



MINUTES

EDA

8:30 AM - Wednesday, October 4, 2023

City Hall Council Chambers

The City of Pine City Council met in EDA on Wednesday, October 4, 2023 at 8:30 AM in the City Hall Council Chambers.

1. CALL TO ORDER

Members Present: Mayor Carl Pederson, President Kevin Anderson, Vice Chair Mike Sauser, Councilor Steve Ovick, Doug D'Aigle, Josh Lartch, and Sydney Nelson via online.

Staff and Visitors: Community Development Coordinator Mike Gainor, City Administrator Scott Hildebrand, Administrative Assistant Tabitha Pickett, Pine City Chamber Becky Schueller, and Dan Swanson

2. APPROVAL OF MINUTES

2.1. 23 AUGUST 2023 EDA MINUTES

Motion to approve 23 August 2023 EDA Minutes by Ovick, second by Sauser. Motion carried.

2.2. 27 SEPTEMBER 2023 EDA MINUTES

Motion to approve 27 September 2023 EDA Minutes by Ovick, second by Sauser. Motion carried.

3. APPROVAL OF TREASURER'S REPORT

3.1. FUND BALANCE REPORT

The Committee discussed the CD's and would like them broke out on the balance sheet. They would like to know their liquid cash assets vs. their CD's.

The Committee also discussed the EDA CD balances and what to do with the current matured CD. Motion to roll the current matured CD balance remaining Stearns Banks at the 5% interest for 12 months by Sauser, second by Pederson. Motion carried with D'Aigle abstaining as he works for Stearns Bank. It was also discussed that after finding out the amount - the Committee wants roughly \$50,000 rolled with the new CD.

3.2. RLF UPDATE

Gainor presented the RLF update and stated all except one company is making their payments on time and are in good standing. The EZ Electrical and Initiative

Foundation/EZ Electrical are still currently behind. It will be discussed later in this meeting.

3.3. SCDP UPDATE

Gainor presented the SCDP status update and provided that everyone is making their payments on time and are in good standing.

4. OLD BUSINESS

4.1. CONSIDERATION AND POSSIBLE APPROVAL OF RLF LOAN TO FRED STELTER FOR LAKESIDE STUDENT LIVING

The Committee asked Gainor to reach out to Stelter and see if the Committee along with HRA Committee could mortgage his property in Iowa to be first in position. Gainor informed the Committee that Stelter didn't directly respond to the question. The EDA and HRA want to be in joint collateral position even if it's in second position against the Lakeside property. The Committee discussed with the EDA loan Committee about concerns. D'Aigle and Gainor are going to present to Stelter that if they can be first in position on Iowa property the Committee will do \$50,000 loan at 2% interest for 36 months with annual interest payments only with balloon at the end. If in second position on Lakeside property the Committee will do \$50,000 loan at 4% interest for 36 months with annual interest payments only with balloon at the end. Motion to approve presentation to Stelter to do \$50,000 loan at 2% interest for 36 months with annual interest payments only with balloon at the end. If in second position on Lakeside property the Committee will do \$50,000 loan at 4% interest for 36 months with annual interest payments only with balloon at the end by Lartch, second by D'Aigle. Motion carried.

Gainor to inform HRA Committee the EDA's decision on this loan.

4.2. EZ ELECTRICAL NON-PAYMENT

The Committee discussed that collections is the best bet for EZ Electrical. Anderson provided that things aren't looking good for EZ Electrical. He is going to reach out to see if EZ Electrical can come to the next meeting and provide answers to what is going on and why they haven't reached out.

4.3. INDUSTRIAL TECHNOLOGY PARK TITLE OPINION UPDATE

Gainor provided the update that the Title Opinions are finally complete. The plat went to the County and is being worked on by Kroschel Surveying and the County.

5. NEW BUSINESS

5.1. DISCUSSION AND POSSIBLE ACTION REGARDING 2024 PROPOSED EDA BUDGET

Hildebrand informed the Committee that he set the budget amount to the highest amount (\$57,743.00) for the preliminary budget as it was due September 29, 2023. The Committee can lower it if wanted by the end of November 2023.

Pederson stated he would support it being at the higher amount as the Committee has a few loans they are looking at doing and want to keep their funds up to be able to continue to help the community when/as needed.

6. DEVELOPMENT REPORT
6.1. DEVELOPMENT UPDATE

7. ADDITIONAL ITEMS, COMMENTS OR QUESTIONS

8. ADJOURNMENT
Meeting adjourned by Anderson at 9:42 AM.

CAO

Mayor