

**MINUTES
VALLEY INDUSTRIES TIF PUBLIC HEARING**

MAY 8, 2013

Mayor Jeff Thompson opened the Public Hearing at 6:16 p.m. Council members present were Kay McDaniel, Donovan Mayer, Jean Soine, and Gene Beavers. Others present were Renee Eckerly, City Administrator; Ron Mergen, Public Works Director; Jennifer Welling, Administrative Assistant; Bill Spooner, City Attorney; Ashley Alsum, Cable Coordinator; Chuck DeWolf, Bolton & Menk, Inc.; Ellarry Prentice, Press; Neil Herzberg, Paul Wegner, Police Chief; Ed Tschida, Advanced Resources; Kevin Cook, McDonalds; Kevin L. Cook, McDonalds; Glen Simons, Bob Liestman, Fire Chief; Josh Reed, North Fork Crow River Watershed District; Ken Hess, Corey Gerads, Alliance Builders; Dick Johnson, Koronis Lake Association; Stan Yarmon, Brian Savage, Bob Huot, Paynesville Area Schools; and Walt Freiberg.

Tschida explained that this is the third TIF in 3 years for industrial expansions. The TIF has a maximum life span of nine years. Valley Industries is proposing a 60,000 square foot facility. The expansion will create more jobs. This is a pay as you go TIF. The owner or developer will put up 100% for the project, but the incentive from the City is the tax. There will be increment and reimbursement for certain costs. The increment is \$43,000 per year. In addition to this public hearing the City has business subsidy policies. The Development Agreement for the Business Subsidy was reviewed. Valley Industries has agreed to operate within the City for a minimum of 5 years.

The EDAP Board has reviewed this and recommends approval.

Thompson disclosed that he is not an interested party, but employed by Valley Industries.

Tschida commented that the developer pays 100% percent of the up-front costs; including land, site costs, and everything to complete the project. Then reimbursements are made up to \$386,000.00. The full tax is available in 2015 provided Valley Industries has built the building; the City will pay the increment less 5% for administration fees.

Huot expressed support of the community and development.

There being no further comments or questions, Thompson closed the Public Hearing at 6:29 p.m.