

APPROVED MINUTES OF THE REGULAR MEETING OF THE BOARD MEMBERS OF THE EAST GRAND FORKS ECONOMIC DEVELOPMENT AUTHORITY (EDA)

A regular meeting of the Board Members of the East Grand Forks Economic Development Authority was held at Noon on November 22, 2022.

Roll Call:

Meeting was called to order by President Grinde at 12:00 pm.

EDA Board present at roll, Board President Josh Grinde, Board Members: Brian Larson, Diane Blair, Daniel Black, Ben Horken, Justin Hecht and Dale Helms.

Absent:

Staff present: Paul Gorte (EDD), Economic Development Director; Brenda Ault (EA), Executive Assistant, Ron Galstad (CA), City Attorney, Nancy Ellis, City Planner (CP) and Karla Anderson, Finance Director (FD)

Also Present: Sandra Kiddo, Northland Community and Technical College, Dawn Ganje (NMF) and DyAnn Stordahl, Northwest Minnesota Foundation (EGF Schools)

1. **Roll Call:** President Grinde determined a quorum was present.

2. **Approval of Minutes**

a. September 20, 2022, Regular Meeting

A Motion was made to approve the September 20, 2022, Regular Meeting Minutes, by Board Member Black, seconded by Board Member Blair. M/S/P- Black, Blair; 7-0, mc.

3. **Bills and Communications**

a. Review of Accounts Payable October 4, 2022, October 25, 2022, November 1, 2022, and November 15, 2022

No questions

4. **Reports**

a. Delinquencies – None

b. Financial Reports: September 2022 and October 2022; FD Anderson stated that the reports for both months were emailed out and the cash balance sheets are in the packet. Reminder that Fund 620 has a negative balance until the end of the year, when funds are transferred at the end of the year out of the general fund. So far, the 620 fund is under budget and she doesn't expect that to change.

c. Director's Reports: September and October 2022- EDD Gorte stated that the reports were in the packet and asked if there were any question; , there were not.

5. **Unfinished Business**

a. Down Payment Assistance Program

EDD Gorte reminded the Board that in July the EDA discussed the City's Down Payment Assistance Program and deferred action for additional discussion. He requested Board Members to work with him to determine terms and then bring that back to the Board. The Board felt that the responses back from the bankers indicate that there is not a need for this program and felt that they need to have a group

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consider other uses for these funds and bring that back to the Board. Board Members Black and Hecht will work on this with EDD Gorte.

6. New Business

- a. Northland Community and Technical College: President Grinde invited President Dr. Sandy Kiddoo to speak to the Board. She informed the Board that enrollment is down 45% and they have been working on programs that Northland offers to help improve the connection between education and the workplace. They have developed Northland Works which allows businesses to recruit the next generation of highly skilled working professionals. It provides a ready-made training and recruitment pipeline, reducing costs, an opportunity to influence future employees with more robust knowledge of career options. The tab for this program is on the college website, and she invited the Board to check it out.
- b. Northwest Minnesota Foundation (NMF): Dawn Ganje was present to talk about the possibility of creating a foundation for childcare funding for operation and capital expenses. EDD Gorte stated there are requirements in using foundations that restrict the recipients of the funds, so an intermediary organization, either a public entity or a not-for-profit organization, must be involved to make this program work. Possible organizations include the City and the School District. The team anticipates that the foundation would be a collaborative effort involving NMF, the school district, and the City. Being fully aware of the budgetary limitations of both organizations, the team is looking for ways to accomplish this without cost to either public entity. This information will be provided to the City Council on November 22 and to the School Board on December 12.
- c. Northwest Minnesota Foundation (NMF): EDD Gorte stated that there was information in the packet regarding DEED's announcement that \$97 million for small business support in Minnesota was available through the State Small Business Credit Initiative (SSBCI)
- d. Sunshine Terrace Rent Increase: CP Ellis was present to talk to the Board about raising the rent at Sunshine Terrace to cover the 7-8% inflation increase. 1 Bedroom to \$650; 2 Bedroom to \$800 and 3 Bedroom to \$980; these amounts would still be covered under the NWMNHRA which will cover rents up to \$772 for a 1 Bedroom, \$979.00 for a 2 Bedroom and \$1392 for a 3 Bedroom.

Motion was made to approve the request for an increase to \$650/1 Bed; \$800/2 Bed; \$980/3 Bed, by Board Member Hecht, seconded by Board Member Horken. M/S/P; RCV Hecht, Horken; RCV: Larson-Y, Black-Y, Blair-Y, Grinde-Y, Hecht-Y, Horken-Y, Helms - Y; 7-0; mc

- e. Mowing Contract: EDD stated he had received a mowing contract for 2023-2025 at \$8,800 per year. It states mowing to a height of 5', up to 10 and weeds up to 15". CP Ellis stated the height, stated by City Ordinance is 6" and above is not lawful in the City of East Grand Forks; she recommended that the company rebid with within the parameters of the City Ordinance.

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- f. Covenants: EDD Gorte stated The EDHA prepared covenants for the residential properties owned by the City. The EDA and the City inherited the covenants when the EDHA was disbanded and replaced by the EDA. The covenants for Waters Edge First were recorded. However, the covenants drafted for Waters Edge Second, Waters Edge Third, and Coulee View were never recorded.

There are certain things to know about covenants:

- Only recorded covenants can be enforced.
 - Only those parties given standing by the covenants have the right to enforce the covenants. For Waters Edge First, those parties are the property owners. The enforcement parties may or may not enforce the covenants. Enforcement is a private action, not a public action.
 - The City as an entity does not have the right to enforce covenants. Said right is restricted and does not include a City as an entity. Cities enforce ordinances. When covenants conflict with ordinances, the City can only enforce the ordinance; it cannot enforce the covenants.
 - Sometimes people call planning to enforce the covenants because they do not want to go to the expense of private enforcement, or they do not want to offend their **neighbor**. They seem to think that the City will enforce covenants that may conflict with City ordinances and regulations. That is not true. The City as a public entity **does not enforce covenants**.
 - The Community Development Office, including Planning and Building Inspections, will not hold permits or wait to hear/receive permission from those that enforce covenants before we issue a **permit**. We review said permit applications based on City Code
 - The City is a property owner in Waters Edge First and may, as a property owner, enforce covenants if it so desires until the right to enforce as a property owner is extinguished. Any property owner with the right to do so may enforce covenants in a private action.
- g. FCA Rural Community Child Care Grants: EDD Gorte informed the Board that FCF Rural Community Child Care Grants will be opening soon. The application will be opening on November 28, 2022, at 9:00 AM and will close on December 9, 2022, at 5:00 PM.
- h. DEED Programs: DEED is opening programs under the SSBCI program designed to help small businesses. The focus is on high-tech businesses. The Director will monitor the roll-outs to determine what is locally useful.
- i. 2023 Meeting Calendar:
- | | |
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| January | 17 |
| February | 14 |
| March | 14 |
| April | 25 |
| May | 23 |

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June	20
July	18
August	15
September	12
October	10
November	21
December	19
Jan 2024	16

A Motion was made to approve the 2023 Priorities, by Board Member Hecht, seconded by Board Member Blair. M/S/P- Hecht, Blair; 7-0, mc.

- j. 2023 Priorities: EDD Gorte stated the Board he has identified the following as the highest priority projects and activities:
- Continued support to the business community
 - Workforce; including Northern Valley Careers and NWPIC
 - Childcare
 - Increasing industrial space – land and buildings
 - Support for Wave Academy
 - Sale of City lots
 - Bridges and infrastructure

A Motion was made to approve the 2023 Priorities, by Board Member Horken, seconded by Board Member Black. M/S/P- Horken, Black; 7-0, mc.

- k. 2023 FORX Spring Expo, March 25-26, 2023: EDD Gorte stated that he will be unable to participate, he is looking for volunteers to work the booth.

7. **Adjournment:**

Motion to adjourn the meeting was made at 1:30 by Board Member Blair, was seconded by Board Member Hecht. M/S/P- Blair, Hecht; 7-0, mc.

The next regular meeting is December 20, 2022.

Respectfully Submitted,
Brenda Ault, Executive Assistant