

CITY OF ST. CLOUD ECONOMIC DEVELOPMENT AUTHORITY

Tuesday, November 7, 2017
4:00 p.m.
City Hall Council Chambers

Roll Call

MEMBERS PRESENT: King Banaian, Steve Laraway, John Libert, Chris Jacques and Tohow Siyad
MEMBERS ABSENT: Alice Lenzmeier and Bernie Perryman
STAFF PRESENT: Cathy Mehelich, Tammy Campion, Ashley Skaggs and Ruth Wipper

Consent Agenda

APPROVAL OF MINUTES FROM THE OCTOBER 3, 2017 EDA BOARD MEETING

ACTION TAKEN: Libert/Jacques/Approved (5-0)

APPROVAL OF EDA FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2017

ACTION TAKEN: Laraway/Jacques/Approved (5-0)

New Business:

AMENDMENT TO DEVELOPMENT AGREEMENT WITH SANVIK DEVLEOPMENTS, LLC

ACTION TAKEN: Libert/Siyad/Approved (5-0)

Mehelich explained that staff has been working with Sanvik Developments, LLC as the property owner and redeveloper for the proposed redevelopment area along Cooper Ave and Division St. In June, the EDA approved a resolution designating the existing buildings on the property as structurally substandard, as well as a development agreement. The development agreement called for removal of all the building structures by December 15, 2017. Sanvik Developments has requested an amendment to the agreement to allow the warehouse building located at 1905 St. Germain St W to remain. The developer has also requested an extension to the December timeline to require receipt of bids by December 15, 2017 and demolition completion by February 1, 2018.

Libert made a motion to approve the amendment to the development agreement timeline. The motion was seconded by Siyad and carried unanimously. Libert made a motion to approve the amendment to the development agreement allowing the 1905 building to remain. The motion was seconded by Siyad. Board members agreed to allow the 1905 building to remain temporarily and directed staff to negotiate its removal during the TIF application process. Banaian called for a vote and the motion carried unanimously.

RESOLUTION APPROVING ASSIGNMENT AND ASSUMPTION AGREEMENT AND TRANSFER OF PROPRETY TO KELLY INN

ACTION TAKEN: Jacques/Laraway/Approved (5-0)

Mehelich explained that Kelly Midwest Ventures Limited Partnership has provided notice to the City and EDA that it is exercising its option to purchase the property on which a portion of the hotel is currently located in downtown St. Cloud. A 30-year-old Net Ground Lease relating to the 1987 hotel expansion grants an option to Kelly Midwest to purchase the property for an established price of \$257,600.

Jacques made a motion to approve the resolution approving an assignment and assumption agreement and transfer of property to the Kelly Inn. The motion was seconded by Laraway and carried unanimously.

Other Business

WORK SESSION – ENTREPRENEURSHIP/SMALL BUSINESS DEVELOPMENT

ACTION TAKEN: None

Barry Kirchoff, Director of the Central MN Small Business Development Center, presented on entrepreneurship and small business development.

APPROVAL OF GRANT APPLICATION

ACTION TAKEN: Laraway/Jacques/Approved (5-0)

Mehelich stated that the City's Health & Inspections Department has asked for assistance to facilitate a grant application in order to hold a food service workshop for the East African community. Laraway made a motion to support the grant application. The motion was seconded by Jacques and carried unanimously.

DIRECTOR'S REPORT

ACTION TAKEN: None

- > 2017 Development Activity Report – October Month End Report
- > Marketing Plan Update
- > Update on recent business development transactions
- > AmeriCorps VISTA project update

Adjournment: There being no further business, the meeting was adjourned at 5:35 p.m.