



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

Thursday, March 24, 2022
4:00 PM

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, March 24, 2022 at 4:00 PM.

CALL TO ORDER

CALL OF ROLL

PRESENT

Commissioner Al Hodnik
Commissioner Mike Korte
President Sholom Blake
Commissioner Tasha Connelly
Commissioner Rick Blake
Commissioner Wayne Bruns

ABSENT

Commissioner Cory Jackson

SETTING OF THE REGULAR AGENDA - *This is an opportunity to approve the regular agenda as presented, or to add/delete an agenda item by a majority vote of the Commissioners present .*

The agenda was approved without addition.

APPROVE MINUTES

1. Consider approval of the minutes from the March 10, 2022 regular meeting.

Motion by Commissioner Connelly, second by Commissioner Bruns to approve the minutes from the March 10, 2022 regular meeting. The following voted in favor thereof: R. Blake, Korte, S. Blake, Connelly, Bruns, Hodnik. Opposed: None, passed unanimously.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$3,284.54.

Motion by Commissioner R. Blake, second by Commissioner Bruns to approve the claims in the amount of \$3,284.54. The following voted in favor thereof: Hodnik, Bruns, Connelly, S. Blake, Korte, R. Blake. Opposed: None, passed unanimously.

BUSINESS

3. Consider adopting a resolution in support of assisting ISD #318 in financing an adaptive reuse of the former Southwest Elementary School for the School District's program and facility consolidation

Matt Grose, Superintendent ISD 318 and Loren Solberg, Consultant for ISD 318 were present. Rebecca Kurtz, Ehlers and Gina Fiorini, Kennedy & Graven joined the meeting virtually. Community Development Director Mattei provided background information.

According to the School District, the condition of the vacant Southwest School is superior to the existing Administration building or the vacant Murphy Elementary School. The project would allow them to move away from leasing private facilities for the Area Learning Center and Community Education as well as consolidate their facilities by potentially transferring the Administration building property to another entity for an alternative use such as housing.

The School District requested legislation to allow them secure \$2.0M of State bonding for this \$4.0M project. This legislation was introduced as HF 4037 and SF 3734, but providing state bonds to a school district was seen as a problematic precedent for the Legislature.

The concept that would possibly be more palatable to the legislature would have GREDA receive the State bonding. Furthermore, under this scenario, title to Southwest School would be transferred to GREDA, who would fund the matching funds for the project by issuing their own lease revenue bonds. The School District would lease back the facility from GREDA under a lease/purchase agreement, with that income retiring the lease revenue bond debt over a period of ten or more years.

The timeline for amending the originally introduced legislation to enable GREDA to be the recipient of the requested State bonding is very compressed and a resolution of support from GREDA is needed for prior to an amended bill being referred to legislative committees.

If GREDA is in support of working toward this type of collaboration for this project, and if amended legislation were to pass and award funds to GREDA, GREDA and the School District would have up to five years to work through the details of this before the state funding would lapse.

A discussion regarding the structure of a lease with the district, a timeline for the improvements, the bonding process and risk to the GREDA ensued. All parties agreed there are still questions that needed to be addressed prior to making any decisions on this project. Mr. Mattei suggested a special meeting the following week with hopes that the GREDA and ISD 318 would get answers to some of their questions. The Commissioners agreed to table this item.

4. Consider selecting two Commissioners to assist staff with the review of proposals received for the Downtown Plan Project.

The RFP's for this project were issued late last week with the proposal due date of April 15th. Staff would like two Commissioners to assist with the evaluation of the proposals. Commissioners Rick Blake and Tasha Connelly volunteered to help with this project.

5. Consider the election of GREDA Officers

Commissioner Bruns nominated Commissioner Jackson as Secretary/Treasurer, Commissioner Connelly seconded. The following voted in favor thereof: R. Blake, Korte, S. Blake, Connelly, Bruns, Hodnik. Opposed: None, passed unanimously.

Commissioner S. Blake nominated Commissioner Hodnik as Vice President, Commissioner Korte seconded. The following voted in favor thereof: Hodnik, Bruns, Connelly, R. Blake, Korte, R. Blake. Opposed: None, passed unanimously.

Commissioner Hodnik nominated Commissioner S. Blake as President, Commissioner Connelly seconded. The following voted in favor thereof: R. Blake, Korte, S. Blake, Connelly, Bruns, Hodnik. Opposed: None, passed unanimously.

UPDATES

6. ASV/Yanmar Expansion Project

Community Development Director Mattei submitted the signed DEED Application and had a virtual meeting with the IRRR and ASV. The IRRR will be reviewing the ASV grant request at their April 15th meeting. A joint press release is planned for this project.

ADJOURN

There being no further business the meeting adjourned at 5:20 p.m.

MEMBERS & TERMS

Rick Blake - 12/31/2022 (with Council term)

Tasha Connelly - 12/31/2022 (with Council term)

Cory Jackson - 3/1/23

Mike Korte - 3/1/24

Wayne Bruns - 3/1/25

Sholom Blake - 3/1/25

Al Hodnik - 3/1/27