

Minutes

Regular Meeting
Thursday, May 12, 2005
3:30 p.m.

Second Floor Meeting Room Human Services Building
712 Minnesota Avenue, Detroit Lakes, MN

Meeting called by:	Mike Metelak
Type of meeting:	Regular Meeting
Attendees:	Harry Salminen, Karen Mulari (arrived at 3:40), Mike Metelak, Gerald Schram, Dan Aune, Terry Johnson, Paul Joyce Staff present: Jon Thomsen, Lana Fralich, Shawn Olson Others present: Matt Casey (Human Services)
Board Members Absent:	None

Agenda topics

- 1) **Call Regular Meeting to order:** M Metelak called the meeting to order at 3:30 p.m.
- 2) **Approval of Regular Meeting Agenda: Motion** and second to approve the Agenda with the following addition: Under Item 5: North Tower Road Industrial Park (P Joyce, G Schram), carried.
- 3) **Approval of Minutes from April 14th Regular Meeting: Motion** and second to approve the Meeting Minutes (T Johnson, D Aune), carried.
- 4) **Financial Report:** Staff presented the monthly financial report. **Motion** and second to accept the report as presented (G Schram, T Johnson), carried.
- 5) **Economic Development:**
 - a) **Minnesota Community Capital Fund:** L Fralich noted that the funding for MCCF 41105A and MCCF 41105B were approved by both the Becker County Board and MCCF. It was noted that there are MCCF documents that require signing. **Motion** and second to authorize Mike Metelak, as the Authorized Officer, and Jon Thomsen, as the Authorized Representative, to sign the Participation Agreement and the Loan Fund Signature Page from the MCCF Loan Fund Participation Prospectus (H Salminen, K Mulari), carried.
 - b) **County Attorney Opinion Letter:** As requested, the County Attorney provided further guidance on the various powers of the EDA. Discussion followed. **Motion** and second to recommend that the County Commissioners modify the EDA's Enabling Resolution as previously presented and by written resolution, adopted after proper notice is given and a public hearing is conducted (H Salminen, P Joyce) unanimously carried.
 - c) **Becker County Workshop:** As requested, the staff conducted a financial analysis of the proposed Becker County Workshop project. A potential building has been located and several pro forma's were presented for the Board to review. Discussions followed on the City of DL approval of project, lease opt out clauses, the annual review of operating expenses and lease terms that have a loss contingency, lease terms to be set at \$1,750 per month not to exceed 30 years. **Motion** and second to recommend to the County Board of Commissioners approval for the purchase of the property located at 1120 8th Street, Detroit Lakes, MN for \$185,000, begin renovations of the building to accommodate the Becker county Workshop needs estimated at \$23,000 and authorize Jon Thomsen to sign the purchase agreement once approved by the County Attorney, and authorize Jon Thomsen to sign the Lease Agreement, pending language as discussed, with the Becker County Workshop (T Johnson, D Aune), unanimously carried. Matt Casey briefly addressed the Board and offered to host an EDA Board meeting in the fall of 2005 in the new building.
 - d) **Permanent Supportive Housing Project:** L Fralich noted that, due to recent funding cuts, HUD would not fund the project. The Board could wait until 2006 and re-apply for funding from HUD or staff could pursue funding from the Tax Credit Program. Discussion followed. Staff was directed to obtain further information on the

application for funding from the Tax Credit Program and the Board would hold a Special Meeting, if required. G Schram voiced his opposition to the project. No action taken.

- e) **North Tower Road Industrial Park:** L Fralich notified the Board of the recent sale of a parcel and provided a copy of the Cooperative Agreement. The Detroit Lakes Development authority (DLDA) will be first compensated for their expenses prior to sharing the two-third to one-third split on any gains due on sale. The Board asked for a forecast of how the DLDA intends to dispose of the remainder of the lots. No action taken.
 - f) **Amended 2005 EDA General Fund Budget:** Staff presented proposed revisions in the budget that are a result of the Becker County Workshop Project, Land Purchase, Taxes and Debt Service. Discussion followed. **Motion** and second to adopt the Amended Budget as recommended by staff (P Joyce, T Johnson), carried.
 - g) **Business Summary:** L Fralich offered a sample business visitation questionnaire for Board review. Discussion followed on joint meetings with area communities and the need for a resource folder that can be used as a marketing tool when Board members visit businesses in their district. No action taken.
 - h) **Project Update:** L Fralich invited the Board Members to the upcoming community meetings. Discussion followed on potential topics of discussion at the May 23rd meeting with Lake Park.
- 6) **Housing Committee**
- a) **Residential Lot Purchase – Sunshine Addition:** J Thomsen presented information on two residential lots that the Housing Committee has recommended that the EDA Board purchase for the purpose of new home construction in Audubon. **Motion** and second to obtain appropriate Council/Commissioner approval, if required; sign the Purchase Agreement to purchase the following two lots in the Sunshine Addition in Audubon: Lot 6 Block 2 for \$13,600 and Lot 6 Block 3 for \$10,100; and issue a check for payment of the earnest money (G Schram, H Salminen), carried.
 - b) **ICWC General Contractor – 12 Month Contract:** J Thomsen presented a proposal from the OTCCAC to continue to provide General Contractor services for \$7,500 per house, as recommended by the Housing Committee. Discussion followed. **Motion** and second to obtain appropriate Council/Commissioner approval, if required; approve the contract with OTCCAC, with the understanding that area firms can be involved in the project and the desire to locate a local General Contractor next year (H Salminen, P Joyce), carried.
 - c) **MHFA – CRV4-2003-01:** The project is completed and the Housing Committee has recommended repayment of the loan, per agreement. **Motion** and second to authorize retroactive loan repayment in the amount of \$333,944.77 for project CRV4-2003-01 (H Salminen, K Mulari), carried.
- 7) **EDA Board – Open Forum:** Discussion followed on partnership opportunities, the appreciation for diversity within the Board, the need to stay focused and the desire to celebrate the upcoming sale of the 25th new construction home.
- 8) **Old/New Business:** J Thomsen noted that appropriate wording was added to the contract for services with Cornerstone Development and that the documents are now ready for signing. There being no further business to be brought before the Board,
- 9) **Adjourn:** **Motion** and second to adjourn the meeting at 5:15 pm (H Salminen, G Schram), carried.

ATTEST:

Respectfully submitted:

/s/

Jon Thomsen

/s/

Mike

Metelak

Housing Director

EDA Board President