeting at 9:07 a.m.

Respectfully Submitted,

Tom Johnson, Secretary
nt