

CITY OF COTTAGE GROVE

ECONOMIC **D**EVELOPMENT **A**UTHORITY

MINUTES **April 12, 2005**

Pursuant to due call and notice thereof, a regular meeting of the Economic Development Authority was held at City Hall, 7516 80th Street South, Cottage Grove, Minnesota on the 12th day of April 2005.

CALL TO ORDER

The meeting was called to order at 7:30 a.m. by EDA President Shiely.

ROLL CALL

Members Present: Myron Bailey, EDA Vice President
Gerry Weingartner, EDA Secretary/Treasurer
Sandy Shiely, EDA President
Mike Wennen, EDA Member
Jim Wolcott, EDA Member
Al Boche, EDA Member
Glen Kleven, EDA Member

Members Absent:

Others Present: Ryan Schroeder, EDA Executive Director
Howard Blin, Community Development Director
Ron Hedberg, Director of Finance and Administrative Services
Monica Percic, Management Analyst
Scott Johnson, Management Analyst

APPROVAL OF MINUTES

Jim Wolcott moved to approve the March 8, 2005 Economic Development Authority Minutes. EDA Member Wennen seconded and the motion carried unanimously.

DEVELOPMENT UPDATE

Ryan Schroeder informed the EDA that American AGCO has closed on the real estate for their new building and the City has closed on the property for the Hamlet Park ponding project. Both of these projects will be underway soon. ICC recently moved into their new building. Engineering is currently underway for a 9.9 acre pond east of Ideal. Also, a 2.3 acre parcel will be created out of this property east of PRI. Staff is recommending that Wag Farms deed the land to the City for use as a regional storm pond. Cottage Grove is one of two finalists for a 25 to 50 acre data center for a fortune 500 company. Staff will be responding to a 17 page request for information from this company in the near future. Ryan Schroeder explained to the EDA that he has received a number of requests from people interested in building on 2 to 3 acre sites. The City could accommodate these projects on the western portion of the Industrial Park. Ryan and Opus construction are both interested in building a multi-tenant structure along 95th in the Industrial Park.

The City issued the permit to build a 2,900 SF building at Grove Plaza to accommodate a coffee shop and a retail user. Cold Stone Creamery will begin construction on their space in April at the Shoppes at Gateway North. Holiday continues construction on their new gas station in Cottage Grove. Oak Park Commons will begin construction on their second building in the near future. Carbone's Pizza will need to receive a CUP before they open at Almar Village. A meeting will be held with business owners concerning the Gateway Fencing project in the near future.

Mayor Shiely asked if any restaurants are still interested in coming to Cottage Grove. Mr. Schroeder informed the EDA that the City has received a number of requests for information regarding sites. A brochure will be mailed to the ED mailing list within the next week. Good Year was recently purchased by Presbyterian Homes and will be a part of the Cottage Square redevelopment project. Presbyterian Homes is also working with Snyder's Drug Store to make them a part of their project. Myron Bailey asked if BP Amoco will be included in the redevelopment. Howard Blin informed the EDA that both parties are currently working on an agreement. Myron Bailey also asked about parking at Las Margaritas. Ryan Schroeder was recently informed that Las Margaritas is negotiating with Kohls to use their parking lot. Mr. Schroeder also said that a fitness center tried to locate at that site, but was unable to come up with the parking necessary for that use.

EAST RAVINE

Staff and consultants are currently working on the AUAR. Howard Blin informed the EDA that two issues will exist: 1) vacating Military Road, and 2) proposing that only a ¼ inch of rain will be held on site instead of the NPDES standard of ½ inch of rain. By only holding a ¼ inch of rain on site this will allow the City to build larger holding ponds and require less maintenance. Mayor Shiely thought that other issues should also be addressed on this topic besides cost and maintenance. She also asked if rain gardens will be used to help with storm water. Howard Blin said that rain gardens will be used throughout the East Ravine.

Mr. Blin also mentioned that street widths could become an issue for the East Ravine. The Public Works Commission is suggesting 34 foot street widths and the East Ravine Task Force is recommending 30 foot street widths. Sidewalks will be placed on arterial, collector, and high volume traffic local streets. Jim Wolcott asked if the City should keep maintaining all of the sidewalks and trails or if residents should be responsible for maintaining sidewalks. Mr. Wolcott thought that this is a topic that needs to be addressed.

REMOVE PARCELS FROM TIF 1-10 AND APPROVE THE TAX INCREMENT PLAN FOR TIF DISTRICT 1-13

Ron Hedberg informed the EDA that staff is recommending the removal of 4 parcels from TIF District 1-10 and move them to new TIF District 1-13. This move will allow the City to finish improvements of utilities, roads, and recuperate grading costs. This also moves the property from TIF 1-10 on to the tax rolls as scheduled, which is a benefit to not extend the life of TIF District 1-10. This issue will go to City Council on April 20th. The School District and the State will benefit the most from this move. Mayor Shiely asked who will represent the City at the County Commission meeting. Ryan Schroeder informed the EDA that the School District does not care and Washington County will send the City their standard letter stating that they are not in favor of TIF. The County Administrator informed Mr. Schroeder that it is up to the City if they want to have someone at the meeting. Washington County is more in favor of using tax abatement because it requires their approval and it allows government entities to levy back for any lost money. Mayor Shiely thought it would be a good idea to have someone present at the meeting.

Jim Wolcott made a motion to remove four parcels from TIF District 1-10 and add them to the new TIF District 1-13. Gerry Weingartner seconded the motion and the motion carried unanimously.

Glen Kleven made a motion to approve the tax increment plan for TIF District 1-13. Gerry Weingartner seconded the motion and the motion carried unanimously.

CALENDAR

The Volunteer Banquet will be held on April 26th at River Oaks.

MISC

Jim Wolcott mentioned that the City needs to give out a decent gift at this year's golf outing. The quality of the gifts has declined over the past two years.

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ADJOURN

The meeting adjourned at 8:00 a.m.

Respectively Submitted

Scott Johnson
Management Analyst