

City of Moorhead
Economic Development Authority
Meeting Minutes
April 25, 2011 at 11:30 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 April 25, 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	Present
Board Member:	Werner Golling	Present
Board Member:	Kay Parries	Present
Board Member:	Les Bakke	Present
Board Member:	Robert Remark	<i>Absent</i>
Board Member:	Jon Riewer	<i>Absent</i>
Board Member:	Gane Skatvold	<i>Absent</i>
Board Member:	James Taylor	Present
Board Member:	Mark Wallert	Present
Board Member:	James Welch	<i>Absent</i>

Others Present:

Chuck Chadwick, Business Outreach Liaison, MBA
Pete Doll, Development Services Manager
Scott Hutchins, Director of Community Services

Michael Redlinger, City Manager
Amy Thorpe, Community Services Planner

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

2. Agenda Amendments

Minutes: None.

3. [Approve Minutes](#)

A [March 28, 2011](#)

Motion to Approve made by Les Bakke and seconded by Kay Parries

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

4. Citizens Addressing the Board

Minutes: None.

5. [Adopt Amended Bylaws and Transition Plan - Hutchins \(Attachment\)](#)

Minutes: Hutchins summarized the Council's discussion of and modifications to the Enabling Resolution. He stated that the principle modification was to remove one of the designated categories of membership (FM Chamber) and convert its two designees to At-Large members. The EDA's Transition Plan was also discussed and noted that with the addition of the At-Large members it would be possible to get Ward designations appointed quickly. He stated that modifications to the Transition Plan included in the packet incorporate those changes. Because the Board had agreed that there should be consistency between the Council's Enabling Resolution and the EDA's Bylaws, the action before the EDA would be to approve:

- Amendment to EDA By-Laws to be consistent with the City's Enabling Resolution

- EDA Transition Plan, as amended

Discussion: Bakke stated that Chair Norman, and other members of the Moorhead Public Service Commission (MPS Commission), would prefer the MPS designee be nominated upon the recommendation of MPS Commission to the Mayor, if not nominated directly by the MPS Commission. Hutchins responded by stating that he had reviewed the language of the previous Bylaws and he didn't believe that there had ever been language that any of the designating bodies made a formal recommendation to the Mayor. He stated that the past practice has been that the Mayor would routinely consult with the designating group, asking for names of people willing to accept an appointment, take it under advisement, and move the nomination forward to the City Council. Bakke comments are duly noted for the record.

Parries stated that the Mayor had received a name of a person from the MBA willing to accept an appointment and requested that the name remain on record for appointment in the future.

Hintermeyer recapped the discussion from the Council meeting regarding adjustments to the Transition Plan to allow for immediate appointments for each Ward. He stated that the Mayor had requested the change of the designating bodies to allow two At-Large appointments. Hutchins stated that the Mayor had also requested an alternate be designated for the Council appointments.

Elmer asked if the EDA's Bylaws reflected the alternate council appointment. Hutchins stated that was more of a function the City Council and their policy rather than specific language needed in the Bylaws. Hutchins stated that staff would review the language and if needed, send out the needed changes.

Motion to Approve made by Kay Parries and seconded by Les Bakke

Adopt Amended Bylaws and Transition Plan

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

6. [Recommend Revisions to Tax Incentive Agreement Language - Hutchins \(Attachment\)](#)

Minutes: Hutchins stated that the City Council had requested staff to review and modify the language of the City's Tax Incentive Agreement in an effort to simplify and bring clarity to the agreement. Hutchins highlighted a number of the modifications to the language in the agreement. Highlighted sections include project deadline, assessment process, waiver of appeal, value of tax incentive, property tax exemption, and other statutory provisions which explain achievement of goals and failure to achieve those goals.

Hutchins stated that the City Council will be holding a public hearing later that evening to consider a resolution approving a property tax exemption for a child care and learning center. He stated that staff had spoken with the owners and they were comfortable with the either the existing agreement or a new agreement, if approved.

Discussion: Hintermeyer asked for further clarification of the section regarding "waiver of appeal." He did not agree that a business should give up the right to challenge their valuation and that there are processes in place to address this issue and suggested this section be removed. He also suggested that a date specific be added to Exhibit A. Commissioners discussed various related points but agreed with both issues raised by Hintermeyer.

Elmer stated that she believed the Council had also requested to review the process of valuation and implementation at the local level and that she would like overview of that process. Asked if staff had asked for opinion from other participants for their input.

Hintermeyer requested that in an effort to obtain insight and input from the business community, the agreement be reviewed by the Moorhead Business Association.

Hutchins stated that the waiver of appeal of valuation would be removed and that staff would redraft the template for EDA review. He noted that the draft would be shared with MBA for

their review and input as well.

7. [1st Ave N Gateway Redevelopment Project - Doll \(Attachment\)](#)

Minutes: Doll provided staff with brief account of the redevelopment project in general and moved to the specifics contained in the attached report.

Updates included:

- Roger Henrichs, Hurst & Henrichs, was retained to inspect the possible TIF eligible properties. Two mailings have been sent to property owners requesting an interior inspection and staff will begin phone calls to those property owners who did not respond. The inspections and summary are expected to be complete by May 15.
- Reviewed the statutory steps to set up and certify a redevelopment TIF District.
- Before the district is certified, an interim step is sometimes necessary to preserve TIF. That step includes passing a resolution finding buildings blighted/substandard and a preliminary development agreement for any property to be demolished before the district is certified.

Staff suggested that the EDA's approval and support would allow projects to be brought before the City Council, on a case by case basis, to request a resolution finding buildings blighted/substandard. Hutchins stated there was no financial obligation for EDA or the City but holds rights for future action.

Environment update:

- MPCA reviewed the request for demolition of the Aggregate and Hedgemasters sites and they have included it under the existing "No Association" letter which is good news for the City.
- MPCA gave the site a "Finding of Non-Hazardous" ruling which means the site is contaminated but not hazardous and the cost of managing the contamination is much less.
- One of the next steps will be to solicit bids for demolition and oversight of that demolition.
- MU-3 Zoning has been reviewed by the Planning Commission

Hintermeyer stated that several council members had wondered whether or not other blighted properties along Main Avenue, two were specifically noted, should be included in the TIF district?

Motion to Approve made by Mark Hintermeyer and seconded by Brenda Elmer

Resolution of Support to Allow Bight Findings and Subsequent Demolition of Blighted and Substandard Buildings Prior to TIF District Certification.

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

8. [Legislative Update - Hutchins \(Attachment\)](#)

Minutes: Hutchins stated work continued in the legislature and the primary activities included preservation of the Disparity Reduction Credit Program and Moorhead's flood mitigation efforts. He stated that information had been included in the packet that had been used in support of those activities.

Parries requests that this information possibly be made available to the community in some manner such as on the City's website. Staff would follow up.

9. Information / Update

A [Memo: Maxfield Housing and Market Analysis Update](#)

B [2010 Housing Report](#)

Minutes: Wallert provided board members with an updated regarding GFMEDC's approval of \$54,000 to be used for biochemistry and biotechnology scholarships at MSUM. He also stated that a tri-college vaccinology minor had been approved at NDSU, MSUM, and is in the process of being approved at Concordia.

Hutchins stated that a discussion regarding vacant buildings was raised at City Council and may be a possible item for the EDA to review.

10. [Adjourn](#)

Minutes: Meeting was adjourned at 1:06 p.m.

APPROVED BY:

ATTEST:

Mark Wallert
Chair

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