

**CITY OF CLARA CITY  
ECONOMIC DEVELOPMENT AUTHORITY (EDA)  
REGULAR MEETING**

**February 13, 2017  
City Hall**

This Regular Meeting of the Economic Development Authority of Clara City was called to order by Vice President Chip Goeman, as acting Chair, on Monday, February 13, 2017, at 12:01 pm in the Council Chambers of City Hall in Clara City, MN.

Members present: Chip Goeman, Robert Schwitters, Gary Nelson, Jim Thein, Rhonda Pieper, and Windy Block

Members absent: Chad Forkrud (excused)

Staff present: Gene Wenstrom, Judy Gosseling

Also present: Josie Oliver (Clara City Herald), Mike Stordahl, Peter Jesh, and Jeff Lopez (Chippewa County Commissioner)

The Chair declared a Quorum of the members to be present.

Upon solicitation by the Chair for any desired changes to the Agenda and recognizing one such request, *it was moved by Thein and seconded by Schwitters that the draft Agenda is approved with the addition of Agenda Item No. 7 (D) The MACCRAY School District Dilemma. The motion passed 5-1 with Nelson opposed.*

At Agenda Item No. 3, there was one set of meeting minutes to be considered. Following an opportunity for review and questions, *it was moved by Thein and seconded by Nelson to approve the Minutes of the Regular EDA Meeting of January 9, 2017, as presented. The motion carried 6-0.*

Under Agenda Section No. 4 "Communications/Notices," there were no items of business to be considered.

At Agenda Section No. 5 "Reports from Officers and Committees," staff reported that the EDA account was still without a positive balance of funds at this time, having already invested its existing assets back into the community. Staff also reported that there were no loan servicing requests to be heard. Hence, no action was taken at this time.

At No. 6 "Reports from Staff and Administrative Officers," the EDA Report for February 2017, as authored by Gene Wenstrom, Economic Development Director, was presented and highlighted by Wenstrom for the benefit of the Commissioners. Subjects of the report included: 1) Kay's Naturals and the great opportunities that are evolving from their having received the Auri Ag Innovator of the Year Award; 2) Almich's Market and the success of their recent Grand Opening; and 3) the Sugar & Spice loan repayment. This was reporting only and no specific action was requested nor taken on any of the issues that were discussed.

Under Agenda Item No. 7 (A), consideration was given to receiving and approving the 2016 Quarter #4 Report for the Assisted Living Facility's Operations as prepared by and reported on by Michael Stordahl, Care Center Administrator. Joining in the effort was the project's developer, Peter Jesh of Summit Development, Inc. Jesh offered that the new rent and service fee structures are now in place which should result in the facility successfully turning the corner financially. Stordahl stated that there are currently 19 of 24 housing units occupied with a total census of 20 tenants. A good discussion ensued, focusing on benefits of having an effective marketing plan, the wages and salaries paid to staff and how their time is accounted for, and the possible benefit of targeting certain surrounding communities, particularly Prinsburg and Kerkhoven. Based on the depth and tone of the discussion, *it appeared to be the consensus of the Board to acknowledge the receipt of the 12/31/2016 Financial Report for the Assisted Living Facility and to acknowledge the need for staff to continue evaluating and implanting the marketing strategies as detailed in the discussion.*

At Agenda Item No. 7 (B), consideration was given to supporting and promoting the City's application for and engagement in the Age-friendly Community Building Project as being sponsored by the Minnesota River Area Agency

on Aging. The Board reviewed a letter of solicitation from the Minnesota River Area Agency on Aging that outlined the grant opportunity. Following a thorough review of the letter, *it was the consensus of the EDA Board that the staff should make an effort at putting together a draft application for the Board's continued consideration of submittal at its March 2017 meeting.*

Under Agenda Item No. 7 (C), consideration was given to beginning a dialogue with regard to pursuing some additional redevelopment activity in TIF District No. 4-1. Staff provided some possible scenarios that could be developed this coming year. *The consensus of the Board was that the Board should keep moving forward with target goals of additional redevelopment in Block 2 of the TIF District No. 4-1 as well as the possible redevelopment of the commercial block immediately adjacent and south of Block 2, TIF No. 4-1.* This was informational only and consequently no action was taken nor requested.

At Agenda Item No. 7 (D), consideration was given to the "MACCRAY School district Dilemma." Staff opined that the recent referendum defeat that was suffered by the school district was heavily involved with the misguided and short-range thinking of businesses throughout the district. They challenged the EDA Board to try and make a difference. Staff questioned whether or not it isn't time for the Clara City EDA to enter into a positive dialogue with its neighboring EDA's in an effort to get business interests leading in a positive manner. Discussion centered on the glaring need to change the current focus from being on three distinct communities to that of one outstanding school district. Based upon the discussion, *it was the consensus of the Board that staff should reach out and extend an invitation to the MACCRAY Superintendent of Schools and the School Board Chair for a more in-depth discussion of the referendum issues at the EDA's upcoming March 2017 Meeting.*

The Chair then reminded the members that the next regularly scheduled meeting of the EDA will be held on Monday, March 13, 2017, 12:00 Noon, at City Hall.

Upon recognizing the completion of the EDA's intended business, *it was moved by Nelson and seconded by Thein to adjourn the meeting. The motion passed 6-0 and Chair Goeman declared the meeting adjourned as of 1:03 P.M.*

**APPROVED:** \_\_\_\_\_  
Date

**ATTEST:** \_\_\_\_\_  
Winthro C. Block, City Administrator