

**MELROSE AREA DEVELOPMENT AUTHORITY/
COMMUNITY OPPORTUNITIES COMMITTEE
REGULAR MEETING
THURSDAY, OCTOBER 9, 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, October 9, 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, Mayor Joe Finken, and Community Development Director Sheila Hellermann. City Administrator Colleen Winter attended via phone. 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. Finken 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. Duevel and unanimously carried to approve the minutes from the September 11, 2025, Regular Meeting.

A.I. #4 REPORTS

- a. Community Development Director Sheila Hellermann stated that building permitting will be lower this year. At the end of the third quarter, we issued 116 permits for a total of \$7.2 million dollars. The MADA Facebook page has 69,000 views. The owner of 528 2nd Street SE has demolished the fire damaged home. He is planning to rebuild next spring. The former Bruder's Butcher building has been sold. The new owner has been in contact with staff. The new owners are planning a Mediterranean restaurant. Casey's North is still on the market. Staff is continuing to pursue a Veterans Service Office in Melrose for 2026. It is currently in the Stearns County 2026 budget.
- b. City Administrator Winter stated that the levy was set at the September 18, 2025 Council meeting. The levy was set at a 16% preliminary levy increase. The increase was due to a cost-of-living increase, additional full time police officer and increase for insurance premiums. Staff is working on decreasing the levy. The final levy will be adopted at the December council meeting. The preliminary levy can be lowered but not increased. Staff has been meeting with the big three industries to talk about their Significant Industrial User Agreement and the increase in the utility fees. Commission Member Duevel asked if staff looks at the market value of properties when preparing the budget. Administrator Winter stated that they do. Residential property is estimated to increase by 3%, while Industrial and Commercial to remain flat. Commission Member Duevel also asked if the city would have an opportunity to install a battery plant. City Administrator Winter

stated that the Melrose Public Utilities is exploring additional generation with Missouri River Energy Services.

A.I. #5 ACTION ITEMS

None

A.I. #6 UNFINISHED BUSINESS

- a. Staff is finalizing the comprehensive plan since the termination of the contract with the consultant. MADA was presented with two chapters – transportation and economic development. We have significantly re-worked the initial draft. Planning & Zoning Commission provided positive feedback at its meeting on Monday, September 29th. MADA Members did not have any additional comments.
- b. Following up with last month's meeting, Jackie at Dan Schmidt Printing has received estimates for roofing repairs for her building. The estimate from Roof 1 came in at \$37,693 and All Elements Inc. estimate was \$31,637. Another quote from Higher Dimension exceeded \$40,000. These estimates are for roofing repairs only. MADA by consensus requested staff to have further discussion to obtain financials and if she has met with her bank. Staff will continue to work with the business owner.
- c. MADA was updated on the follow-up meeting held on Thursday, October 2nd with the major employers in the city. MADA reviewed the results from the city survey and additional information from other cities. Staff also reached out to Merry Moose Childcare which now has locations in Richmond, Rockville and Cold Spring (per MADA's request last meeting). The owner of Merry Moose toured the former Stearns Electric building. She will consider if it fits with her business strategy. Stearns Electric would be willing to front the cost of the remodel and include it in the lease. She would bring 23-25 employees to town. They would lease the office side only. There has also been outreach to St. Mary's. St. Mary's is potentially interested in doing something. The Montessori school is not interested in expanding. The Melrose School District does not intend to start talking about a referendum until next fall. Community Development Director Hellermann will inquire as to the long-term plan of the Dettler House.

A.I. #7 NEW BUSINESS

- a. Funding
 - 1. Staff has received information about the MnDOT LRIP program which just opened. We have decided to pursue this program for the 9th Street extension. It is administered like the Active Transportation grant we received for the sidewalk on County Road 168. Stearns County has agreed to sponsor and support our application. This seems applicable as a regional route, farm-to-market, and alleviating safety concerns and congestion at the intersection of 5th and 5th by the school bridge

The total estimate from city engineer Dave Blommel is \$1.5 million. We cannot apply for funds for the cost of engineering or utilities so the application will be \$755,002. The odds are long - when we applied for Main Street there was over \$100 million being awarded. This time there is only \$47 million. We will be reaching out for letters of support in the community, including local farmers and the school district.

2. When talking with DEED, they encouraged an application for Contamination Investigation on the possible downtown redevelopment parcel, before pursuing a demolition grant. Community Development Director will be working through the application.
3. The Small Cities Development Program just opened. We had the future owner of Bruder's Butcher Shop (a purchase agreement has been signed) asked specifically about this program. It is used effectively in Long Prairie. Staff reviewed this program with MADA. MADA supported a Small Cities Development Program to include commercial property.

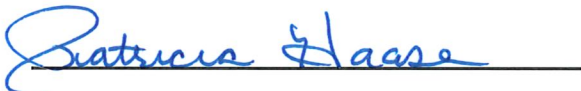
A.I. #8 INFORMATIONAL ITEMS

- a. MADA's next meeting is scheduled for Thursday, November 13, 2025, at 6:00 a.m.

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

A.I. #10 ADJOURNMENT

A motion was made by Mr. Rahn seconded by Mr. Frieler and unanimously carried to adjourn the meeting at 6:40 a.m.



PATRICIA HAASE – CITY CLERK