

**MELROSE AREA DEVELOPMENT AUTHORITY/
COMMUNITY OPPORTUNITIES COMMITTEE
THURSDAY, APRIL 20, 2023 – 5:00 P.M.**

AGENDA

1. Call to Order/Roll Call
2. Approval of Agenda
3. Approval of Minutes
4. Reports
 - a. City Planner
 - b. City Administrator
5. Public Hearing
 - a. The Sale Of Real Property Pursuant to Minnesota Statute 469.105. MADA Shall Consider the Sale of Portions of Outlot A, Outlot C And Outlot D of Melrose Meadow View, According to the Recorded Plat Thereof at the Office Of The Stearns County Recorder. The Property Is Being Replatted and Will Be Replatted As Lot 1, Block 1, Railroad West Prior To Closing. The PID Numbers of Said Property are 66.37010.0384 And 66.37010.0385.
6. Action Items
 - a. Purchase Agreement with GC Real Estate Partners
7. Unfinished Business
 - a. Bylaws
 - b. Theiler Lease
8. New Business
9. Informational Items
 - a. Next Meeting
10. Issues of MADA/COC Members and Staff
11. Adjournment

**MELROSE AREA DEVELOPMENT AUTHORITY/
COMMUNITY OPPORTUNITIES COMMITTEE
REGULAR MEETING
THURSDAY APRIL 20, 2023 – 5:00 P.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, April 20, 2023, at 5:34 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were MADA Members Bob Mayers, Jerome Duevel, Sara Hoffner, Travis Frieler, City Planner Sheila Hellermann and City Attorney Scott Dymoke. Also in attendance was Mike Bobick with Granite City Real Estate Partners, Bob McManus and Don Meredith with Regency Builders, and resident Joseph Rosenberger. MADA Member Dave Rahn and Julie Baum were absent. There are no active COC members. President Bob Mayers called the meeting to order. MADA Member Joe Finken and City Administrator Colleen Winter joined the meeting at 5:45 p.m.

A.I. #2 APPROVAL OF AGENDA

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

A.I. #3 APPROVAL OF MINUTES

A motion was made by Ms. Hoffner, seconded by Mr. Frieler and unanimously carried to approve the minutes from the March 16, 2023, Regular Meeting.

A.I. #4 REPORTS

- a. Due to time constraints the City Planner Report was not given
- b. Due to time constraints the City Administrator Report was not given.

A.I. #5 PUBLIC HEARING

- a. The Melrose Area Development Authority will convene a Public Hearing at 6:00 p.m. on Thursday, April 20, 2023, at the Melrose City Center, 225 1st Street NE, Melrose, MN, for the purpose of giving consideration to a purchase agreement by and between MADA and Granite City Real Estate, LLC, dba GC Real Estate Partners. If authorized Melrose Area Development Authority would be selling part of Outlots A, C, & D, of Melrose Meadow View, as shown on the parcel sketch of the purchase agreement. The parties acknowledge that the property subject to the purchase agreement is in the process of being replatted and will be replatted as Lot 1, Block 1, Railroad West. This will be complete prior to closing.

Granite City Real Estate, LLC has provided an exterior elevation rendering, unit floor plan information, and interior photos showing its proposed development of the property.

City Administrator Winter presented the Affidavit of Publication of the Public Hearing Notice, which was published in the Star Post on Wednesday, April 5, 2023, along with the Affidavit of Posting of Notice of Hearing.

A motion was made by Mr. Frieler, seconded by Mr. Duevel and unanimously carried to open the meeting at 5:45 p.m.

Mr. Joseph Rosenberger at 38917 Sauk River Bypass. Mr. Rosenberger owns property in proximity to the proposed development. Mr. Rosenberger has concerns in regard to the proposed development. He believes that the priority of this development should be single family rather than multi-family. The city already has a 29-unit complex proposed to be built on the former Kraft Lot. He believes single family homes are needed for empty nesters, and retirees in order to keep them in the community. Mr. Rosenberger also questioned if the units do not fill will it be turned into section 8. Mr. Rosenberger supports development, however believes single family homes should be the first priority. Mr. Rosenberger asked who would manage the property.

City Administrator Winter stated in response to Mr. Rosenberger comments that the 29 unit building proposed for construction on the former Kraft Lot will have only one- and two-bedroom units. There will not be any three-bedroom units in that complex. Mr. Bobick, with GC Real Estate Partners represents the group developing the property. They were invited to Melrose to help fill the housing need. They have reviewed the housing study completed by the city as well as conducting their own study and believe there is a housing need. Mr. Bobick noted that the rate of home sales is three to six per year. Also, seniors as well as young people are occupying multi-family units as it frees them from maintaining property allowing them more free time for family, traveling, and other activities. They in turn will sell their homes to young families. For young people multi-family housing is currently more affordable than purchasing a new home. Mr. Bobick noted that property will be managed professionally and the property will be extremely well kept. There will be an onsite manager with oversight from the St. Cloud office. They manage over 4,000 apartment units in Minnesota and North Dakota. They have a staff of 20-25 people to handle maintenance requests. They have their own maintenance company.

City Administrator Winter stated that section 8 is no longer, instead it is now tax credit housing. Mr. Bobick stated that it will be high quality facility that is professionally managed.

Karl Oevermann asked if they have cost estimates for rent? Mr. Bobick stated that rent will be \$1,000 to \$1,350 per month.

Tony Klasen stated that he echoes the concerns expressed by Mr. Rosenberger regarding tenant fulfillment.

President Mayers asked for any further comments.

There being none a motion was made by Mr. Finken, seconded by Mr. Frieler and unanimously carried to close the Public Hearing at 6:25 p.m.

A.I. #6 ACTION ITEMS

- a. MADA earlier this evening held a Public Hearing for the purpose of giving consideration to a purchase agreement by and between MADA and Granite City Real Estate, LLC, dba GC Real Estate Partners. If authorized Melrose Area Development Authority will sell part of Outlots A, C, & D, of Melrose Meadow View, as shown on the parcel sketch of the purchase agreement.

A motion was made by Ms. Hoffner, seconded by Mr. Finken and unanimously carried authorizing the execution of the Purchase Agreement with Granite City Real Estate LLC dba GC Real Estate Partners by MADA President Bob Mayers, and MADA Secretary Julie Baum.

A.I. #7 UNFINISHED BUSINESS

- a. At the last MADA meeting we discussed changes to the bylaws. City Attorney Scott Dymoke has prepared the revised bylaws reflecting the discussion by the MADA members. City Attorney Dymoke reviewed the revisions to the bylaws with MADA members.

A motion was made by Mr. Duevel, seconded by Mr. Frieler and unanimously carried approving the revised Bylaws.

- b. At the last MADA meeting we discussed the lease arrangement with Theilers. Staff was directed to reach out to Theilers to determine their interest in leasing the remainder of the property (portion not subject to agreements with GC Real Estate Partners). Theilers were interested. Attorney Scott Dymoke has drafted the attached lease for MADA review.

A motion was made by Mr. Frieler, seconded by Ms. Hoffner and unanimously carried authorizing the execution of the lease agreement with Theilers for the 2023 crop season by MADA President Mayers, and MADA Secretary Baum.

A.I. #8 NEW BUSINESS

None

A.I. #9 INFORMATIONAL ITEMS

- a. MADA's next meeting scheduled for Thursday, May 11, 2023, at 6:00 a.m. has been rescheduled to May 4, 2023, at 6:00 a.m.

A.I. #10 ISSUES OF MADA/COC MEMBERS AND STAFF

None

A.I. #11 ADJOURNMENT

A motion was made by Mr. Finken, seconded by Mr. Duevel and unanimously carried to adjourn the meeting at 6:30 p.m.

PATRICIA HAASE – CITY CLERK