

Pursuant to due call and notice thereof, a meeting of the North Mankato Port Authority Commission was held in the Council Chambers of the Municipal Building on Tuesday, March 10, 2009.

President Hensel called the meeting to order at 7:30 a.m. The following were present: Commissioners Zellmer, Abbott, Steiner, Arnold, Hensel and Kirschbaum, Executive Vice President Sande, Finance Director Mork and Secretary Gehrke. Absent: Commissioner Knutson.

Approval of the Minutes

On a motion by Commissioner Arnold, seconded by Commissioner Abbott, the minutes of the Port Authority meeting of January 27, 2009 were approved.

Finance

A. Approval of Bills – January and February 2009

Finance Director Mork presented the Port Authority expenditures for January and February 2009. Commissioner Kirschbaum moved, seconded by Commissioner Steiner, to approve the Port Authority expenditures for January and February 2009. Vote on the motion: Zellmer, Abbott, Steiner, Arnold, Hensel and Kirschbaum, aye; no nays. Motion carried.

Report of Executive Vice President

A. Request Issuance of Previously Authorized Sales Tax Bonds

Executive Vice President Sande presented a request for issuance of the previously authorized sales tax bonds. He recommended the Port Authority Commission request the issuance of \$750,000 in Sales Tax Bonds as authorized by the voters in the 2006 referendum to be used for the downtown project. Funds in the amount of \$190,000 will be used for the Marigold Project which is scheduled for spring construction. These bonds will be included with bonding for the library expansion and park improvements for a total bond issue of approximately \$2.5 million. Commissioner Abbott moved, seconded by Commissioner Kirschbaum, to request the issuance of \$750,000 sales tax bonds for the downtown redevelopment. Vote on the motion: Zellmer, Abbott, Steiner, Arnold, Hensel and Kirschbaum, aye; no nays. Motion carried.

B. Final Loan Approval for National Dentex Project

Executive Vice President Sande reported the National Dentex Project is nearing completion and the developer has requested final approval of the Port Authority loan for the project. Preliminary approval of the loan was granted by the Port Authority Commission at their July 14, 2008 meeting. Commissioner Kirschbaum moved, seconded by Commissioner Steiner, to give final approval of the \$250,000 loan at 3.00 percent interest for a 10-year term based on a 25-year amortization and authorize staff and the City Attorney to draft any and all necessary documents for the loan closing. Vote on the motion: Zellmer, Abbott, Steiner, Arnold, Hensel and

Kirschbaum, aye; no nays. Motion carried.

C. First-Time Homebuyer Grant Program Funding

Executive Vice President Sande presented a memo outlining the First-Time Homebuyer Grant Program which was initiated by the City in 2007. This is a matching grant program which permits a grant of up to \$2,500 for first-time homebuyers who have qualified by completing a specified first-time homebuyers' training course. In conjunction with this local program, the City applied for and received a grant from the Greater Minnesota Housing Fund (GMHF) to use as matching funds for the local program. The availability of the grants together with the required training will assist buyers to make their first home purchase and will support sales of moderately-priced properties in North Mankato. In order for this program to continue, staff is recommending the Port Authority Commission consider funding in the amount of \$25,000 from the Joint Economic Development Fund. In response to a question, Executive Vice President Sande reported the realty companies and local lenders make buyers aware of the availability of funds and the qualification requirements. Commissioner Abbott moved, seconded by Commissioner Arnold, to approve funding for the First-Time Homebuyer Program in the amount of \$25,000 from the Joint Economic Development Fund. Vote on the motion: Zellmer, Abbott, Steiner, Arnold, Hensel and Kirschbaum, aye; no nays. Motion carried.

D. Fun Days Sponsorship

Executive Vice President Sande presented a request for Port Authority sponsorship of the 2009 North Mankato Fun Days in the amount of \$10,000. He reported the sponsorship will assist in providing a number of free or low-cost activities at the festival. After some discussion, Commissioner Zellmer requested a review of the Community Development Fund as a possibility for funding this event.

E. Update on Special Legislation

Executive Vice President Sande reported the special legislation to amend the Marigold Tax Increment Financing District is moving forward as Senate File 62 and House File 215. The Senate Tax Committee recently held the first hearing on the bill and the House Tax Committee hearing is scheduled to be held soon.

Other Business

A. Reminder of July 13, 2009 Annual Port Authority Meeting

The Annual Port Authority Meeting will be held on Monday, July 13, 2009 at 7 p.m. Executive Vice President Sande reported a Port Authority meeting will likely be needed to conduct pending business prior to the Annual Meeting.

Open Meeting to the Public

President Hensel opened the meeting to the public with no one appearing.

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There being no further business, the meeting was adjourned at 8:15 a.m.

President

Secretary