

**MELROSE AREA DEVELOPMENT AUTHORITY/
COMMUNITY OPPORTUNITIES COMMITTEE
THURSDAY, JUNE 8, 2023 – 6:00 A.M.**

AGENDA

1. Call to Order/Roll Call
2. Approval of Agenda
3. Approval of Minutes
4. Reports
 - a. Community Development Director Report
 - b. City Administrator Report
5. Action Items
6. Unfinished Business
 - a. Billboards
 - * b. Lot 1, Block 1 of Melrose I-94 Industrial Park
 - * c. Escrow agreement with Granite City Real Estate, LLC
7. New Business
 - a. Business Incentives
 - b. Legislative Update
 - * c. Financial Update
8. Informational Items
 - a. Next Meeting
9. Issues of MADA/COC Members and Staff
10. Adjournment

* Amendment

**MELROSE AREA DEVELOPMENT AUTHORITY/
COMMUNITY OPPORTUNITIES COMMITTEE
REGULAR MEETING
THURSDAY JUNE 8, 2023 – 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, June 8, 2023, 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, Julie Baum, Dave Rahn, Sara Hoffner, Travis Frieler, Mayor Joe Finken, Community Development Director Sheila Hellermann, and Finance Director Ryan Meyer. City Administrator Winter attended via phone conference. There are no active COC members. President Bob Mayers presided thereat.

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 amended.

A.I. #3 APPROVAL OF MINUTES

A motion was made by Ms. Baum, seconded by Mr. Rahn and unanimously carried to approve the minutes from the May 4, 2023, Regular Meeting and the May 8, 2023, Special Joint Meeting.

A.I. #4 REPORTS

- a. Community Development Director Sheila Hellermann stated that the purchase of the Felling Property in Daylight Court 2 has been completed. The campsites and roadwork at the Sauk River Park are complete. The construction of the restroom/shower facilities will begin early July. Kwik Trip is doing extensive soil work, the store construction is scheduled to begin July 3. Riverside Development Group will begin construction on the former Kraft site any day now. Building permits are close to 150 and 11.8 million in value.
- b. City Administrator Winter provided a legislative update.

A.I. #5 ACTION ITEMS

None

A.I. #6 UNFINISHED BUSINESS

- a. Feedback from MADA is sought about billboard design. Are we looking to promote economic development? People? Housing? Parks? All of the above? Staff is working on with MRES on a new design for the board near the golf course. We are looking for ideas to be used on the other board. Mayor Finken requested that he be involved in the design process of the billboard.

- b. We have continued research and discussion with the business interested in Lot 1, Block 1 of Melrose I-94 Industrial Park. He has brought a sketch of his proposed development of these six acres. MADA to discuss terms of a possible development agreement for this property (PID 66.37010.0280).

Purchase or sale of property A public body may close a meeting to:

- Determine the asking price for real or personal 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.

The following procedure must be used to close a meeting under this exception: (advising that a public body cannot authorize the release of a tape of a closed meeting under this exception until all property discussed at the meeting has been purchased or sold or the public body has abandoned the purchase or sale).

- Before closing the meeting, MADA must state on the record the specific grounds for closing the meeting, describe the subject to be discussed, and identify the particular property that is the subject of the meeting.
- The meeting must be recorded, and the property must be identified on the recording. The recording must be preserved for eight years and must be made 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 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.

The Community Development Director has had further discussions with the business owner who is interested in moving his business to Melrose. He would be constructing a large cold storage shed in the immediate future and would then add a service building and office space. He also met with the building official to talk about the building code. He is committed to maintaining the road until the city builds the road. MADA by consensus is supportive of continuing to work with the business owner.

- c. We have been working closely with Granite City Real Estate, LLC on their project on Railroad West. They have requested additional time to sign the purchase agreement. We have discussed this with Attorney Scott Dymoke. We are requesting that in consideration for the additional time, Granite City adds an additional \$20,000 to their escrow agreement with the City, thereby increasing the total to \$50,000 being held in escrow, which we can use to pay for costs incurred. Attorney Dymoke has drafted an Amendment to Escrow Agreement reflecting that.

As a further update, Granite City has received a very favorable financing package from its lender. Their plan is to sign the purchase agreement mid to late July, close in late August and begin construction immediately. Their lender is requiring a 60-day close from the time they accept the terms.

A motion was made by Mr. Rahn, seconded by Mr. Finken and unanimously carried approving the Amendment to the Granite City Real Estate LLC Escrow Agreement increasing the amount being held in escrow to \$50,000.

A.I. 7 NEW BUSINESS

- a. Staff presented the current business incentive wording as it appears on the City's website, which is very outdated. A new website is being launched next week. This page needs to be updated before it is visible on the new platform.

Staff have also been receiving inquiries from businesses about incentives – including basic maintenance like roofing as well as new business and expansions. What is the vision for the revolving loan fund? Should we be pursuing another Main Street-type grant to help rehab current business properties? By consensus MADA is supportive of offering grants to help rehab existing businesses.

- b. Staff provided an update on legislative developments including the cannabis legislation. The legislation does allow municipalities to distribute cannabis. What are MADA's thoughts on the cannabis legislation? Should we develop zoning restrictions as we consider cannabis sales in Melrose? MADA did not provide any guidance at this time.
- c. Finance Director Ryan Meyer provided financial information on the MADA and Revolving Loan Fund. Staff to research if the Revolving Loan Fund can be used for business incentive programs. MADA would be interested in providing a forgivable business incentive program.

MADA Member Travis Frieler left the meeting at 6:45 a.m.

A.I. #8 INFORMATIONAL ITEMS

- a. MADA's next meeting is scheduled for Thursday, July 13, 2023, 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 Ms. Baum and unanimously carried to adjourn the meeting at 7:00 a.m.

PATRICIA HAASE – CITY CLERK