

MINUTES
REGULAR MEETING - ECONOMIC DEVELOPMENT AUTHORITY (EDA)
Wednesday, December 8th, 2021 – 6:00 p.m.
Mississippi Room, Monticello Community Center

Commissioners Present: President Steve Johnson, Vice President Jon Morpew, Treasurer Tracy Hinz, Ollie Koropchak-White, Hali Sittig and Councilmembers Lloyd Hilgart and Jim Davidson

Staff Present: Executive Director Jim Thares, Angela Schumann, Hayden Stensgard

1. **Call to Order**

President Steve Johnson called the regular meeting of the Monticello EDA to order at 6:05 p.m.

2. **Roll Call**

President Steve Johnson took roll.

3. **Consideration of additional agenda items**

None

4. **Consent Agenda**

a. **Consideration of Approving Regular Meeting Minutes – November 10, 2021**

b. **Consideration of Approving Workshop Meeting Minutes – November 10, 2021**

c. **Consideration of Payment of Bills**

JIM DAVIDSON MOVED TO APPROVE THE DECEMBER 8, 2021, REGULAR MEETING CONSENT AGENDA. HALI SITTIG SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

Regular Agenda

5. **Consideration of Business Subsidy Affordable Housing Tax Increment Financing (TIF) Application from Headwaters Development for Multi-family and Twin-home patio homes on EDA owned land located at Country Club Addition, Outlot A and Authorizing EDA staff and Consultants to draft TIF Plan and a DRAFT Purchase and Development Contract for the sale and development of the land**

EDA Executive Director Jim Thares provided an overview of the agenda item to the EDA and the public. Mr. Thares noted for the meeting tonight, that items five (5), six (6), and seven (7) are all related. Item 5 includes the TIF application for development of 60 twin home units as well as a 108 unit apartment complex. Mr. Thares explained the details of

the TIF scenario for these two projects located on the same parcel of land. Mr. Thares said that the proposed apartments and homes are specifically for seniors (55 +). He also noted the proposed development phasing which impacts the overall planning steps.

Michael Hoagberg, Headwaters Development LLC., assured the EDA that they are flexible in some aspects of the process, and they will accommodate staff's and the EDA's recommendations and requests as this project continues to proceed. Mr. Hoagberg noted that the preference on phasing is beginning to construct the villas first.

Tracy Hinz asked about potential amenities and if those are firmly decided at this time. Mr. Hoagberg said the proposal is site and community based. He referenced they will proceed based on information and knowledge of the community like how they did for Willow's Landing on Hart Boulevard in Monticello. They want to fill an identified gap in housing needs in the community.

Ollie Koropchak-White noted that these villas are all for rent and asked if this project would provide the opportunity for residents to own their respected villa. Mr. Hoagberg said that as of now it is all for rent, he noted that in the future, there may be a chance that there could be opportunities for ownership versus rental if it does not negatively impact the TIF district requirements.

Steve Johnson addressed the affordability rating on this project for establishing a TIF District and asked if that was based on the just the villas or if it is tied to the villas and the apartments. Mr. Hoagberg said that it was based off the whole project.

Hali Sittig asked if Willow's Landing was at full capacity or had room for more occupancy. Mr. Hoagberg said that it is not quite full, but it is close to being at max occupancy.

Ms. Sittig also asked about the study that the developers used to decide the number of units for this project and asked if that was based off Monticello and the surrounding community's needs. Mr. Hoagberg clarified that the number of units was reached based off Monticello's needs alone.

Jon Morphew asked if previous projects Headwaters has done include villas like the proposed project in Monticello. Mr. Hoagberg confirmed that they have utilized the villa style home for similar projects in the past.

TRACY HINZ MOVED TO ACCEPT THE TIF APPLICATION AND AUTHORIZE STAF AND EDA CONSULTANTS TO DRAFT TIF PLAN AND RELATED DOCUMENTS AND A DRAFT PURCHASE AND DEVELOPMENT CONTRACT FOR THE SALE AND DEVELOPMENT OF THE 16.71 ACRE COUNTRY CLUB ADDITION, OUTLOT A PARCEL. OLLIE KOROPCHAK-WHITE SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

6. **Consideration of Resolution #2021-14 Calling for City Council to hold a Public Hearing related to establishing an Affordable Housing TIF District, #1-42**

Mr. Thares provided an overview of the agenda item to the EDA and the public and noted this is connected to item five (5) on the agenda. Mr. Thares noted that if this was approved, it would subsequently move on to the City Council the following week.

MAYOR LLOYD HILGART MOVE TO ADOPT RESOLUTION #2021-14, REQUESTING THE CITY COUNCIL CALL FOR A PUBLIC HEARING RELATED TO ESTABLISHING AFFORDABLE HOUSING TIF DISTRICT #1-42. OLLIE KOROPCHAK-WHITE SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

7. **Consideration of Northland Securities, Inc. Financial Services Agreement related to Tax Increment Financing (TIF) “But-For” Analysis and Plan preparation for proposed Affordable Housing TIF District, #1-42**

Jim Thares provided an overview of the agenda item to the EDA and the public.

OLLIE KOROPCHAK-WHITE MOVED TO APPROVE NORTHLAND SECURITIES, INC.’S FINANCIAL PLANNING AGREEMENT FOR SERVICES RELATED TO CREATION OF AN AFFORDABLE HOUSING TIF DISTRICT. LLOYD HILGART SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

8. **Consideration of Feedback and Direction of Proposed Marketing Plan-Strategy for 2022-2023**

Jim Thares provided an overview of the agenda item to the EDA and the public. Mr. Thares noted that the City submitted a \$500,000 Community Energy Transition (CET) Grant application which was awarded in March of 2021. The budget included \$25,000 for marketing activities. The development of a comprehensive marketing strategy for the EDA is part of that scope of work. Staff is suggesting the EDA consider working with AE2S regarding full development of a marketing strategy and plan. Thares noted the five areas of focus that staff identified for the marketing strategy. EDA feedback was sought and provided.

Hali Sittig asked about other vendors who might have applied or requested to develop this marketing strategy. Jim Thares said recently, for other, smaller marketing projects, the EDA has utilized local businesses. For instance, post cards designed for Block 52. This project is much larger than that and AE2S has provided examples of their work in marketing strategies.

Community Development Director Angela Schumann also mentioned the narrow timeframe related to accomplishing the grant work scope and also that AE2S presented the City with a creative ideas and they are were willing to provide a marketing strategy

which has been an EDA goal of for some time.

Ms. Sittig asked staff if those goals were provided by staff, or AE2S. Mr. Thares clarified that the goals were provided by staff to AE2S. Ms. Hinz entertained the idea of having a workshop in January between the EDA and AE2S to discuss how to develop the marketing strategy.

Ms. Schumann mentioned that the CET grant award will also enable the EDA owned sites to become shovel ready certified. That document set can also be incorporated into the materials of the marketing strategy. The expectation is to be able to provide both digital and print forms of the strategy to businesses and developers.

Ms. Koropchak-White asked if the shovel ready part of the award was specific to the Otter Creek Business Park. Ms. Schumann confirmed. Mr. Mophew asked if staff has reached out to references of AE2S. Mr. Thares said that will be done if the EDA feels this is the correct path forward.

Ms. Hinz brought up the idea of including the Monticello Chamber of Commerce into the marketing strategy to provide opportunity information to business outside of industrial.

Ms. Koropchak-White asked if part of the plan included asking new generations of Monticello business why they chose Monticello. Mr. Thares said that Ms. Koropchak-White's idea is a good one and can be incorporated into the work efforts. Mr. Thares said that there will likely be a workshop with AE2S to further discuss the marketing strategy.

Mayor Hilgart said that the time is right and is confident AE2S will provide adequate deliverables and believes this type of plan could be discussed at the council level as well.

Ms. Hinz entertained the idea of having more commissioners being involved in projects like the marketing strategy. Ms. Schumann noted that the members of all boards will be meeting on January 10, 2022, to discuss the redevelopment of the majority of Block 52. She also noted that recently the first meeting of The Pointes at Cedar Compass Committee occurred, where members of the community have an opportunity to provide feedback for the public spaces at The Pointes at Cedar. An EDA liaison, as well as community members, are encouraged to go to these meetings and provide feedback.

9. **Economic Development Manager's Report**

Mr. Thares provided an overview of the Economic Development Manager's report to the EDA and the public. Mr. Thares noted long-time Monticello EDA attorney, Martha Ingram, announced her retirement effective 1-31-2022. She is a partner with Kennedy & Graven Chartered. She has recommended that the Monticello EDA work files be

assigned to Gina Fiorini at the firm.

Mr. Thares continued with an update of the EDA's pending acquisition of 113 W Broadway St, which was approved in November. The closing transaction is scheduled to occur on December 17, 2021. Redevelopment plans and steps for Block 52 are tentatively planned for January 10, 2022, prior to the regularly scheduled City Council meetings. The meeting will include the City Council, EDA, PARC, and Planning Commission.

Mr. Thares also provided an update on the lot layout of future developable land in Otter Creek Business Park. Mr. Thares concluded the report with an overview of the list of business prospects for Monticello.

Ms. Koropchak-White asked if the current businesses in Otter Creek Business Park were still looking to expand. Mr. Thares noted that this is still the situation as we move forward into early 2022. Mr. Morpew asked if there were any updates on the Due North Car Wash being built in town. Mr. Thares updated the EDA indicating that the construction of the facility is making progress and looks like it could be ready to open by the desired date of late March 2022.

10. **Adjourn**

TRACY HINZ MOVED TO ADJOURN THIS REGULAR MEETING OF THE MONTICELLO EDA. HALLI SITTIG SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0. MEETING ADJOURNED AT 7:22.