

**City of Moorhead**  
**Economic Development Authority**  
**Meeting Minutes**  
**October 29, 2012 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 29, 2012, at 11:45 AM.

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

Board Member:	Les Bakke	Present
3rd Ward Council Member:	Brenda Elmer	Present
Board Member:	Jeff Frider	Present
4th Ward Council Member:	Steve Gehrtz	Present
Board Member:	Werner Golling	Present
Board Member:	Ray Grefsheim	Present
Board Member:	Robert Remark	Present
Board Member:	Jon Riewer	Present
Board Member:	Jim Steen	Present
Board Member:	James Taylor	Present
Board Member:	Mark Wallert	Absent

**Others Present:**

Peter Doll, Development Services Manager	John Shockley, City Attorney
Scott Hutchins, Director of Community Services	Amy Thorpe, Community Services Planner

**1. Call meeting to Order / Roll Call**

**2. Election of Chair to Serve Unexpired Term**

Minutes: Elmer nominated Jim Steen to complete the unexpired term of Mark Wallert who recently resigned his position on the board.

**Motion to Approve made by Les Bakke and seconded by Steve Gehrtz**  
Motion to Approve Jim Steen as Chair to Serve Unexpired Term

*Motion No Action: For: 10; Against: 0; Abstain: 0; Absent: 1*

**3. Agenda Amendments**

Minutes: Gehrtz requested a new business item be added after Item 4.

**4. Approve Minutes**

A September 24, 2012

**Motion to Approve made by Brenda Elmer and seconded by Werner Golling**  
Motion to Approve Minutes from September 24, 2012

*Motion None: For: 10; Against: 0; Abstain: 0; Absent: 1*

**4.5. New Business Item: Discussion of Hiring a Fulltime Economic Development Position**

Minutes: Gehrtz requested discussion of the EDA hiring a fulltime economic development position. He stated that the City would be best served with the addition of a new position to serve fulltime economic development and not one of multiple things that Community Services

handles. This individual would be an economic development professional. The position would enhance marketing and be a liaison between business and government services. He stated that adding this position shows the business community that the City is serious about economic development. Moorhead has a good team and this would add to it.

Time is of the essence. The sooner we can move on this, the better. There are good things happening... Sanford, Big Box, Real Estate Recycling. Asked the rest of the board for where they stand.

- Golling and Elmer voiced their support.
- Riewer asked if there was a job description and if this person would report directly to the board or to whom?
- Gerhertz stated that he had provided the City Manager a list of duties that he had created.
- Frider agreed that they needed to move on this quickly and that MBA support for bringing in a new person, rather than backfilling, was unanimous. He stated the City has a talented team but could use one more person to round that out.

**Motion to Approve made by Steve Gehertz and seconded by Brenda Elmer**

Motion to pass a resolution to fill the position of Director of Economic Development for the City of Moorhead.

*Motion Passed: For: 10; Against: 0; Abstain: 0; Absent: 1*

Minutes: Chair Steen appointed Steve Gehtz, Jim Taylor, Jeff Frider, Werner Golling, and Brenda Elmer to serve on a subcommittee to facilitate the hiring of an economic development director.

5. [Citizens Addressing the Board](#)

Minutes: None

6. [Commissioners' Reports](#)

Minutes: Bakke reported on the Minnesota Historical Society exhibit at the Hjemkomst

7. [Asset Management: Summary & Analysis - Doll / Shockley](#)

A [Report on Residential Tax Forfeit Property](#)

Minutes: City Attorney, John Shockley, provided the board with a summary on the residential tax forfeit property as found in the packet materials. He recommended a budget adjustment to purchase lots in Johnson Farms from the economic development fund. must have a plan to not adversely affect the existing residential development market.

Hutchins noted that the timeline is to bring this forward on November 13, held open until Nov. 19.

Commissioners requested addition clarification:

- 231 vs. 239 fund – 231 fund is the economic development “general” fund which funds staff salaries, office supplies, publishing costs, etc. and the 239 fund is the EDA Tax Levy Fund.
- Explanation of covenants in Stonemill Estates and Johnson Farms. If the City purchases all the lots in Stonemill Estate, they assume “majority ownership” and can amend the covenants to better suit the current conditions. There wouldn’t likely be any amendments of the Johnson Farms covenants would remain. The City will be sensitive to the residents currently living in those subdivisions and will this will

be discussed in more detail in November.

- If "seed" money for purchasing the land comes from the EDA fund would that fund be repaid from sales revenue?
- What is the cost of moving infrastructure services due to re-platting?
- Why did the City not receive a Letter of Credit (LOC) for these two subdivisions? Stonemill Estates did not provide a LOC but Johnson Farms had a letter which was used. A LOC does not alleviate 100% of the City's liability for the subdivisions.

i [Motion to Recommend Budget Adjustment from Economic Development Fund](#)

**Motion to Approve made by Steve Gehrtz and seconded by James Taylor**

Motion to Recommend Budget Adjustment of \$75,000 from Economic Development Fund for the purchase of tax forfeited properties in Stonemill Estates.

*Motion Passed: For: 10; Against: 0; Abstain: 0; Absent: 1*

B [Discussion of Ownership and Management of Land for Economic Development](#)

Minutes: Doll opened discussion with a brief summary of the report found in packet.

Commissioners requested clarification of the following:

- Commissioners generally agreed with Doll's assessment that Moorhead should own this property stating that it was one more "tool in the toolbox" making it a little easier to put together a deal.
- Marketing of the industrial property. Currently the City is a member of GFMEDC and interfaces with them to provide proposals to industrial prospects on Minnesota programs. DEED also provides opportunities for Moorhead to compete with other Minnesota cities and/or states for primary sector prospects.
- Commissioners generally in favor of continuing agriculture leases and want to encourage good stewardship of the land.
- Offer leases to current lease holders first before offering to the open market.

Commissioner Riewer left meeting at approximately 12:50.

**Motion to Approve made by Jeff Frider and seconded by Steve Gehrtz**

Motion to keep all of the City-owned industrial property located adjacent to MCCARA Business Park which is currently leased as agricultural land and offer the current tenants first right of refusal. If declined, offer ag land for lease on the open market.

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

8. **Information / Update**

A [Modification of Property Tax Exemption Policy: Restaurants](#)

B [Analysis of the Financial Impact of "Tip Credit" on Area Restaurants: Eide Bailly Agreement](#)

C [CSD Departmental Presentation: 2013 Operating Capital Budget](#)

D [Information Regarding Meeting Scheduling](#)

E [Reports](#)

Minutes: Hutchins provided the board with the following updates:

- Summit Housing Group did not receive State funding for their project for affordable housing on 1<sup>st</sup> Ave N
- Scott Hildre, Coldwell Bank First Realty, had nothing new to report on the 11th

Street properties.

- Real Estate Recycle recently had conversations with two architects and Mary Bujold (market analysis).
- SE Main ramp project had been completed. There will be a ribbon cutting ceremony in conjunction with the ramp opening on Tuesday, October 30, at 11:30 a.m. You are asked to park at the southwest lot at Menards and a bus will transport you to the ribbon cutting ceremony.

9. Adjourn

Minutes: Meeting adjourned at 1:19 p.m.

APPROVED BY:

ATTEST:

\_\_\_\_\_  
James Steen  
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*