

MINUTES
BUHL ECONOMIC DEVELOPMENT AUTHORITY
BUHL CITY HALL
11/21/2024

Thursday, November 21, 2024

5:00 p.m.

1. CALL TO ORDER:

Meeting called to order by President Towner at 5:01 p.m.

2. ROLL CALL:

Present: Commissioners Carter, Hadrava, Markas, Swanson, Trunk; President Towner.
Administrator: Jeffries.
Absent: Commissioner Hewett.

3. APPROVAL OF MEETING MINUTES:

- A. Minutes: Regular BEDA Meeting – August 29, 2024
- B. Minutes: Regular BEDA Meeting – September 26, 2024
- C. Minutes: Regular BEDA Meeting – October 24, 2024.

It was noted that, on the minutes for October 24, 2024, Commissioner Swanson was listed as absent; this will be corrected to note Commissioner Swanson as in attendance -

Motion by Trunk to approve the minutes of the above meetings as amended.

Supported by Swanson.

Discussion.

Question was raised regarding the status of the (vacant) laundromat; the Administrator provided the status as it is understood at this time.

Further conversation regarding potentially available funding opportunities for demolition activities ensued – BEDA board members will research independently and report back to the group -

Motion carries unanimously.

4. FINANCIAL REPORT/ACCOUNTS RECEIVABLE/ACCOUNTS PAYABLE/ADMINISTRATOR REPORT:

	<u>Current Month</u>	<u>Year-to-Date</u>
A. Revenues:	\$ 1,520.93	\$ 35,311.30
B. Expenditures:	\$ 2,196.50	\$ 37,977.86

Elements of the Balance Sheet and status of lease payments were discussed.

Discussion.

Jeffries noted that the Checking account balance is \$131,850.06 and that the Savings account balance is \$247,026.66, and indicated that year-to-date overall financial performance has realized approximately \$1,867 of expenses in excess of revenues, to date. A recent payment of \$1,000 which has not yet been booked reduced this amount to approximately \$867.

The Administrator noted that the greatest BEDA expense in 2024, to date, is insurance premiums (approximately \$15K).

The status of lease payments at Whiteside Industrial Park received was reviewed.

Parrk Paving continues to address the backlog of the accumulated past lease amounts due. The Administrator will meet with Paul Kuechle to revisit a payment catch-up plan.

Northland Tractor remains in arrears; the Administrator has met with Paul Ranisate, who has indicated he will come current with past due amounts, and likely will communicate his intent to discontinue his (expired) current lease and vacate the current land space.

Eric Anderson, of Performance Plus, has now paid through September, and indicated he will again remit additional period(s) in the next several days.

The Administrator will review communication and materials received, and will prorate each party equitably from the date of vacating of their former space(s).

The financial reports and lease payment status report were accepted as presented and placed on file.

5. DISCUSSION ITEMS/BUSINESS:

- A. Habitat for Humanity Presentation – Nathan Thompson, Executive Director, North St. Louis County Habitat for Humanity).

North St. Louis County Habitat for Humanity (NSLCHFH) has worked and partnered with the City of Buhl (and BEDA) for the last several years with regard to NSLCHFH's short and long-term goals and aspirations.

Staff is of the understanding that a parcel of land in the city, located on the southwest corner of the intersection of Culver Avenue and Forest Street, has been under consideration for some time as a potential candidate site for NSLCHFH activities.

This parcel of land is held by and under the control of BEDA.

Staff is also of the understanding that NSLCHFH has been working with the State of Mn Department of Iron Range Resources and Rehabilitation (IRRR), and that, in looking at long-range planning and potential funding opportunities from the IRRR, this site may now deserve additional conversation.

Nathan Thompson, Executive Director of NSLCHFH was in attendance and presented relevant current information on NSLCHFH activities and planning, and addressed the BEDA Board regarding the same.

Informational only.

Specifically, NSLCHFH has requested that BEDA consider donating a property located on the southwest corner of the intersection of Culver Avenue and Forest Street for the construction of two (2) additional single-family residential homes on this site in 2026.

A proposal and preliminary site plans of this request was distributed to the BEDA board.

NSLCHFH is in the process of writing grants at this time, and desires to apply to the IRRR for funding to support the construction of six (6) additional homes in the 2025 funding cycle, with two (2) located in Buhl as referenced above.

Comment offered that the city may desire to wait until the completion of an update to the City's Comprehensive Plan, which is anticipated in 2025.

Observation, comment, and feedback was offered regarding NSLCHFH's construction activities ongoing at the moment – specifically with regard to site control and access, as there have been several times throughout 2024 when construction materials – namely (sheets of) rigid foam insulation – have been blowing off the build site(s) and ended up being scattered around the surrounding area –

A question was raised regarding whether or not NSLCHFH does any rehabilitation of properties – yes, they do, depending upon a number of variables –

It was noted that the cost to NSLCHFH of rehabilitating an existing home is comparable to constructing a new home –

Several additional questions arose, including –

- Perspective on not creating “Habitat Neighborhoods” –
- Changing styles of the houses – can this be done?
- The opportunity to add or locate garages on (Habitat house) sites –
- Are there any alternative sites in Buhl which may adequately service and fulfill NSLCHFH’s desires -

From a timing standpoint, NSLCHFH intends to go to the IRRR by middle December for (2025) funding consideration –

It was noted that site utilities are currently in place at the desired lot(s) –

Comment received regarding whether or not these lot(s) should be offered to the community first –

Comments were offered that the desired location and arrangement would be a win-win and be beneficial to both parties -

Miscellaneous comments and suggestions regarding advertising and/or marketing available city properties were offered –

A recommendation will be forwarded to the City Council to increase the marketing initiatives for City held (and available) lands -

The Administrator will work with NSLCHFH to attempt to locate additional or alternative site(s) and will tour these sites with NSLCHFH in the near or immediate future –

Consideration of holding a special meeting was offered – this will remain a possibility depending upon the outcome of these alternative site tours that will occur in the near future -

B. Discuss Continuing Subsidizing Municipal Lobbying Initiatives.

The City obtains general lobbying services from The Costin Group.

Historically, BEDA subsidizes these services for the City at a flat rate of \$1,500.00 per month.

The question has been raised as to whether BEDA should continue to offer this subsidy to the City, or to modify the present arrangement with The Costin Group for their services.

Potential modifications to the present arrangement have included, but are not limited to:

1. Discontinuing services from The Costin Group;
2. Sharing the cost of these services with the City on a mutually agreeable allocated basis;
3. Obtaining services on an as-needed (piecemeal) basis; and
4. Obtaining services on a project-specific basis, with costs to be allocated to the specific project(s) budgets.

This item is a continuation of those conversations regarding the future direction of obtaining lobbying services for the City.

Informational only.

It was noted that BEDA does not utilize these services on a consistent basis, and should not be subsidizing these services –

- If BEDA did not have this ongoing expense, it could offer some additional monies that could be allocated for Whiteside Industrial Park upkeep and improvement -

The question was raised as to whether or not The Costin Group would be agreeable to working on a contingency basis –

Additional question was raised as to how expenses related to The Costin Group were allocated to BEDA – it was mentioned that is was to keep these expenses from being a taxpayer burden –

It was suggested to defer action on this until 2025 to allow newly seated BEDA board members to be involved in the discussion –

The incoming Mayor-elect was in attendance and his input was invited – and received -

Ultimately it was decided that the arrangement should not be altered at this time -

Continuing these conversations into 2025 was suggested and met with a positive reaction –

C. Discuss Available and Potential Funding Source(s) for the Buhl Business Block, and any Known Requirements of Those Funding Source(s).

This item is a continuation of ongoing conversations regarding the re-development of the Buhl Business Block (BBB) (formerly South Industrial Park), and the source(s) and potential requirements of funding.

To date, funding is allocated and potentially available from:

Federal Congressionally Directed Spending (\$3,048,000 awarded in total) including \$1,191,000 for the BBB. This is the primary funding source identified to date.

Allocation of \$500,000 for unspecified infrastructure needs was appropriated from the (state) Mineral Article of the Minnesota Tax Bill (2024) is a secondary source of anticipated funding.

A potential additional source of funding may be from the State of Minnesota bonding appropriation of 2023 for publicly owned water infrastructure activities; the eligibility of this source will not be fully known until the project details have been flushed out and finalized.

At this time, since there are no firm and concrete plans in place, addressing any potential funding source(s) requirements appears to be premature.

As planning and design activities become more developed and solid, potential requirements of eligible funding source(s) will continue to be investigated.

Informational only.

Commissioner Carter removed himself from discussion of this item –

Miscellaneous discussion regarding the amount of funding allocated, what it may be utilized for, and any City required investment, ensued –

It was suggested that there are no monies, and there is no funding, allocated nor available for the development of the Buhl Business Block -

The incoming Mayor-elect (Jim Matthews) was asked to provide information regarding the same –

Mr. Matthews indicated that it is his understanding that –

- State appropriated bonding funds are available for a match on the federal monies, however only after the federal grant is awarded;
- That the water tower (State bonding) monies will not be available after the end of June 2025, if the project is not moved forward (water only) and a project is ready to present to the funding authority; and

- Availability of these allocations may not be available until next year at this time -

Suggestion offered that the Business Block be managed as a separate project –

The Administrator indicated that it is his understanding that pre-development activities regarding the Business Block will be eligible for reimbursement through the federal allocation down the road –

It was suggested that BEDA does not yet have enough information to move forward with this entire project (the (re)development of the Buhl Business Block), and that this should be paused, and placed on hold, and given a fresh start after additional information is received -

D. Discuss Potential Modification to Preliminary Plat of Buhl Business Block.

BEDA has been discussing the re-development of the Buhl Business Block (BBB) (formerly South Industrial Park), and specifically the design and layout of the preliminary plat, for some time.

At the November 6, 2024 Special BEDA Board meeting, action was taken to direct the City Engineer to remove certain interior roadways and otherwise make certain minor adjustments and modifications to the preliminary plat.

The revised plat will then be re-presented to BEDA.

Although this action carried, it was noted that not all BEDA commissioners with an opinion on these activities were in attendance at that meeting.

In order to allow those not present at the November 6, 2024 meeting to weigh-in and have input on this important matter, it may be appropriate to revisit this item at this (November 21, 2024) meeting, hopefully with those now in attendance.

Should it be the desire of the BEDA Board, this item could be re-visited for action.

Any potential action taken at the present time will not impede nor effect any previous or current work on this item.

Informational only.

Motion by Swanson to select Option 3 as the working preliminary plat site layout for the Buhl Business Block and to direct the City Engineer to move forward with this layout.

Supported by Hadrava.

Discussion.

Motion carries unanimously.

E. Discuss Ziegler Easement Agreement.

The easement with Ziegler for access to the Ziegler facility through the Whiteside Industrial Park roadways (owned and held by BEDA) will sunset at the end of 2024.

BEDA has previously discussed specifics of this easement agreement, and directed the administrator to reach out to Ziegler and present the City's preferred modifications or re-proposal.

Specifically, BEDA is desiring consideration for:

1. Access (on a temporary basis) to Whiteside Industrial Park should Whiteside Road be impassable or other extenuating circumstances occur for any period of time;
2. Secondary access on a general basis for ingress/egress for emergency vehicles if necessary (on the north side of Whiteside Industrial Park);
3. General and overall pricing of the easement access; and
4. Providing millfeed and/or providing an in-kind service by placing this material in/on the interior road areas at Whiteside Industrial Park.

The Administrator has met with Ziegler, who has verbally indicated no issue with any of the desired modifications.

Additionally, the Administrator has verified that BEDA is under no obligation to comply with any potential minimum or maximum length of a proposed new term (of an easement) – any term length is acceptable and compliantly allowable.

It should be noted that the State of Minnesota will likely need to get involved with the secondary access issue, as it is state land where the secondary success roads are located –

The Administrator will continue to work with Ziegler to come to agreement for a modified easement by the end of the year -

Informational only.

F. Other Business.

Conversation regarding conducting a Phase 1 Environmental Assessment for the Buhl Business Block ensued; the Administrator indicated that a proposal was received from Northeast Technical Services (NTS) for \$3,500 (previously approved for \$5,000) which the Administrator has directed NTS to move forward with -

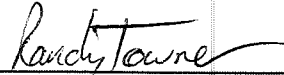
NEXT REGULAR MEETING: DECEMBER 18, 2024 @ 5:00 P.M.

6. ADJOURN:

Motion by Swanson to adjourn.

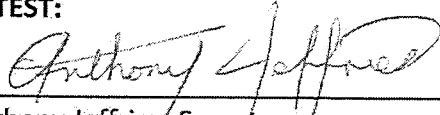
Supported by Carter.

Motion carried unanimously and the meeting was adjourned at 6:32 p.m.



Randy Towner, President

ATTEST:



Anthony Jeffries, Secretary