

*Community Development Authority*  
**Tuesday, August 28, 2007, 7:00 a.m.**

1. **CALL TO ORDER:** Chair Deits called the Community Development Authority meeting to order at 7:05 am.
2. **ROLL CALL:** Present: John Deits, Scott MacWilliams; Steve Peotter; Jeff Bergey; Paul Larson; and Darlene Gronier. Absent: Jon Lourigan. Also Present: Mike Gracz Village Administrator, Mark Below Public Works Director and Tracey Hicks Clerk Assistant III.
3. **APPROVAL OF MINUTES:**
  - a. July 16, 2007 –Joint Meeting with Village Board. MacWilliams moved to approve the Community Authority Development minutes of July 16, 2007. Second by Larson. Motion Carried 5-0. It was noted that on the bottom of page 2 Peotter's name was misspelled.
4. **PUBLIC APPEARANCE:** There was no discussion.
5. **MISCELLANEOUS BUSINESS AND COMMUNICATIONS**
  - a) Red Brick Open House. Gracz noted there was a flyer in the packet and it is for informational purposes only. Peotter questioned if the Gorman and Company were still on the schedule. It was noted that they were about 2 weeks behind schedule, but fairly close to the original schedule. It was also noted that the Gorman and Company will be going to the Planning Commission in September to tweak a part of their parking lot plan. There was discussion of the open house. Deits noted that it will need to be noticed that all the Boards, Committees and Commissions may be present at the event.
6. **UNFINISHED BUSINESS:**
  - a) Status of Blight Study for Proposed Ice Skating Rink. Gracz noted that the association that is building the sports facility is now focusing on an ice rink, which was the original plan. It was noted that this is being referred to the Finance Committee to work out the financials and come up with a plan. It was also noted the Village could potentially take the lead on this as well, however there is still a lot of discussion that needs to be done for the proposed ice rink. Gracz also noted that the Community Development Authority (CDA) will be involved with the blight study is done, so this will be taken off the agenda until further notice. Bergey questioned if a feasibility study has been or will be done? Gracz noted that the Board wants to know everything upfront and they do not want any surprises down the road. The Village wants to know if they would potentially need any money in the future for the ice rink. Peotter questioned how other communities run a similar facility. It was noted that in Verona the ice rink is run privately and does not use tax dollars. It was also noted other communities will be looked at as part of the study.
  - b) Status of Railroad Bridge Replacement. Gracz noted that no bids were received commenting that the bidding companies would not be able to meet the timeline schedule that the insurance company is requiring. Gracz noted that the Village's attorneys are in discussion with the insurance companies at this point to see what can be done. There was discussion regarding both the downtown construction and the railroad bridge replacement going on at the same time. Below noted that he is not as concerned as some people maybe if that happens to be the case. MacWilliams questioned if the bid was a flat bid or with contingencies. Gracz noted that the bid was set up with a 10% contingency, which is normal for this type of bid. Gracz also noted that the railroad construction companies are working in Minnesota with all of the flooding that they have had. Gracz did note that the Village may even get a better price with a different timeline.

**7. NEW BUSINESS:**

- a) Discussion of Legal Ethics Opinion and Possible Recommendation re: The Advand Group LLC Building to Sell Property (135 S. Main Street) and the Use of TIF Funding for Village Acquisition. Gracz referred to the letter from Dick Yde dated July 5, 2005 and Matt Dregne's letter dated August 22, 2007 regarding the ethics opinion. It was noted that a quorum cannot be held because there are only 3 members present that can vote on this. The other members are unable to vote because they are downtown property owners on the same block. Deits questioned if adding an 8<sup>th</sup> member to the CDA that is not a downtown property owner would help ensure quorum. There was discussion of the procedures of adding an additional member. Elaine Knobeck-Anderson of The Advand Group LLC spoke in regards to the property at 135 S. Main Street. It was noted that Phil Harms could not address the CDA due to his position on the Village Board and also as a partial property owner of 135 S Main St. Knobeck-Anderson noted that letter that the Advand Group sent to the Village, which discussed the downtown parking issues. The Advand Group would like the Village to make an offer and then they may consider selling the lot depending on what the offer is. Knobeck-Anderson noted that the lot will not be given away because they are a business and the lot is worth some money. Knobeck-Anderson also noted that there is a timeline for this, discussing that they would not be able to move during tax season. It was noted that if the Village did acquire the property The Advand Group would not need to move during tax season. Peotter noted that this is a generous offer and he understands fair return for the property. Peotter questioned if this has been done before and if TIF money could be used to purchase the property. Gracz noted that the Village has not done this before, however this is very common and other communities do this often. Gracz also noted that this is just the beginning of discussion and options for the property. It was noted that no study has been done, because this has just been presented.
8. **STAFF REPORT:** Gracz noted that he would need to speak with President Staton regarding adding an 8<sup>th</sup> member to the CDA. The additional member would only vote if a CDA member was not present at the meeting or could not vote on a particular issue.
9. **NEXT MEETING DATE AND TIME:** There was discussion regarding having a regularly scheduled meeting to help ensure quorum at the meetings. It was noted that the first Tuesday of the month at 7:00 am would work best. This item will be put on the October monthly meeting calendar. There was also discussion regarding having a meeting in September. Gracz noted he would let the CDA know when that meeting would be. It was questioned when an 8<sup>th</sup> member could be appointed to the CDA. Gracz noted as soon as interested candidates get their names to President Staton. **(The CDA returned to agenda item 7a)** Larson questioned when a recommendation could be made to the Village Board regarding the property at 135 S Main St. It was noted possibly October; however an appraisal would need to be done. It was questioned approximately how much it would cost to hire a commercial appraiser. MacWilliams estimated between \$1,500 and \$2,000 for the appraisal. Below and Gracz noted that there has been discussion of having a special downtown committee instead of having 5 separate meetings for the same topic. Paul Lynch questioned if he could have public input. Chair Deits allowed the input. Paul Lynch of PLH & Associates spoke with regards to the property at 135 S Main Street. Lynch noted that he invests heavily in the downtown and has an interest in this property as well. He noted that Harms does not want to converse with Lynch due to a conflict of interest regarding the property. Lynch noted that he would be interested in purchasing this as well, that way no TIF money will have to be used for the property. Lynch noted to take their time on this and consider everything. He also noted that retail space would be an excellent choice for the downtown to bring people in, instead of a parking lot. Joan Gefke also addressed the CDA regarding the property at 135 S Main St. Gefke noted she was confused as to what is in front of the CDA and questioned if this really is part of the Village's master plan. Gefke also noted that the TIF money is an asset to the community and if used well will benefit the community greatly. Gefke wants to see well laid out plans and to make sure everything will fit into the master plan.

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**10. ITEMS FOR FUTURE MEETINGS:**

- a) Business Improvement District (BID) Discussion. No discussion regarding this item.
- b) Establishment of Re-Development District. No discussion regarding this item.
- c) Discussion of 2007 BUILD Grant Project for PLH & Associates, LLC (Jefferson Street Project).  
There was discussion of waiting until an 8<sup>th</sup> member was appointed to the CDA to discuss Lynch's project.

**11. ADJOURNMENT: MacWilliams moved to adjourn the Community Development Authority meeting at 7:53 am. Second by Peotter. Motion carried 5-0.**

**Prepared by Clerk's Office**