

City of Moorhead
Economic Development Authority
Meeting Minutes
May 18, 2009 at 11:30 AM
1st Floor, South Board Room, Moorhead City Hall

Pursuant to due call and notice thereof, a regular meeting of the Economic Development Authority was held in the 1st Floor, South Board Room, Moorhead City Hall, on May 18, 2009, at 11:30 AM.

Roll call of the members was made as follows:

3rd Ward Council Member:	Lauri Winterfeldt	Absent
4th Ward Council Member:	Mark Hintermeyer	Present
Board Member:	James Welch	Present
Board Member:	James Taylor	Present
Board Member:	Gane Skatvold	Absent
Board Member:	Jon Riewer	Present
Board Member:	Kay Parries	Present
Board Member:	Kelli Poehls	Absent
Board Member:	Mark Wallert	Absent
Board Member:	Robert Remark	Present – Entered at 11:45 a.m.
Board Member:	Werner Golling	Present

Others Present:

Kevyn Bartram, MBA
Bill Schwandt, MPS
Michael Redlinger, City Manger
Harlyn Ault, Finance Director
Scott Hutchins, Community Services Director
Peter Doll, Development Services
Amy Thorpe, Community Services Program Assistant

1. [Call meeting to Order/Roll Call](#)

2. [Agenda Amendments](#)

Addition: Update on SBA / FEMA

3. [Approve Minutes from April 27, 2009](#)

Motion to Approve Minutes from April 27, 2009, made by Jon Riewer and seconded by Kay Parries
Motion Passed: For: 6; Against: 0; Abstain: 0; Absent: 5

4. [Citizens Addressing the Board](#)

Minutes: None.

5. [Phase 4 Downtown Redevelopment Update - Doll](#)

Minutes: Pete Doll updated board members regarding the Phase 4 Downtown Redevelopment. The developer, Kevin Bartram, requested that the EDA consider removing the requirement for the Letter of Credit from the agreement previously approved.

Bartram explained that he is in the process of applying for a loan for the downtown project and the letter of credit was treated as part of the loan by the bank. He stated that because loans have been more difficult to obtain in the FM area recently, relief from the letter of

credit would allow more “cushion” for the approval of the loan.

Hutchins asked Bartram to give the board an update on the apartments in the Kassenborg building above Juanos. Bartram stated that the space was originally planned as a commercial space but because the spaces had not been leased, the plan for the space has now been converted to loft apartments. He stated that construction of the apartments should be completed by the end of June or July.

Hintermeyer asked for an assessment of the risk of removing the requirement for a letter of credit. Doll stated that without a letter of credit, the bank would be the first to collect in the case of default which puts the city at risk. After further discussion a compromise was reached whereby Bartram agreed to a 30% letter of credit (standard city policy) reducing his liability while allowing the city to reduce some of their risk.

NOTE: Bob Remark entered the meeting during this discussion and was present for the vote.

Motion to Approve made by Jon Riewer and seconded by Werner Golling for amendment of the Developer’s Assistance Agreement for Phase 4 Downtown Redevelopment to allow a 30% Letter of Credit.

Motion Passed: For: 7; Against: 0; Abstain: 0; Absent: 4

6. Primary Sector Business Incentive - Hutchins / Schwandt / Ault

Minutes: Hutchins provided a brief update of the Primary Sector Business incentive. Schwandt provided the board with a summary of the MPS board meeting and answered questions.

Motion to Approve made by Kay Parries and seconded by Werner Golling to Submit a Letter of Support of a Primary Sector Business Incentive related to a Utility Transfer to the City Council and MPS Board.

Motion Passed: For: 7; Against: 0; Abstain: 0; Absent: 4

7. 2009 Legislative Report – Hutchins

A [S.F. 684 Bioscience Grant Program and DEED Application](#)

B [H.F. 1298 Public Finance - Flood Recovery Housing Tax Abatement Program](#)

C [H.F. 855 Capital Investment - Flood Repair and Recovery](#)

Minutes: Hutchins provided the board with a brief summary of the legislation related to Moorhead and the 2009 flood event that had been passed during the 2009 legislative session.

8. Border City Enterprise Zone Task Force - Hutchins

Minutes: Hutchins requested volunteers from the board to serve on the EDA Incentives Task Force. Kay Parries, Werner Golling and Jon Riewer volunteered to be on the task force to review possible changes to the Border City Enterprise Zone Tax Credit Program, as well as other possible changes to incentives currently offered by the City.

9. Information / Update

Update: Hintermeyer asked to pass on an item from the previous council meeting and stated that a letter had been received from the GFMEDC requesting that the city not pay the \$87,500 until the resolution for approval of the Memorandum of Understanding was passed. He stated that the city manager was reviewing the matter and would discuss the issue.

10. Adjourn

APPROVED BY:

ATTEST:

Jim Welch
Chair

Gane' Skatvold
Secretary

The proceedings of this meeting are digitally recorded and are available for public review.

Respectfully submitted by:
Amy Thorpe, Community Services Program Assistant