

**CITY OF COLUMBUS
ECONOMIC DEVELOPMENT AUTHORITY MEETING
March 16, 2016**

The March 16, 2016 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, Mark Daly, Jeff Duraine, and Bill Krebs, Executive Director Elizabeth Mursko, Attorney William Griffith Jr., Public Works Superintendent Jim Windingstad and Public Information Coordinator Bronwyn Pope.

Also in attendance: Jodi Krebs, Pat Preiner, Mary Preiner, Michelle Vegte (AmericInn), John Seibert (Grandstay Hotels developer), and Dennis Postler (TKDA).

APPROVAL – MINUTES January 13, 2016 EDA Minutes

Motion by Krebs to approve the Minutes of the Jan. 13, 2016 EDA meeting as written. Second by Peterson. Votes as follows: Peterson – aye; Daly – aye; Duraine – aye; Krebs – aye; Povolny – aye. Motion carried.

AGENDA APPROVAL

Motion by Krebs to approve the Agenda as presented. Second by Peterson. Votes as follows: Peterson – aye; Daly – aye; Duraine – aye; Krebs – aye; Povolny – aye. Motion carried.

NEW BUSINESS

AmericInn Presentation – Michelle Vegte

Vegte is a corporate representative of AmericInn which is interested in developing a hotel in Columbus. They currently have a property in Forest Lake and are considering a development in Hugo. AmericInn is a Minnesota-based company with 69 properties in the state, and additional hotels in 23 other states. They would like the City to conduct a hotel feasibility study to determine the need for hotel rooms in Columbus. AmericInn is a midscale brand like Holiday Inn Express, Comfort Inn and Hampton Inn. The property would include a three-story building with about 50 rooms to fit within the City's design standards. The hotel would include a pool with a birthday-party room, a fitness center, free Wi-Fi, breakfast, a meeting room for 35-50 people, a convenience store, small beer and wine bar and lounging area near the lobby. They are looking for a lot with freeway frontage. Once the City completes a feasibility study, AmericInn would do a pro forma study, look at land and find potential investors. They usually build a property 10% smaller than the feasibility study room recommendations.

Grandstay Hotels Presentation - John Seibert

Seibert is President of Royal Business Consulting Corporation, a private Minnesota developer looking to build a Grandstay Hotel attached to Running Aces. This would be a franchise hotel, and be developed similar to the Grandstay Hotel built a year ago in Chisago City. Grandstay properties have both regular hotel rooms, and extended stay rooms with kitchens and living areas. The hotels have a pool, fitness center and breakfast area. Seibert has negotiated the franchise agreement, selected the potential development site, is working with the landowners and has the financing in place. They are working on the details regarding the design with Running Aces. Visitors to Running Aces and the hotel would not have to go outside to move between the two properties. Seibert would prefer that the City do a feasibility study with a group that specializes in hotel studies, and recommended either HMI or HCA for a cost of about \$8,000. Seibert estimated it would take about a year to have a hotel up and running.

Council briefly discussed the presentations and asked a few questions of both presenters. Vegte recommended the City consider putting a lodging tax in place. Griffith recommended the Council direct staff to get feasibility study proposals from both HMI and HCA, and to request a comprehensive hotel study for the entire area. If the City pays for the feasibility study it would have the right to keep the research confidential and share it with any hotel groups it prefers. EDA member Tracie Wilson recused herself from the discussion and vote due to a conflict of interest, as one of the groups is working with her employer, Running Aces.

Motion by Duraine to authorize staff to compare proposals from HMI & HCA and spend up to \$8,000 on a comprehensive hotel market study. Seconded by Krebs. Votes as follows: Peterson – aye; Daly – aye; Duraine – aye; Krebs – aye; Povolny – aye. Wilson recused. Motion carried.

OPEN BUSINESS

Reminder – ColumBiz event April 7, 2016 8-10 a.m. at Running Aces

Mursko outlined plans for the annual ColumBiz event April 7 which will be held at Running Aces. Invitations went out last week and RSVPs are beginning to come in. City staff and Council members will again be table captains for the event. Mursko shared results from last year's participant questionnaire, which showed phone and internet quality as the major area of concern. There are several areas of the City which continue to not receive great internet coverage and Mursko has been working with providers to investigate options for service. AT&T is currently upgrading their cell phone tower in the City and Verizon is building a tower on Lake Drive which should have service this year. Duraine pointed out that some areas of Forest Lake, even on 61, have problems with internet coverage as well. Feedback regarding a variety of issues will be gathered again this year from local businesses at the ColumBiz event.

Update – Quad 35 Land

This update will be provided during the City Council meeting directly following this meeting.

COMMISSION OPEN DISCUSSION - NONE

EXECUTIVE DIRECTOR'S REPORT

Treasurer's Report

100 EDA General Fund Loan	\$(1,007,415.68)
240 EDA Fund	\$33,394.37

NEXT MEETING DATE: May 11, 2016 at 6:00 p.m.

1. ADJOURNMENT

Motion by Krebs to adjourn. Second by Wilson. Votes as follows: Peterson – aye; Daly – aye; Duraine – aye; Krebs – aye; Povolny – aye. Motion carried. Meeting adjourned at 7:01 p.m.

Respectfully Submitted:

Bronwyn Pope, Public Information Coordinator