

Minutes

Regular Meeting
Thursday, December 14, 2006
3:30 p.m.
Lake Melissa Meeting Room, Human Services Building
Detroit Lakes, MN

Meeting called by: Mike Metelak
Type of meeting: Regular Meeting
Attendees: Karen Mulari, Harry Salminen, Mike Metelak, Terry Johnson, Gerald Schram, Dan Aune, Paul Joyce
Staff present: Jon Thomsen, Guy Fischer, Shawn Olson
Other Attendees: Hank Ludtke (City of Frazee) and Linda Livingston Wiedewitsch (Lucky Dog)
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 as presented (P Joyce, T Johnson), carried.
- 3) **Approval of Minutes from November 16, 2006 Regular Meeting:** **Motion** and second to approve the minutes of the November 16th Regular Meeting (G Schram, H Salminen), carried.
- 4) **Financial Report:**
 - a) **Monthly Financial Report:** Staff presented the monthly financial report. **Motion** and second to accept the monthly financial report (H Salminen, G Schram), carried.
 - b) **Budget Revisions:** Staff recommended budget revisions based upon several significant events that were not originally budgeted for. The Board's attention was directed to the written report that detailed each line item deviation. Discussion followed. It was noted that J Thomsen is in negotiation with Four County Mental Health, who expressed a willingness to cover the operating loss of the Highway 34 Group Home. **Motion** and second to adopt the 2006 Revised General Fund Budget and the 2006/2007 Budget for the Highway 34 Group Home, as recommended by staff (H Salminen, G Schram), carried.
- 5) **Economic Development:**
 - a) **Monthly Report:** H Ludtke (City of Frazee) updated the Board on the activities of the Swift Redevelopment Project. Linda Livingston Wiedewitsch addressed the EDA Board and detailed the \$775,000 planned expansion of Lucky Dog Boarding and Training Center, LLC. Lucky Dog is applying for Tax Abatement. Based on estimates from the assessor's office, a tax abatement of 90% of the City and County taxes over a 15-year period would generate about 115,725 for the project. G Fischer updated the Board on the wind energy projects, Fischer land trust, CURA award and the hiring of a student research assistant, OEA grant

submission for a geothermal heating/cooling system for the EDA's Permanent Supportive Housing Project and the proposed Public Services Study.

b) CSH Loan Repayment: G Fischer requested the Board sign the Minnesota Housing Partnership (MHP) Green Predevelopment Planning Grant Agreement. In other business, it was noted that the \$100,000 loan received from the Corporation for Supportive Housing (CSH) becomes due December 31, 2006 and that the EDA can internally reallocate 12 units of tenant based voucher assistance and make them project based for the EDA's Permanent Supportive Housing Project. **Motion** and second to use the \$50,000 received from the Bremer Foundation to pay down the CSH loan and to obtain a 6-month extension for payment of the balance (H Salminen, G Schram), carried. **Motion** and second to approve and sign the MHP grant (T Johnson, D Aune), carried. **Motion** and second to proceed with the reallocation of 12 units of Voucher assistance, as presented by staff (H Salminen, P Joyce), carried. Discussion followed on Lucky Dog's Tax Abatement request. H Salminen volunteered to conduct further due diligence and report back at the January meeting. **Motion** and second to table the request for a Tax Abatement for further due diligence (T Johnson, K Mulari), carried with G Schram opposing.

6) Monthly Housing Report: J Thomsen directed the EDA Board to his written report. It was noted that the Minnesota Department of Employment and Economic Development (DEED) has reviewed the Small Cities Development Program (SCDP) preliminary applications that the EDA submitted on behalf of the Cities of Callaway and Frazee. Statewide, 76 Pre-applications were submitted to SCDP for funding consideration. The SCDP staff has determined that 45 of those applicants will be allowed to submit full applications for the 2007 SCDP Awards; SCDP staff determined that the EDA had the capacity to administer one grant. Discussion followed. **Motion** and second to accept the Housing Committee recommendation and submit the full application on behalf of the City of Frazee (K Mulari, G Schram), carried.

7) EDA Board – Open Forum: T Johnson and H Ludtke spoke about how Audubon and Frazee are working with the mobile home parks in their communities. M Metelak spoke on other topics of interest, including the downside to ethanol plants and wind generators. On behalf of the City of Frazee, H Ludtke expressed appreciation for the support the EDA and the County has provided their community. There being no further business brought before the Board,

8) Adjourn: **Motion** and second to adjourn the meeting at 5:05 p.m. (G Schram, P Joyce), carried.

ATTEST:

Respectfully submitted:

/s/ Jon Thomsen
Housing Director

/s/ M Metelak
EDA Board President