

**City of Battle Lake
Economic Development Authority
Thursday, October 8, 2020**

The Battle Lake Economic Development Authority met in regular session on Thursday October 8, 2020 with some members participating via video conference pursuant to Minn. Stat.13D.021 due to a health pandemic. Randy Dorn called the meeting to order at 7:00 a.m. with Commissioners Darren Kern, Steve Young, Leigh Shebeck, and Don Maslow present. Absent were Gene Kelm and Josie Schmidt. Also present was Val Martin, Clerk/Treasurer/EDA Director/Zoning Officer. Other visitors were in attendance.

Shebeck made a motion to approve the agenda. Young seconded. With a roll call vote, those in favor included Dorn, Kern, Young, Maslow and Shebeck with no member voting no. MCU

Young made a motion to approve the minutes. Shebeck seconded. With a roll call vote, those in favor included Dorn, Kern, Young, Maslow and Shebeck with no member voting no. MCU

Shebeck made a motion to approve the financials. Dorn seconded. With a roll call vote, those in favor included Dorn, Kern, Young, Maslow and Shebeck with no member voting no. MCU

Visitors:

Casey Ward from Good Sam was in attendance as requested by the EDA. He gave an update on what has been going on at Good Sam:

- There are no plans for expansion at this point – they are realigning and their processes with that of Sanford.
- Sanford is looking at the overall financial outlook of Good Sam. Battle Lake is doing fine but not all Good Sam facilities are doing as well.
- The group discussed the home ownership portion of the Good Sam project. If the EDA assisted in putting together a plan, pricing and helped with the presale of the units, that might help be a viable project. Martin suggested we might be able to role it into the MN Housing application. The infrastructure cost could also be a hurdle to getting it done. Martin also said that this particular section would have to be re-platted as a Planned Unit Development. Ward would do some checking with Sanford and will get back to us.

Joe Hammers and Traci Ryan were in attendance regarding Hammers' plans for the development south of Hidden Meadows.

- The property is part of the TIF District created with the Krenz project. There is a five-year rule on TIF district and implementation of a project. This deadline is coming up in November so a development agreement must be done prior to the deadline.
- Ryan feels it is important to have the EDA review new TIF projects and provide a recommendation to the council.
- The TIF agreement assumes one unit per year with 11 years of increment per unit. After 10% admin fee, the projection shows \$55,000 per unit. There is no requirement to build one unit per year which will allow flexibility for the developer.
- Hammers plans to build, at a minimum, one unit per year, and will be dependent on demand. He already has 4 people on a waiting list for the new units.
- The duplexes will be open to anyone for rent but they cater to the needs of the 55+ community. The plan to building some 2 bedroom and some 3-bedroom. The 2-bedroom units have a single car attached garage and the 3-bedroom units have a double car attached garage. Rent will tentatively run somewhere between \$1175 and \$1475 per month depending on the unit.

- Dorn made a motion to recommend the City Council proceed with the development agreement and for the council to approve the proposed terms with modifications as needed. Shebeck seconded. MCU
- Mr. Hammers asked if there could be a consideration for cost sharing infrastructure needs. Traci Ryan said that the City could consider a reduction from 10% to 5% in administrative fees to assist in the cost sharing. Martin will talk with the City Engineer about infrastructure needs.

Pat Schmid was in attendance to discuss Hatchery Row. He had some ideas and hoped that the City could maintain the structures or a portion of them for the development. He went on to present a list of items that have been discussed with a group of community members. Dorn thanked him for coming, thanked him for his interest and told him that many of the ideas he brought up have already been researched with the project. It was noted that the current developers have put a lot of money into the project at this point and they are ready to continue to move forward. It may seem to be stalled at this point, but the environmental study has taken much longer than anticipated. The developers also plan to maintain the image of the area and the old buildings in their development. Schmid thanked the EDA for the time.

Commissioners were in agreement that the business survey Martin presented looked good with a small change. Martin will distribute to businesses via mail and e-mail.

Adjourn at 8:30 a.m.

Valerie J. Martin, Clerk/Treasurer/EDA Director/Zoning Officer