

**ARLINGTON CITY COUNCIL
SPECIAL & CLOSED MEETING AGENDA
JUNE 14, 2016 AT 5:00 PM
COUNCIL CHAMBERS**

1. Call to Order.
2. 5:00 p.m. Lisa Hughes, MN Department of Employment & Economic Development.
3. 5:45 p.m. CLOSED MEETING – (For the purpose to consider offer of real property)
 - A) Cemstone Status.
 - B) Seneca Roadway Easement Status.
4. 6:15 p.m. OPEN MEETING for the following action items:
 - A) Approve/Deny Resolution 43-2016 – Supporting Application for BDPI Grant Funding.
 - B) Approve/Deny Resolution 44-2016 – Authorize Purchase Offer with Seneca.
5. Adjournment.

**ARLINGTON CITY COUNCIL
SPECIAL & CLOSED MEETING MINUTES
JUNE 14, 2016**

The meeting was called to order at 5:00 p.m., Mayor Nagel presiding.

Members present: Mayor Nagel, Wills, Heiland, Nuesse, Jaszewski and Battcher

Members absent: None

Also present: Lisa Hughes (DEED) and City Administrator Donabauer.

The following items were discussed in detail and no formal Council action was taken:

1. 5:00 p.m. Lisa Hughes, MN Department of Employment & Economic Development (DEED).
2. 5:45 p.m. CLOSED MEETING – (For the purpose to consider offer of real property) Cemstone Status.
3. 6:15 p.m. CLOSED MEETING – (For the purpose to consider offer of real property) Seneca Roadway Easement Status.

Lisa Hughes, Economic Development Programs Specialist, introduced herself and gave a summary of the types and number of projects that have been funded by the Department of Employment & Economic Development (DEED). Funding for DEED projects comes from the state general fund and the Community Development Block Grant (CBDG). DEED also focuses on job retention and creation.

Mayor Nagel recessed the regular portion of the special meeting at 5:29 p.m. in order to hold a closed session.

Adm. Donabauer and Mayor Nagel provided an update on Cemstone. Lisa Hughes provided information on a Greater MN Business Development Public Infrastructure (BDPI) grant which would cover up to 50% of the street and utility infrastructure costs (~\$80,000) for the Cemstone project.

Adm. Donabauer provided an update on Seneca's decision to accept an offer from the City of Arlington to purchase property for the purpose of gaining access to the City's land locked industrial park. Lisa Hughes provided information on potential state and federal funding for a speculative industrial park. Much discussion was had on whether to move forward with purchasing land from Seneca.

Mayor Nagel adjourned the closed portion at 6:16 p.m. and reconvened the special meeting at 6:20 p.m.

Councilmember Battcher introduced the following resolution and moved for its adoption:

RESOLUTION 44-2016

**A RESOLUTION AUTHORIZING THE PURCHASE OF REAL PROPERTY
FROM SENECA FOOD CORPORATION**

WHEREAS, the City of Arlington has listed developing an industrial park, with rail access, as a priority in the 2008 and 2014 Comprehensive Plan for the purpose to retain existing commercial/industrial uses and encourage new commercial/industrial development; and

WHEREAS, the City of Arlington owns 22.18 acres designated for an industrial park which abuts TH 5 and the Prairie Line Railroad; and

WHEREAS, the City of Arlington has exhausted all options in order to gain access to the land locked parcel; and

WHEREAS, the City of Arlington entered into negotiations with Seneca to gain access to the City industrial park land through Seneca's property; and

WHEREAS, both parties have agreed to a purchase price of \$200,000 for approximately 14.64 acres (as shown in the attached exhibit), upon the City's receipt and award of state funding for the infrastructure improvements, for development and access to the City's industrial park.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Arlington hereby authorizes entering into a purchase agreement with Seneca Food Corporation for approximately 14.64 acres of land adjacent to the City's industrial park property with a contingency of an award of a DEED grant for infrastructure improvements.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Nuesse and upon poll being taken thereon the following voted in favor thereof: Nuesse, Jaszewski, Battcher, and Wills; and the following voted against the same: Heiland; and the following abstained from voting: none; and the following were absent: none.

The foregoing resolution was adopted by the City Council of the City of Arlington this 14th day of June, 2016.

/s/ Richard Nagel, Mayor

Attest: /s/ Liza M. Donabauer, City Administrator

Whereupon the resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator.

Council Member Nuesse introduced the following resolution and moved for its adoption:

RESOLUTION 43-2016

A RESOLUTION APPROVING THE BUSINESS DEVELOPMENT INFRASTRUCTURE APPLICATION

Applicants must adopt and submit the following resolution. This resolution must be adopted prior to submission of the forms package.

BE IT RESOLVED that the City of Arlington act as the legal sponsor for project(s) contained in the Business Development Infrastructure Application to be submitted on June 21, 2016 and that Mayor Rich Nagel and the City Administrator are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of the City of Arlington.

BE IT FURTHER RESOLVED that City of Arlington has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure matching funds, adequate construction, operation, maintenance and replacement of the proposed project for its design life.

BE IT FURTHER RESOLVED that the City of Arlington has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the state, the City of Arlington may enter into an agreement with the State of Minnesota for the above-referenced project(s), and that it will comply with all applicable laws and regulations as stated in all contract agreements.

BE IT FURTHER RESOLVED that upon approval of its application by the state, the City of Arlington will commit \$81,000 towards the local match requirement.

BE IT FURTHER RESOLVED that the City of Arlington will the repay the grant if milestones are not realized by the completion date identified in the Application.

The City of Arlington certifies that it will comply with all applicable laws, regulations, and rules of the Application.

BE IT FURTHER RESOLVED that the sources and uses, private investors, equity, and other financing commitments represented in the attached document are accurate.

NOW, THEREFORE BE IT RESOLVED that Mayor Rich Nagel and the City Administrator or their successors in office, are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the project(s) on behalf of the applicant.

I CERTIFY THAT the above resolution was adopted by the City Council of the City of Arlington on June 14, 2016.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Battcher and upon poll being taken thereon the following voted in favor thereof: Nuesse, Heiland, Jaszewski, Battcher, and Wills; and the following voted against the same: none; and the following abstained from voting: none; and the following were absent: none.

The foregoing resolution was adopted by the City Council of the City of Arlington this 14th day of June, 2016.

/s/ Richard Nagel, Mayor

Attest: /s/ Liza M. Donabauer, City Administrator

Whereupon the resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator.

Motion by Wills, seconded by Battcher, and passed by unanimous vote to adjourn the meeting at 6:25 pm.

Liza M. Donabauer, City Administrator

Rich Nagel, Mayor