

ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
DECEMBER 12, 2006

The meeting was called to order at 7:00 a.m., President Jim Kreft presiding.

Members Present: President Kreft, Noack, Rosenfeld, Sorenson, Vrklan, Councilmember Voight

Members Absent: Councilmember Borchert

Also Present: Asst. Director Schultz, Mayor Czech

Motion by Noack, seconded by Sorenson, and passed by unanimous vote to approve the minutes from the November 16, 2006 meeting as corrected.

It was the consensus of the EDA that the Financial Report for November stood approved as presented.

It was the consensus of the EDA that the Lot Loan stood approved as presented.

Asst. Director Schultz talked briefly about the housing study and the need to have a Request for Proposal (RFP) done as recommended by Community Partners Research (who did housing study). They sent out 2 RFP's and only received 1 back from Southwest Minnesota Housing Partnership in the amount of \$3,000; this amount can be recovered partially or completely through grants with the Minnesota Housing Partnership. Kreft commented that he understands that city staff can't facilitate and put all the recommendations contained within the study (too complex) into place and that an outside source is needed, but he feels the city staff should be able to start putting some concepts together (prioritize) on their own first (Voight agreed). He also commented that the proposal appeared to be in the best interest of the City, and nothing would be done that the City was not ready to do. Schultz commented that the City can make changes/modifications to the proposal and still work with the company. Schultz added that there is grant money available to help cover some of the costs associated with developing a comprehensive housing plan from the Housing Study.

Motion by Rosenfeld, seconded by Vrklan, and passed by unanimous vote to have the EDA Board after the first of the year review and prioritize the recommendations within the Housing Study.

Schultz gave a brief update on the proposed Technical Services expansion project. He stated that they had met with Dan Voss of Vos Construction, who is very familiar with these types of projects. He stated that Arlington's role would include some tax incentives and some possible infrastructure issues, but the risk would be minimal. Vos was enthusiastic about moving forward with this project. A meeting has been scheduled to get TSE and Vos Construction together. Kreft commented that discussion is still being held on using the last available lot in the in Industrial Park (approximately 9 acres) for the proposed expansion. Schultz stated that the owners of the lot have indicated that they would be willing to sell. Permission has been granted to do a preliminary site survey of the lot. Kreft suggested that either Krueger or Schultz should contact Shannon Sweeney prior to the joint meeting and inquire about the City's participation through TIF.

Schultz explained that they had received a letter from DEED that stated that Arlington and Gaylord's joint preliminary application for the Small Cities Development Grant had been approved and

encouraged the 2 cities to submit their full application and move onto the next step. He stated that they will be contacting Pettipiece & Associates about the costs involved with the full application process.

The EDA reviewed the Strategic Planning session handouts as prepared by Lisa Heintz.

Noack commented how nicely the sessions worked in the Technology Center. He was very appreciative of what has been done (equipment added).

Schultz gave a brief update on the hotel development.

Kreft commented that the Lot Acquisition Assistance Program Policy was being reviewed by Attorney Arneson.

Schultz extended an invitation to the EDA Board to attend the Gaylord Business Appreciation Lunch, which was going to be put on by SEDCO. He stated that there would be a speaker from the Southern Minnesota Initiative Foundation.

Kreft commented that he had been contacted by a local resident about starting up a new business and had directed this individual to Denny & Dave. Schultz commented that they given the individual the necessary papers, but had not heard back yet.

Kreft thanked outgoing member Voight for her time on the EDA Board. He stated that Mark Lundstrom had expressed interest in the EDA and would be a nominee for appointment in 2007.

The next meeting was scheduled for Tuesday, January 9, 2007 at 7:00 a.m. at the Technology Conference Center.

Motion by Rosenfeld, seconded by Noack, and passed by unanimous vote to adjourn the meeting.

Director David L. Krueger

President Jim Kreft