

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, January 27, 2009.

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

#### Approval of the Minutes

On a motion by Commissioner Steiner, seconded by Commissioner Arnold, the minutes of the Port Authority meeting of January 13, 2009 were approved.

#### Report of Executive Vice President

##### A. Update on Marigold Dairy Project

Executive Vice President Sande reported Van Moody was in attendance to give the Commissioners an update of the Marigold Dairy Project. Mr. Moody presented drawings of the proposed building reporting Computer Technology Solutions would be housed on the first floor, five business condo units on the second floor and 4 residential condos on each of the third and fourth floors. Garages are included on the west side of the building for both Computer Technology Solutions and residential condos. The estimated project schedule includes sale of the business condo units through March 1, 2009 and completion of the construction plan to facilitate bidding of the project July 1-August 1, 2009. The estimated completion date for the project is March 1, 2010. Mr. Moody reported Phase II of the project will be driven by businesses. Executive Vice President Sande reported staff met with the engineers on January 26, 2009 regarding the extension of Wall Street, a hearing on the expansion of the Tax Increment Financing District is scheduled at the Legislature for Thursday, January 29, 2009 and paperwork for the \$128,000 grant which is available for this project has been completed.

##### B. Downtown Redevelopment

Executive Vice President Sande reported in order to promote the redevelopment of the Central Business District (CBD), staff is recommending the Port Authority Commission consider the creation of a Grant Program to assist business development and redevelopment in the 200, 300, 400 and 500 blocks of Belgrade Avenue. Revitalization of the downtowns is a priority that was identified in both the ICLV and Envision 2020 processes. The source of the funds for this program would be a portion of the sales tax that has been allocated to downtown redevelopment, community development funds, redevelopment grant funds from the State of Minnesota, if available, and the possibility of HUD funding beginning in 2010.

The recommended program would be for Central Business District businesses only and have a maximum grant of \$25,000 with a \$2 match for each \$1 of grant funds

provided. Eligible costs would include: plumbing, electrical and fire code improvements; doors and windows; heating, ventilation and air conditioning (HVAC); tuck pointing; awnings; second level housing units/rehab or new construction; parking improvements; stormwater management; sewer and water services and signage. Discussion was held regarding the amendment of the sign ordinance for the Central Business District to include theme signage.

In addition to the grant program, staff is recommending creation of a separate Revolving Loan Fund for the CBD utilizing local funds. Executive Vice President Sande reported staff will develop specific grant program documentation for presentation at the March 10, 2009 Port Authority Commission meeting.

C. Creation of Webster Tax Increment Financing District

Executive Vice President Sande reported at the request of the City Council, the Port Authority Commission has undertaken the acquisition of two of the three non-conforming structures in the Webster Avenue industrial area. A map outlining the redevelopment area was presented. To facilitate the redevelopment of these parcels, staff is recommending the creation of a redevelopment Tax Increment Financing District for future business/commercial use. In order to accomplish the goals of the redevelopment, staff is requesting Port Authority Commission approval to initiate the necessary proceedings for the creation of a redevelopment Tax Increment District and such other redevelopment activities as necessary. Commissioner Knutson moved, seconded by Commissioner Steiner, to authorize preliminary approval for staff to begin the process of creating a Tax Increment Financing District for business/commercial use in the Webster Avenue industrial area. Vote on the motion: Abbott, Steiner, Knutson, Arnold and Hensel, aye; no nays. Motion carried.

Other Business

A. Quarterly Port Authority Meeting – March 10, 2009

President Hensel announced the next quarterly Port Authority meeting is scheduled for 7:30 a.m. on Tuesday, March 10, 2009.

Open Meeting to the Public

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

There being no further business, the meeting was adjourned at 8:02 a.m.

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President

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Secretary