



**CITY OF SAINT PETER
AGENDA & NOTICE OF RESCHEDULED MEETING
ECONOMIC DEVELOPMENT AUTHORITY
Thursday, January 30, 2020 at Noon
Governors Room – Saint Peter Community Center**

- I. Call to Order**
- II. Oath of Office**
 - i. Bob Southworth
 - ii. Ed Johnson
- III. Election of Officers**
 - i. President – (Nominations)
 - ii. Vice President – (Nominations)
 - iii. Treasurer – (Sally Vogel, Finance Director)
 - iv. Executive Secretary – (Todd Prafke, City Administrator)
- IV. Approval of Agenda**
- V. Approval of Minutes**
 - i. October 11, 2019
- VI. Unfinished Business**
 - i. Traverse Green Speculative Homes
 - a. Activity / Showings
 - b. Lower Prices
 - c. Engage Realtor
 - d. Cable / Internet
 - e. Habitat for Humanity
 - f. St. Peter Development Corporation
 - g. Unique Construction / Unique Solutions
- VII. New Business**
- VIII. Reports**
 - i. HPC / ADA Accessibility Grant Program
 - ii. 1 Million Cups
 - iii. Alumacraft
 - iv. Cedar Box Company
 - v. Chippewa / Exceed Packaging
 - vi. Highway 22 Bike Trail
 - vii. Mobile Oil Change Opening
 - viii. Heritage Preservation Commission – “Meeting in a Box”
 - ix. Brookshire Company – NIP Option?
- IX. Adjournment**

CITY OF SAINT PETER, MINNESOTA
Economic Development Authority
REGULAR MEETING MINUTES
October 11, 2019
Saint Peter Community Center – Governors Room

Call to Order:

The meeting was called to order at 12:00 pm by Vice President Brad DeVos.

EDA members DeVos, Mike Favre, Ed Johnson, and Keri Johnson were in attendance. Absent were members John Kvamme and Corey Abels. Community Development Director Russ Wille and Administrative Secretary Cindy Moulton were in attendance.

Approval of Agenda

Motion by E. Johnson, second by Favre to approve the meeting agenda as presented. All voting in favor the motion carried.

Approval of Minutes

Motion by E. Johnson, seconded by K. Johnson to approve the minutes of the August 22, 2019 meeting. All members voting aye, the minutes were approved.

Keith/Carolyn Stelter (213 South Minnesota Avenue) - Central Business District Renovation Revolving Loan Application

Wille stated that Keith and Carolyn Stelter have submitted a Central Business District Renovation Revolving Loan application in the amount of \$25,000 to help finance the replacement of their roof at 213 South Minnesota Avenue (Fair Emporium). Wille indicated that the property is located within the Central Business District which makes it eligible to participate in the loan program.

Wille stated that the Stelters have sought expertise from local roofing companies and it was suggested by each company that installation of insulation and complete reconstruction of the roof be completed.

The Stelters have received bids from both Ballman Roofing and Kato Roofing. Kato Roofing has submitted the low bid of \$45,780. The Stelters would like to enter a contract with Kato Roofing to complete the repair.

Wille stated that should the \$25,000 loan be approved, the Stelters would finance the balance of the construction project (\$20,780). The Stelters have demonstrated they have sufficient funds on deposit to fund the repairs.

Wille reported that a subcommittee comprised of Favre, Abels and himself have reviewed the appropriate financials and statements. He said there was nothing that would suggest that there would be a risk with the loan.

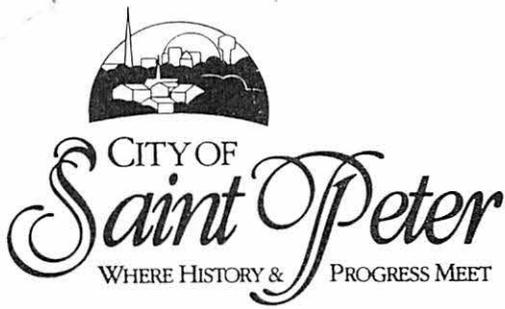
Motion by E. Johnson, second by K. Johnson to introduce Resolution 2019-08 entitled, "A Resolution Recommending Approval Of A \$25,000.00 Central Business District Renovation

Revolving Loan To Keith and Carolyn Stelter (dba KC Stelter Business) To Partially Finance The Roof Reconstruction At 213 South Minnesota Avenue". All members voting aye, the Resolution was passed and adopted.

Favre excused himself at 12:07 pm.

Adjournment

Motion by K. Johnson, second by E. Johnson to adjourn. The meeting adjourned at 12:07 pm.



Memorandum

To: EDA Members

Date: January 23, 2020

From: Russ Wille, Community Development Director

RE: Traverse Green Speculative Homes

ACTION / RECOMMENDATION

Discuss the marketing and pricing of the two remaining speculative homes and the overall performance of the Traverse Green Subdivision.

BACKGROUND

The EDA's two speculative houses remain unsold.

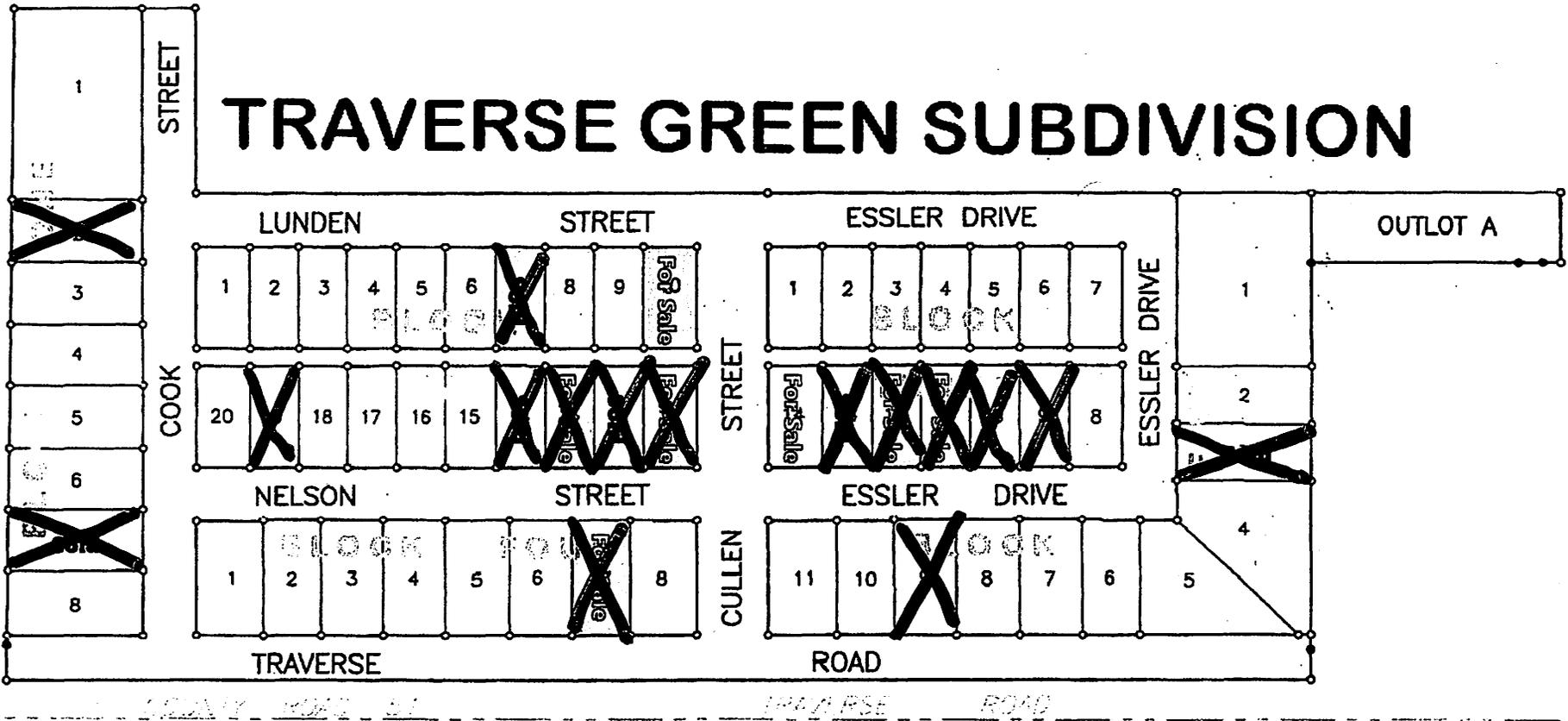
The basements have been finished and homes are now offered for sale with four bedrooms and two full baths. At the time that the basements were constructed, the sale prices were increased to reflect the additional construction costs.

I would like the EDA to consider and discuss a few matters and to offer an update on potential happenings in the subdivision.

I've included a map showing the location of the 18 developed lots and a spreadsheet depicting the holding costs incurred for the unsold speculative homes.

It should also be noted that our partners at the Southwest Minnesota Housing Partnership has sold their last remaining speculative home. They are now contemplating their next course of action and whether or not to build additional specs.

TRAVERSE GREEN SUBDIVISION



1/31/2019

	<u>2100 Nelson Street</u> <u>Lot 11 / Block 2</u>	<u>2101 Lunden Street</u> <u>Lot 10 / Block 2</u>	<u>2000 Essler Drive</u> <u>Lot 14 / Block 3</u>
Sale Price:	\$ 185,000.00	\$ 218,500.00	\$ 227,000.00
Construction:	\$ 148,959.00	\$ 150,488.00	\$ 158,330.00
Lot Costs:	\$ 24,700.00	\$ 24,700.00	\$ 24,700.00
Const. Contingency:	\$ 500.00	\$ 500.00	\$ 500.00
Contingency Pool:	\$ 450.00	\$ 450.00	\$ 450.00
Closing Costs:	\$ 856.50	\$ 861.45	\$ 886.20
Holding Costs:	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Liability Insurance:	\$ 500.00	\$ 500.00	\$ 500.00
Const. Management:	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
TOTAL:	\$ 184,465.50	\$ 185,999.45	\$ 193,866.20

Finish Basement		\$ 31,531.00	\$ 32,511.00
Adjusted Purchase:		\$ 217,530.45	\$ 226,511.00

HOLDING COSTS (01/15/19)

Center Point:	\$ 340.05	\$ 977.52	\$ 1,276.01
City Utilities:	\$ 407.51	\$ 1,253.36	\$ 1,239.38
Janitorial:	\$ 100.00	\$ 100.00	\$ 100.00
Snow / Mow:	\$ 105.00	\$ 1,093.43	\$ 1,093.43
TOTAL:	\$ 952.56	\$ 3,424.31	\$ 3,708.82

NET ON SALE: \$1,081.94

SUBDIVISION ANALYSIS - 2019			
			REAL ESTATE
	MARKET VALUE	UTILITY BILLING	TAXES
<u>SUBDIVISION</u>	<u>PER NET ACRE</u>	<u>PER NET ACRE</u>	<u>PER NET ACRE</u>
Windsor Pond	\$1,111,111	\$7,766	\$17,111
Nicollet Meadows	\$874,978	\$13,556	\$12,829
Washington Terrace	\$879,061	\$12,652	\$12,915
Lampert Addition	\$651,886	\$7,003	\$9,447
Standard Lumber	\$712,756	\$5,510	\$10,640
Pine Pointe	\$658,470	\$4,763	\$10,758
Union Street	\$575,581	\$7,370	\$8,004
SUBDIVISION ANALYSIS - 2016			
			REAL ESTATE
	MARKET VALUE	UTILITY BILLING	TAXES
<u>SUBDIVISION</u>	<u>PER NET ACRE</u>	<u>PER NET ACRE</u>	<u>PER NET ACRE</u>
Windsor Pond	\$1,012,579	\$9,756	\$13,527
Nicollet Meadows	\$844,649	\$14,815	\$11,746
Washington Terrace	\$837,407	\$14,765	\$10,885
Lampert Addition	\$698,330	\$11,590	\$9,209
Standard Lumber	\$639,921	\$8,231	\$7,560
Pine Pointe	\$626,601	\$5,855	\$9,157
Union Street	\$600,474	\$10,310	\$7,754
SUBDIVISION ANALYSIS - 2014			
			REAL ESTATE
	MARKET VALUE	UTILITY BILLING	TAXES
<u>SUBDIVISION</u>	<u>PER NET ACRE</u>	<u>PER NET ACRE</u>	<u>PER NET ACRE</u>
Windsor Pond	\$976,251	\$10,880	\$11,713
Nicollet Meadows	\$848,252	\$13,686	\$9,561
Washington Terrace	\$727,739	\$16,516	\$8,712
Lampert Addition	\$653,966	\$9,590	\$6,565
Standard Lumber	\$627,874	\$11,073	\$7,754
Pine Pointe	\$437,473	\$3,686	\$5,578
Union Street	\$565,119	\$9,377	\$6,191

REVOLVING LOAN REPORT		1/13/2020					
		ORIGINAL	ORIGINATION	CURRENT	12/31/2019	MONTH-YEAR	
BORROWER		BORROWER	DATE	BALANCE	BALANCE	BALLOON DUE	
Chippewa B	Last pmt 1/10/2020	\$ 100,000.00	7/1/2007	\$ 2,675.29	\$ 40,676.41	Dec-20	240 Fund
Chippewa A	Last pmt 1/10/2020	\$ 100,000.00	12/1/2006	\$ -	\$ 2,579.55	Dec-20	
Azure Skye/Bertram		\$ 16,003.00	1/1/2019	\$ 14,269.32	\$ 14,402.68	Dec-28	
David Bushaw		\$ 20,000.00	12/1/2016	\$ 13,666.54	\$ 13,833.21	Nov-26	
Building Good Communities LLC		\$ 39,834.00	10/1/2017	\$ 36,615.03	\$ 36,731.61	Aug-22	
Flame Bar/Mike Hobday		\$ 25,000.00	11/1/2019	\$ 24,375.01	\$ 24,583.34	Oct-27	
Hey Diddle Diddle		\$ 42,400.00	5/1/2016	\$ 11,268.44	\$ 12,004.26	Apr-21	
Kaduce Properties		\$ 16,831.00	9/1/2017	\$ 12,763.46	\$ 14,586.84	Aug-27	230 Fund
Mayer - Chabeans		\$ 25,000.00	7/1/2016	\$ 16,666.80	\$ 19,375.09	Jun-26	
River Rock Bakery & Kitchen		\$ 40,000.00	4/1/2016	\$ 26,146.98	\$ 30,254.89	Feb-21	
JAEL Properties		\$ 65,008.00	8/1/2014	\$ 50,818.54	\$ 51,051.44	Jul-24	
K&C/ Stelter		\$ 25,000.00	1/1/2020	\$ 24,791.67	\$ -	Dec-29	
Kottke/Spring Touch Real Estate Holdings		\$ 500,000.00	9/1/2015	\$ 413,804.70	\$ 415,538.84	Aug-20	
Rachel More/The Pulse		\$ 20,356.75	2/1/2013	\$ 3,052.36	\$ 3,282.66	Feb-20	240 Fund
St. Peter Food Coop		\$ 350,000.00	4/1/2011	\$ 222,175.46	\$ 223,557.66	Dec-20	
Tanis Brothers		\$ 59,012.00	9/1/2014	\$ 46,342.56	\$ 46,553.46	Aug-24	
IHN III/E.I. Micro Circuit /Check due Apr & Oct 1st		\$ 365,211.20	4/1/2005	\$ -	\$ 24,347.44	paid	240 Fund
Total Entertainment/Tramp		\$ 6,000.00	2/1/2010	\$ -	\$ 900.00	OPEN	240 fund
Traverse des Sioux Enterprises/Check due Feb & Aug 1st		\$ 416,673.18	8/1/2009	\$ 125,001.87	\$ 152,780.09	Jan-24	230 Fund
PJ's Pizza		\$ 5,629.47	2/1/2010	\$ 5,629.47	\$ 5,629.47	JUDGEMENT	
		\$ 2,237,958.60		\$ 1,050,063.50	\$ 1,132,668.94		
			Loan 230	Loan 240	Loan 250		
LOAN FUND BALANCES (report from Brenda)		\$ 1,949,715.78	\$ 585,557.09	\$ 1,213,902.01	\$ 150,256.68		
LOANS OUTSTANDING		\$ 1,050,063.50					
		\$2,999,779.28					