

Economic Development Authority

Tuesday, September 1, 2020

4:00 p.m.

First Floor Conference Room, City Hall

Due to the global COVID-19 pandemic, this meeting of the Economic Development Authority was held virtually.

ROLL CALL

Members Present: King Banaian, Chris Jacques, Steve Laraway, Alice Lenzmeier, Dave Masters (@ 4:09 p.m.) and Bernie Perryman

Members Absent: Tohow Siyad

Staff Present: Kirstin Barsness, Tammy Campion, Matt Glaesman, Cathy Mehelich, Ashley Skaggs and Ruth Wipper

MINUTES FROM THE AUGUST 4, 2020 EDA MEETING

EDA FINANCIAL STATEMENTS AS OF JULY 31, 2020

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

GATEWAY MOTEL REDEVELOPMENT PROJECT

A) RESOLUTION APPROVING MODIFICATION TO THE DEVELOPMENT PROGRAM AND THE CREATION OF A TAX INCREMENT FINANCING (TIF) PLAN

B) RESOLUTION AUTHORIZING THE APPROVAL OF A CONTRACT FOR PRIVATE DEVELOPMENT WITH MIDLAND-OLYMPUS STRATEGIC INCOME FUND, LLC AND MO CLOUD II, LLC

C) RESOLUTION APPROVING THE TERMS OF A \$40,000 TAX INCREMENT INTERFUND LOAN IN CONNECTION WITH THE GATEWAY MOTEL REDEVELOPMENT TIF DISTRICT

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

Mehelich reminded board members about a proposed redevelopment of the Gateway Motel property located at 310 Lincoln Ave SE. The developer has the property under contract for purchase contingent on financing. In order to facilitate the project financing assistance is needed to support redevelopment expenses and a portion of acquisition costs. Upon financing approval, the developer wishes to proceed with demolition and construction in Fall 2020 with project completion in Spring 2021.

Laraway made a motion to approve A) a resolution approving modification to the development program and the creation of a tax increment financing (TIF) plan, B) a resolution authorizing the approval of a contract for private development with Midland-Olympus Strategic Income Fund, LLC and MO Cloud II, LLC, and C) a resolution approving the terms of a \$40,000 tax increment interfund loan in connection with the Gateway Motel Redevelopment TIF District. The motion was seconded by Masters and carried unanimously.

RESOLUTION ADOPTING THE 2021 SPECIAL LEVY AND BUDGET FOR THE ECONOMIC DEVELOPMENT AUTHORITY OF ST. CLOUD

ACTION TAKEN: Jacques/Perryman/Approved (6-0)

Mehelich presented the 2021 budget and special levy proposal, which was reviewed by City Council and Administration in August. Priority initiatives include site selection, business financing assistance and attraction, marketing, redevelopment, and assistance to local development partners.

Jacques made a motion to approve a resolution adopting the 2021 Special Levy and Budget. The motion was seconded by Perryman and carried unanimously.

ECONOMIC RECOVERY GRANT PROJECT UPDATE

ACTION TAKEN: None

Barsness provided an update on the federal Economic Recovery Grant project.

DIRECTOR'S REPORT

ACTION TAKEN: None

Mehelich and Campion provided updates on development activities and the CARES Act Small Business Relief Program.

ADJOURNMENT

5:19 p.m.