

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 Monday, February 1, 2021. City Administrator Harrenstein on March 31, 2020, under MN Statute Section 13D.021, declared the use of electronic meetings due to the COVID-19 pandemic.

President Arnold called the meeting to order at 6:15 p.m. The following were present in the Council Chambers: Commissioners Norland, Dehen, Executive Vice President Harrenstein, and Secretary Van Genderen. The following were present remotely by Zoom application: Commissioners Whitlock, Steiner, Arnold, Olenius, and Oachs, Assistant Treasurer McCann.

Approval of the Minutes

Commissioner Dehen moved, seconded by Commissioner Norland, to approve the minutes of the Port Authority meeting of December 7, 2020. Vote on the motion: Whitlock, Norland, Arnold, Dehen, Steiner, and Oachs aye, no nays. Olenius abstain. Motion carried.

Approval of Bills

Commissioner Dehen moved, seconded by Commissioner Steiner, to approve the bills. Vote on the motion: Whitlock, Norland, Arnold, Olenius, Dehen, Steiner, and Oachs aye, no nays. Motion carried.

New Business

Res. No. 1-21 Approving and Recommending a Loan by the City of North Mankato, Minnesota to WW Land Company LLC.

Executive Vice President Harrenstein reported the resolution would recommend to the City Council to execute a loan to WW Land Company LLC. The loan would be made using Sales Tax funds, and because the City and not the Port has authority over those funds, the City must make the loan. Executive Vice President Harrenstein noted the \$118,600 loan would be forgivable. The project would be an infill project for the last vacant lot on Belgrade Avenue. The loan would be similar to the downtown grant programs and would be used for soil correction. The project would require helical piers and reinforced slabs. Loan proceeds of \$59,300 would be paid to the borrower upon the issue of a permit to proceed and the other half of the loan upon issuance of a Certificate of Occupancy. The loan would be forgiven upon the first, second, third, and fourth-anniversary dates of the Loan Closing Date, \$23,720 of the loan's principal amount shall be forgiven. Upon maturity date, the remaining principle and all interest will be forgiven if all terms are met.

Community Development Director Fischer reviewed the request from WW Land Company. The project would be located at 235 Belgrade Avenue, which is the last vacant lot on the 200 block of Belgrade Avenue. The proposed building is a mixed-use space with commercial on the main floor and living space on the second floor. The developer recently requested the option for a third story with a living area. Each floor would hold two units. Community Development Director Fischer reported the developer is requesting \$118,600 for soil correction to build helical piers similar to the piers used during the Brunton building construction.

Community Development Director Fischer reviewed how the proposed development at

235 Belgrade Avenue advances the goals and objectives of the Belgrade Master Plan. The building will be expected to emulate characteristics from adjacent buildings and will fill the gap. The use of the main floor as a commercial space will strengthen the variety and vitality of the Central Business District. The building is expected to contribute to the cohesive architectural design and will contribute to the local economy. The property is specifically identified in the implementation plan for infill development. A spreadsheet of the 2021 sales tax fund budget with the \$118,600 incentive for the development was added and shows available funds exist for the project.

Executive Vice President Harrenstein reported the current documents and presented costs are for a 2-story building, but recently the developer has requested the addition of a third story. A discussion was held concerning the addition of a third story. Commissioner Olenius requested clarification on if the developer would request additional funds if a third story were added. Executive Vice President Harrenstein reported the loan amount is linked to resolving soil issues, and the City would be unable to extend additional funds.

Commissioner Olenius moved, seconded by Commissioner Dehen, to adopt Res. No. 1-21 Approving and Recommending a Loan by the City of North Mankato, Minnesota to WW Land Company LLC. Vote on the motion: Whitlock, Norland, Arnold, Olenius, Dehen, Steiner, and Oachs aye, no nays. Motion carried.

Other Business

Executive Vice President Harrenstein reported that the hotel on Commerce Drive continues to move forward with the spring's planned opening. He noted the Fransen Bank continues to make progress, and the Rooftop Bar continues to discuss the possibility of building.

Open Meeting to Public

Marty Walgenbach from WW Land Company spoke and thanked the Port Authority for the opportunity to build on Belgrade and said he was excited to start the project.

There being no further business, Commissioner Norland moved, seconded by Commissioner Dehen, to adjourn. Vote on the motion: all ayes. Motion carried. The meeting was adjourned at 6:45 p.m.

President

Secretary