

**MELROSE AREA DEVELOPMENT AUTHORITY/
COMMUNITY OPPORTUNITIES COMMITTEE
REGULAR MEETING
THURSDAY, JULY 11, 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, July 11, 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, Dave Rahn, Joe Woeste, Travis Frieler, Mayor Joe Finken, and Community Development Director Sheila Hellermann. and City Administrator Colleen Winter. MADA Member Jose Morelos 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. Rahn, seconded by Mr. Travis Frieler and unanimously carried to approve the agenda as submitted.

A.I. #3 APPROVAL OF MINUTES

A motion was made by Mr. Travis Frieler, seconded by Mr. Duevel and unanimously carried to approve the minutes from the June 13, 2024, Regular Meeting.

A.I. #4 REPORTS

- a. Community Development Director Hellermann provided an update on current projects. St. Mary's has built their shed. MKI Enterprise has their first storage complex almost completed. The Thieler lease was signed, and payment has been received. Casey's North went out for bids for three of their stores. There was no interest in the Melrose location. Bruder's Butcher is now listed for sale. Empire Memorial is also listed for sale. Riverside Flats is close to full. The retail spaces are not completed. Wobegon Crossing still scheduled to open September 1. Staff toured the Stearns Electric building.
- b. City Administrator Winter provided an update on the Main Street project. The various utilities have met to discuss the Highlands project. City Administrator Winter stated that we are looking to fill a number of vacancies including two police officers, part-time streets/parks maintenance worker, electric operations director and journey lineworker.

A.I. #5 ACTION ITEMS

None

A.I. #6 UNFINISHED BUSINESS

- a. Staff is currently working with several developers in the city. The preliminary plat for Melrose Highlands North was approved by the Planning & Zoning Commission on June 24th. It will be reviewed by the Council on July

18th. The final plat will be reviewed at the July 29th Planning & Zoning Meeting. The developer has a sign up and is actively marketing the lots.

A preliminary plat for KL Properties #1 will be reviewed by the Planning & Zoning Commission on Monday, July 29th. The city has completed a feasibility study on the Highlands Blvd. extension. It is being designed now by SEH. The plan is for construction yet this fall. We are completing the necessary steps for special assessments.

Stearns Electric is working on footings. Their precast walls will be delivered in early August. The current Stearns Electric building will be sold or leased – they have begun actively marketing that property. Staff will be touring the property on Tuesday, July 9th.

The preliminary and final plats for Melrose I-94 Industrial Park Second Addition were approved by Planning & Zoning on June 24th and by the Council on June 26th. We are waiting on the mylars for closing. Carstens has parts of the building delivered and waiting. There will be considerable dirt work to get done.

Blue Door Storage is working through permits on their 2nd and 3rd buildings for 2024. #1 for 2024 is complete. More are planned, possibly for this year. The 3rd building will be much larger with individual units with water and electric to each unit, separately metered.

A purchase agreement with Roach Development for the 11 acres/2 cul-de-sacs in Railroad West has been signed. The land was transferred to the city (rather than MADA holding it). A TIF district and development agreement is being worked out now and will be signed at the real estate closing – which will occur before December 1st. Mr. Roach has told staff he will be providing a layout of the 11 acres in the next 30 days so we can see access points and how city services will lay out. The Park Board has discussed the one (1) acre set aside for a future park and targeted 2026/2027 for a construction plan for that area. The connection across to the Lake Wobegon Trail has been installed off Railroad Avenue.

Matt and Jacob Imdieke are interested in pursuing a townhouse project.

- b. We have received a request regarding the Revolving Loan Fund.

At the end of last year we had \$640,154 available for lending in the MADA Revolving Loan Fund.

City of Melrose, Minnesota
Melrose Area Development Authority
Combining Balance Sheet
December 31, 2023

	Melrose Area Development Authority (MADA)	MADA Revolving Loan	Total
Assets			
Cash and temporary investments	\$ 58,256	\$ 640,154	\$ 698,410
Loans receivable	48,301	350,199	398,500
Total Assets	<u>\$ 106,557</u>	<u>\$ 990,353</u>	<u>\$ 1,096,910</u>

The existing "loans receivable" are Riverside Flats (\$275,000), which is deferred, and will likely not be collected, and Granite City, which will be collected in tax increments.

MADA supported using the Revolving Loan Fund to assist businesses.

- c. We received additional information about JOTS and their concerns/reasoning for letting the letter of intent expire. JOTS would be willing to continue negotiating the cost. JOTS would support the city applying for the demolition grant. MADA discussed the possible next steps
- d. Katie Masog, graphic designer, has provided two initial ideas for the city side of the Stearns Electric billboard. She suggested matching city colors and adding the logo. MADA favored the logo: Find Your Home, Job, People. Staff will work with Ms. Masog on the design.

A.I. #7 NEW BUSINESS

- a. The Planning & Zoning Commission began discussing zoning for cannabis businesses at its June 24th meeting. Staff is drafting a preliminary zoning ordinance for review at its next meeting. We discussed following the same guidelines as adult businesses in the existing ordinance, which are:
 - (1) shall not be located within 1,000' of an existing business selling the same.
 - (2) shall not be located within 1,000' of any existing school or place of worship
 - (3) shall not be located within 400' of any PUD District, Residential District, or residential property
 - (4) shall not be located within 400' of any property being used as a park
 - (5) shall not be located within 400' of any premises licensed under Chapter 113, Liquor Regulations, of the Melrose City Code.

The P&Z agreed C-2 (Commercial Highway) is an appropriate location. They were undecided about C-1 (Commercial Downtown), and hesitant about C-5 (Commercial Mixed Use – like Riverside Flats). They agreed Industrial is the only appropriate location for any manufacturing businesses of cannabis. MADA discussed the regulation and location of cannabis businesses.

A.I. #8 INFORMATIONAL ITEMS

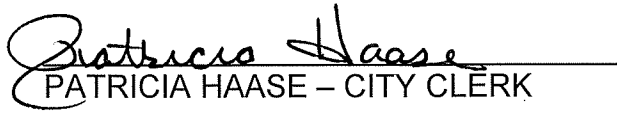
- a. MADA's next meeting is scheduled for Thursday, August 8, 2024, at 6:00 a.m.

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

None

A.I. #10 ADJOURNMENT

A motion was made by Mr. Finken seconded by Mr. Rahn and unanimously carried to adjourn the meeting at 6:55 a.m.


PATRICIA HAASE – CITY CLERK