

City of Moorhead
Economic Development Authority
Special Meeting Minutes
June 08, 2011 at 11:45 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 08, 2011, at 11:45 AM.

Roll call of the members was made as follows:

3rd Ward Council Member:	Brenda Elmer	Present
4th Ward Council Member:	Mark Hintermeyer	<i>Absent</i>
Board Member:	Werner Golling	Present
Board Member:	Kay Parries	Present
Board Member:	Les Bakke	Present
Board Member:	Robert Remark	Present
Board Member:	Jon Riewer	Present
Board Member:	GaNe' Skatvold	<i>Absent</i>
Board Member:	James Taylor	Present
Board Member:	Mark Wallert	Present
Board Member:	James Welch	Present

Others Present:

Harlyn Ault, Finance Director	Kristie Leshovsky, City Planner
Chuck Chadwick, Business Liaison	Michael Redlinger, City Manager
Pete Doll, Development Services Manager	Amy Thorpe, Community Services Planner
Scott Hutchins, Director of Community Services	Wanda Wager, Assistant Finance Director

1. **Call meeting to Order/Roll Call**
2. **Agenda Amendments – None.**
3. **Approve Minutes – None.**
4. **Citizens Addressing the Board**
5. **[1st Ave N \(Central Corridors\) Redevelopment Tax Increment Financing District - Hutchins/Doll](#)**

A **[TIF Boundary Discussion](#)**

Minutes: Hutchins indicated that the board raised questions and asked for additional information with respect to establishing the 1st Ave N (Central Corridors) Redevelopment TIF District. For that reason, the “call for a public hearing” before the City Council was cancelled and rescheduled.

Hutchins referred to the staff report contained in the packet. He stated that results from additional field work would determine if additional parcels could be included to the TIF district. He stated there were a number of parcels under review to be added or removed from the district and those results were reflected in the proposed boundary map. He stated that the timeline for establishing the TIF district had been delayed by approximately one month and, if the boundary were approved today, the city council would “Call for a Public Hearing,” to be held on July 25, at their June 20th meeting.

Doll asked board members to refer to the proposed TIF boundary map and Attachment 3 (listing of businesses added to or subtracted from district boundary). He explained in detail the

parcels which were added to the 1st, Center, Main, and 8th Avenue Corridors. He stated that parcels which were added along the 1st Ave N Corridor were not necessarily blighted but the district had the capacity to absorb those buildings and gives maximum potential to the 1st Ave N corridor.

Doll stated that along Center Ave, properties were added at the intersection of 14th Street to allow for assemblage at that corner. He stated that a large portion of Center Avenue was not included in the TIF boundary because those parcels are owned by the railroad and used for their operations. He stated that a small building (My Best Friend's Closet) was added little further west along Center Avenue and that the former Coach's building was also added.

Doll described properties to be added which were located along Main Avenue. He also stated that the properties included along the 8th Street Corridor which were not in the mixed-use zoning district were removed from the proposed district.

Question: Had all businesses on the list been contacted?

Response: All businesses that were added were contacted in person by Roger Henrichs for an inspection.

Q: What assistance would be available for properties that were not blighted but may want to expand their business?

R: Other than a full-scale redevelopment project, there is no assistance.

Q: What is the "shelf-life" of the district?

R: Activity must occur within 4 and 5 years to keep property active within the district.

Q: How will the removal of the properties adjacent to 8th Street affect the apartment project?

R: Assistance could have been used to move the non-blighted house to the corner lot, preserving the neighborhood. The project could move forward without such assistance.

Motion for Recommendation to City Council to Schedule a Public Hearing made by Jim Welch and seconded by Les Bakke

Schedule Public Hearing for the Establishment of the 1st Avenue N (Central Corridors) Tax Increment Financing District

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

Minutes: Hutchins noted that at the time of the public hearing, parcels may be removed from the district but could not be added. He also stated that in the future, the district may be amended but the properties must meet the blight finding test, just as the current district was required, and go through the public hearing process.

B [EDA Findings with Respect to Substandard Buildings](#)

i McDonald's Properties

ii 8th Street Properties

Minutes: Hutchins stated that the EDA had recently made a finding of blight-substandard buildings with respect to two City-owned properties, formerly Aggregate Industries and Hedgemasters, to preserve those blighted parcels for the purpose of a subsequent tax increment district. He stated the same situation and principle would apply to the properties owned by McDonald's restaurant for their expansion project and the blighted houses on the 600 block of 8th Street. Because these properties were privately owned, that in addition to a blight finding by the EDA, an agreement would be needed between the parties. He stated that the "demolition" agreement template found in the packet materials does not indicate project approval or granting of any assistance but only preserves the right to count the blighted buildings in the TIF district in the event a project operator would demolish the buildings before a the district is certified.

Question: When this approach is used, isn't it viewed as creating opportunities to the property

owners?

Response: Establishing a tax increment district is intended to present an opportunity for redevelopment. It does not change ownership in property, operations, business model, valuation, or taxation to be included in the district.

Motion to Approve made by Brenda Elmer and seconded by Jon Riewer

Resolution Making Certain Findings with Respect to Substandard Buildings for McDonald's Properties and 8th Street Properties.

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

6. Incentive Subcommittee - Golling / Parries / Riewer

Minutes: Hutchins stated the Incentive Subcommittee had met yesterday to review materials and information. He stated that based on that discussion, staff would bring draft policies back to the subcommittee.

Riewer added that the theme for change was based on a statement made at the last meeting. He stated "free land" was not addressed but a "wider net was cast."

7. Information / Update

A Repository: 1st Ave N (Central Corridor) Redevelopment TIF District at <http://www.cityofmoorhead.com/tif/>

Minutes: Thorpe explained that a repository had been created on the City's website for the purpose of making reports, maps, plans, and other documents related to the TIF project available in one location and will be updated weekly, or as needed.

8. Adjourn

Minutes: Meeting adjourned at 12:14 p.m.

APPROVED BY:

ATTEST:

Mark Wallert
Chair

James Taylor
Secretary

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

Respectfully submitted by:
Amy Thorpe, Community Services Planner