

APPROVED MINUTES OF THE REGULAR MEETING OF THE BOARD MEMBERS OF THE EAST GRAND FORKS ECONOMIC DEVELOPMENT AUTHORITY (EDA)

A regular meeting of the Board Members of the East Grand Forks Economic Development Authority was held at Noon on November 22, 2016, in the East Grand Forks City Hall Training Room, on the first floor in the South Wing, East Grand Forks, MN.

1. **Roll Call:**

Meeting was called to order by Vice President Messelt at 12:07 am.

EDA Board present at roll, Vice President Ralph Messelt, Board Members Mike Pokrzywinski, Josh Grinde, George Wogaman and Mark Olstad.

Absent: President Hecht and Board Member Daniel Black

Staff present: Paul Gorte, Economic Development Director (EDD); Brenda Ault, Executive Assistant (EA); Karla Anderson, Finance Director (FD); David Murphy, City Administrator (CA) and Brad Bail, City Building Official (BO).

Also Present: Kyle McMahon

Roll Call: Vice President Messelt determined a quorum was present.

2. **Approval of minutes of the November 1, 2016 Regular Meeting:**

A Motion was made by Board Member Grinde, seconded by Board Member Olstad, to approve the minutes from the November 1, 2016 Regular Meeting. M/S/P- Grinde, Olstad; 5-0, mc.

3. **Bills and Communications:**

a. Review of Accounts Payable for November 15, 2016:

A Motion was made by Board Member Grinde, seconded by Board Member Messelt, to approve the Accounts Payable for November 15, 2016. M/S/P- Grinde, Messelt; 5-0, mc.

4. **Reports:**

a. Delinquencies Update:

ED Gorte reported that all accounts are current.

b. Financial Reports:

FD Anderson reported that reports for all of the EDA Accounts were included in the packet; she gave a brief update on each fund showing the monthly beginning balance, expenses, deposits and ending balance for each fund.

5. **Unfinished Business:**

a. Appraisals- update:

ED Gorte stated that one of the properties is on hold; the appraisal in the Industrial Park is going forward.

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b. Water's Edge Variance application Planning Commission/City Council Action:
EDD Gorte informed the Board that the application for the variances was approved. The variances restored the access that was provided when the lots were platted.

6. **New Business:**

a. Greater Minnesota Partnership Membership/dues:

EDD Gorte stated that the EDA was a member in 2016; the annual dues are \$1000, he saw no clear benefit to membership and is wondering if he should renew it. Board Member Olstad stated that he has been a member in the past and several organizations double up on benefits. Board Member Pokrzywinski stated that he was reluctant not to pay the membership because he likes to be good neighbors to other cities in the area, but he was willing to defer to Board Member Olstad's because he has been a member.

A Motion was made by Board Member Pokrzywinski, seconded by Board Member Wogaman, to not join the GMNP this year. M/S/P- Pokrzywinski, Wogaman; 5-0, mc.

b. McMahon Refund Request:

EDD Gorte stated that McMahon was present to ask for a refund of his earnest money deposit, as well as the replat fees. He reminded the Board that the EDA had done a replat of the three lots into two lots. BO Bail and he have met with McMahon on several occasions to discuss how the house will fit on the lot he purchased.

Board Member Grinde invited McMahon to address the Board. McMahon stated that a significant portion of the lot cannot be filled because of the floodway and the house they picked out will not sit on the lot properly, leaving a steep drop off point in the backyard. He had wanted to bring in fill for the entire backyard so that it was more level, giving them a bigger backyard to work with and stated that if they would have known this when they were looking at lots, they would not have purchased the lot or requested the other half lot.

BO Bail informed the Board that the Core of Engineer's had used the Coulee as storage for excess water in the event of a flood but that it is not a floodway. Because of the flood control regulations on this lot, beyond the 821 line you cannot add fill and beyond 823 an opening below that level is not allowed. He has placed the house in the middle of the lot but that can be adjusted in another position; he has also suggested to the McMahon's that they flip the house so that the garage is on the other side of the house and then the steep drop from the deck would not be an issue.

EDD Gorte stated that the information was stated on the plat that Mr. McMahon was provided.

Board Member Grinde has a house in that area and informed the group that it might not need to be such a steep drop; that would not be known until they dig down and determine the depth needed.

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Board Member Olstad suggested moving the garage to the side of the house and then the home could be brought closer to the curb, eliminating the issue.

After additional discussion, the Board and Mr. McMahon determined it would be best for the issue to be tabled and allow the McMahon's and BO Bail to discuss more options.

A Motion was made by Board Member Olstad, seconded by Board Member Grinde, to table the issue until the December 13th Regular Meeting. M/S/P- Olstad, Grinde; 5-0, mc.

BO Bail and Kyle McMahon left the meeting at 12:45

c. Sacred Heart Property Purchase Request Appraisal:

EDD Gorte stated that he had been approached by the school about purchasing property for use as 4 small parking lots and is requesting permission to get the property appraised. After discussion, the Board agreed to the appraisal request, but are leaving the options open for that property at this time.

A Motion was made by Board Member Grinde, seconded by Board Member Wogaman, to have the property appraised. M/S/P- Grinde, Wogaman; 5-0, mc.

d. Policy for \$100,000 program for Water's Edge:

EDD Gorte stated that he had been working on the policy with City Attorney Galstad and a copy was enclosed in the packet.

Board Member Olstad suggested adding term limits in the language so that after the term limit of 2 years had passed; an agreement with the other financial provider would increase the loan so that the city would be paid if the house hadn't sold.

EDD Gorte stated he would talk with CA Galstad about adding that.

e. Industrial Reverter Clause:

EDD Gorte stated the State statute defines the standards for the sale of property owned by the EDA. The statute requires that development must begin on the proposed use within one year of the sale of the EDA may cancel the sale. Although required by Statute, the deed does not include the reverter reference. Several properties in the Industrial Park were sold but have not yet been developed. He is seeking direction as to whether and how to proceed regarding these properties.

A Motion was made by Board Member Grinde, seconded by Board Member Pokrzywinski, to instruct EDD Gorte to proceed with reclaiming the properties. M/S/P- Grinde, Pokrzywinski; 5-0, mc.

7. **Adjournment:**

Motion to adjourn the meeting was made at 1:14 by Board Member Grinde, was seconded by Board Member Pokrzywinski. M/S/P- Grinde, Pokrzywinski; 5-0, mc.

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AUTHORITY (EDA) (continued)

The next regular meeting is **December 13, 2016 at Noon**, in the **East Grand Forks Training Room, First Floor in the South Wing, East Grand Forks City Hall**, East Grand Forks, MN.

Respectfully Submitted,
Brenda Ault
Executive Assistant