

**MELROSE AREA DEVELOPMENT AUTHORITY
REGULAR MEETING
THURSDAY, MAY 14, 2026 – 6:00 A.M.**

1. CALL TO ORDER/ROLL CALL

The Melrose Area Development Authority met in a Regular Meeting on Thursday, May 14, 2026 at 6:00 A.M. at the Melrose City Center pursuant to due notice being given thereof. Present were MADA Members Travis Frieler, Jerome Duevel, Joe Finken, Joe Woeste, Bob Mayers, Dave Rahn, Jose Morelos and Police Chief and City Point of Contact Craig Maus and Community Development Director Sheila Hellermann. President Mayers presided thereat.

2. APPROVAL OF THE AGENDA

A motion was made by MADA Member Finken, seconded by Secretary Rahn, and unanimously carried to approve the agenda.

3. APPROVAL OF MINUTES

A motion was made by MADA Member Frieler, seconded by MADA Member Finken, and unanimously carried to approve the MADA March 25, 2026 Special Joint Meeting Minutes with the City Council, the MADA April 9, 2026, Meeting Minutes, and the MADA May 5, 2026 Special Joint Meeting Minutes with the City Council.

4. REPORTS

4a. Community Development Director Report

Community Development Director Sheila Hellermann provided the following update. Roach should be starting to build the next section of the townhomes they are working on next week. Her and Streets/Parks Supervisor Rousslange talked with the playground company, and the playground for the Railroad West Park should go in the second week in July. Kraemer Lumber will be putting the restroom in around that time as well. Hellermann stated that there has been a lot of tours and discussion around the old St. Mary's parish house and what can go there. It is zoned as R-1. She has been asked if it could turn into multi-family housing, or if there is a business that could go in there. It could be a group home or a daycare, but anything beyond that would require discussion. The church did put restrictions on the sale as well.

5. OLD BUSINESS

5a. Community Opportunities Committee Discussion

Community Development Director Hellermann presented. Last meeting, Jake from Carstens was mentioned as a potential member, and he was invited to this meeting but could not attend. Isaac Hinnenkamp was also brought up as a potential member, he will be invited to the next meeting as well.

5b. Redevelopment Project

According to State Statutes, there are certain exceptions to the Open Meeting Law,

which allow councils to close meetings. The Melrose Area Development Authority may, by majority vote in a public meeting, decide to hold a closed meeting to determine the asking price for real property to be sold by the public body, review confidential or nonpublic appraisal data; develop or consider offers or counteroffers for the purchase or sale of real or personal property. Prior to closing a meeting under any of the following exceptions, the public body must state on the record, the specific grounds that permit the meeting to be closed and describe the subject to be discussed and identify the particular property that is the subject of the meeting. The meeting must be tape-recorded and the property must be identified on the tape. The recording must be preserved for eight years and must be available to the public after all property discussed at the meeting has been purchased or sold or after the public body has abandoned the purchase or sale. A list of MADA 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 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

- the most recent communications with the owner of the parcels,
- discussions with the developer,
- discussion about the DEED grant options,
- review parking lot proposals (attached)
- and demo plan for bidding.

The parcel numbers being discussed are:

66.37010.0770
66.37177.0000
66.37210.0000
66.37209.0000
66.37208.0000
66.37010.0769

A motion was made by Vice President Duevel, seconded by Secretary Rahn, and unanimously carried to close the meeting at 6:05 A.M.

Discussion continued about a possible redevelopment of property, including

- the most recent communications with the owner of the parcels,
- discussions with the developer,
- discussion about the DEED grant options,
- review parking lot proposals (attached)
- and demo plan for bidding.

A motion was made by Secretary Rahn, seconded by MADA Member Woeste, and unanimously carried to re-open the meeting at 6:26 A.M.

5c. Update from Melrose Metalworks

Community Development Director Hellermann presented. The owner of Melrose Metalworks came to talk with her, they have had ongoing discussions since the tornado. The small building on the north side was destroyed. He has been trying to decide what

to do. The current building arrangement is not conducive to his business but he does recognize he bought it this way. He sometimes considers purchasing land in the industrial park and establishing a brand-new facility there. He has been talking with Pete Terres about selling or leasing part of his land to Terres. Hellermann does not see any issue with this. You might see some construction then on that corner.

5d. Commercial Rehab Deferred Loan Program Update

Community Development Director Hellermann presented. She has had 2 or 3 discussions about this program with business owners. She stated that she has talked with Larry Groetsch, owner of the dental office, about painting the exterior of the building. She let him know he will need a contractor estimate and then could move forward from there. She has also talked with the Hoppe brothers about John Dough's Taphouse needing a new roof, and it would be \$66,000. She is wondering if MADA would entertain pitching in four to five thousand to help out with the roof for John Dough's. The previous owner also requested MADA's assistance on this property. There are rules about providing assistance to the same property more than once. MADA Members decided to not do roofs for this program and change the program eligibility documents.

5e. Daycare Center Update

Community Development Director Hellermann presented. The daycare center is now advertising that they will be open and are taking applications for spots. We are still waiting to hear back on the DEED grant for \$100,000 for the buildout that was applied for. The contractor is already working in the space. The daycare owner asked if MADA can contribute funds to help with the equipment. Stearns Electric still technically owns the building, so that is a consideration with donating at this time. MADA Members decided to wait until the DEED grant decision comes in to take action on donating equipment. At the Planning and Zoning Commission meeting next month, they will be doing the Conditional Use Permit for the daycare. Hellermann asked MADA members what they are thinking about for that street in terms of additional development and if they have ideas about what types of businesses might move in close to the new daycare location.

6. NEW BUSINESS

6a. Interest in Melrose I-94 Industrial Park Lot

Community Development Director Hellermann presented. William Coyne of On the Money Hoof Care reached out to Hellermann about a lot in the Melrose I-94 Industrial Park. He would build a 60'x60' (approximately) building immediately. He has four current employees with plans to grow. She asked him about which lot he would want, he did not care about the specific lot. He would like to meet with the Acquisition Committee next week. MADA Member Frieler stated that he received questions about whether additional roads would be put in at the industrial park and the costs that would be associated depending on which lot he picked.

7. INFORMATIONAL ITEMS

7a. MADA's next meeting is scheduled for Thursday, June 11, 2026, at 6:00 a.m.

8. ISSUES OF MADA MEMBERS AND STAFF

Community Development Director Hellermann stated that the Stearns County Veterans Services office that is slated to move into Melrose is not coming to an agreement with Riverside Flats where they originally were planning to move into. Stearns County has reached out to Hellermann about alternate spots they could move into, and she has contacted Arvig for potential space in their building. She is also looking for additional ideas if people have them. There is also potential for Some Like It Hot to expand into another section of Riverside Flats. Hellermann stated that another issue that she is encountering is a conflict between two tobacco businesses that are opening around the same time. She has also been talking with Carstens about Warrior Boats applying for another permit with the state. The old Casey's has been sold but so far the city has not been approached about permits for the property by the new owners.

9. ADJOURNMENT

A motion was made by MADA Member Finken, seconded by MADA Member Woeste, and unanimously carried to adjourn the meeting at 7:03 A.M.

A handwritten signature in black ink, appearing to read "Connor Kockler", written over a horizontal line.

CONNOR KOCKLER – CITY CLERK