

PROCEEDINGS OF THE ST. CLOUD ECONOMIC DEVELOPMENT AUTHORITY BOARD

A meeting of the St. Cloud Economic Development Authority Board was held on Tuesday, September 1, 2015 at 4:30 p.m. at the City of St. Cloud Wastewater Treatment Facility.

ROLL CALL: Members present were Banaian, Jacques, Laraway, Lenzmeier, Libert and Siyad. Staff present were Tammy Campion, Cathy Mehelich and Ashley Skaggs.

Consent Agenda:

APPROVAL OF MINUTES FROM THE AUGUST 4, 2015 EDA BOARD MEETING

APPROVAL OF THE EDA REVENUE/EXPENDITURE REPORT AS OF JULY 31, 2015

ACTION TAKEN: Laraway/Siyad/Approved (6-0)

New Business:

RESOLUTION APPROVING AN AMENDMENT TO THE CONTRACT FOR PRIVATE DEVELOPMENT WITH P-IKE INVESTMENTS, LLC

ACTION TAKEN: Libert/Jacques/Approved (5-1, Libert opposed)

Mehelich explained a request for an extension to the completion clause in the Contract for Private Development for property located in the St. Cloud Airport Business Park. The current agreement requires construction to commence by September 2015 with substantial completion by December 26, 2015. Citing ongoing attempts to market the building, the owners of P-IKE Investments, LLC are requesting a three year extension until December 26, 2018.

Pat Welty of P-IKE Investments, LLC noted that there has been a struggle to attract tenants to the business park, partly due to the architectural covenants in place. Banaian asked if there are new marketing plans for the property. Welty stated that a realtor will be reengaged. Mehelich noted the possibility of lowering the architectural standards and/or marketing the property as 'permit ready'.

Libert noted that the market is improving and made a motion to approve a one-year extension to the contract for private development. The motion was seconded by Jacques. Welty commented that one year would be a challenge. Mehelich stated that staff could create milestones to meet over a period of time. Lenzmeier commented that one year is not long enough to perform. Jacques made a motion to amend the extension from one to three years. The motion was seconded by Lenzmeier. The motion to amend the original motion was approved (5-1, Libert opposed).

Banaian noted that the board has the option to table the request in order for staff to return with a time table. There being no further discussion, Banaian called for a vote on the original motion as amended. The motion carried (5-1, Libert opposed)

UPDATE ON THE LOFTS FROM ROD LINDQUIST, MAKENDA, LLC

ACTION TAKEN: Lenzmeier/Libert/Approved (6-0)

Mehelich reminded Board members of the Contract for Private Development entered into with Makenda, LLC that allows for the sale of the property upon meeting certain conditions. The contract anticipates a closing date of September 1, 2015 and for construction to commence by October 1, 2015.

Rod Lindquist of Makenda, LLC provided an update on the project, due diligence completed to date, and requested the EDA consider approving an extension of the closing date and construction start date. Mehelich recommended a 45-day extension.

Lenzmeier made a motion to extend the closing date and construction start date by 45 days. The motion was seconded by Libert and carried unanimously.

Adjournment: There being no further business, the meeting was adjourned at 5:14 p.m.