

Pursuant to due call and notice thereof, a meeting of the North Mankato Port Authority Commission was held in the Police Annex of the Municipal Building on Monday, August 12, 2019.

President Arnold called the meeting to order at noon. The following were present: Commissioners Steiner, Whitlock, Norland, Dehen, Oachs, and Arnold and Executive Vice President Harrenstein, Assistant Treasurer McCann, Community Development Director Fischer and Secretary Van Genderen. Absent: Commissioner Olenius.

Approval of the Minutes

Commissioner Dehen moved, seconded by Commissioner Norland, to approve the minutes of the Port Authority meeting of July 15, 2019. Vote on the motion: Steiner, Whitlock, Norland, Arnold, and Oachs aye. Abstain: Dehen. Motion carried.

Approval of Bills

Commissioner Steiner moved, seconded by Commissioner Dehen to approve the bills as presented. Vote on the motion: Steiner, Whitlock, Norland, Arnold, Dehen and Oachs aye. Motion carried.

New Business

Res. No. 1-19 of the North Mankato Port Authority Commission Deeming Certain Parcels Located at 238 and 245 Belgrade Avenue to be Occupied by Structurally Substandard Buildings.

Ed Tschida, Development Consultant for the City of North Mankato appeared before the Port Authority and reported there had been discussion regarding the redevelopment of 238 and 245 Belgrade Avenue with a mixed-use commercial development. The developer has discussed with City/Port Authority representatives the potential for using tax increment financing (TIF) to assist this redevelopment. The developer has indicated that it may remove the existing structures before the establishment of the TIF district. TIF regulations permit the City/Port Authority to designate a parcel as meeting the requirements for inclusion in a "Redevelopment" tax increment financing district even though there is not a specific request to create the district at the time of the designation. The resolution will allow the developers to proceed with demolition of the buildings as they proceed with the TIF process. Passage of the resolution does not obligate the City/Port Authority to approve the tax increment financing district subsequently. Action on any proposed tax increment financing district will follow Port Authority and City procedures for tax increment financing district review and approval. Commissioner Steiner clarified that the resolution does not approve a TIF district. Mr. Tschida noted the developer had submitted reports to begin the process to establish a TIF District. Max DeMars, DeMars Construction, was present and indicated the resolution would assist from a development standpoint allowing the developers to begin work on the area. Commissioner Oachs stated there is no guarantee that this will become a TIF district. Mr. Tschida noted this just allows them to move forward with demolition and leaves the option that they could have the demolition reimbursed if the property is

designated as a TIF district. Commissioner Whitlock moved, seconded by Commissioner Norland to approve Res. No. 1-19 of the North Mankato Port Authority Commission Deeming Certain Parcels Located at 238 and 245 Belgrade Avenue to be Occupied by Structurally Substandard Buildings. Vote on the motion: Steiner, Whitlock, Norland, Arnold, Dehen and Oachs aye. Motion carried.

Consider Approving Quit Claim Deed to Transfer Outlot B, Northport No. 20 from Port Authority to the City of North Mankato.

Assistant Treasurer McCann reported during the Palmer Bus and Blue Star Power Systems development in Northport a large stormwater pond was created. The Quit Claim Deed would transfer the land from the Port Authority to the City to eliminate taxes on the property. President Arnold requested clarification on if the City will hold the wetlands and the holding pond. Executive Vice President Harrenstein reported during the Blue Star development process the holding pond became a part of the wetlands, and it makes sense to shift the property to the City. President Arnold suggested the City consider charging a fee for future developments to run water to the holding pond. City Engineer Sarff reported the holding pond is large enough to accommodate future growth, although a fee had not been discussed. Executive Vice President Harrenstein indicated there is value in waiting to proceed with the Quit Claim Deed to consider splitting the property and additional options with the property. Commissioner Dehen suggested discovering what Mankato's rate structure is for their stormwater holding ponds. Commissioner Dehen moved, seconded by Commissioner Norland to table the approval of the Quit Claim Deed. Vote on the motion: Steiner, Whitlock, Norland, Arnold, Dehen and Oachs aye. Motion carried.

Other Business

Executive Vice President Harrenstein reported he had several guests present that he would like to speak. He stated last weekend, and the coming weekend, Caswell Park will host the NAFA World Series with 73 teams from 19 States and 2 Canadian Provinces, introducing 1 million dollars in economic impact to the area. Executive Vice President Harrenstein reported Caswell Sports Director Tostenson, NAFA Executive Director Benjie Hedgecock, and Vice President of NAFA Western United States Clark Evans were present and were invited to speak. Mr. Hedgecock reported NAFA has been at Caswell Park for the past three years and they could not be happier or more satisfied with both the fields and the service that they receive from Caswell Sports Director Tostenson and his team. Two rainstorms occurred during the tournament and the fields were ready in time to finish the tournament, and this would not occur at any other location in the United States. Mr. Evans also reported they were very pleased with Caswell Park and love participating in tournaments in North Mankato. Executive Vice President Harrenstein reported the City has a 10.5 million dollar bonding request which includes a portion to improve and upgrade the fields.

President Arnold requested clarification on if the Planning Commission reviewed the

Conditional Use Permit at 1730 Commerce Drive. Community Development Director Fischer reported the Planning Commission made recommendations to update the Conditional Use Permit and the recommendations will be presented to Council on August 19, 2019.

Mr. Tschida summarized the TIF Process by indicating a Public Hearing could be held for the proposed TIF District early in October. Executive Vice President Harrenstein stated the TIF would be a pay-as-you-go TIF with a term to be determined. Discussion was held concerning if additional property could be included in the district, the terms of a pay-as-you-go TIF and if the TIF district can benefit all of the downtown areas.

Open Meeting to the Public

None

There being no further business, Commissioner Steiner moved, seconded by Commissioner Norland, to adjourn. Vote on the motion: all ayes. Motion carried. The meeting was adjourned at 12:45 p.m.

President

Secretary