

Zumbrota Economic Development Authority Agenda
7:00 A.M. Wednesday, April 19, 2017
Zumbrota City Hall, 175 West Avenue

- 1. Call Meeting to Order**
- 2. Amend/Adopt Agenda**
- 3. Approve Regular Meeting Minutes of Wednesday, March 15, 2017**
- 4. Monthly Financial Report & Accounts Payable**
- 5. Public Hearing**
 - A. Sale of Former Grover Auto Site to De Novo Development, LLC for Midwest Dental Clinic**
- 6. New Business**
 - A. Option to Purchase – De Novo Development, LLC**
 - B. Development Agreement - De Novo Development, LLC**
 - C. City Entrance Signs**
- 7. Unfinished Business**
 - A. 2017 Action Plan**
- 8. Reports**
- 9. Adjourn**

Please contact EDA Secretary Dan King at 732-7318 if you are unable to attend.

EDA Minutes
Wednesday, April 19, 2017
Zumbrota City Hall 7:00 a.m.

Present: President Richard Meyerhofer, Members Bill Eberhart, Brian Haugen, Erik Bengtson, Brenda Lerum and Sara Durhman. Also Present: Dr. Andrew Christianson, Midwest Dental, Neil Jensen, City Administrator and Community Development Director Dan King.

The meeting was called to order by President Richard Meyerhofer at 7:00 a.m.

- 2. Agenda**
Motion Bengtson, second Eberhart to approve the agenda as submitted.
Carried 6-0-0

- 3. Minutes**
Motion Lerum, second Durhman to approve the minutes of the March 15th, 2017 EDA meeting. Carried 5-0-1 (Haugen abstains)

- 4. Financial Reports**
Motion Meyerhofer, second Haugen to approve the financial report and accounts payable. Carried 6-0-0

- 5. Public Hearing - Sale of Former Grover Auto Site to De Novo Development, LLC for Midwest Dental Clinic**

President Meyerhofer opened the public hearing at 7:05 am.

Staff noted members had previously reviewed a proposal from Mr. Bob Aranyi, De Novo Development, for a 2,600 square foot building on the southern quarter of the Former Grover lot. The building is for the relocation and expansion of Midwest Dental Clinic. The plan was well received and a State mandated public hearing was scheduled.

Unfortunately, although the contamination found at the site has been abated and the MN Pollution Control Agency (MPCA) has issued a “no further action” letter, the developer has concerns about potential groundwater contamination that was not investigated when the soil contamination was cleaned up. He is requesting the City perform groundwater and vapor analysis as a condition of closing. An estimate for this investigation is about \$19,000 +/- . Mr. Haugen stated that generally if a buyer is requesting additional research on a site it is their responsibility to pay for it. Members discussed the need for groundwater investigation. Staff stated he had contacted other developers and they felt the MPCA “no further action” letter was sufficient to deem the site no longer contaminated. It was shared that at least one other party may be interested in redeveloping the entire site, based on the findings of the pending multi-family rental demand estimate study. Dr. Christianson reiterated he would like the dental practice to remain downtown but understands both parties’ position.

President Meyerhofer closed the public hearing at 7:38 am.

6. New Business

A. Option to Purchase – De Novo Development, LLC

The purchase option has a stipulation it is contingent on satisfactory completion of groundwater and vapor investigation and analysis. Members did not agree to these terms.

Motion Meyerhofer, second Durhman not to enter into an option to purchase with the groundwater investigation contingency. Carries 6-0-0

B. Development Agreement - De Novo Development, LLC

Motion Meyerhofer, second Lerum not to enter into a development agreement with De Novo Development. Carries 6-0-0

C. City Entrance Signs

Members noted the highway welcome signs are showing a bit of wear. Staff was directed to research who built the sign and if they can be refurbished.

7. Unfinished Business

A. 2017 Action Plan

Staff presented a second quarter report and reviewed the 2017 Action Plan.

There being no further business President Meyerhofer adjourned the meeting at 8:15 am.

Respectfully Submitted,

Dan King, Secretary