

**MELROSE AREA DEVELOPMENT AUTHORITY/
COMMUNITY OPPORTUNITIES COMMITTEE
REGULAR MEETING
THURSDAY, MAY 8, 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, May 8, 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, Joe Woeste, Jose Morelos, Mayor Joe Finken, and Community Development Director Sheila Hellermann. City Administrator Colleen Winter attended via phone. MADA Member Dave Rahn and Travis Frieler 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. Finken, seconded by Mr. Morelos and unanimously carried to approve the agenda as amended.

A.I. #3 APPROVAL OF MINUTES

A motion was made by Mr. Woeste seconded by Mr. Duevel and unanimously carried to approve the minutes from the April 10, 2025, Regular Meeting.

A.I. #4 REPORTS

- a. Community Development Director Sheila Hellermann stated that she was able to attend a Brownfields conference in St. Cloud on April 24th and brought back really good information about redevelopment. It was acknowledged that redeveloping existing sites is much more challenging than building new on bare land, but we are digging in and tackling some of those challenges. There is progress on Caseys' North. A purchase agreement is being drafted. There has been some discussion on the church block. They are considering a housing project on the church block. There has been interest in Bruder's Butcher shop. Matt and Jacob Imdieke are refining their proposal on the storage shed and housing development being thoughtful of the Lake Wobegon Trail setbacks. There has been some interest in the Bohlig cleaner building however there are challenges in repurposing the building. Stearns Electric is on schedule to be in their new building in June or July. They will be listing their current building with a realtor.
- b. City Administrator Winter provided the following update.
State Legislature: With the clock ticking, it appears that the DFL Senate, divided House, and Governor Walz are not yet close to finalizing a budget agreement for this session.
Housing proposals: The House bill (HF 2437) was taken up and passed out of the House Tax Committee. It includes changes to TIF for Greater Minnesota that would help with housing and redevelopment.

Budget Reductions: The Senate tax bill includes a permanent \$20 million cut to LGA. If passed that would mean a loss of \$36,543 or 3.1% LGA for Melrose. We will continue to monitor this closely.

MRES and other utility lobbyists continue to work on pulling the MPCA air dispersion modeling language out of bills. Meanwhile, municipal and cooperative utilities are working to protect customers' interests as a potential data center bill is being negotiated.

A.I. #5 ACTION ITEMS

- a In November 2023, Twin Pines Catering applied for a Commercial Rehabilitation Deferred Loan for signage. On May 1, 2025, True North was sold. Steve Danzl has provided payment to the City for the full amount of the loan.

A motion was made by Mr. Finken, seconded by Mr. Woest and unanimously carried, authorizing Bob Mayers, as President, and Dave Rahn as Secretary, to execute the Satisfaction of Mortgage.

A.I. #6 UNFINISHED BUSINESS

- a. At the April 10, 2025 meeting staff were directed to ask Rheaume/iDigital Outdoor for a contract to review for a billboard in the wellhead area. MADA reviewed the information we received. City Attorney Scott Dymoke reviewed the contract and does have some concerns. He believes 25-year term with 25 year renewable term is to long. He would also like to see a more specific date as to the start of the first lease payment. He is very concerned as right now it is a blanket easement to go onto the wellhead property. Mr. Dymoke wants a narrow, defined path to access the property. He also wants the city to be able to terminate early, and to be able to consent if iDigital sells to a third party. Mr. Dymoke will make revisions to the contract to be presented at the June meeting.
- b. The new owners of True North have asked whether MADA has funds available for business assistance. Staff informed the new owner that should they wish to make some changes or redesign they could bring forth their request to MADA.
- c. A local business owner shared his idea for a potential redevelopment project.
- d. Community Development Director Sheila Hellermann has reached out to a dozen current businesses owners regarding business retention, expansion and future plans. In addition, Community Development Director Hellermann stated that she has sent out the vacant building registration to 3 local business owners. She has only received a response back from one of the business owners.

A.I. #7 NEW BUSINESS

- a. Mark Ettel currently leases four different buildings and he is looking to have everything located on one site.. He currently owns 12 trucks and has additional tankers. The City of Freeport has offered him six acres in their Industrial Park for 50 cents a square foot. The city of Melrose does not have six acres in the Industrial

Park. There would be six acres on the north side of the Industrial Park, which does not have a road to it yet. This would most likely not qualify for a BDPI grant. MADA provided input as to potential locations.

A.I. #8 INFORMATIONAL ITEMS

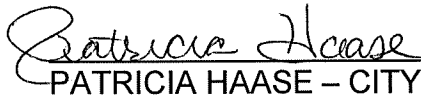
- a. MADA's next meeting is scheduled for Thursday, June 12, 2025, at 6:00 a.m.

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

None

A.I. #10 ADJOURNMENT

A motion was made by Mr. Duevel, seconded by Mr. Morelos and unanimously carried to adjourn the meeting at 7:00 a.m.


PATRICIA HAASE – CITY CLERK