

**CITY OF MOORHEAD  
ECONOMIC DEVELOPMENT AUTHORITY  
Meeting Minutes  
Monday, November 26, 2007  
First Floor, Chambers, Moorhead City Hall**

**1. CALL TO ORDER/ROLL CALL**

Pursuant to due call and notice thereof, a meeting of the Moorhead Economic Development Authority was held in the First Floor South Board Room, City Hall, Moorhead, Minnesota, on the 26<sup>th</sup> day of November, 2007. Chair Parries called the EDA meeting to order. Roll call of members was made as follows:

**EDA Members Present:** Kay Parries, Mark Hintermeyer, James Taylor, Kelli Poehls, Mark Wallert, GaNe' Skatvold, Jim Welch, Werner Golling, John Rogalla and Jon Riewer.

**EDA Members Absent:** Laurie Winterfeldt-Shanks

**Others Present:**

Harlyn Ault	Finance Director
Ben Brunsvold	Clay County Commissioner
Peter Doll	Manager of Business & Development Services
Dawn Fuxa	Community Services Office Specialist
Scott A. Hutchins	Director of Community Services
Brian Neugebauer	City Attorney
Michael Redlinger	Acting City Manager
Brian Walters	Greater Fargo Moorhead EDC
Kim Winnege	Forum Reporter

**2. AGENDA AMENDMENTS**

There were no agenda amendments.

**3. MINUTES – OCTOBER 29, 2007**

Taylor moved, seconded by Skatvold, to approve the October 29, 2007 minutes.

Walters requested that the minutes of October 29, 2007, be amended to provide “context” to comments regarding: relationships with St. Paul; lead generation; cities represented on the GFMEDC executive committee; to clarify statement on relations with St. Paul and; competitive grant program.

Wallert asked if language should be discussed. Hutchins indicated that if the board concurs with the proposed changes, the minutes will be changed accordingly.

Wallert moved, seconded by Hintermeyer, to incorporate the proposed changes.

Motion carried by unanimous vote.

Minutes, as amended, approved by unanimous vote.

4. **CITIZENS ADDRESSING THE BOARD**

No citizens requested to be heard.

5. **GFMEDC GROWTH PLAN**

Walters presented a Power Point presentation outlining the GFMEDC Growth Plan. At the next EDA meeting Walters will provide the Board with an update on work force issues.

6. **2008 EDA BUDGET AND LEVY**

Hutchins indicated that the packet includes information from past discussions on the levy. The preliminary 2008 EDA levy is \$230,000.00 – the discussion was the levy could be reduced but it could not be increased and so this board took action and set it at that amount anticipating the discussion in the future regarding the \$30,000 identified for marketing activities. The Board has reviewed information as to how funds were used in the past. The City Council will receive the EDA's budget/levy recommendation and can affirm or send that recommendation back to the Board. The City Council cannot independently modify the recommendation of this board.

Hutchins noted that in order that raised through the levy be utilized for the land purchase a joint powers agreement is necessary. Two actions are before the board for consideration, one, the amount of the budget and levy and to also recommend to the City Council a joint powers agreement to use a portion of the levy for land acquisition.

Wallert had questions on the joint powers agreement. Does this commit the EDA to a specific number of years at \$100,000 per year? Neugebauer responded that the agreement has no fixed term.

Wallert asked if this is a new request for land or the same \$100,000 that was used for land last year. Hutchins responded this purchase was made last year and the City Manager has recommended the \$100,000 annual payment come from the EDA budget levy.

Neugebauer noted that paragraph 2 could be modified as to specific terms.

Wallert indicated that there are other things the EDA could do with that money to support economic development and growth, perhaps a city staff person for ED growth, data collection, or setting up some sort of seed or venture capital fund.

Proehls indicated that looking at attachment B, paragraph 3 – there is a reference to the NW MN Amateur Sports Facility – is that the same sports facility that appeared before the planning committee and the same land that's referred to? Hutchins responded it is. Proehls said that in the presentation to the Senate Bonding Committee there was discussion regarding the financial economic impact of an amateur sports facility however it is premature in terms of its evolution at this time.

Hintermeyer clarified that this whole project was part of an 8.1 million dollar package a little over a year ago. It used \$5.1 million of the Menards cash and the discussion was it involves parks throughout the city. At no time was it discussed that some of this cost would shift to the EDA

Hintermeyer noted if the EDA sends this to the Council without the \$100,000 that will complicate the City's 2008 budget picture.

Neugebauer suggested paragraph 2 be amended to read "for at least one year".

Riewer noted he was fine with the EDA doing its part to support the city and move this forward another year and get to 2009 but beyond that the EDA may wish to make other choices.

Neugebauer noted the creation of a regional park like this will spur residential growth, a regional soccer complex would bring tourists into this area.

Parries asked if Redlinger would convey the EDA's discussion to the City Council. Redlinger indicated he would do so.

Hintermeyer mentioned alternative uses for the \$100,000 such as a person who was looking to open a small business and projects of that type.

Riewer indicated he would be comfortable funding this \$100,000 for one year but also putting the council on notice that this isn't really the role of the EDA for its dollars to pay for parks.

Parries asked if we are in agreement on the \$230,000 with a one year only on the land.

Wallert moved, seconded by Golling, to approve the joint powers agreement including a modification to part B, paragraph 2 to state "for one year".

Motion approved by a vote of 9 to 1.

Taylor moved, seconded by Welch, to approve the 2008 EDA budget/levy.

Hintermeyer asked if there is \$30,000 worth of marketing we think will be appropriate for the following year. Hutchins indicated there are no specific activities.

Motion approved by unanimous vote.

## **7. CALL 1996A AND B BONDS**

Neugebauer explained the history of the bonds. Earlier in the 90's the EDA funded Envirosys which was bought out by Tenneco. The City entered an agreement with Tenneco where they picked up certain payments that would have paid the bonds fully. Tenneco

insisted that after a certain date they could pre-pay, which they did. The bonds, however were not pre-payable then but they are now. They were initial bonds in early 1990s, refunded in 1996, at this point this board can, with the remaining Tenneco money, pay off the 1996 B bond and a fairly substantial portion of the A bond. The City is left with the 1996 bonds and with the Tenneco payments gone, needs to levy a general tax to make the payment for those bonds. In this resolution we are asking city to pass an ordinance to authorize these refunding bonds so that we can issue tax exempt bonds to refund the amount of the A bonds we can't call. We already have to levy the tax, this action keeps the tax as low as possible by getting to a tax exempt status. The EDA takes the action to call the bonds, which requests the City Council to pass an ordinance authorizing the issuance of refunding bonds and pledging the city's full faith and credit. The Council will take that action probably at the next meeting in December or January and we will have Springstead come back to this board after council approval and issue the refunding bonds which will in fact lower the levy. That levy will start in 2009.

Rogalla asked why go through the cost several thousand dollars to do bonding instead of private placement notes? Neugebauer indicated there were statutory reasons and the issue of official statements needed to sell notes.

Rogalla moved, seconded by Taylor to request we call the bonds outstanding and issue a new bond or note based on the findings of the staff.

Motion carried by unanimous vote.

**8. INFORMATION/UPDATE**

Wallert mentioned a workshop coming up on Feb. 2, sponsored by MSUM, NDSU, Concordia and MSCTC concerning technology based entrepreneurial business.

**9. ADJOURN**

Chair Parries adjourned the meeting.

APPROVED BY:

ATTEST:

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Kay Parries  
Acting Chair

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Kelli Poehls  
Secretary

*Respectfully submitted by:  
Dawn Fuxa, Community Services Office Specialist*