

PROCEEDINGS OF THE ST. CLOUD ECONOMIC DEVELOPMENT AUTHORITY BOARD

A meeting of the St. Cloud Economic Development Authority Board was held on September 4, 2013, at 11:30 a.m. in City Hall Conference Room 1. Members present were Euerle, Gruenes, Lawson, Lenzmeier, Libert and Siyad. Masters was absent. Staff present were Cathy Mehelich, John Norman, Tammy Campion and Ashley Skaggs.

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

Approval of July 3, 2013 EDA Board Meeting Minutes

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

The motion was seconded by Siyad and carried unanimously.

**Resolution Recommending to the City Council Modifications to the Authority's Enabling**

**Resolution:** Review by administration and the City attorney have concluded that modification of the Enabling Resolution is necessary to clarify responsibilities and streamline the development process as originally intended for both existing and new projects, in particular redevelopment projects. Modification of the Enabling Resolution requires action by the City Council to hold a public hearing. The EDA is asked to make recommendation to the City Council on the proposed modifications.

Euerle made a motion to approve the resolution recommending to the City Council modifications to the Authority's Enabling Resolution. The motion was seconded by Siyad and carried unanimously.

**Resolution Recommending the City Council Call for a Public Hearing on the Modification of the Central Area Urban Renewal Project and the Establishment of Tax Increment Renewal and Renovation District Number Thirty-One (Granite Bowl Redevelopment Project):** Mehelich explained that at its July 29, 2013 meeting the City Council unanimously approved

the resolution authorizing the EDA's submittal of the Redevelopment Grant Program application to DEED based on the recommendations from the Ehlers analysis. DEED notice of grant award is anticipated late September. The developer has made a request to commence the initial steps in establishing the proposed TIF District prior to notice of DEED grant award in order to meet their desired construction schedule. The developer has provided staff a formal application for assistance and a fee deposit of \$20,000 to cover the City's legal and related costs incurred in this process. Based on the analysis completed by Ehlers, staff recommends the EDA adopt the related resolution.

Lenzmeier made a motion to approve the resolution recommending the City Council call for a public hearing on the modification of the Central Area Urban Renewal Project and the Establishment of Tax Increment Renewal and Renovation District Number Thirty-One (Granite Bowl Redevelopment Project). The motion was seconded by Lawson and carried unanimously.

**Consideration of 2014 EDA Budget and Resolution Establishing the Tax Levy:** Norman explained that the proposed 2014 EDA budget is supported by a partial increase of 13% (equal to \$43,400) in the EDA Tax Levy in 2014 and is supplemented by a transfer from the EDA General Fund of \$43,400 to support the proposed activities. Alternatively, the EDA may consider maintaining the EDA Tax Levy at \$333,000 and supplement the budget with a transfer of \$86,800 from the EDA General Fund. The EDA may also consider a 27% increase (equal to \$86,800) in the EDA Tax Levy with no transfer from the EDA General Fund. The Mayor strongly supports leaving the tax levy the same and will support an increase in 2015.

Board members discussed the advantages and disadvantages of the different options. Libert commented that increasing the levy should not be put off until 2015. Lenzmeier supported asking for the levy increase for 2014. Euerle commented that not increasing the levy reduces the capabilities of the Board for sudden projects. He stated he is supportive of a levy increase for 2014. Gruenes expressed that there needs to be a plan to spend the money effectively and an ability to measure it.

Lenzmeier made a motion to approve a resolution adopting the special levy in the amount of \$376,400 for payment in the year of 2014. The motion was seconded by Libert and carried, 6-1-0 (Gruenes opposed).

**Resolution Amending EDA Bylaws Regarding Annual Meeting and Regular Meeting**

**Time:** Staff has informally polled members' availability for alternative meeting dates and times and found some consensus for availability for meetings held the first Tuesday of each month at 4:30 p.m.

Siyad made a motion to approve the resolution amending EDA bylaws regarding annual meeting and regular meeting time. The motion was seconded by Lenzmeier and carried unanimously.

**Review Draft Tax Increment and Tax Abatement Policy:** Mehelich introduced a draft of the tax increment financing and tax abatement policy and asked Board members to contact her with questions.

**Introduction of Greater St. Cloud Development Corporation Staff:** Staff introduced Bill Kemp, Business Development Director and Leslie Dingmann, Business Development Associate for the Greater St. Cloud Development Corporation.

**Adjournment:** There being no further business, the meeting was adjourned at 12:15 p.m.

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Ashley Skaggs, EDA Secretary