

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, May 11, 2010.

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

Approval of the Minutes

On a motion by Commissioner Kirschbaum, seconded by Commissioner Abbott, the minutes of the Port Authority meeting of April 28, 2010 were approved.

Finance

A. Approval of Bills – April 2010

Finance Director Mork presented the Port Authority expenditures for April 2010 noting the purchase of 1104 Quincy has been completed. Executive Vice President Sande reported the house at 1104 Quincy is off site and ready to move. The site plan for Randy Appel's new commercial building has been received and it is expected his contractor will begin work the end of May. In response to a question, Executive Vice President Sande reported as Thin Film repays their DEED grant, 75% is sent back to DEED with the Port Authority retaining 25%. Commissioner Abbott moved, seconded by Commissioner Zellmer, to approve the Port Authority expenditures for April 2010. Vote on the motion: Steiner, Knutson, Hensel, Kirschbaum, Zellmer and Abbott, aye; no nays. Motion carried.

B. Recap of CBD Grants

Finance Director Mork presented a recap of the redevelopment grants as of May 7, 2010. He reported CBD grants in the amount of \$59,297.25 from the \$150,000 available have been approved by the Port Authority Commission. Grants have also been approved outside the CBD for Laura's Coffee and Candy in the amount of \$14,080, Monarch Wildlife Systems in the amount of \$15,000 and the Marston Project in the amount of \$16,494. Executive Vice President Sande reported Laura's Coffee and Candy has opened and hired approximately nine employees, the Marston Project is nearly complete and will initially employ approximately 10 employees and Monarch Wildlife Systems is in operation and will hire 5-7 employees within the first year.

Report of Executive Vice President

A. Res. No. 05-10 Approving Tax Increment Financing District IDD 1-8 Modification Plan

Executive Vice President Sande presented a copy of the proposed modification of Tax Increment Financing District IDD 1-8 for the Marigold Redevelopment Project. He reported Ed Tschida of Advance Resources for Development reviewed the special legislation approved under House File No. 2695 and determined the actions necessary and timeline to complete the modification of the Marigold Tax Increment Plan. Mr. Tschida appeared before the Port Authority Commission and summarized

the TIF District IDD 1-8 Modification Plan reporting the parcels for Phases 2 and 3 of the Marigold Project have been included; the five-year rule does not apply to TIF District No. IDD 1-8 as enlarged; the Nicollet County Auditor will increase the original tax capacity of TIF District IDD 1-8 by the amount required by MS 469.177; tax increments and other revenue derived from IDD 1-8 as enlarged may be used to reimburse or pay the Port Authority for allowable expenditures; and the Port Authority must enter into a development agreement by July 1, 2011 and substantial construction of improvements for the project must begin by November 1, 2011. As presented in the project description, Phase 1 is scheduled to begin construction in 2010, Phase 2 is scheduled to begin construction in 2013 and Phase 3 is scheduled to begin construction in 2016. He reported the duration of collection of the tax increment is 25 years once Phase 1 construction has been completed. Commissioner Knutson moved, seconded by Commissioner Abbott, to adopt Resolution No. 05-10 Approving TIF District IDD 1-8 Modification Plan and forwarding the Plan to the City Council to hold a public hearing at 7 p.m. on Monday, June 7, 2010 to consider the TIF District IDD 1-8 Modification Plan. Vote on the Resolution: Steiner, Knutson, Hensel, Kirschbaum, Zellmer and Abbott, aye; no nays. Motion carried.

Other Business

Commissioner Kirschbaum reported a Wheeler Avenue resident contacted him about the dust and weeds at the Marigold site. Executive Vice President Sande reported dust control would be applied in this area. He reported the Belgrade Blues & Jazz Festival would be held in this area on July 24, 2010.

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 7:53 a.m.

President

Secretary