



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

Thursday, March 24, 2022
4:00 PM

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, March 24, 2022 at 4:00 PM.

CALL TO ORDER

CALL OF ROLL

SETTING OF THE REGULAR AGENDA - *This is an opportunity to approve the regular agenda as presented, or to add/delete an agenda item by a majority vote of the Commissioners present .*

APPROVE MINUTES

1. Consider approval of the minutes from the March 10, 2022 regular meeting.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$3,284.54.

BUSINESS

3. Consider adopting a resolution in support of assisting ISD #318 in financing an adaptive reuse of the former Southwest Elementary School for the School District's program and facility consolidation
4. Consider selecting two Commissioners to assist staff with the review of proposals received for the Downtown Plan Project.
5. Consider the election of GREDA Officers

UPDATES

6. ASV/Yanmar Expansion Project

ADJOURN

MEMBERS & TERMS

Rick Blake - 12/31/2022 (with Council term)

Tasha Connelly - 12/31/2022 (with Council term)

Cory Jackson - 3/1/23

Mike Korte - 3/1/24

Wayne Bruns - 3/1/25

Sholom Blake - 3/1/25
Al Hodnik - 3/1/27



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

Thursday, March 10, 2022
4:00 PM

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, March 10, 2022 at 4:00 PM.

CALL TO ORDER

CALL OF ROLL

PRESENT

President Sholom Blake
Commissioner Tasha Connelly
Commissioner Rick Blake
Commissioner Wayne Bruns

ABSENT

Commissioner Al Hodnik
Commissioner Cory Jackson
Commissioner Mike Korte

SETTING OF THE REGULAR AGENDA - *This is an opportunity to approve the regular agenda as presented, or to add/delete an agenda item by a majority vote of the Commissioners present .*

Discuss Collaboration with ISD 318 at Southwest School.

APPROVE MINUTES

1. Consider approval of the minutes from the February 10th, 2022 regular meeting.

Motion by Commissioner Connelly, second by Commissioner Bruns to approve the minutes from the February 10th, 2022 regular meeting. The following voted in favor thereof: Bruns, Connelly, S. Blake, R. Blake. Opposed: None, passed unanimously.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$4,976.31

Motion by Commissioner R. Blake, Second by Commissioner Connelly to approve claims in the amount of \$4,976.31. The following voted in favor thereof: R. Blake, S. Blake, Connelly, Bruns. Opposed: None, passed unanimously.

BUSINESS

- 3. Conduct a public hearing concerning submittal of an application to the Minnesota Department of Employment and Economic Development (DEED) Minnesota Investment Fund (MIF) program for the ASV/Yanmar Expansion Project

President S. Blake stated the public hearing scheduled this evening was to consider the submittal of an application to the Minnesota Department of Employment and Economic Development (DEED) Minnesota Investment Fund (MIF) program for the ASV/Yanmar Expansion. Recorder Groom noted that all required notices, according to law, have been met.

Motion by R. Blake, second by Connelly to open the public hearing. The following voted in favor thereof: Bruns, Connelly, S. Blake, R. Blake. Opposed: None, passed unanimously.

Community Development Director Mattei provided a power point presentation with an overview of the proposed project. The project involved an expansion of the production facility over a four year period beginning in 2022. This will include the construction of a 60,000 square foot warehouse, site improvements including parking, modifications to existing space to accommodate an additional assembly line and the purchase and installation of additional tooling, equipment and staffing.

President S. Blake asked if anyone would like to speak. There was no public comment.

Motion by Commissioner Connelly, second by Commissioner Bruns to close the public hearing. The following voted in favor thereof: R. Blake, S. Blake, Connelly, Bruns. Opposed: None, passed unanimously.

- 4. Consider adoption of a resolution approving the First Amendment to the Preliminary Development Agreement with Cambium Development LLC.

A representative from Cambium Development, LLC and JJJ Management, LLC provided an update on the project and explained the reasoning behind the request for an additional 90 days.

Motion by Commissioner Bruns, second by Commissioner R. Blake to adopt a resolution approving the First Amendment to the Preliminary Development Agreement with Cambium Development, LLC. The following voted in favor thereof: R. Blake, Connelly, Bruns. Opposed: None, S. Blake abstained, motion passed.

- 5. Consider adopting a resolution accepting a grant from the Blandin Foundation for the Downtown Master Plan Project and authorize the Executive Director to execute the grant agreement.

GREDA's request for \$40,000 has been approved by the Blandin Foundation. State statute requires that cities and economic development authorities accept gifts such as this by resolution.

Motion by Commissioner R. Blake, second by Commissioner Bruns to adopt a resolution accepting a grant from the Blandin Foundation for the Downtown Master Plan Project and authorize the Executive Director to execute the grant agreement. The following voted in favor thereof: R. Blake, S. Blake, Connelly, Bruns. Opposed: None, passed unanimously.

- 6. Consider authorizing the issuance/publication of a request for proposals (RFP) seeking professional assistance in the preparation of an updated Downtown Master Plan

The funding for this project is in place and now the next step is to issue a request for proposals.

Motion by Commissioner Connelly, second by Commissioner Bruns to authorize the issuance/publication of a request for proposals (RFP) seeking professional assistance in the preparation of an updated Downtown Master Plan. The following voted in favor thereof: Bruns, Connelly, S. Blake, R. Blake. Opposed: None, passed unanimously.

- 7. Consider a concept and cost proposal from Eck Designs for Industrial Park Signage

ASV recently inquired about their ability to install off-premise signage near the roundabout on 10th Street SE. While individual off premise signage, in industrial zoning, is not permitted, a governmental wayfinding sign, indicating the location of the industrial park and its occupants is. Under the proposed concept, the individual businesses would purchase their sign panel and GREDA would own the sign. The unused panels on the sign could be used to advertise vacant sites for sale by GREDA.

Motion by Commissioner R. Blake, second by Commissioner Connelly to approve a cost proposal from Eck Designs for Industrial Park Signage. The following voted in favor thereof: R. Blake, S. Blake, Connelly, Bruns. Opposed: None, passed unanimously.,

- 8. Discuss the Northland Foundation’s Minnesota Main Street Revitalization Program application

Community Development Director Mattei was able to include the Cambium Development project in a regional proposal being submitted by the Northland Foundation. This proposal is for funding offered through the Minnesota Main Street Economic Revitalization Program. Through the program can offer grants of up to \$750,000/project or up to \$2,000,000 in guaranteed loans for building construction or renovation, landscaping, streetscaping, site work, design and infrastructure. Program awards will be announced by DEED this spring.

UPDATES

- 9. Outcome of discussions with the Blandin Foundation relative to low interest financing options for the development of an industrial building.

President S. Blake and Mr. Mattei presented a verbal proposal/request to the Blandin Foundation seeking a Program Related Investment, which would allow GREDA an opportunity to provide a loan to a private developer at 1% interest who would build a 30,000 square foot industrial building in the Airport South Industrial Park. Unfortunately at this time the Blandin Foundation does not feel this is a project they are interested in funding at this time.

Discuss collaboration with ISD 318 at the old Southwest Elementary School-The district would like to move the area learning center, special education and administration to the former elementary school. The upgrades to do this would cost roughly 3 million dollars. The district would not be able to bond for these improvements. The district is exploring the option of selling the school to the GREDA and having them bond for the improvement and then lease the building back to the district. Mr. Mattei will be have further discussion with the district and will provide updates as necessary.

ADJOURN

There being no further business the meeting adjourned at 5:26 p.m.

MEMBERS & TERMS

Rick Blake - 12/31/2022 (with Council term)

Tasha Connelly - 12/31/2022 (with Council term)

Cory Jackson - 3/1/23

Mike Korte - 3/1/24

Wayne Bruns - 3/1/25

Sholom Blake - 3/1/25

Al Hodnik - 3/1/27

DATE: 03/18/2022
 TIME: 14:14:36
 ID: AP443GR0.WOW

CITY OF GRAND RAPIDS
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 03/24/2022

VENDOR #	NAME	AMOUNT DUE

EDA - CAPITAL PROJECTS		
AIRPORT SOUTH INDUSTRIAL PARKS		
1415511	NORTHERN STAR COOPERATIVE SERV	843.49
TOTAL AIRPORT SOUTH INDUSTRIAL PARKS		843.49
MANUFACTURING HANGAR		
1105530	KENNEDY & GRAVEN, CHARTERED	1,305.60
TOTAL MANUFACTURING HANGAR		1,305.60
ASV-YANMAR EXPANSION PRJT		
0718060	GRAND RAPIDS HERALD REVIEW	89.45
TOTAL ASV-YANMAR EXPANSION PRJT		89.45
TOTAL UNPAID TO BE APPROVED IN THE SUM OF:		\$2,238.54
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
0920055	ITASCA COUNTY RECORDER	46.00
1309170	MN DEED	1,000.00
TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:		\$1,046.00
TOTAL ALL DEPARTMENTS		\$3,284.54



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: March 24, 2022

STATEMENT OF ISSUE: Consider adopting a resolution in support of assisting ISD #318 in financing an adaptive reuse of the former Southwest Elementary School for the School District's program and facility consolidation

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

At the last GREDA meeting, staff briefed the Commissioners on recent conversations with the School District regarding their desire to remodel the former Southwest Elementary School for a combination of the Area Learning Center, Community Education and the Districts Administrative and Business offices.

According to the School District, the condition of the vacant Southwest School is superior to the existing Administration building or the vacant Murphy Elementary School. The project would allow them to move away from leasing private facilities for the Area Learning Center and Community Education as well as consolidate their facilities by potentially transferring the Administration building property to another entity for an alternative use such as housing.

The School District requested legislation to allow them secure \$2.0M of State bonding for this \$4.0M project. This legislation was introduced as HF 4037 and SF 3734, but providing state bonds to a school district was seen as a problematic precedent for the Legislature.

The concept that would possibly be more palatable to the legislature would have GREDA receive the State bonding. Furthermore, under this scenario, title to Southwest School would be transferred to GREDA, who would fund the matching funds for the project by issuing their own lease revenue bonds. The School District would lease back the facility from GREDA under a lease/purchase agreement, with that income retiring the lease revenue bond debt over a period of ten or more years.

The timeline for amending the originally introduced legislation to enable GREDA to be the recipient of the requested State bonding is very compressed and a resolution of support from GREDA is needed for prior to an amended bill being referred to legislative committees.

If GREDA is in support of working toward this type of collaboration for this project, and if amended legislation were to pass and award funds to GREDA, GREDA and the School District would have up to five years to work through the details of this before the state funding would lapse.

Superintendent Matt Grose will attend the GREDA meeting to answer questions and present the School District's perspective. GREDA's fiscal consultant, Rebecca Kurtz from Ehlers will also attend virtually.

RECOMMENDATION:

Discuss and consider adopting a resolution in support of assisting ISD #318 in financing an adaptive reuse of the former Southwest Elementary School for the School District's program and facility consolidation.

REQUIRED ACTION:

Grand Rapids Economic Development Authority Commissioner _____ introduced the following resolution and moved for its adoption:

RESOLUTION NO. 22 -

**A RESOLUTION IN SUPPORT OF
ASSISTING ISD #318 IN FINANCING AN ADAPTIVE REUSE OF THE FORMER SOUTHWEST ELEMENTARY
SCHOOL FOR ISD #318 PROGRAM AND FACILITY CONSOLIDATION**

WHEREAS, it is consistent with the mission of the Grand Rapids Economic Development Authority (GREDA) to support community efforts that support educating our future workforce; and

WHEREAS, it is also consistent with the mission of the GREDA to support efforts to improve and redevelop underutilized property and structures so as to make use of existing infrastructure and curb the negative effects of blight; and

WHEREAS, since their recent development of two new elementary schools, Independent School District #318 (ISD #318) owns a vacant former elementary school (Southwest Elementary) which they would like to remodel and repurpose to house the administrative/business offices of the School District as well as a relocation of the Area Learning Center and Community Education function; and

WHEREAS, according to ISD #318, the repurposing of Southwest Elementary would reduce operating costs, eliminate the leasing of private property, and would provide an opportunity for redevelopment of the existing administration building as additional single family housing by others; and

WHEREAS, School Districts have limited funding options to convert Southwest School for this purpose; and

WHEREAS, GREDA supports the School Districts proposed redevelopment of Southwest School; and

WHEREAS, GREDA is willing to take an active role in the advancement of this important project by serving as a financial conduit for State Bonds and by collaborating with ISD #318 in securing matching funds that equitably serve the interests of both GREDA and ISD #318.

NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF GRAND RAPIDS, MINNESOTA: that the Grand Rapids Economic Development Authority supports assisting ISD #318 in financing an adaptive reuse of the former Southwest Elementary School for program and facility consolidation.

Adopted by the Grand Rapids Economic Development Authority this 24th, day of March 2022.

Sholom Blake, President

ATTEST:

Rob Mattei, Executive Director

Grand Rapids Economic Development Authority Commissioner _____ seconded the foregoing resolution and the following voted in favor thereof _____; and the following voted against; _____, whereby the resolution was declared duly passed and adopted.



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: March 24, 2022

STATEMENT OF ISSUE: Consider selecting two Commissioners to assist staff with the review of proposals received for the Downtown Plan Project.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

The request for proposals for this project, issued late last week, has begun to generate interest from potential respondents. All proposals are due on or before April 15. Staff would appreciate it if two Commissioners could assist in the evaluation and scoring of proposals in order to present a recommendation along with a contract for approval on April 28.

RECOMMENDATION:

Select two Commissioners to assist staff with the review of proposals received for the Downtown Plan Project.

REQUIRED ACTION:



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: March 24, 2022

STATEMENT OF ISSUE: Consider the election of GREDA Officers

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

In accordance with the Bylaws of the Grand Rapids Economic Development Authority, the officers of GREDA include a President, Vice President, and Secretary/Treasurer.

The present GREDA officers are:

Sholom Blake – President

(vacant) – Vice President

Cory Jackson – Secretary/Treasurer

The appointments to be considered will run until March 31, 2023.

The President will request nominations for Secretary/Treasurer first; it is customary to nominate one or more candidates. When all nominations have been made, then the vote is taken on each, in the order in which they were nominated, until one is elected. The nominations need not be seconded.

The same process will then be used for the positions of Vice President and then President.

It is also acceptable for a slate of nominations to be considered under a single motion and vote.

RECOMMENDATION:

Consider the election of GREDA Officers

REQUIRED ACTION:

Pass a motion or motions approving GREDA Officers