

Minutes

Regular Meeting
Thursday, December 8, 2005

4:00 p.m.

Lake Melissa Meeting Room Human Services Building
712 Minnesota Avenue, Detroit Lakes, MN

Meeting called by:	Mike Metelak
Type of meeting:	Regular Meeting
Attendees:	Karen Mulari, Mike Metelak, Gerald Schram, Dan Aune, Terry Johnson and Harry Salminen (H Salminen left the meeting at 4:00 and rejoined the meeting at 4:20) Staff present: Jon Thomsen, Shawn Olson, Skip Carpenter Others present: Lori Botzet (Marine Innovations), Nathan Bowe (Detroit Lakes Newspaper)
Board Members	Paul Joyce
Absent:	

Agenda topics

- 1) Call Regular Meeting to order:** M Metelak called the meeting to order at 4:00.
- 2) Approval of Regular Meeting Agenda:** There was a request to add "Tax Abatement" to the Agenda and move Item 4 before Item 3. **Motion** and second to approve the Agenda as amended (K Mulari, G Schram), carried.
- 3) Approval of Minutes of the November 17, 2005 Regular Meeting:** **Motion** and second to approve the Meeting Minutes (G Schram, D Aune), carried.
- 4) Economic Development:** S Carpenter noted in his update to the Board that he did not have any further comments to add to the previous discussions on the donation/write-down of land to Marine Innovations. A general discussion followed on the four candidates that were interviewed. The Board listened to J Thomsen's report on Guy Fischer's qualifications for the job, along with the findings of his background check. It was the consensus of the EDA Board to offer the position to Guy Fischer.
- 5) Financial Report:** The Board listened to the staff's presentation on the departmental administrative expenditures. It was noted that the second half of the 2005 Levy distribution was received. Staff requested that the administrative costs paid by Becker County be reimbursed from the Levy funds, in an amount not to exceed \$98,721. In addition, staff requested authorization to reimburse Becker County from the Administrative Fees earned from the various housing programs. **Motion** and second to reimburse Becker County for the administration of the department and transfer funds as presented by staff (T Johnson, G Schram), carried. Staff presented the monthly report. Discussion followed. **Motion** and second to accept the Financial Report as presented (D Aune, G Schram), carried.
- 6) Housing Report:** J Thomsen reported that there has been a slow down in applications for the homeownership programs. It was noted that the Housing Committee's discussion included contracting with a realtor so that the homes can be placed on the MLS. Discussion followed. **Motion** and second to solicit proposals, negotiate a better commission rate, include the commission

in the price of the home and contract with a realtor (G Schram, T Johnson), carried. The Board's attention was directed to the written report. Discussion followed. **Motion** and second to accept the Housing Report as presented (D Aune, G Schram), carried.

7) Annual Report to Becker County & 2006 General Fund Budget: (H Salminen rejoined the meeting at this point). Staff noted that the Annual Report to Becker County would be presented in April upon the completion of the audit. Discussion followed on the \$1.2 Million in Levy funds received from inception of the EDA through December 31, 2004. On December 31, 2004, the EDA's General Fund's Fund Balance was \$924,433. Out of the \$295,000 in Levy funds consumed, \$189,000 was used for the administration of the economic development activities and \$108,000 was used for the administration of the housing activities during 2003 and 2004. Only \$2,000 in economic development project expenditures were not offset by economic development project revenues. J Thomsen noted that over \$11 Million dollars in housing and economic development projects have been completed by the EDA. D Aune calculated that for each quarter (25 cents) the County invested in the EDA they received \$10 in housing and economic development projects. Staff requested the Board review the proposed 2006 EDA General Fund budget.

8) Unfinished/New Business:

- a) Marine Innovations:** Discussion followed on the conveyance of land to Marine Innovations. It was agreed that the proposed project served a public purpose. Based upon the comments made at the Public Hearing, G Schram proposed writing down the cost of the land to \$2,000 and withdrew his second to the motion providing Marine Innovations with an outright donation. **Motion** and second to write down Tract "D" in the Frazee Industrial Park, a 2.55 acre parcel of land valued at \$20,000, and sell the land to Marine Innovations for \$2,000 (G Schram, H Salminen), carried.
- b) Tax Abatement:** J Thomsen reported that Kalberer's Amoco is now in compliance with their Tax Abatement agreement. It was noted that Margo's Corner Cantina is no longer open for business, there are not any employees and they have not complied with their Tax Abatement Agreement. Discussion followed. **Motion** and second to cancel the Property Tax Abatement on Margo's Corner Cantina (H Salminen, T Johnson), carried.
- c) South 10 Industrial Park:** As noted at the last meeting, the Lake Park EDA desired to enter into a joint contract with Action Realty. J Thomsen presented the contract for services drawn up by the Lake Park EDA. Discussion followed. **Motion** and second to enter into a joint contract for services with Action Realty (T Johnson, G Schram), carried.

9) EDA Board – Open Forum: There being no further business brought before the Board,

10) Adjourn: **Motion** and second to adjourn the meeting at 4:45 pm (H Salminen, G Schram), carried.

ATTEST:

Respectfully submitted:

/s/ _____ Jon Thomsen

/s/ _____

Mike Metelak
Housing Director

EDA Board President