

Minutes

Regular Meeting
Thursday, March 8, 2007
3:30 p.m.
Lake Melissa Room, Human Services Building
Detroit Lakes, MN

Meeting called by:	Mike Metelak
Type of meeting:	Regular Meeting
Attendees:	Harry Salminen, Karen Mulari, Mike Metelak, Terry Johnson, Gerald Schram, Paul Joyce, Dan Aune Staff present: Jon Thomsen, Guy Fischer, Carissa Markuson Others present: Brian Berg (County Administrator), Ryan Tangen (County Auditor/Treasurer); C Drude (Ehlers & Associates, Inc); H Ludtke (City of Frazee); S Retzer (MN DEED)
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, G Schram), carried.
- 3) Approval of Minutes from January 2007 Regular Meeting:** Board members were reminded to call if they are not able to attend the scheduled meeting. **Motion** and second to approve the Minutes of the January 11, 2007 regular meeting (H Salminen, G Schram), carried.
- 4) Courthouse Expansion – HRA Public Project Revenue Bond:** B Berg (County Administrator) presented floor plans and drawings of the proposed county courthouse expansion project. Discussion followed on financing for the project through a HRA bond sale. C Drude (Ehlers & Associates, Inc) provided a pre-sale report for EDA Board consideration. R Tangen (County Auditor/Treasurer) spoke about the powers of the EDA as it related to the bond sale. Discussion followed on how the bond proceeds would be used to finance the addition to the county courthouse; the county would enter into a lease with the EDA, which will require the lease payments at least equal to the debt service payment. The bonds would not be general obligations of the EDA or the County but will be subject to the annual appropriation of funds by the County. The EDA will be the lessor of the addition during the term of the lease and, after all payments have been made, the county will own the addition. Resolution No. 03-08-2007-D *Resolution providing for the Sale of \$6,395,000 Public Facilities Lease Revenue Bonds, series 2007A* was presented. Discussion followed on the date/time of the Special Meeting of the EDA Board; it was proposed that the EDA Board should meet at 1:30 pm (not 11:30 am) on March 27, 2007. **Motion** and second to adopt Resolution 03-08-2007-D, with the change of meeting time to 1:30 pm and not 11:30 am, to provide for the sale of \$6,395,000 Public Facilities Lease Revenue Bonds, Series 2007A (H Salminen, T Johnson), carried unanimously.
- 5) Monthly Financial Report:** Staff presented the monthly financial report. **Motion** and second to accept the report as presented (T Johnson, G Schram), carried.

- 6) Monthly Economic Development Update Report:** G Fischer updated the Board on his activities. Discussion followed on tax abatements, Swift Redevelopment Project, activities of the Regional Chamber of Commerce. G Fischer proposed that the EDA form a non-profit 501(c)3 subsidiary corporation. No action taken.
- 7) Permanent Supportive Housing Project:** The Memorandum of Understanding (MOU) between Mahube Community Council and the EDA was presented. Discussion followed. **Motion** and second to approve the MOU as presented by staff (H Salminen, K Mulari), carried with G Schram opposed. Resolution 03-08-2007-B *Resolution Approving the Borrowing of Funds* was presented. Discussion followed on 12-units rather than 24 units of permanent supportive housing. **Motion** and second to adopt Resolution 03-08-2007-B, revised to reflect 12 units rather than 24 units, approving the borrowing of \$1,400,000 in 0% interest for a term of 30 years and to execute any and all documents and contracts (H Salminen, T Johnson), carried with G Schram opposed. Discussion followed on the need for a line of credit from the EDA. **Motion** and second to permit the use of EDA cash on hand to pay Permanent Supportive Housing Project costs prior to the receipt of loan/grant funds (H Salminen, T Johnson), carried.
- 8) Monthly Housing Update Report:** J Thomsen updated the Board on his activities.
- 9) MURL Program Award:** It was noted that the MURL program has been re-introduced by MHFA. The EDA has been awarded \$127,500 in MURL funds. However, the program, as re-introduced, requires homebuyers to obtain bank financing. No action taken.
- 10) Agency Plan:** Resolution 03-08-2007-C, *PHA Certifications of Compliance with the PHA Plans and Related Regulations: Board Resolution to Accompany the Streamlined Annual PHA Plan* was presented by staff. Discussion followed. **Motion** and second to approve Resolution 03-08-2007-C, approve the 2007 Agency Plan and authorize the signing of documents as appropriate and submitting to HUD as required (H Salminen, D Aune), carried.
- 11) State of Minnesota Contract – ICWC:** Discussion followed on the continued need for the crew. **Motion** and second to enter into a new contract (D Aune, T Johnson), carried.
- 12) Old/New Business:** Resolution 03-08-2007-A *Resolution Approving the Borrowing of funds* was presented. It was noted that a \$275,000 line of credit would be needed from the EDA. **Motion** and second to adopt Resolution 03-08-2007-A and approve the establishment of the internal line of credit, (D Aune, T Johnson), carried.
- 13) EDA Board – Open Forum:** Discussion continued on the permanent supportive housing project. There being no further business to be brought before the Board,
- 14) Adjourn:** **Motion** and second to adjourn the meeting at 5:10 p.m. (T Johnson, H Salminen), carried.

ATTEST:

Respectfully submitted:

/s/ _____ Jon Thomsen
Housing Director

/s/ _____ Mike Metelak
EDA Board President