

City of Isanti
Economic Development Authority
Regular Meeting Minutes of
August 2, 2017
Isanti City Hall

1. Call To Order

The meeting was called to order by President Wimmer at 7:47 p.m.

a. Pledge of Allegiance

b. Roll Call

Commissioners Present: Dan Collison, Ross Lorinser, Paul Bergley, George Wimmer, Tara Hallberg and Steve Lundeen

Commissioners Absent: None

Staff Present: Economic Development Director Sean Sullivan

c. Agenda Modifications

None.

2. Approve Minutes of July 5, 2017 Regular Economic Development Meeting

Motion by Bergley second by Collison to approve the minutes as presented for July 5, 2017.
Motion carried unanimously.

3. Isanti Hotel Update

President Wimmer updated the EDA as to the status of the project. The project is a Best Western Plus product. The product is similar to a Holiday Inn Express or Fairfield. A description of the city and private financing structure for the project was outlined. He highlighted the approval of tax abatement for the project by the school district and that the city would be considering approval of its own abatement as well as total financial assistance package on August 15th at a public hearing. He outlined the Isanti County Abatement process and status. The County EDA Committee will meet on August 14th, the full Isanti County EDA will meet on August 28th and the Isanti County Board of Commissioners has scheduled a public hearing to consider action on September 6th.

Economic Development Director Sullivan stated that the EDA would be specifically involved in the Revenue Bond process and that it was likely that there would be approvals or hearings at the City of Isanti EDA meeting in September 2017. Sullivan communicated the tax impact of the project specifically the \$2.8M in new taxable market value, \$137,000 annually in property taxes and the impacts for each taxing jurisdiction. In 2019 the City of Isanti is estimated to receive approximately \$48,000 in new taxes annually and proposes to abate 50% of that number to support the project for a

defined period of time. He acknowledged the support of the school district for this project and the positive impact it will have immediately and into the future for the taxing jurisdiction.

President Wimmer pointed out the school district had Ehlers conduct a financial analysis that concluded that there would be no negative tax impact for its jurisdiction based upon the City abatement proposal. In some instances it actually was an immediate positive impact. The long term tax impact is positive for all jurisdiction.

Item was informational, no action requested.

4. Other Business / Updates

Sullivan stated 56 single housing permits have been pulled and 3 more are waiting to be picked up. This is ahead of the pace set last year.

Sullivan indicated that the Rum River BMX State Finals is the last bag distribution for the City Promo Bag Program. He indicated that after the final even a survey would be conducted to see how the program was received by businesses.

Commissioner Bergley asked when the auto parts store would be opening. He had seen the Cambridge O' Reilly beginning to advertise for employment opportunities in Isanti.

ED Director Sullivan state he anticipated it opening up no later than October 2017.

President Wimmer stated he had quite a few positive comments on the street dances and the exposure to historic downtown.

- a. Business Prospects
- b. GPS 45:93
- c. City Promotional Bag Update
- d. Marketing Materials
- e. EDAM – Summer Conference
- f. 5th Avenue Extension
- g. Housing Starts in 2017
- h. Business Arrivals and Departures in Isanti 2017

5. Adjournment

Bergley motioned, seconded by Lorinser to adjourn at 8:00pm. Motion carried unanimously.

Dated at Isanti, Minnesota, this 2nd day of August, 2017.

Respectively Submitted,

Sean M. Sullivan, Economic Development Director