

**MINUTES**  
**REGULAR MEETING - ECONOMIC DEVELOPMENT AUTHORITY (EDA)**  
**Wednesday, July 27th, 2022 – 7:00 a.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 7:01 a.m.

2. **Roll Call 7:00 a.m.**

Mr. Johnson called the roll.

3. **Consideration of Additional Agenda Items**

Executive Director Jim Thares noted that agenda item 6.5 had been added to the regular agenda following original disbursement of the agenda.

4. **Consent Agenda**

**N/A**

**Regular Agenda**

5. **Consideration of Resolution No. 2022-23 authorizing Amended, and Restated Purchase and Development Contract for Headwaters Development's apartment (TIF 1-42) development, Lot 1, Block 5 Country Club Manor, First Addition, related to inclusion of Supplemental Phase II Environmental Study document preparation, MPCA filings and Site Contamination Remediation costs in an amount not to exceed \$80,000 in a pro-rata division for the Apts-Villas sites and a revised development schedule**

Agenda items 5 and 6 were considered companion items as part of this agenda. Mr. Thares provided an overview of the agenda item to the EDA and the public. Following the completion of a Phase I ESA, it was found that contaminants in the soil on site were likely, triggering the need for a Phase II ESA to be conducted. This item was brought forth to the EDA to consider sharing the costs of the supplemental Phase II with the developers of the proposed Country Club Manor First Addition.

Treasurer Tracy Hinz asked if there was an understanding of where the contamination

came from. Mr. Thares explained that it was almost certain that the contamination came from the dumping of street sweepings on site by public works.

Brian Nicholson of Headwaters Development addressed the EDA and the public. Mr. Nicholson note that this step is a precautionary step to mitigate the contamination on site, so that the MPCA is comfortable with this proposal to move forward on the site.

JON MORPHEW MOVED TO ADOPT RESOLUTION NO. 2022-23 AUTHORIZING AN AMENDED AND RESTATED PURCHASE AND DEVELOPMENT AGREEMENT FOR HEADWATERS DEVELOPMENT'S APARTMENT DEVELOPMENT PROPOSAL AT LOT 1, BLOCK 5, COUNTRY CLUB MANOR, FIRST ADDITION RELATED TO INCLUSION OF SUPPLEMENTAL PHASE II ENVIRONMENTAL STUDY DOCUMENT PREPARATION, MPCA FILINGS AND SITE CONTAMINATION REMEDIATION COSTS IN AN AMOUNT NOT TO EXCEED \$80,000 IN A PRO-RATA DIVISION FOR THE APTS-VILLAS SITED AND A REVISED DEVELOPMENT SCHEDULE IN CONNECTION WITH TIF DISTRICT NO. 1-42. LLOYD HILGART SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

6. **Consideration of Resolution No. 2022-24 authorizing Amended, and Restated Purchase and Development Contract for Headwaters Development's Twin homes (TIF 1-43) proposal at Country Club Manor parcel (16.71 acres – 7<sup>th</sup> Street West) related to inclusion of Supplemental Phase II Environmental Study document preparation, MPCA filings and Site Contamination Remediation costs in an amount not to exceed \$80,000 in a pro-rata division of \$80,000 for the Apts-Villas sites and a revised development schedule**

Agenda items 5 and 6 were considered companion items as part of this agenda.

JON MORPHEW MOVED TO ADOPT RESOLUTION NO. 2022-24 AUTHORIZING AN AMENDED AND RESTATED PURCHASE AND DEVELOPMENT AGREEMENT FOR HEADWATERS DEVELOPMENT'S TWIN HOME VILLAS DEVELOPMENT PROPOSAL AT THE COUNTRY CLUB MANOR SITE RELATED TO INCLUSION OF SUPPLEMENTAL PHASE II ENVIRONMENTAL STUDY DOCUMENT PREPARATION, MPCA FILINGS AND SITE CONTAMINATION REMEDIATION COSTS IN AN AMOUNT NOT TO EXCEED \$80,000 IN A PRO-RATA DIVISION FOR THE APTS-VILLAS SITES AND A REVISED DEVELOPMENT SCHEDULE IN CONNECTION WITH TIF DISTRICT NO. 1-43. JIM DAVIDSON SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

- 6.5. **Consideration of authorizing a Right of Entry with Headwaters Development, LLC for Outlot A, Country Club Manor (16.71-acre EDA owned parcel) related to a Supplemental Phase II Study and follow up Response Action Pan (RAP) and Construction Contingency Plan (CCP)**

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

item is related to items 5 and 6 on the agenda and is needed for the approved work to be completed.

TRACY HINZ MOVED TO AUTHORIZE A RIGHT OF ENTRY WITH HEADWATERS DEVELOPMENT FOR OUTLOT A, COUNTRY CLUB MANOR FOR THE PURPOSE OF PERFORMING SUPPLEMENTAL PHASE II ENVIRONMENTAL STUDY TASKS. HALI SITTIG SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

7. **Consideration of authorizing a Short-Term Rental Agreement or a Right of Entry with Deephaven Development for Block 52 development site related to Phase II Environmental Study and Asbestos-Regulated (Hazardous) Materials Removal-Mitigation and Structure Demolition preparation activities**

Mr. Thares provided an overview of the agenda item to the EDA and the public. This right of entry would allow the developer's consulting team to begin Phase II ESA work on the Block 52 redevelopment site.

Mr. Johnson asked if the costs of the study and/or the work to be done is attributable towards the EDA. Mr. Thares clarified that the cost of the services will be included in the final agreement language for the EDA to support.

Mark Buchholz of Deephaven Development addressed the EDA and the public. It was noted that Braun Intertec provided the lowest bid with the quickest turnaround time to maintain the same timeline that the EDA and the developer had been working towards.

HALI SITTIG MOVED TO AUTHORIZE A RIGHT OF ENTRY AND/OR A SHORT-TERM RENTAL AGREEMENT WITH DEEPHAVEN DEVELOPMENT FOR THE EDA OWNED PROPERTIES AND BUILDINGS IN BLOCK 52 FOR THE PURPOSE OF PERFORMING A PHASE II ENVIRONMENTAL STUDY AND/OR HAZARDOUS REGULATED MATERIAL ABATEMENT WORK TASKS. LLOYD HILGART SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

8. **Economic Development Director's Report**

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

OLLIE KORPCHAK-WHITE MOVED TO RECESS THE REGULAR MEETING OF THE MONTICELLO EDA AND ENTER INTO A CLOSED MEETING TO DISCUSS NUMBER 9 OF THE AGENDA. JON MORPHEW SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

9. **Closed Meeting – Consideration of Offers or Counteroffers for the Purchase or Sale of Real Property Pursuant to Minnesota Statute 13D.05, Subdivision 3(c)(3)**

**Properties PID #: 155194000010, 155249001010**

10. **Adjourn**

The regular meeting of the Monticello EDA was adjourned following their closed meeting discussion.

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