

**MELROSE AREA DEVELOPMENT AUTHORITY/
COMMUNITY OPPORTUNITIES COMMITTEE
REGULAR MEETING
THURSDAY, JUNE 12, 2025 – 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, June 12, 2025, 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, Dave Rahn, Joe Woeste, Travis Frieler, City Administrator Colleen Winter, and Community Development Director Sheila Hellermann. MADA Member Jose Morelos, and Mayor Joe Finken were 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. Rahn, seconded by Mr. Woeste and unanimously carried to approve the agenda as submitted.

A.I. #3 APPROVAL OF MINUTES

A motion was made by Mr. Frieler seconded by Mr. Rahn and unanimously carried to approve the minutes from the May 8, 2025, Regular Meeting.

A.I. #4 REPORTS

- a. Community Development Director Sheila Hellermann stated that the Imdieke family is moving ahead with their housing development. This will require a rezone and replating. This will be a private development. Construction is anticipated to begin in the spring of 2026. There have also been discussions regarding phase II of the Highlands development. Ms. Hellerman has been working with an individual interested in purchasing the Diane Nathe property. Caseys South is requesting a new pole at a height of 120 feet which will require a variance, as our ordinance is 70 feet. Some Like It Hot will open on June 27, 2025. There will be a plat for the church block. This will also be a housing development.
- b. City Administrator Winter provided an update.
Lawmakers returned to the Capital on June 9, 2025 for a special session and completed their remaining work. Of note are:
Taxes – Repeal of electricity exemption for data centers; changes to cannabis gross receipts tax 10 to 15%;
TIF – extends temporary pooling increment authority by one year 2025 to 2026 for projects that create and retain jobs.
EMS – funding for ambulance attendant training and education
LGA – No cuts to LGA for 2026
Audit – The 2024 Audit has been completed and will be presented to the Council and Public Utilities Commission.

A.I. #5 ACTION ITEMS

None

A.I. #6 UNFINISHED BUSINESS

- a. At the October 10, 2024, meeting, and reaffirmed at the April 10, 2025 meeting, MADA voted to provide \$75,000 in funding to support the redevelopment project at 406 East Main Street. The project is underway. Attorney Scott Dymoke has drafted a development agreement which needs to be finalized. The lender for Northstars Property LLC has provided financial information about its commitment. The attached email sets forth the two sides of the project – the real estate and the business side. Mr. Hiltner has a goal of having a certificate of occupancy by August 1st if possible. MADA Member Duevel stated that Northstars Property LLC would be required to provide copies of invoices.

A motion was made by Mr. Frieler, seconded by Mr. Rahn and unanimously carried authorizing Bob Mayers as President, and Dave Rahn, as Secretary, to enter into the Agreement with the condition that Northstars Properties LLC provides copies of invoices for the real estate portion of the project.

- b. At the May 8, 2025 MADA reviewed the lease provided by Rheaume/iDigital Outdoor for a billboard in the wellhead area. iDigital provided a word version so Attorney Dymoke could mark it up and make his suggestions. This agreement would be signed, once finalized, by the city council. MADA reviewed the final draft of the contract. MADA had no changes to the contract.
- c. Purchase or sale of real or personal property Minn. Stat. § 13D.05, subd. 3 (c). A public body may close a meeting to determine the asking price for real or personal property to be sold by the public body. • Review confidential or protected nonpublic appraisal data. • Develop or consider offers or counteroffers for the purchase or sale of real or personal property. Before holding a closed meeting under this exception, the public body must identify on the record the particular real or personal property that is the subject of the closed session. The closed meeting must be recorded. The recording must be preserved for eight years and must be made available to the public only after all real or personal property discussed at the meeting has been purchased or sold, or after the public body has abandoned the purchase or sale. The real or personal property that is being discussed must be identified on the recording. A list of members and all other persons present at the closed meeting must be made available to the public after the closed meeting. The actual purchase or sale of the real or personal property must be approved at an open meeting, and the purchase or sale price is public data.

Discussion will continue about a possible redevelopment of property, including recent conversations and grant application considerations.

The following parcels will be discussed for the purpose of redevelopment:

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66.37177.0000

A motion was made by Mr. Rahn, seconded by Mr. Duevel and unanimously carried to close the meeting at 6:15 a.m.

Present were MADA Members: Bob Mayers, Jerome Duevel, Dave Rahn, Joe Woeste, and Travis Frieler, City Administrator Coleen Winter, and Community Development Director Sheila Hellermann.

Community Development Director Sheila Hellermann has had further discussions with the owner regarding the potential redevelopment of the site. MADA has directed staff to move forward with the redevelopment grant application.

A motion was made by Mr. Rahn, seconded by Mr. Frieler and unanimously carried to open the meeting at 6:21 a.m.

A.I. #7 NEW BUSINESS

- a. The Stearns County Housing Trust Fund Board has released an application for funding of projects in Stearns County – owner/occupied and rental – rehabilitation and new construction, as well as infrastructure. Attached is the application. Information about the program was included in the utility bills in May. Staff is working with residents to complete applications. So far we are working with 13 different homeowners for projects – mainly windows and siding. 3 completed applications have been submitted. The other homeowners are getting estimates for their projects so accurate applications can be submitted. The first review of applications by the Stearns County Housing Trust Fund Board is Monday, June 23rd, 2025.

A motion was made by Mr. Rahn, seconded by Mr. Woeste and unanimously carried authorizing Bob Mayers as President to issue a letter of support for rehabilitation projects in Melrose to accompany residents' applications.

- b. A local business is interested in purchasing 406 2nd Ave SE. A purchase price has been agreed to and a purchase agreement is drafted. The local business has been in contact with Subway about continuing their lease. The local business has asked about support. Staff discussed the revolving loan fund program, with lower interest rate, and which comes in as a second mortgage behind the primary lender. The local business is putting together numbers for necessary remodeling of the property.
- c. Recently another local daycare closed. Local employers are hearing from employees concerns about availability. Other cities have started these discussions as well. Community Development Director Sheila Hellermann stated that the former Stearns Electric stie was considered as a potential site for early childhood.

, as remodeling the location is challenging. Staff will be putting together a task force with the school, and major employers to explore collaborating on a daycare facility.

A.I. #8 INFORMATIONAL ITEMS

- a. MADA's next meeting is scheduled for Thursday, July 10, 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. Rahn seconded by Mr. Frieler and unanimously carried to adjourn the meeting at 6:35 a.m.


PATRICIA HAASE – CITY CLERK