

**CITY OF TWO RIVERS
BUSINESS AND INDUSTRIAL DEVELOPMENT COMMITTEE
AND**

COMMUNITY DEVELOPMENT AUTHORITY

Tuesday, June 25, 2024

5:15 PM

3rd Floor City Council Chamber – City Hall

Call to Order

In the absence of Chair Greg Coenen, The meeting was called to order by Vice Chair Keith Lyons at 5:17 PM.

Roll Call

BIDC members present were Betty Bittner, Tom Christensen, David Kalista, Tracey Koach, Keith Lyons, Shannon Derby and Scott Stechmesser. BIDC members absent and excused: Dan Wettstein. One vacancy at this time.

CDA members present were Betty Bittner, David Kalista, Tracey Koach, Keith Lyons, Shannon Derby and Scott Stechmesser. CDA members absent: Gerg Coenen.

Others present were Greg Buckley, City Manager and Matt Heckenlaible, Public Works Director/City Engineer.

Updates on Various Community Development Projects

The City Manager presented an informational update on several community development projects and activities. He noted that not all of these projects/activities directly involve the BIDC and/or CDA, but all are related to community development and redevelopment.

The report, presented as a Powerpoint presentation by the City Manager, included:

- A progress report on the Braun truss plant at the Woodland Industrial Park, a \$1.2 million project being assisted with a developer grant from TID 15. Buckley noted that this project was approved for a \$500,000 City loan by the CDA, but the company now indicates that it will not be using that loan financing. Grading work on the Browns Drive site was completed in April, and building construction is expected to start in July.
- An update on the proposed Hawk Battery Energy Storage project at the Woodland Industrial Park. The Plan Commission and City Council approved a conditional use permit for the project in March 2024; Buckley noted that site plan review and consideration of variances from the Woodland Industrial Park covenants will be on the BIDC's agenda for July or August 2024.
- Other recent interests in the Woodland Industrial Park, including the right of first refusal on a 2 acre expansion site that is held by WG&R Bedding, and a recent inquiry from an area firm looking at a new 8-10,000 SF facility.
- Violet Inn, a proposed \$1.2 million redevelopment of the former Elks Club building on 16th Street. The City Manager noted that this project was previously approved for a \$200,000 City loan by the BIDC. In May, the City Council and TIF Joint Review Board approved an amendment to the TID 12 project plan and boundaries that would allow for a \$130,000 developer grant to this project; the developer is also expected to apply for a façade grant. Construction is expected to start later this year.
- Sauve's Auto Service expansion project. This project will involve construction of three additional service bays and office space at Sauve's, a project estimated at \$700,000. The

recently-approved amendment to the TID 12 Project Plan allows for a possible developer grant of \$150,000 to assist this project. Mr. Buckley noted that BIDC member Tom Christensen is the owner of Sauve's Auto Service, but no assistance to the project is being sought through the BIDC, nor the CDA.

- City and Main Street Grants for Business Façade Projects. The City Manager reported on recent façade grants to assist projects at Meridian Wellness on Lincoln Avenue, the Hook Lanes and Games on Washington Street and the Kouba building at 1606 Washington Street (location of Crafty Cravings and The Chop Shop).
- Other. The City Manager also gave updates on two proposed apartment developments that have seen delays but continue to be pursued: the 54-unit affordable housing project West River Lofts and 71-unit market rate project The Confluence.

Status of Economic Development Revolving Loan Fund

Buckley reported that the three current active loans are each current on payments, with outstanding principal balances as follows:

- | | |
|------------------------|-----------|
| • Lambo Properties | \$ 24,112 |
| • Sleger Holdings, LLC | \$157,525 |
| • TA Properties | \$ 96,853 |

He further reported that the cash balance in the Loan Fund is \$1,174,726. Of that amount, \$200,000 is reserved for a loan to the Violet Inn project.

Status of Sandy Bay Highlands Subdivision Phase 3 Project

The City Manager and Mr. Heckenlaible gave an update on plans for the next phase of the subdivision, for which \$1 million is budgeted in the City's 2024 Budget. Plans are out for bid, with bid opening scheduled for July 10 and possible City Council action on award of contract on July 15.

Discussion With Public Works Director Matt Heckenlaible Regarding Possible Location for Public Works Material Storage and Processing on City-Owned Lot at 2701 18th Street in Columbus Industrial Park (Cell Tower Site)

Mr. Heckenlaible presented a proposed site plan for use of the lot for storage of various materials at this site. He also distributed and reviewed a memo prepared by City Planner Elizabeth Runge, addressing zoning and industrial park covenants related to the proposed use.

He noted that relocating this storage and processing activity to the industrial park site would allow the City to move such activities off the downtown lakefront adjacent to the public works garage, consistent with the City's plans to upgrade that area for public access, recreational use and habitat restoration. The referenced material processing is crushing of concrete from street projects for re-use as gravel; this normally takes 2-3 days, once a year. He also addressed plans for fencing and screening at the industrial park site.

Mr. Buckley noted that this proposal would not interfere with the site's continued use as a cell tower location—U.S. Cellular pays the City an annual lease fee for its use of that portion of the site that is devoted to its tower and facilities.

He also stated that the presentation at this meeting is for information only and that he would like to schedule formal action by the BIDC at the July or August meeting. The proposed action would be to waive certain industrial park covenants pertaining to construction of buildings on industrial park sites, as no building is proposed in conjunction with this municipal use. He added that he would want to inform

the owners of the adjacent industrial park properties of this matter and invite them to such a meeting.

Adjournment of the Business and Industrial Development Committee

Betty Bittner moved, supported by Scott Stechmesser, to adjourn the BIDC meeting at 6:10 PM. The motion was approved by voice vote, without dissent. Mr. Christensen left the meeting at this time.

Closed Executive Session of the Community Development Authority

Betty Bittner moved, supported by Scott Stechmesser, to enter closed session at 6:11 PM.

The meeting chair, Mr. Lyons, noted that, as stated on the agenda, the purpose of the closed session was to consider an offer received for the purchase of Block 3, Lot 11 in the Sandy Bay Highlands Subdivision. Mr. Buckley noted that the offer is for an amount less than the CDA's asking price for the lot, which is significantly impacted by a wetland located within its boundaries; thus, the need for closed session discussion.

The motion was approved by a roll call vote. Voting yes: Betty Bittner, Tom Christensen, David Kalista, Tracey Koach, Keith Lyons, Shannon Derby and Scott Stechmesser. Voting no: none.

Reconvene in Open Session; Consider Possible Action by the CDA in follow-up to closed session discussions

Scott Stechmesser moved, supported by Shannon Derby, to adjourn the closed session and reconvene in open session at 6:22 PM.

The motion was approved by voice vote, without dissent.

Tracey Koach moved, supported by Betty Bittner, to accept the offer to purchase the parcel in question, at a purchase price of \$35,000 (lower than the list price of \$42,000 for this parcel), with the Buyers' additional condition that the Buyers have up to 90 days to close, with closing contingent upon the Buyers being able to work out a home design with their contractor that they deem satisfactory. Further, with acceptance of the Buyer's condition that the City mow the wetland buffer area located on the property, within 30 days following the CDA's acceptance of the offer.

The motion was approved by voice vote, without dissent.

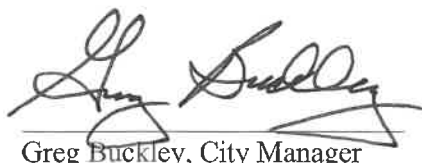
Next Meeting Date:

Tuesday, July 23, 2024 at 5:15 PM.

Adjournment

Motion was made by Tracey Koach, seconded by Shannon Derby, to adjourn the meeting at 6:24 PM. Motion carried.

Respectfully Submitted,



Greg Buckley, City Manager