

**ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
February 24th, 2010**

The February 24th, 2010 Arlington EDA meeting was called to order by Vice-President David Krueger at 6:00 p.m.

Members present were; Noack, Vrklan, Pichelmann, Krueger and Sorenson. Also present was Director Schultz, Administrator Jaunich and Kelly Powell representing United Farmers Coop. Absent were members Lundstrom and Feterl.

Agenda was reviewed and a motion made to approve the agenda with the addition of 10b, 2009 SEDCO invoice (Vrklan/Sorenson). Approved.

Motion/second (Sorenson/Pichelmann) to approve the meeting minutes of the January 20th EDA meeting. Approved.

Financial report was reviewed. Motion/second (Pichelmann/Sorenson) to approve January financial report. Approved.

United Farmers Coop representative Kelly Powell gave a presentation regarding UFC's intentions to close their existing elevator facility and build a new grain facility in close proximity to Arlington. Many questions by the EDA members in attendance. Consensus was that this would be a great addition to the Arlington business community.

As per the request of the City Council, staff has developed a Policy and Procedure document for the newly developed Property Development Fund. Motion made and seconded (Sorenson/Vrklan) to adopt the Policy and Procedure document for the Property Development Fund. Approved.

Commissioner **Noack** introduced the following resolution and moved for its adoption:

EDA Resolution No. 1-2010
Amendment to the
Enabling Resolution Establishing
An Economic Development Authority
For the City of Arlington, MN

WHEREAS the City wishes to grant to the Authority such industrial and economic and redevelopment powers pursuant to the Economic Development Act encompassing Minnesota Statutes, Sections 469.090 to 469.108 subject to the limitations set forth herein; and

WHEREAS the Economic Development Authority wishes to update and amend the original Enabling Resolution No. 4-1997 to bring the Resolution to current standards and parameters; and

WHEREAS the amended resolution will further clarify and define the authorizations and limitations that the City Council grants to the Economic Development Authority;

NOW THEREFORE BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF ARLINGTON AS FOLLOWS:

RESOLVED, that the actions of the Authority are subject to the following limitations:

- a. Except when previously pledged by the Authority, the City Council may by resolution require the Authority to transfer any portion of the reserves generated by activities of the Authority that the City Council determines is not necessary for the successful operation of the Authority to the debt service fund of the City, to be used solely to reduce tax levies for bonded indebtedness of the City;
- b. The sale of all bonds or obligations issued by the Authority shall be approved by the City Council before issuance;
- c. The Authority is granted, by the City Council, full consent to purchase land and/or buildings or other real property at the Authority's sole discretion using funding under the direct control of the Authority, the extent of which is provided for in Council Resolution 84-2009.
- d. The Authority shall follow the budget process for the City departments as provided by the City and as implemented by the City Council and Mayor;
- e. All official actions of the Authority must be consistent with the adopted 2009 Comprehensive Plan Update of the City, and any official controls implementing the comprehensive plan;

- f. The Authority shall obtain approval of its proposed plans for development and redevelopment from the City Council in accordance with City planning procedures and law.
- g. The Authority shall submit all planned activities for influencing the action of any other governmental agency, subdivision, or body to the City Council for approval;
- h. When so requested by the City Council, the Authority shall submit its administrative structure and management practices to the City Council for approval;

RESOLVED, that the Authority shall be a public body corporate and politic and a political subdivision of the State of Minnesota. Its relationship to the Mayor and the City Council shall be governed by the Economic Development Act, this Enabling Resolution and the other economic development laws contained in the Minnesota Statutes, Chapter 469 under which it operates. In the event a conflict arises between the Economic Development Authority Act and this Enabling Resolution, the Economic Development Act shall control; and

RESOLVED, that the powers of the Authority shall be vested in the Commissioners thereof in office at any time, a majority of whom shall constitute a quorum for all purposes. Such Commissioners shall be seven in number, two of whom shall be members of the City Council, and shall be appointed by the Mayor with the approval and consent of the City Council. The terms of office of each member of the City Council appointed as a Commissioner shall coincide with that Council member's remaining term as a member of the City Council. All of the Commissioners shall be residents of the City. Each vacancy in an unexpired term shall be filled in the same manner in which the original appointment was made. Commissioners shall hold office until their successors have been appointed and qualified. A copy of the City Council Appointment Resolution shall be filed with the City Administrator. Whenever the membership of the Authority is changed by reason of a new appointment, a certificate of the appointment and a certified copy thereof shall be promptly filed. A certificate filed with the City Administrator shall be conclusive evidence of appointment or change of membership; and

RESOLVED, the Commissioners of the Authority shall adopt by-laws and elect officers as provided in Minnesota Statutes, Section 469.096. The Commissioners may also amend the Authority's by-laws to bring them into current administrative practices; and

RESOLVED, that nothing shall prevent the City Council from modifying the Enabling Resolution to impose new limitations on the powers of the Authority or to grant new authorities or to provide for other matters as authorized by Sections 469.090 to 469.108 or other law. Modification to this Enabling

Resolution may take place only after qualifying notice and public hearing as required and as authorized by the Act.

BE IT FURTHER RESOLVED, that a copy of this resolution be passed onto the Arlington City Council.

BE IT FURTHER RESOLVED, As provided in the Act it is the intention of the City Council that nothing in this Resolution nor any activities of the EDA shall be construed to impair the obligations of the City under any contracts or to affect in any detrimental manner the rights and privileges of a holder of a bond or other obligation heretofore issued by the City. The City Council shall not modify any limit in effect at the time any bonds or obligations are issued or contracts executed to the detriment of the holder or the bonds or obligations or any contracting party.

The motion for the adoption of the foregoing resolution was duly seconded by Commissioner **Sorenson** and upon poll being taken thereon the following voted in favor thereof: Pichelmann, Vrklan, Krueger, Sorenson, Noack; and the following voted against the same: none ; and the following abstained from voting: none ; and the following were absent: Lundstrom, Feterl.

Adopted by the Arlington Economic Development Authority this 24th day of February, 2010.

An application V&W Enterprises for funding through the EDA RRR Program was discussed. Motion made and seconded (Sorenson/Vrklan) to approve, with contingencies of receiving the missing documentation, a loan in the amount of \$10,000 (ten-thousand dollars) at an interest rate of 3% for a term length of 7 years. Approved.

A letter will go out from the EDA strongly encouraging Governor Pawlenty to reconsider his bonding budget position to include funding for the improvement of the Prairie Line Railroad. Director Schultz will author and forward on to the Governor's office.

A motion and second (Noack/Vrklan) of recommendation from the EDA to the City Council that the Council pay the per capita SEDCO billing for 2009. SEDCO should be encouraged to bill timely and directly to the City Offices in the future.

Next meeting will be held in the City Tech Center, 6:00 p.m. on March 24th, 2010

Motion and second (Noack/Sorenson) to adjourn. Approved.

Vice-President David Krueger

Director, Denny Schultz