

**MINUTES
EDAP BOARD MEETING**

FEBRUARY 21, 2017

Jean Soine called the meeting to order at 7:00 a.m. Members present were Bruce Stang, Len Gilmore, Chris Stanley, Wayne Nelson, and Renee Eckerly, City Administrator. Don Wiese and Don Pietsch were absent.

Motion was made by Stanley to approve the minutes of the December 20, 2016 EDAP Board meeting. Seconded by Nelson and unanimously carried.

ELECTION OF OFFICERS

Motion was made by Stang to elect Soine as Chairperson, Stanley as Vice Chair, and Eckerly as Secretary. Seconded by Stanley and unanimously carried.

MEETING SCHEDULE

It was consented to keep the EDAP Board meeting schedule the same; 7:00 a.m. on the third Tuesday of each month.

310 BELMONT STREET – EDAP LOAN

Eckerly reported that 310 Belmont Street is a trash house that drugs were allegedly being sold out of. The house is currently vacant. The owners are interested in selling. Would EDAP support a Small Cities Loan to rehab the house? The money can't be used for demolition. The Board discussed that the people would need to make an application. The house is structurally sound, but the boiler is not working. The City does not want a situation to start up again when it gets warmer out. The Board would support money from the Small Cities Revolving Loan to rehab the property.

DOWNTOWN REHAB

Eckerly reported that this is a number one priority of the City Council. There are 3-4 vacant buildings and 11 buildings used for storage.

ECONOMIC STATUS OF COMMUNITY

Eckerly reported on:

- Kwik Trip
- Daniel Funeral Home
- Airport View Plat

PAST DUE LOANS - UPDATE

Eckerly discussed Sweet Nook Bakery.

CRAIG ELFERING

Stanley stated that he is working with Mr. Elfering and waiting on tax statements. Stanley will be meeting with Elfering to review his financials. Mr. Elfering is currently renting.

HOUSING INCENTIVE PROGRAM

Eckerly presented a draft housing incentive proposal to the Board. There are currently over 50 lots available to be built on in the City limits. Some cities are selling lots for \$1.00. There is a need to pull people to our community. Data from the League of MN Cities 2016 Property Tax Data shows that the City of Paynesville has the 11th lowest average total net tax capacity rate in the tri-county area. The only City lower with a population over 300 is St. Augusta.

The \$2,500.00 would be handled like in the past. The bank would contact the City that they have someone purchasing a lot to build on. If the owner lives there for 6 years the money would be forgiven. Before the money was only for first time home buyers. This time the money would be for anyone willing to build on a lot. Sewer and water hookup fees would save the owner \$1,800.00, one boulevard tree is an estimated savings of \$250.00. Eckerly would contact the school regarding the activity passes which are valued at \$175.00. Any business willing to donate chamber bucks would also be listed on the flyer for advertising purposes.

The Board discussed if tax abatement for 5 years would be a better incentive. The Board discussed if the incentive is needed. Eckerly reported that other cities are looking into incentives and she would rather have Paynesville be the first out not the last.

Motion was made by Stanley to approve the draft Housing Incentive Plan with a limit of 10 homes and recommend such to the City Council. Seconded by Nelson and unanimously carried.

INFORMATIONAL

The Revolving Loan Report was reviewed and the New London Spicer Building Permit Newspaper Article was noted.

There being no further business the meeting was adjourned at 8:05 a.m.