

**MEETING OF THE PEQUOT LAKES
ECONOMIC DEVELOPMENT COMMISSION
TUESDAY, MAY 16, 2023**

Members Present: Chair Lottman; Commissioners Becklin, Hallan, and Holley

Members Absent: Commissioner Lelwica

Others Present: Angie Duus, City Clerk/Treasurer; Scott Pederson, City Council Liaison; Kurt Stumpf, Pequot Lakes School District Superintendent; Nichole Heinen, Pequot Lakes Chamber Director; Mark Jurchen

1. Call Meeting to Order

The meeting was called to order by Chair Lottman at 8:00 a.m.

2. Consider Agenda

COMMISSIONER HOLLEY MOVED TO APPROVE THE AGENDA AS PRESENTED. COMMISSIONER HALLAN SECONDED THE MOTION. MOTION CARRIED 4-0.

3. Approve EDC Minutes

COMMISSIONER HALLAN MOVED TO APPROVE THE APRIL 18, 2023, ECONOMIC DEVELOPMENT COMMISSION MINUTES AS PRESENTED. COMMISSIONER HOLLEY SECONDED THE MOTION. MOTION CARRIED 6-0.

4. City Council Update

Commissioner Hallan stated it was discussed at the Council meeting to look into the road going into the HOTGL in 2023 and to have something ready to go on paper. Council Liaison Pederson stated there is some tax forfeited land that might be able to be used.

Chair Lottman said it is working really well going to the Council meetings. He stated it helps the EDC to assist the City with what they need. Council Liaison Pederson said it is sometimes the first time they hear something when it comes to Council therefore the updates are good.

5. School Update

Mr. Stumpf stated the last night at the school board meeting they directed him to come up with a plan, timeline, a dollar amount and a way to pay for a possible bond in time for the bond election. He said he will be working on that over the next month or two and that is the next step of that project.

He stated that he has been in contact with Rich Spiczka about that land in the Heart of the good life and they will have a possible letter asking the City for some level of commitment or a letter of interest. He said he does not know if that starts with the EDC or the City. He said he is working on some other land opportunities

around the current campus here at Pequot Lakes.

He said the Safe Routes to Schools continues to progress and they will have a final report done around June 1st. He stated Tad Erickson from Region 5 again has led the Community group through this process and so he would like to organize groups which include the Pequot Lakes School Board, City Council, Breezy Point City Council and have them adopt it. He said there's no financial commitment to adopting it, but he said it would look better with all of them adopting it.

He stated they are still monitoring kindergarten and preschool enrollment. Discussion ensued about how many of the staff has an address within the Pequot Lakes City limits. Mr. Stumpf stated he will get that information. The EDC consensus was also to obtain a breakdown of the costs of the ball fields.

6. Chamber Update

Nichole Heinen recapped the events happening this summer, Stars and Stripes, Bean Hole Days and reminded the EDC Commission that funding is still needed for the Fireworks. She also explained that there will be a registration link on the Chamber website for vendors. Discussion ensued about firework donations.

7. Small Cities Development Program (SCDP) Grant

Gail Levenson from Widseth gave a summary of the SCDP grant program. She stated it is intended to rehabilitate homes for low to moderate income homeowners with homes that are in substandard condition. She said mobile homes, contract-for-deed homes, and rental homes are not eligible. She said homes must be the primary residence of the owner, and not seasonal. Ms. Levenson said the rehabilitation would consist of essential needs such as heating, roofs, windows, doors, energy efficiency improvements, and handicapped accessibility improvements. She said if the application is funded, the City would receive a grant award letter from DEED and the funding would be allocated to the City in small increments, up to \$25,000, for each home to be rehabbed. She said homeowners would have their homes inspected and apply for funding individually. She stated homeowners would need to meet "low to moderate income," using Housing and Urban Development (HUD) income limits. She said if they are income eligible, they would borrow the money from the City as a 0% interest, deferred payment loan. She said these loans would be forgiven when homeowners stay in their homes for seven to ten years. She said if homeowners move prior to the repayment years being completed, they would repay a portion of the loans back to the City.

Ms. Levenson explained the process to Apply is a two-step process. She said the pre-applications are due in the fall and include a housing survey of the City of the conditions of homes using a HUD assessment criterion. She said it also includes an income and interest survey of homeowners to show if we have enough interest from income-eligible homeowners. She stated it also includes a Request for Proposal (RFP) for a qualified Grant Administrator which submits grant reports and payments. Ms. Levenson said strong pre-applications are invited to submit a full application and they

are due in late winter and require a public hearing. She said if the application is accepted then funding would be available after July 1, 2024, for a 30-month period. She said Cites can choose a target area in the City or apply City wide. She explained the City can only make one application per year and the City has applied for a force main project in 2023.

Discussion ensued about matching funds from the City and how to complete a survey for interest from homeowners. Discussion ensued about repayment and if a homeowner were to sell their property. Discussion ensued about finding qualified contractors with lead certification.

8. Workforce Housing Update

Mark Jurchen said he met with a couple of representatives of the Church Council Committee and there is discussion about doing something with the vacant north of the church on Patriot. He said they are looking at possible housing and maybe a daycare. He stated they will need to meet with P&Z since it is zoned commercially.

Discussion ensued about property being negotiated in the HOTGL and that there looks like progress is being made to begin building in Trailside.

Mr. Jurchen updated the Commission on the Lilac Development that is occurring. He said there is a 4-plex and duplex that are being built. He also said the property north of that area is in the process of being rezoned for housing and possibly multi-family residential development. He also stated the Council was approached to vacate that cul-de-sac.

Mr. Jurchen said the land across from the fire tower is still in the planning process and there should potentially be nine homes. He said the Preserve has about 5 beautiful units anywhere between a five hundred thousand to six hundred thousand that were constructed they are sold already.

Discussion ensued about the SAC and WAC wavier being used in the City. Discussion ensued about downtown and the potential of the buildings that are currently vacant.

9. EDC Goals

Chair Lottman stated they are making some movements with recommendations to the City Council.

Discussion ensued about finding out who owns vacant buildings downtown and asking the questions if they plan on renting them out, remodeling, demolishing, or if they are going to place them for sale.

10. BLAEDC Update

Tyler Glynn informed the Commission that the Corner Lot guys will be in the area in the

next two to three weeks and he will take them around the City and ask their thoughts on downtown as they work on downtown projects. He said their project in Baxter is moving along pretty quickly and they wanted to get into town to check on things.

Mr. Glynn said BLAEDC was responsible for administering another round of childcare assistance grants through Crow Wing County. He said the reason they opened it back up is there was some money that was originally allocated in the funding last year and they had about \$180,000 of that money came back because of some projects that couldn't get brought to completion.

He said they received 37 applications for 4.2 million and the window was open for 30 days. He said they met with County Commissioners yesterday and there are some good projects. He said the primary objective for the County is to create slots therefore they are looking through the applications to define those that have reasonable requests and that are going to be able to create some slots. He said hopefully they will be able to get this \$180,000 out in the next 30 to 60 days.

Mr. Glynn said BLAEDC said their state foundation is supplying some funding for a matching grant and they have hired an intern for the summer and they can certainly push some projects towards the summer intern. He said if there are projects they can help with just let BLAEDC know because we're willing and able to take some things on. He said they also hired a new individual in the office to manage all of their marketing. He said they have got some really positive momentum built out with their branding last year and they have more of a social media presence now than we've ever had. He said they are also doing some updates on their website.

He stated they have projects that are popping up kind of all over the place. He said they have been meeting with developers and hopefully communities will see some more development going on.

He said they had about 80 people attend BLAEDC's annual meeting at the Woods. He said the President of Central Lakes College was their keynote speaker and gave a nice presentation on the educational systems in the community and what they are looking at doing and programs they have in place to benefit the community.

Mr. Glynn said the Small Cities Development Grant is great and if the City gets a lot of applications, it benefits everyone. He said he has seen it work in Brainerd and Baxter.

Discussion ensued about daycare shortages in the Crow Wing County. Mr. Glynn stated we are currently down by about 1600 slots.

11. Other Business

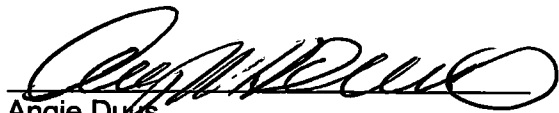
Discussion ensued about the cost of potential ball fields in the HOTGL and getting a better breakdown from the school of these costs. Also discussed was if the City was going to donate the land to the school for the ball fields or if the land will be purchased by the school.

12. Adjourn

**COMMISSIONER HALLAN MOVED TO ADJORN THE MEETING.
COMMISSIONER HOLLEY SECONDED THE METTING. MOTION CARRIED 4-0.**

The meeting adjourned at 9:04 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Angie Dyrus", written over a horizontal line.

Angie Dyrus
City Clerk/Treasurer