

**City of Moorhead**  
**Economic Development Authority**  
**Meeting Minutes**  
**June 28, 2010 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 June 28, 2010, at 11:30 AM.

**Roll call of the members was made as follows:**

3rd Ward Council Member:	Brenda Elmer	Absent
4th Ward Council Member:	Mark Hintermeyer	Present
Board Member:	Werner Golling	Present
Board Member:	Kay Parries	Present – Exited Meeting at 12:55 pm
Board Member:	Kelli Poehls	Present – Exited Meeting at 12:15 pm
Board Member:	Robert Remark	Present
Board Member:	Jon Riewer	Present – Joined Meeting at 11:45
Board Member:	Gane Skatvold	Present
Board Member:	James Taylor	Present
Board Member:	Mark Wallert	Present
Board Member:	James Welch	Present

**Others Present:**

Harlyn Ault, Finance Director	Michael Redlinger, City Manager
Pete Doll, Development Services Manager	Les Stenerson, Stenerson Lumber
Doug Gullekson, Hedgemasters	Amy Thorpe, Community Services Planner
Scott Hutchins, Director of Community Services	Wanda Wagner, Assistant Finance Director
Kristie Leshovsky, City Planner	

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

**2. [Agenda Amendments](#)**

**3. Approve Minutes**

A [May 24, 2010](#)

**Motion to Approve made by Mark Wallert and seconded by Kay Parries**

*Motion Passed: For: 9; Against: 0; Abstain: 0; Absent: 2*

**4. Citizens Addressing the Board – None.**

**5. [1st Avenue North Gateway Redevelopment Strategies](#)**

A [1st Avenue North Gateway: "Parallels and Lessons Learned from Downtown Redevelopment" - PowerPoint Presentation - Hutchins](#)

Minutes: Board members were presented a PowerPoint “1<sup>st</sup> Avenue North Gateway – Parallels and Lessons Learned from Downtown Redevelopment.” Discussion followed the presentation.

Riewer asked if the “vision” had been or needed to be “watered down” due to the down-turn of the economy. It was the consensus to proceed with the RFQ-RFP process to see how the market responded to this location and opportunity.

Discussion turned to attracting restaurants to the community. Parries stated that she believed that salary costs were the biggest obstacle to bringing restaurants to the community and the competition with Fargo

who has much lower employment costs. Hutchins agreed that it was an issue and had been for some time, along with the availability and cost workers compensation insurance. He stated there has been legislation at the state and local level to attempt to level the playing field but that the issue was still a concern.

Skatvold told board members that national chains often base decisions upon the number of roof tops in a given radius to their establishment and if a community doesn't reach that threshold, they will not expand there. The board suggested they should revisit incentives used to attract eating establishments.

Hintermeyer pointed out the significant investment of time, money and attention that has been focused on 1st Avenue North and he suggested that it is time to move this project forward and he believed there would be the support of Council as well.

Doug Gullekson, HedgeMasters, stated that he has spoken to the owners of Aggregate Industries and they would be willing to sell him the property he would require to build a new building in his current location, similar to A-1 Auto but with the look of ByteSpeed. Doll stated that it would not be advisable to divide the Aggregate parcels until the required MPCA letter had been received. He stated that the contamination issues were tied to the parcel numbers and that if they changed (by selling a portion to Hedgemaster), the testing and oversight process would need to be started over again or amended, adding considerable time and expense to the project.

Board members and staff continued discussion of options Hedgemasters may have to expand. Gullekson stated that he felt his options were to rebuild on his current site, move to Fargo or Dilworth, or sell and relocate to property he owns in rural Clay County. Gullekson thanked the board for their time and left the meeting. Board members agreed that the community perception was "why was the City dragging its feet on these properties?" referring to the redevelopment of the former elevator sites. Stenerson stated that for the record he had a renewed interest in 1<sup>st</sup> Avenue and would be attending more EDAs meeting as an interested party. He noted he was not "with" Gullekson but that he supported his project and would like to see the City work with him and make it work for a business owner already invested in 1<sup>st</sup> Avenue. The board suggested that staff provide the board the pros and cons of selling a portion of Aggregate site to Hedgemasters.

The consensus of the board was to reaffirm their motion from the April EDA Board meeting and move forward with the next steps for the redevelopment of the 1<sup>st</sup> Avenue North Corridor.

Extract of minutes from the April 26, 2010 EDA Board meeting:

**Motion in Support of Aggregate / Hedgemaster Redevelopment Project made by Mark Hintermeyer and seconded by Jon Riewer**

Motion in Support of Aggregate Redevelopment Project to move forward with steps to acquire and assemble property, deal with contamination cleanup, and prepare the properties for Requests for Proposals and the approval to earmark 2010 and 2011 EDA levy funds to accomplish this goal.

*Motion Passed: For: 9; Against: 0; Abstain: 0; Absent: 2*

Minutes: Board acknowledged there may be zoning issues on First Avenue and the need to clean up those issues as part of the preparation for RFPs.

Other business - Hintermeyer stated that the city's role in funding "outside agencies" had been discussed at a recent City Council meeting. A council member had asked why the City Council budget contained funding for West Central Initiative and that perhaps the EDA budget was a more appropriate resource. Hintermeyer noted this issue may be brought before this board in the future.

B [Request for Qualifications: The Redevelopment of Five Sites on 1st Avenue North – DRAFT](#)

C Related Materials Link [http://www.cityofmoorhead.com/city\\_hall/agendaMinutesEcoDev.asp](http://www.cityofmoorhead.com/city_hall/agendaMinutesEcoDev.asp)

i EDA Packet - April 26, 2010 - Item 5B beginning on page 11

ii EDA Packet - May 24, 2010 - Item 6 beginning on page 7

- iii 1st Ave N Plan, Comprehensive Plan & Update, Downtown Framework Plan:  
<http://www.cityofmoorhead.com/housing/zoning.asp>

**6. Information / Update**

- A [DEED Letter to Award Contamination Cleanup Grant for Muscatell-Simon Warehouse Project](#)  
B [Memos](#)  
C [Articles](#)

**7. 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 Planner*