

**City of Moorhead**  
**Economic Development Authority**  
**Meeting Minutes**  
**October 24, 2011 at 11:45 AM**  
**1st Floor Council Chambers, Moorhead City Hall**

Pursuant to due call and notice thereof, a regular meeting of the Economic Development Authority was held in the 1st Floor Council Chambers, Moorhead City Hall, on October 24, 2011, at 11:45 AM.

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

|                          |                  |               |
|--------------------------|------------------|---------------|
| Board Member:            | Les Bakke        | <i>Absent</i> |
| 3rd Ward Council Member: | Brenda Elmer     | Present       |
| Board Member:            | Werner Golling   | Present       |
| Board Member:            | Ray Grefsheim    | Present       |
| 4th Ward Council Member: | Mark Hintermeyer | <i>Absent</i> |
| Board Member:            | Kay Parries      | Present       |
| Board Member:            | Robert Remark    | Present       |
| Board Member:            | Jon Riewer       | <i>Absent</i> |
| Board Member:            | Jim Steen        | Present       |
| Board Member:            | James Taylor     | Present       |
| Board Member:            | Mark Wallert     | Present       |

**Others Present:**

|  |  |
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| Harlyn Ault, Finance Director                  | Kristie Leshovsky, City Planner              |
| Bruce Bekkerus, Moorhead Business Association  | Amy Thorpe, Community Services Planner       |
| Chuck Chadwick, Moorhead Business Association  | Wanda Wagner, Assistant Finance Director     |
| Pete Doll, Development Services Manager        | Lisa Vatnsdal, Neighborhood Services Manager |
| Scott Hutchins, Director of Community Services |  |

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

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

Minutes: Hutchins requested an update be added for the 2012 Border City Enterprise Zone Fund.

**3. [Approve Minutes](#)**

A [August 22, 2011](#)

B [September 26, 2011](#)

**Motion to Approve made by James Taylor and seconded by Robert Remark**  
Approval of Minutes from August 22, 2011, and September 26, 2011 meetings.

*Motion Passed: For: 8; Against: 0; Abstain: 0; Absent: 3*

**4. [Citizens Addressing the Board](#)**

Minutes: Bruce Bekkerus, Moorhead Business Association, requested to be heard on Industrial Park Signs.

**5. [Recommend Industrial Park "Guide" and "Street" Signage - Hutchins](#)**

Minutes: Hutchins stated that the industrial park signs which were old and in disrepair was an issue which has needed attention for quite some time. The idea brought forward by the Moorhead Business Association was to remove the old signs and place green guide signs reading "industrial park" at each park entrance. He stated the industrial park has value to the entire

community and that it would be appropriate for the EDA to finance removal of the existing deteriorated signs and the replacement signs. He stated that the street / avenue signs are outdated as well and are small and hard to read. Hutchins noted that although these signs are typically replaced by the engineering or operations departments, there were no immediate projects planned for the industrial park and he suggested replacing them at the same time. He stated that the request to replace these signs was on the City Council agenda that evening. He stated that according to the engineering department, guide signs located in the City Right of Way must conform to the Manual on Uniform Traffic Control Devices (MUTCD) requirements and therefore would include only the words "Industrial Park" and an arrow indicating the direction of the turn.

Bruce Bekkerus, representing the Moorhead Business Association, distributed excerpts of the MUTCD code and a rendering of his proposed sign which included a street name designation. He stated that when he contacted the businesses and received approval for his proposed signs, it was with the street designations included and that's what he had promised. He referenced several areas of the sign code which he thought applied to this situation and stated that the engineers could use their "judgment" and make the signs work.

Elmer stated that the replacement is long overdue. She stated that if there was discretion, the street/avenue should be added to the signs.

Hutchins stated that the signs would be an upgrade to what currently existed. He recommended the board proceed with approval of the project and staff would continue to work with engineering staff and MBA to further explore the option of adding street/avenue to the signs.

**Motion to Recommend Approval made by Kay Parries and seconded by Brenda Elmer**

Motion to Recommend Approval of the project to City Council with the inclusion of the "street or avenue" designation on signs, if allowable. Project to be funded from the EDA Special Revenue Fund.

*Motion Passed: For: 8; Against: 0; Abstain: 0; Absent: 3*

**6. Positioning 1st Avenue North Redevelopment – Doll**

Minutes: Hutchins stated that the packet report included a recap of the activities completed such as infrastructure upgrades, acquisition of key blighted/contaminated properties, and the establishment of the TIF District. He stated that part of the charge of Maxfield Research was to analyze the current commercial/retail market and develop a strategy for the redevelopment of 1<sup>st</sup> Avenue N. He stated that there were some interesting points of opportunity which may change the redevelopment strategy slightly.

Doll noted that the redevelopment project was currently on track but the question was what should the next step be? He stated that key points from conversations with Mary Bujold, Maxfield, and other real estate professionals was that the economy was difficult and that developers are having trouble getting financing. He suggested that it may be time to separate the 11<sup>th</sup> Street properties from the Aggregate properties to create activity in the market. He stated that the 11<sup>th</sup> Street properties were smaller, project ready, with less environmental work. He also suggested listing the property with a commercial broker noting that the largest commercial brokers include Coldwell Banker, Konrad Olson, Goldmark, and Property Resource Group (PRG). He suggested that a subcommittee might be formed to review a "Request for Qualifications (RFQ)" He stated that brokerage fees are between 6-10% and because the property will require substantial advertising to attract the right project, he suggested offering a 10% brokerage fee. He stated the property could be "open listed" which means you would pay the successful sales person but does not guarantee any advertising will be done.

Doll also indicated that the City had recently been contacted by the owner of the property known as "Carport" indicating it is for sale. It is a narrow parcel of land on 1<sup>st</sup> Ave N across from Eventide – The Fairmont. He stated that the 1st Avenue North plan suggests acquiring that property and transforming it to a "linear" park. He stated this would provide relief and

green space and would be a nice connection to downtown.

Hutchins stated that other city-owned, commercial properties such as the lots in MCCARA were “open listed.” He echoed Doll’s comment that the market may not be ready for a project the size of Aggregate at this time.

Discussion points:

- What about the proposed underpass at that intersection? Will there still be enough space to develop?
- Narrow parcel between 8<sup>th</sup> and 10<sup>th</sup> Street. Would it be a green space with bike path? What type of cost would this be? Requested staff move forward with discussion with owner to determine cost.
- Timeline for RFQ? Doll stated brokers have a strong interest and other parties have inquired about the property but were told it was part of the larger project.

Chair Wallert asked for volunteers to form a subcommittee to assist in the process of selecting a listing agent for the 11<sup>th</sup> Street properties. Ray Grefsheim, Jim Taylor, and Mark Wallert all stated they would participate in this subcommittee.

**Motion to Approve made by Jim Steen and seconded by Kay Parries**

Approve Separation of 11th Street Properties from the larger 1st Ave N Corridor RFP and listing with a commercial broker through a “Request for Qualifications” process.

*Motion Passed: For: 8; Against: 0; Abstain: 0; Absent: 3*

**7. [Information / Update](#)**

**2012 Border City Enterprise Zone Program**

Minutes: Hutchins stated that as standard protocol, Incentives Subcommittee would meet very soon to review credit levels for the 2012 Border City Enterprise Zone Tax Credit Program. He stated that if the program was to be modified, staff should get that information to businesses.

Elmer asked about tax incentives for home building in Moorhead and asked if there was any information regarding the end of the state-funded flood-related property tax exemption. Hutchins stated that information is available and that some funds remain from the original appropriation.

Regarding Border City Credits, Parries stated that a change may affect a business’s bottom line and they should be aware of this as they begin working on their 2012 budgets. Hutchins stated that there may be other options as well but the subcommittee will get together soon.

Wallert asked if the program could be funded with the EDA’s budget? Hutchins stated that the “delivery method” for the program was a state mechanism and probably would not work to fund it that way. He stated the program has been beneficial to the city but the State’s budget has been tight and the program hasn’t received funding but will look for opportunities to request an appropriation.

**Kevin McKinnon, Greater Fargo Moorhead Economic Development Corporation**

Minutes: Hutchins stated that Kevin McKinnon, president of GFMEDC, has resigned his position as president of the GFMEDC at the end of November. He stated that McKinnon will go back to his former position at DEED and the City of Moorhead will benefit by his skills and abilities from that position.

**8. [Adjourn](#)**

Minutes: Adjourned at 12:38 p.m.

APPROVED BY:

ATTEST:

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Mark Wallert  
Chair

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Jim Taylor  
Secretary

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

*Respectfully submitted by:*  
*Amy Thorpe, Community Services Planner*