

**City of Isanti**  
**Economic Development Authority**  
**Regular Meeting Minutes of**  
**June 26, 2012**  
**Isanti City Hall**

**1. Call to Order**

The meeting was called to order by Chair Kuechle at 7:00 p.m.

**a. Pledge of Allegiance**

**b. Roll Call**

Members Present: Larry Kuechle, Tara Hallberg, Jim Kennedy, Keith Dragisich and George Wimmer

Members Absent: None

Staff Present: Economic Development Director Sean Sullivan

**c. Agenda Modifications**

Motion to approve the agenda by Member Hallberg, second by Member Dragisich. Motion carried unanimously.

**2. Approve Minutes of April 2012 Regular Economic Development Authority Meeting**

Motion to approve the agenda by Member Dragisich, second by Member Hallberg. Motion carried unanimously.

**3. Lot Preparation for TIF District No. 10**

Economic Development Director Sullivan presented the Staff Memo. Sullivan highlighted the attainment of "Shovel Ready Certification" for its remaining undeveloped lots within the City Industrial Park. Economic conditions have not been conducive to new manufacturing business construction but there have been some positive developments over the early part of this year. Staff received a rough estimate of \$25,000 City Engineer on what it would cost to bring some of the lots up to grade utilizing the dirt currently on the public works grounds or onsite. In addition to the leveling of the lots, removal of some large undesirable trees would also increase the marketability of the lots. Both of these items would be TIF Eligible expenses and this has been confirmed with the Office of the State Auditor. Sullivan noted the general maintenance (mowing and removal of small trees) would not be a TIF eligible expense.

Chair Kuechle indicated that the soil could just not be placed on the lot and that it should be compacted.

Economic Development Director Sullivan stated that that Bolton and Menk was aware of this and that it would be done as part of the cost estimate (quote) Most of the work will be on the 1.2 acre lot which is very low. The intent isn't to make them pad ready it's just to bring them closer to grade.

Member Wimmer indicated that basically the intent of this action was to just bring it closer to grade for the potential buyers. Traditionally the lots were sold for \$1.00 in an as is condition and that would be the intent.

Economic Development Director Sullivan indicated this was the primary reason for the action. He did note that the removal of the trees would also improve the aesthetics of the lots and help with the Site prep process.

Motion by Member Kennedy, Second by Member Hallberg to recommend to the City Council that the City asks Bolton and Menk to put together a formal cost estimate (Quote) to fill the lots in the industrial park with dirt from public works and already onsite and, to remove the large undesirable trees. Motion carried unanimously.

4. **2012 Mayor's Employer Celebration Day Summary**

Member Wimmer indicated that this event went well and has taken on a life of its own and he is hopeful that when he is no longer Mayor it will continue. He also indicated the Economic Development Director Sullivan "Does the heavy lifting" for putting this event together and thanked him. He thanked those who donated time for the event and helped make it possible

Chair Kuechle stated that he thought it went well.

Sullivan indicated that this event was attended by approximately 120 people this year. The event cost was \$586.43 which was under the budget of \$725 allotted by the EDA.

Economic Development Director Sullivan asked the EDA to think about ways that the event could be improved and to forward them onto him to include in the planning for next year.

No action was requested and not action was taken by the EDA.

5. **GPS 45:93 Request for Economic Development Director to Serve as President for 2012-2013**

Economic Development Director Sullivan presented the Staff Memo. He indicated the GPS 45:93 is a great organization and that they just recently put out the Business Incubator program. Sullivan is currently the Vice Chair but the incoming President (Chris Eng) took a job in Duluth creating a vacancy. GPS asked Mr. Sullivan if he would consider stepping in as President for 2012-2013. Sullivan indicated that being active in the organization would only help the City of Isanti to generate leads for the City and the Region. Sullivan asked the EDA for support and a recommendation to City Council.

Motion by Member Kennedy, Second by Member Dragisich to recommend to the City council that Economic Development Director Sullivan be allowed to serve as President of GPS 45:93 for 2012-2013. Motion carried unanimously.

6. **Invest in Isanti Marketing Brochure Draft**

Economic Development Director highlighted the Staff Memo and distributed a draft brochure and list of testimonials. Sullivan asked if the EDA wanted to focus on a strictly economic development

industrial piece or add a quality of life issue and expand the brochure.

Member Wimmer was concerned that adding more (different) content would dilute the brochure and its effectiveness.

Sullivan agreed that it probably would dilute it.

Member Wimmer suggested that a separate quality of life piece should be done in another brochure. He indicated that it would likely fall under the purview of the Economic Development Director and that assistance from City Planner/Parks Director Wilson would be appropriate.

Chair Kuechle agreed that adding more to the exiting brochure would make it less effective.

Member Kennedy thought that it all could potentially be included on the brochure if you made some print smaller and moved some items around.

Member Wimmer thought the creation of the Quality of Life piece would be a good compliment for a different audience. He did not like the idea of combining the two.

Member Dragisich suggested we combine the “Shovel Ready” attribute with the Lots for a \$1.00. He also questioned the layout of the brochure. He wondered if moving the “Invest in Isanti” on the top and a quote on the bottom. He didn’t like the Prime Industrial Lots reference.

Member Wimmer indicated that there was no mention of the technology component (i.e. Fiber) in the industrial park.

Consensus was to bring back another draft industrial brochure implementing the items of discussion. Consensus was that the creation of a Quality of Life brochure also be developed. The timeline and funding source of the Quality of Life piece was not determined.

#### 7. **Pats Small Engine Plus Project**

Economic Development Director Sullivan highlighted the Staff Memo. He indicated that the City Council approved the Development Agreement and assistance package of \$16,500 recommended by the EDA and the project commenced construction on June 26, 2012. Sullivan stated that this was a great success story for the City of Isanti of a recruited business from East Bethel doing well and the City helping them expand.

No action was requested and no action was taken by the EDA

#### 8. **Isanti Hotel Partners LLC Project**

Economic Development Director Sullivan presented the Staff memo. Isanti Hotel Partners LLC executed a development agreement with the City of Isanti to construct a 33 unit Hotel with an oversized pool. Construction is scheduled to commence on the site the week of June 25<sup>th</sup>. The building will be staked as part of this process. The project has significant economic impacts for the City of Isanti as well as the region. This project would not have occurred without the help of the TIF Jobs Bill and the financial package of \$600,000 from the City of Isanti.

Member Wimmer reminded the group that the project isn’t complete until all the digging and construction is complete. Member Wimmer indicated that there have been significant expenditures

and all signs are pointing to this project proceeding. Sullivan indicated that a project isn't done until it's done and there are risks.

Member Dragisich asked when the City dollars would be injected into the project. He also asked who Isanti Hotel Partners LLC is.

Economic Development Director Sullivan stated that City Dollars would only be put in after financing has been closed. He state the LLC is the group building the hotel and that he would not share any other specifics at this time. The Hotel chose to locate on the East side of Hwy 65 due to ownership of land and proximity to 65.

## **9. Other Business / Updates / Communications**

- a. Business Retention Visits
- b. C.L. Hough, LLC
- c. Business Prospects
- d. Wakeboard Park
- e. Special TIF Legislation Update
- f. GPS 45:93 Agenda and Minutes
- g. Isanti County EDA Minutes and Agenda
- h. Isanti Area Chamber of Commerce Night Golf Event – July 27, 2012
- i. Business Arrivals and Departures in Isanti 2012

Economic Development Director Sullivan highlighted the Staff Memo. He invited the EDA member to the Landmark Bank 111<sup>th</sup> anniversary at the Bank on Friday June, 29<sup>th</sup>, 2012.

Member Wimmer indicated that there have been some complaints as to the condition of some industrial properties. The City will begin to get involved in enforcement action and he wanted the EDA to be aware of this.

Sullivan indicated his job did not include the enforcement of code issues.

Member Wimmer indicated that Economic Development Director Sullivan will be putting a price together outlining the development/purchasing of buildings and the tools that were used after the hotel project gets moving along. The intent would be to present this information to the EDA as well as the City Council.

## **10. Adjournment**

Member Kennedy motioned, seconded by Member Dragisich to adjourn at 7:37 pm. Motion carried unanimously.

Dated at Isanti, Minnesota, this 27th day of June 2012.

Respectively Submitted,

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Sean M. Sullivan, Economic Development Director