

**OFFICIAL MINUTES OF THE
ECONOMIC DEVELOPMENT AUTHORITY
IN AND OF THE CITY OF ST. MICHAEL, MINNESOTA**

April 26, 2023

Call to Order/Roll Call

2:02 pm

Present: Councilor Tom Hamilton, Councilor Scott Pedersen, Nick Shultz, Yanal Almanasir, Chad Vitzthum, Jake Seaquist and Phil Hines. Community Development Director Marc Weigle and Engineering/Planning Assistant, Communications Specialist Katie Langland were also present.

Set Agenda

Weigle added a claim onto the check register. Members Shultz/Seaquist **moved** to approve the agenda as amended. All voted aye.

Consent Agenda

Members Vitzthum/Pedersen **moved** to approve the consent agenda with the addition of the River Inn to the List of Claims. All voted aye.

- A. Approve Minutes of March 22, 2023
- B. List of Claims

Naber Business Park

Weigle said at the last meeting the EDA consensus was to sell Lot 3 to a local business user for \$2.50/square foot. The Council discussed later and was agreeable to \$2.21/square foot, which would cover the raw land price. A purchase agreement will be drafted by Dave Lenhardt and sent to the buyers. Vitzthum asked if they qualified for TIF. Weigle replied that the City and EDA are using the TIF, so it does not go to the end user.

Last month EDA also heard proposals from two potential developers. He said the biggest question is, does EDA want to commit to a developer and not entertain other users at this point. Weigle said he has received a couple of recent calls from users and brokers interested in a 50,000 square foot facility that has 35 employees, with the potential to expand. If we sell to a development group, they would market the site and be more likely to construct a building that maximizes the site and future tax base. Hines inquired about the two additional lots available in Naber Business Park, which could also be an option for additional users.

Hamilton inquired if the asking price was posted, which Weigle said it wasn't. Almanasir asked if the interested user is ready to purchase. Weigle said as of now we have just received a call of interest. He said it's the type of business we prefer to see in that area as it would not require heavy distribution. Hines commented that if we sell lots 3 and 4 upfront, we would have more flexibility.

Vitzthum said our goal is to get tax-base, so the quicker we can get a user in there, the better. Hines agreed. Hamilton suggested asking for a couple month window to keep investigating users. Vitzthum said why not have a multi-tenant use building as we don't have one to offer currently. EDA discussed due diligence periods with the potential buyers and what approach makes the most sense. Vitzthum thought this would provide more users with the flexibility to expand in our City. Vitzthum and Shultz mentioned shortening the timeframe or raising the upfront price to secure the

users. Weigle asked EDA on opinions on price. Pedersen thinks the price could be higher as the costs are more than the proposed price of \$2.75/square foot. Hamilton doesn't see harm in countering back at \$3/square foot, which Hines and Vitzthum agree with. Hamilton asked when grading would be finished. Weigle said August of 2024 is when Fehn must complete the grading. The consensus of EDA was to shorten the timeframe.

Weigle will reach out to Inland Development and keep the conversation going. Hines would like to see the initial deposit be non-refundable. The EDA confirmed they would like to counter back at \$3/square foot.

Downtown Imaging Proposals

Weigle explained Adept Drones, a local drone imaging company has submitted proposals for downtown imaging and will also conduct free drone imaging of Town Center Park. After reviewing the proposals, he was happy with the pricing for what we are looking to do. Vitzthum said the renderings could be added in the future such as Home Grown.

Vitzthum/Seaquist **moved** to approve the larger of the two proposals from Adept Drones to provide downtown imaging. All voted aye.

Business Breakfast

Weigle reported the second annual Networking Business Breakfast was another success, with an increase of attendance to around 70 people, up from about 50 the year before. He presented the survey results from attendees, which overall had good reviews of the event and suggestions for future speakers and content.

EDA mentioned in the future we could add a slide with the top employers in town as a lot of people probably aren't aware. Hamilton suggested sending something out in advance to ask what people want to hear, and the City could then add that content into the presentation. Shultz said he likes the idea of two of these events a year, with one also in the fall, which could be more on economics. Weigle proposed the fall event to be more of an afternoon timeframe. EDA agreed.

Project Updates

Weigle provided updates on various projects and developments.

Shop STMA Social

Weigle made EDA aware of a ShopSTMA social on May 9 from 5-6 p.m. at BK Taphaus.

Adjournment

Members Pedersen/Vitzthum **moved** to adjourn the meeting at 3:12 p.m. All voted aye.

Attest:

Planning Assistant

Executive Director