Economic Development Authority

Meeting Minutes

April 5, 2022

1. **Call to Order:** Chair Johnson called the meeting to order at 7:50 pm
2. **Pledge of Allegiance**
3. **Roll Call:** EDA Members present: Jeff Johnson, Steve Lundeen, Dan Collison, Luke Merrill, Paul Bergley

Members Absent: Jimmy Gordon

Staff Present: Community Development Director Stephanie Hillesheim, City Clerk Jaden Strand, City Administrator Josi Wood, Finance Director Mike Betker, City Engineer Jason Cook

1. **Agenda Modifications:** None
2. **Adopt Agenda:** Motion by Lundeen, second by Collison to adopt the agenda, motion passed 5-0.
3. **Approval of Meeting Minutes from February 2, 2022 Meeting:** Motion by Lundeen, second by Collison to approve the meeting minutes, motion passed 5-0.
4. **Public Hearing**
5. Request from RK Unlimited LLC to purchase PID 16.157.0030 and Approval of Resolution 2022-4 Approving Forgivable Loan for RK Unlimited

Stephanie Hillesheim explained the request to purchase the remaining 5 acres within the Centennial Complex. The resolution explained the forgivable loan, in which deals are structured through the SBA 504 loan similar to other businesses in the city. Lundeen asked if this was for a shovel ready dollar lot site. Hillesheim confirmed that it is similar to the other lots such as Wolf River Electric and Special Tools. The applicants approached the podium to answer questions from the EDA members. Luke Merrill asked what the future plan is for the 5 acres. The applicants said that they intend to construct a manufacturing facility of roughly 30,000 square ft. Mayor Johnson asked what type of manufacturing will occur in the facility. The applicants said that they do fabrication work and milling and that they have a facility in Ham Lake. Lundeen asked how many employees the company currently has and how many they plan on adding. The applicant said that they have 22 employees currently and hope to add around 10 more in the future. Hillesheim said that the number of employees requirement has been reduced in their contract given the current labor market and that the city doesn’t want to hold them to a higher standard than they would be able to meet. Merrill mentioned that there may be concerns for the infrastructure in the area on E Dual Blvd for large truck and traffic circulation entering and exiting the Industrial Park. Mayor Johnson said that the County is aware of the need for a stoplight at this intersection of E Dual Blvd and Heritage Blvd. Mayor Johnson opened the public hearing. There was no one from the public present at the public hearing to speak on this item. Merrill made a motion to approve the item, and was seconded by Lundeen, motion passed 5-0.

1. **Business Items**

1. Resolution 2022-5 Cancellation of Crop Lease for City Owned Land

Stephanie informed the EDA members of the cancellation of the 4-acre crop lease. A motion was made by Lundeen to approve of the cancellation of the crop lease and was seconded by Merrill, motion passes 5-0.

1. EDA Owned Industrial Land

CD Director Hillesheim explained that there is continued interest in Industrial land in Isanti and that there is currently only one 1.2-acre site available. Staff explored options for land that is currently owned by the city, and determined that a 66-acre site just north of the current industrial park would best for creating large industrial lots. Merrill asked why there is a 51-acre parcel on the provided map and what the future plans are for this. Hillesheim explained that the City of Isanti has been planned to provide a future rail park of 137 acres total which includes the current wastewater treatment plant. The plan is to create 4 rail lots of 20 acres each providing a great opportunity for the city however there is no timeline on these lots readiness hence the reason to provide immediate lots to the west of this designated area. Merrill asked if these parcels on the map are planned to be shovel ready $1 lots. Hillesheim said that these will not be shovel ready properties and the recommendation by staff is to allow for well and septic at these sites due to the high cost in infrastructure to get utilities to these sites. Collison asked if the property to the west of Knife River is looking to sell. Hillesheim said that she has had conversation with the owners but they are not ready to sell. Lundeen said that he would like to see the city use their current owned land that has been vacant for years rather than invest money buying other people’s land just to sell the lots for $1. Collison said that his only concern for this area of the new industrial lots is that it is nearby residential areas and the soccer fields. Discussion was had on the zoning designation of industrial land around a residential area. The EDA members also discussed selling at market value with potential negotiations and determined this was the route to take when looking at who to sell the lots to. A motion was made by Merrill to move forward with the platting process as proposed and to sell the lots at market value with options for negotiations. This motion was seconded by Lundeen, motion passed 5-0.

1. **Announcements** Stephanie announced that they received a $1,000 grant for the EDA Intern. She also announced that the city closed on a 4-acre parcel for the trucking school and that there was a ribbon cutting at the Little North Boutique site.
2. **Adjournment:** Motion by Lundeen to adjourn second by Collison, motion passed 5-0 meeting adjourned at 8:17 pm.