

CITY OF COLUMBUS
ECONOMIC DEVELOPMENT AUTHORITY MEETING
August 14, 2013

The August 14, 2013 Economic Development Authority meeting for the City of Columbus was called to order at 6:04 p.m. by President Dave Povolny at the City Hall. Present were EDA Commissioners Tracie Wilson, Denny Peterson, Jessie Messina, Bill Krebs; and Jeff Duraine, Executive Director Elizabeth Mursko; Attorney Bill Griffith, Jr., and Assistant Secretary Emmy Robinson.

Also in attendance: Pat Preiner, Mary Preiner, Maris Strautmanis with LATV 10.

Absent: None.

APPROVAL – MINUTES July 10, 2013

Motion by Duraine to approve the Minutes of the July 10, 2013 EDA meeting as written. Second by Peterson. Motion carried.

AGENDA APPROVAL

Motion by Duraine to approve the Agenda and additions presented. Second by Krebs. Motion carried.

NEW BUSINESS

Website Production (Pages 1-7)

Maris Strautmanis with LATV10 presented tonight. A draft script was included in the agenda packet and Mr. Strautmanis reviewed the script at this time. Mr. Strautmanis said this is just a draft of suggestions and changes can be made by the EDA commissioners if they wish. Mr. Strautmanis said the final video clip will be 5 to 7 minutes. A list of suggested filming/interview areas was included in the list.

The following items were suggested/planned:

- Commissioner Wilson suggested that live racing, the horse barn area (at Running Aces Harness Park) etc. be included in the video clip.
- Fall Fest information.
- The size of Columbus, 48 square miles, the acreage in the draft reflects city and county park acreage and does not include Carlos Avery WMA acreage.
- The goal is to highlight Columbus for developers.
- It was suggested that the various commercial areas be highlighted (Lake Drive, W Freeway Drive and home businesses).
- Council Member Krebs offered to give Mr. Strautmanis a tour of the City on August 24th.
- Show the zoning map.
- Council Member Messina said he would like to participate with parks/trees information.
- Council Member Peterson would participate with Coon Lake information.

- Commissioner Wilson will be the guide for Running Aces and the Freeway District area.

The City Council's contact information will be sent to Mr. Strautmanis by the Assistant Secretary. Mr. Strautmanis explained that the process will be he will do the filming and editing of the video and create an initial draft for review by the EDA.

Update - 2014 Budget (Handout at Meeting)

A memo dated July 31, 2013 from Northland Securities was included in the agenda packet regarding property tax levy authority for the EDA (EDA and HRA levy). The City Administrator reviewed the memo at this time. The EDA and HRA levy are calculated using total market value in the city. The recommendation is to levy both. The land payment is due next year in the amount of \$417,000, with a land sale this year of \$200,000 and the levy amounts from the EDA and HRA supplemental monies will be needed from the general fund. If there are other land sales, the levy amount can be reduced in future years; this is the revenue source to make the bond payments.

Why would this not be levied under the city's budget instead of through the HRA and EDA?

The City is under levy limits, debt service is exempt from levy limits. The EDA levy is part of the general fund levy; HRA levy has its own line item. The city needs money to pay the bond payments. This is the first year HRA powers have not been exercised. This will not lower the city levy, it will increase taxes overall for residents (by approximately \$56,000 – proposed 2014 EDA levy \$75,267 minus existing 2013 levy \$18,000).

Will the interest rates be affected by the downgrade in Moody's rating?

All the bonds currently issued are at prime rate and will not change.

It was noted that the other budget items the EDA had are included in the \$73,762.

Moody's rating

A report was included in the agenda packet. The City's rating was downgraded this year to A3 on lease revenue debt and A1 on MN's GO. Market value influences this rating which is outside the control of the city, however the city can control reserve levels. The reserve levels cannot be allowed to be further reduced. The City Administrator reviewed the report that was included in the agenda packet. Anoka County is willing to give the city an HRA grant for the water tank. 2014 is the first year principal is due for the Quad 35 land.

It was pointed out that selling the land and promoting business is what is needed to correct this. There are three items that are impacting this, the deferrals on utility assessments, land purchase, and the Ziegler water tank purchase. These are being set up as inter fund loans that will be paid back when land sales occur. The action is to approve the Resolution in the agenda packet. (Next topic)

Resolution EDA - HRA Levy (Page 8-9)

A resolution authorizing a special benefit levy (HRA - \$75,267) was included in the agenda packet. The action is approval of the resolution. This is independent of the general fund levy. There is a deadline is September 15th, this was discussed and direction was given to proceed with the levy at the last EDA meeting. The Attorney added that this is an HRA levy supporting the work of the EDA and was contemplated when the EDA was created, it is now needed because of the debt service payment.

Motion ADM 05000 by Peterson to approve Resolution 13-01 authorizing the Levy of A Special Benefit Levy Pursuant to Minnesota Statutes, Section 469.033, Subdivision 6 and Approval of a Budget in the amount of 75,267 for Fiscal Year 2014. Second by Wilson. Votes as follows: Wilson – aye; Peterson - aye; Messina - nay; Duraine - aye; Krebs - aye; Povolny - aye. Motion Carries.

It was noted that the resolution was in the original agenda packet, a revised version was in the additions.

OPEN BUSINESS

Update - Business Retention & Expansion (BR&E) Program

The first meeting of the BR&E was held August 6th; the team was made up of eight members. A calendar is being created and questions are being developed. There will be 4 focus groups and several businesses participating. There will be 5 task force meetings and 2 follow up meetings. A presentation will be made at ColumBiz.

Review - 2014 Goals (Page 10)

A 2014 Goal list was included in the agenda packet.

1. ColumBiz Event (April ?? 8:00 – 10:00 a.m. – RAHP)

The consensus is to select the first or second Thursday in April. The BR&E presentation should be ready by that time.

2. Advertise/Branding “Columbus”

➤ New Billboard Vinyl (?)

Commissioner Peterson said he saw the current billboard and thinks it’s faded and needs to be replaced. Mayor Dave Povolny added that he thought there may be more appropriate information that could be used.

Review - 2013 Goals (Page 11)

This will be discussed at the next meeting.

COMMISSION OPEN DISCUSSION

No further topics were raised.

EXECUTIVE DIRECTOR'S REPORT

The Moody’s report is in the additions. This should not affect the interest rates for past debt, future debt it is still at a prime rate. This rating won’t be used for future debt. The report gives information to bring the rating back up.

TREASURER'S REPORT

100 EDA General Fund Loan	\$617,167.17
240 EDA Fund	\$15,895.17
480 EDA Quad 35 Project Fund	\$3,096,224.00 (Land Value)
481 EDA Quad 35 Bond Fund	\$36.01
482 EDA Quad 35 RESERVE Fund	\$419,344.00

Next Meeting Date: September 11, 2013

ADJOURNMENT

Motion by Krebs to adjourn. Second by Duraine.

Meeting adjourned at 7:07 p.m.

Respectfully Submitted:

Emilia S. Robinson
Assistant Secretary EDA