

Economic Development Authority

Monday, August 16, 2021

4:00 p.m.

City Hall – Council Chambers

ROLL CALL

Members Present: Alice Lenzmeier, Steve Laraway, King Banaian, Tohow Siyad, and Bernie Perryman

Members Absent: Chris Jacques and Dave Masters

Staff Present: Cathy Mehelich, Deanna Fah, and Abby Schneider

CONSENT AGENDA

- MINUTES FROM THE MAY 4, 2021 EDA MEETING
- FINANCIAL STATEMENTS AS OF JULY 31, 2021
- APPOINT DEANNA FAH AS ASSISTANT TREASURER FOR EDA
- RESOLUTION DECERTIFYING TAX INCREMENT FINANCING DISTRICT NUMBER THIRTY-FIVE (WEBWAY II EXPANSION PROJECT)
- RESOLUTION AUTHORIZING EXECUTION AND DELIVERY OF A CERTIFICATE OF COMPLETION AND A TAX INCREMENT REVENUE NOTE, SERIES 2021 (GATEWAY MOTEL REDEVELOPMENT PROJECT)

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

NEW BUSINESS

RESOLUTION APPROVING A TERM SHEET WITH MIDWEST REAL ESTATE HOLDINGS, LLC AND ASSOCIATED WHOLESALE GROCERS INC AND RECOMMENDING CITY COUNCIL CALL FOR PUBLIC HEARING ON THE ESTABLISHMENT OF TAX INCREMENT ECONOMIC DEVELOPMENT DISTRICT AND A BUSINESS SUBSIDY AGREEMENT

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

Mehelich introduced the representatives from Associated Wholesale Grocers (AWG) – Chris Rice from Rice Builders, Scott Hamak from Rinke Noonan, Stephanie Becker from AWG, and Leslie Dingmann from GSDC. Mehelich gave the history of the project, explaining the Phase I building that AWG is proposing to build is located in the I-94 Business Park, as well as explaining the future phases of construction. Review of the timeline for the TIF plan adoption. Banaian invited guests to come speak.

Stephanie Becker with AWG – Introduced herself as Senior Vice President & General Counsel and iterated her company's excitement at coming to the neighborhood. Laraway asked her a little more about their company. Becker explained how their company works as a co-op and all their distribution centers. Sales last year were about \$10 million and explained their excitement at having a warehouse more in the upper Midwest. Siyad welcomed Becker and AWG to the City and asked how many jobs they provide. Becker responded that while the number is not definite as of right now, 114 is the number that is being used right now. Banaian asked about their job descriptions, and Becker explained the difference between field agents and management staff. Perryman asked about community involvement that might happen. Becker discussed their employee foundation where employees can choose to give back to the communities they live in. Due to the co-op model, they try to pass things back to the grocery store owners to be able to reinvest and grow their stores and give back to the community.

Mehelich asked if the field staff would be office jobs assigned to the St. Cloud facility or remote workers, and Becker identified that they were unsure as it depended on where the stores were located.

Mehelich reviewed the Term Sheet. Lenzmeier asked about review of the company’s financials. Mehelich referred to AWG’s annual report and requested Becker explain how their cooperative status requires them to return a portion of their profits to their shareholders.

Laraway made a motion to approve the Resolution, second by Lenzmeier. Motion passed unanimously.

REVIEW PRELIMINARY 2022 ECONOMIC DEVELOPMENT AUTHORITY BUDGET

ACTION TAKEN: None

Mehelich explained the budget is similar to previous years and did a brief review of each item for EDA discussion. Next month the board will take action to approve the 2022 budget and recommend City Council approval of the EDA tax levy.

OTHER BUSINESS

DIRECTOR’S REPORT

ACTION TAKEN: None

Mehelich reviewed the July development activity dashboard. Also discussed strategic planning update. Discussion ensued about when to come together for a strategic planning session. It was the consensus of the board to proceed forward with completing the update of the strategic plan for completion by end of the year.

Perryman discussed the lighting ceremony coming up Downtown.

ADJOURNMENT

There being no further business, the meeting was adjourned at 5:35 pm.



Abby Schneider, Secretary