

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 9, 2010.

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

Approval of the Minutes

On a motion by Commissioner Knutson, seconded by Commissioner Arnold, the minutes of the Port Authority meeting of January 12, 2010 were approved.

Finance

A. Approval of Bills – January and February 2010

Finance Director Mork presented the Port Authority expenditures for January and February 2010. Commissioner Knutson moved, seconded by Commissioner Steiner, to approve the Port Authority expenditures for January and February 2010. Vote on the motion: Zellmer, Steiner, Knutson, Arnold and Hensel, aye; no nays. Motion carried.

Report of Executive Vice President

A. Marigold Project Proposal

Executive Vice President Sande reported Van Moody and representatives of Paulsen Architects were in attendance to present the Marigold Project. Paul Lawton of Paulsen Architects gave a PowerPoint presentation of the Marigold Project reporting Phase I will consist of commercial space and garages on the first floor and four residential units and three office suites on the second floor. Construction is scheduled to begin in May of 2010 with completion in the fall of 2010. Phase II of the project will consist of two floors of retail and office space and a total of ten apartments on the third and fourth floors with garages for the units on the ground level. Phase III of the project will consist of a four-story residential structure with covered parking on the ground level and three floors of condominiums totaling 11 units. A park is planned for the east side of Phase III. Executive Vice President Sande reported the Tax Increment Financing Modifications were reintroduced to the Legislature to expand this TIF district to include Phases II and III. Commissioner Zellmer reported he has met with Legislators and since they are looking for shovel-ready projects, he is confident this TIF legislation will pass. Commissioner Arnold requested Executive Vice President Sande give a brief explanation to the general public of how Tax Increment Financing works. Executive Vice President Sande reported that Tax Increment Financing allows the costs of removing blighted structures and preparing property for redevelopment to be recouped. The increment is the difference of the previous tax capacity and the tax capacity after redevelopment of the property. Executive Vice President Sande reported after

approval of the Phase I Project and the project subsidies, several items will be completed including platting of the Marigold site into three parcels to coincide with the three proposed phases of the project, agreements with the developer and the bank for the three separate phases, development of a signage plan for the project in accordance with the Sign Ordinance, development of access and parking agreements for the project, and design of the park. Commissioner Knutson moved, seconded by Commissioner Arnold, to grant preliminary approval of Phase I of the Marigold Project and authorize participation in the project with a cash subsidy in the amount of \$225,000. Vote on the motion: Zellmer, Steiner, Knutson and Arnold, aye; no nays. Motion carried.

B. Wall Street Improvement Project

Executive Vice President Sande reported as part of the Phase I Marigold Project, it is necessary to go forward with the extension of Wall Street and related site and utility improvements. A State Infrastructure Rehabilitation Grant has been secured in the amount of \$128,491 to offset the cost of the Wall Street Improvements. Commissioner Knutson moved, seconded by Commissioner Steiner, to recommend the City move forward with the Wall Street Project. Vote on the motion: Zellmer, Steiner, Knutson, Arnold and Hensel, aye; no nays. Motion carried.

C. Grant Request from Like Nu Cleaners, Inc., 227 Belgrade Avenue

Executive Vice President Sande presented a grant request from the owner of Like Nu Cleaners in the amount of \$11,272.95 for a new boiler system and plumbing, electrical and mechanical updates. He reported this is a 2-1 grant as outlined in the Central Business District Grant Program. Commissioner Steiner moved, seconded by Commissioner Zellmer, to approve the grant in the amount of \$11,272.95 for Like Nu Cleaners. Vote on the motion: Zellmer, Steiner, Knutson, Arnold and Hensel, aye; no nays. Motion carried.

Other Business

A. Reminder of July 12, 2010 Annual Port Authority Meeting

The Annual Port Authority Meeting will be held on Monday, July 12, 2010 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.

There being no further business, the meeting was adjourned at 8:06 a.m.

President

Secretary