

PROCEEDINGS OF THE ST. CLOUD ECONOMIC DEVELOPMENT AUTHORITY BOARD

A meeting of the St. Cloud Economic Development Authority Board was held on March 6, 2013, at 11:30 a.m. in the City Hall Council Chambers. Members present were Euerle, Gruenes, Lenzmeier, Libert, Masters and Siyad. Lawson was absent. Staff present were Cathy Mehelich and Tammy Campion. Gruenes welcomed new board member Dave Masters.

**Consent Agenda:** Libert moved to approve the consent agenda as follows:

Approval of January 2, 2013 EDA Board Meeting Minutes

Approval of January 14, 2013 EDA Board Special Meeting Minutes

Approval of EDA Revenue/Expenditure Report January 2012 through December 2012

Approval of EDA Revenue/Expenditure Report as of January 31, 2013

Lenzmeier seconded the motion and it carried unanimously.

**Resolution Recommending the City Council Approve JOBZ Business Subsidy and Relocation Agreements for a Proposed Project by Geringhoff Manufacturing LLC and Geringhoff Distribution LLC:** Cathy Mehelich, Economic Development Director, stated Geringhoff

will manufacture and distribute corn harvesting equipment and other farm equipment under two entities: Geringhoff Manufacturing LLC and Geringhoff Distribution LLC. The financing package for the project included JOBZ Tax Exemptions and a \$500,000 MN Investment Fund forgivable loan from the State. Financing is conditioned upon the creation of 100 new jobs at the facility. Gruenes commented that having the two entities will give the effect of a corporate headquarters and will result in a potentially more diverse workforce.

Masters moved to approve the resolution recommending the City Council approve JOBZ Business Subsidy and Relocation Agreements for a proposed project by Geringhoff Manufacturing LLC and Geringhoff Distribution LLC. The motion was seconded by Euerle and carried unanimously.

**Resolution Approving and Authorizing Execution of a Loan Agreement Relating to a**

**Loan to New Flyer of America Inc. Under the City's Revolving Loan Fund Program:** Cathy Mehelich, Economic Development Director, stated she has been working with the State and Stearns County to assist a proposed expansion by New Flyer of America Inc. of the company's St. Cloud manufacturing and assembly facility. The financial assistance package includes a \$1 million MN Investment Fund forgivable loan from the State, a 0% loan from Stearns County and a 0% loan from the City's Revolving Loan Fund (RLF) to support machinery and equipment, and the creation of 136 new jobs within two years. Staff is recommending approval and acknowledges the EDA's need to establish a RLF policy for operating and administering future requests for this fund. This request does not require City Council approval under MN Business Subsidy Law since the loan amount is less than \$150,000.

Commissioners discussed the current \$255,000 balance of the RLF and agreed that a discussion will need to take place regarding a RLF policy. David Bendorf, New Flyer of America St. Cloud Plant Manager, stated the expectation is to break ground on the expansion in early April 2013. The first line entries for the new buses are scheduled for October 2013. Commissioners commended the job creation by New Flyer of America.

Lenzmeier made a motion to approve the resolution approving and authorizing execution of a loan agreement relating to a loan to New Flyer of America, Inc. under the City's Revolving Loan Fund Program. The motion was seconded by Siyad and carried unanimously.

**Director's Report:** Cathy Mehelich, Economic Development Director, stated that policy drafts are being created for the Revolving Loan Fund Program and Tax Increment Financing. Mehelich, along with John Kramer from the Greater St. Cloud Development Corp, will be speaking at a St. Cloud MNCar session about Economic Development financing tools.

Tammy Campion, Senior Planner, stated The Lakota Group will be in St. Cloud on March 11 and 12 for their first official branding visit and interviews. A branding resource team consisting of 18

internal City staff members will be working with The Lakota Group to discuss ideas for the new City branding image and message.

**Other Business:** Commissioners agreed to discuss the possibility of a new meeting time and televised meetings.

**Adjournment:** There being no further business, the meeting was adjourned at 12:19 p.m.

---

Ashley Skaggs, EDA Secretary