

**CITY OF MARSHALL
HOUSING AND REDEVELOPMENT AUTHORITY MEETING
M I N U T E S
Tuesday, May 25, 2021**

The special meeting of the Housing and Redevelopment Authority was held on May 25, 2021 in the Minnesota Emergency Response and Industrial Training (MERIT) Center, 1001 Erie Road. The meeting was called to order at 5:15 P.M. by Chairman Robert Byrnes. In addition to Byrnes the following members were present: Craig Schafer, Steve Meister, Don Edblom, John DeCramer, Russ Labat, James Lozinski. Absent: None. Staff present included: Sharon Hanson, Executive Director; Dennis Simpson, City Attorney; Jason Anderson, Director of Public Works/ City Engineer; Lauren Deutz, Economic Development Director and Kyle Box City Clerk.

Consider approval of the minutes from the special meeting held on December 22, 2020 and January 12, 2021.

Motion made by Board Member Lozinski, Seconded by Board Member Meister that the minutes of the special meeting held on December 22, 2020 and January 12, 2021, be approved as filed with each member and that the reading of the same be waived. Voting Yea: Chairman Byrnes, Board Member Schafer, Board Member Meister, Board Member Edblom, Board Member DeCramer, Board Member Labat, Board Member Lozinski. The motion **Carried. 7-0**

Call for A Public Hearing to Consider Approval of a Land Sale.

Earlier this year, Jim Swenson, doing business as BEST TOPSOIL LLC purchased property from HRA. A portion of the previously purchased property included 1.8 acres of property identified as part of Lot 3, Block 1 of McLaughlin Industrial Park II Addition to the City of Marshall. (Parcel 27- 538-003-0).

Mr. Swenson, on behalf of BEST TOPSOIL LLC has now offered to purchase the remaining 4.84 acres of that parcel from the HRA. Attached is a purchase agreement as signed by Jim Swenson, Managing Member of BEST TOPSOIL LLC. Purchase price is \$25,000.00 per acre, total purchase price \$121,000.00. Mr. Swenson has provided the City with BEST TOPSOIL LLC's earnest money check in the amount of \$1,000.00.

This proposed purchase will be presented to the EDA for consideration at its meeting on Wednesday, May 26, 2021. Staff is recommending that EDA approve the proposed sale of property and recommend to HRA that HRA approve the sale.

Minnesota Statutes require that a public hearing be held to consider the sale of public property. Therefore, it is recommended that HRA call for a public hearing to be held on Tuesday, June 8, 2021 at 5:15 P.M.

Motion made by Board Member Schafer, Seconded by Board Member DeCramer that the HRA call for public hearing regarding the sale of publicly owned property. Voting Yea: Chairman Byrnes, Board Member Schafer, Board Member Meister, Board Member Edblom, Board Member DeCramer, Board Member Labat, Board Member Lozinski. The motion **Carried. 7-0**

Approve Amendment to Border States Purchase Agreement

In January 2021, the City of Marshall approved the sale of 2.5 acres of land to Border States Electric (BSE) for the construction of an approximately 13,000 square foot warehouse. The purchase agreement did include a 150-day due diligence period that includes site assessment includes soil borings. Subsequent soil borings from BSE indicated the need for soil correction. City Engineer Jason Anderson verified that the soils did need soil correction. The initial value of soil correction was substantial, approximately \$100,000. Since that time, further discussions between BSE and the city have occurred and the new anticipated cost of soil correction is \$50,000.

BSE has indicated to the city that this was an unforeseen cost, and even though readying the site is inevitable no matter where you locate a building, these soils were considerably fraught for construction. The added costs to an already thin project budget have forced BSE to consider no longer moving forward with construction. Thus, after further discussions, the city and BSE have agreed to cost share 50/50 on the soil correction costs, with the funds from the city's cost share portion to come from the sale of the property.

Motion made by Board Member DeCramer, Seconded by Board Member Edblom to approve the amendment to Border States Purchase Agreement. Voting Yea: Chairman Byrnes, Board Member Schafer, Board Member Meister, Board Member Edblom, Board Member DeCramer, Board Member Lozinski. Voting Nay: Board Member Labat. The motion **Passed. 6-1**

At 5:30 P.M., Chairman Byrnes declared the meeting adjourned.

Robert J. Byrnes
Chairman

ATTEST:

Sharon Hanson
Executive Director