

**MELROSE AREA DEVELOPMENT AUTHORITY/
COMMUNITY OPPORTUNITIES COMMITTEE
REGULAR MEETING
THURSDAY, DECEMBER 12, 2024 – 6:00 A.M.**

A.I. #1 CALL TO ORDER/ROLL CALL

The Melrose Area Development Authority/Community Opportunities Committee (MADA/COC) met in a Regular Meeting on Thursday, December 12, 2024, at 6:00 a.m. at the Melrose City Center pursuant to due notice being given thereof. Present were MADA Members Bob Mayers, Jerome Duevel, Joe Woeste, Jose Morelos, Travis Frieler, Mayor Joe Finken, City Administrator Colleen Winter, and Community Development Director Sheila Hellermann. MADA Member Dave Rahn was absent. There are no active COC members. President Bob Mayers called the meeting to order.

A.I. #2 APPROVAL OF AGENDA

A motion was made by Mr. Finken, seconded by Mr. Frieler and unanimously carried to approve the agenda as submitted.

A.I. #3 APPROVAL OF MINUTES

A motion was made by Mr. Finken, seconded by Mr. Frieler and unanimously carried to approve the minutes from the November 14, 2024, Regular Meeting as submitted.

A.I. #4 REPORTS

- a. City Administrator Winter provided the following update. The Public Utilities Commission at its December meeting approved the 2025 budget and rate schedule. The electric rates have not increased. The water/wastewater rates have increased by 2% to 3 % depending on classification. The Public Utilities Commission also approved the Settlement Agreement with Melrose Community LLC. Multi-family rates will be adjusted going forward. Staff continue to work on union negotiations. Corporate Land O Lakes is requesting to change the name of Kraft Drive. Land O Lakes would need to petition the property owners along Kraft Drive. Land O Lakes is looking at potentially installing a solar array. The Council will be adopting the budget at its December 19, 2024 meeting.
- b. Community Development Director Hellerman provided the following update

Staff attended a meeting at Melrose Area Public Schools on the parking lot project. We discussed with them the infrastructure we have in place along 5th Avenue in the northwest area of their property. We also discussed our concerns about a buffer to the residential area, and the need for ponding with the increase in impervious surface. More to come on that.

Xcel Energy will be working in parts of the city, near the southern edges, on the Big Oaks transmission project. This is for the line from Alexandria to Becker. It is a new circuit on existing transmission line structures set for next spring. The final certificate of occupancy was issued for Wobegon Crossings. This project is almost complete and should be coming to the January council meeting to wrap up the final paperwork.

The investment company of Casey's North will meet with the local interested business person.

City Administrator Winter and Community Development Director Hellermann will be meeting with Inspectron with some concerns that have been raised and setting expectations for 2025.

Judy Adams' property has been sold to an LLC. The new property owner currently owns student housing in Waite Park and St. Joseph.

A.I. #5 ACTION ITEMS

None

A.I. #6 UNFINISHED BUSINESS

- a. Staff has received new information from the state of Minnesota that the city is not the underlying fee title holder for the easement area we were looking to purchase. This property is owned by the Hiltner family; therefore the electronic billboard will need to be placed in a location without the purchase of the easement. There was discussion by MADA that staff contact a member of the Hiltner family informing them that they are the fee title holder of the easement area.
- b. Community Development Director provided an update on the Northstar Properties project at 406 Main Street East (formerly Scooters). Ms. Hellermann stated that the structural engineer signed off on the plans for the roof. Ms. Hellerman has contacted local businesses that may be affected by the construction. Mr. Hiltner would like to have second floor access from inside the building rather than outside access.
- c. MADA was updated on the ordinances for cannabis businesses – both licensing and regulation, and zoning, electronic billboards, and vacant building. The Council will be presented with the final draft of both the licensing and regulation ordinance as well as zoning for cannabis businesses and the vacant building ordinance at its December 19, 2024, meeting. Further research is still being done on the electronic billboard ordinance. This ordinance will go before the council at its January 16, 2025, meeting.
- d. Roach Development now owns the 25 lots in Railroad West. The closing was completed December 2, 2024, and our proceeds were received.
- e. Community Development Director Hellermann provided an update on the real estate transactions and platting in Highlands. The streets are as far as they are

going to go for 2024. There will be a final layer applied in the spring of 2025. Lots are selling.

- f. Director Hellermann provided an update on the 2024 street projects and 2025 projects.
- g. Community Development Director Sheila Hellermann stated that construction continues at Stearns Electric. All city services have been installed at Stearns Electric. Carstens Industries is also moving along. Blue Door Storage is wrapping up construction of one of the sheds. Seven of the ten units have already been rented. Blue Door Storage will be constructing another four sheds in 2025. Wobegon Crossings has been issued the final Certificate of Occupancy. They continue to receive applications. Approximately 50 of the 73 units have already been rented. MKI Enterprises has constructed the second storage shed. Mr. Indieke is looking at residential construction on the other side of the property.

A.I. #7 NEW BUSINESS

- a. Staff is seeking input and ideas and goal settings for 2025 and 2026. What should we be looking at and who should we have conversations with? Is it time to re-visit the downtown Jennie-O site? Should we actively assist the Bohlig Cleaners owner with environmental cleanup grant writing? Are there targeted acquisitions to consider?

MADA by consensus recommended the following goals for 2025 and 2026

- The city to wait for the right opportunity, or life changing circumstances on the part of the property owner for land acquisition.
- Focus on industrial land rather than housing
- Create Facebook Page - MADA

A.I. #8 INFORMATIONAL ITEMS

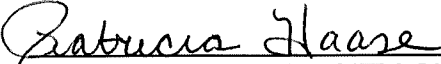
- a. MADA's next meeting is scheduled for Thursday, January 9, 2025, at 6:00 a.m.

A.I. #9 ISSUES OF MADA/COC MEMBERS AND STAFF

None

A.I. #10 ADJOURNMENT

A motion was made by Mr. Woeste, seconded by Mr. Morelos and unanimously carried to adjourn the meeting at 7:15 a.m.


PATRICIA HAASE – CITY CLERK