



CHEDA Board Meeting Minutes
Tuesday, May 19, 2020, 7:00 a.m.

Present: Kurt Heldstab, Paul Eickhof, Steve Erickson, Leon Kremeier, Tom Vedbraaten and Betty Arvidson

Liaisons to the Board: Dale Stainbrook and Angelica Weasner

CHEDA Staff: Craig Hoiseth, Tiffany Jones, Theresa Tahrán, and Beth DeBoer

Others present: Mike Christopherson, Rob Silvers, Don Cavalier, Joe Kresel, Laurie Stahlecker, Jess Bengston, Michelle Christopherson (phone), Jim Lambert, Clayton Briggs (video), and Terri Heggie (phone)

Absent: Craig Morgan

- 1) President Heldstab called the meeting to order at 7:00 a.m.
- 2) PUBLIC FORUM – Laurie Stahlecker representing the Crookston Visitors Bureau asked the CHEDA Board if they would be interested in letting the CVB run its operations under CHEDA until they became their own entity. Stahlecker stated that they will begin the application process to become a 501(c) 3 if the 501(c) 3 is even necessary. Heldstab indicated CHEDA would be willing if the City Council opted to go that direction. Heldstab closed the public forum.
- 3) **Approve Agenda**
Motion: Member Arvidson moved to approve the Agenda as presented, second by Kremeier. Motion carried unanimously.
- 4) **Approve the Minutes-** March 17th, 2020 Board Meeting
Motion: Member Erickson moved to approve the March 17th Minutes as presented, second by Vedbraaten. Motion carried unanimously.
- 5) **Consent Agenda**
Motion: Member Kremeier moved to approve the Consent Agenda, second by Eickhof. Motion carried unanimously.

6) Old Business -

a) Cofe' Liquidation

Hoiseth reported that there has been no change since the last meeting. Hoiseth stated that we have had a couple local businesses' that have inquired about the assets but coffee shops remained closed by the order of the Governor so it's a tough time to sell assets.

b) Colburn Property Bonding Request Update

Hoiseth asked Weasner to give an update on the application process of the bonding request. Weasner stated that the application process is almost complete and needed costs were requested of Hoiseth, and subsequently given to the county for projected tax capacity and market values which is required for the application.

c) POHP Update –

Hoiseth reported that since the last Board meeting we had decided to stop construction due to COVID-19. Hoiseth reported that last week the Governor lifted some of the stay at home orders and staff was leaning at re-starting the project up and wanted to have that confirmed by the Board. The Board agreed that resuming construction at Oak Court was a good idea at this time. Hoiseth stated that the contractors have provided their guidelines that they have in place to ensure the best safety practices. Kremerier asked if the contractors have much contact with the residents. Hoiseth replied by stating that they do have some contact but it is minimal, but experience more with CHEDA staff.

d) Selkirk on 4th Tour –

Hoiseth reported that due to COVID-19 we have been unable to move forward with the proposed project tour. Hoiseth is hoping that by the end of this month or early June we can secure a time for that tour, but given this delay the project most likely be delayed until next year.

e) A+ Mobile Brakes –

Hoiseth reported that since the last Board meeting we have decided it was the best decision to more aggressively seek collateral on this loan. Hoiseth stated he is confident that the collateral will cover the legal fees and the account payable amount. Vedbratten stated that he agreed with a legal pursuit and it's time to close this one out.

7) Main Agenda

a) 1603 Hoven Lane Update

Hoiseth reported that with the school closing early it has changed the direction of this house. Travis and Jeff have done really good job of getting that house

to the point where it's at. Hoiseth reported that if the school would have stayed in session the house would most likely be wrapping up about now. Hoiseth talked with Jeff and Travis about leaving the house where it is at and resuming in the fall. They concluded that there isn't enough work left on this house that would allow for ample work for the students to complete next year. Hoiseth stated that we will likely move forward with the completion of the house with contractors and put the house up for sale. Vedbraaten asked if we would be able to sell the house without taking a hit on it. Hoiseth replied stating that it is certainly likely for the house to cost more this way, but we need to be willing to subsidize if need be to get housing stock marketable. Vedbraaten asked if we have been looking at other lots for next year's CT house. Hoiseth stated that they have been looking at a couple infill lots, Carmen View lots, and the new lots that Herkenhoff has.

b) Childcare Update – Regal Academy

Hoiseth reported that the Regal Academy Board provided a document on where things are at with the project. Erickson asked if they have a full board yet. Hoiseth said that he had heard that they lost a board member, but continue to move forward. Vedbraaten asked if they are looking for other locations. Hoiseth reported that when this board took over, the project location was going to be at Marywood. Since then, the businesses that originally verbally committed funding that would cover the monthly rent have had a tough year financially and had to pull back on the commitment somewhat. The Regal Academy Board has been looking at other locations that may be easier to provide a more positive cash flow. One of those locations is Steve Grove's building on the east side of the existing home daycare business. The current childcare center that is located in the front will remain.

c) Chamber Bucks Promotion -

Hoiseth stated that he has received an invoice from the Chamber in the amount of \$5,140.00 for the promotion that they ran March 30th through April 20th. The promotion was a success with nearly \$16,000 of chamber bucks were put out in the community. CHEDA had committed to paying receipts that were turned in through the 20th of April. Hoiseth mentioned that the promotion ended up going through the end of April and the invoices turned in during the time period were much larger. Hoiseth suggested that the Board consider paying for some of the invoice from April 21st to the 30th. Hoiseth mentioned that residents of Crookston probably held their receipts until they accumulated the \$500 threshold. It would be in good faith that the CHEDA Board recognize this and make a decision on the remainder of the invoice.

Motion: Member Arvidson moved to approve the invoice in the amount of \$5,140.00, second by Vedbraaten. Motion carried unanimously.

A discussion of how much that CHEDA should pay of the extra ten days had Mayor Stainbrook suggesting CHEDA should just pay all of it. All recognized this was taxpayer money, but the promotion benefitted all businesses and taxpayers equally.

Motion: Member Kremeier moved to approve to pay the remainder of the invoice up to \$15,000 which is \$9,860, second by Vedbraaten. Motion carried unanimously.

d) Ag Innovation Center –

Hoiseth introduced Jim Lambert, who has been hired as the Ag Innovation Center Project Manager. Jim introduced himself and gave some background on his career. Jim shared and explained the conceptual site plan for the Ag Innovation Center being built in Crookston. Jim will be meeting with various people this week in preparation for the AIC.

e) Epitome Energy – EAW Invoices

Heldstab presented an invoice from Industrial Process and Management Consultants for air permitting process for Epitome Energy.

Motion: Member Kremeier moved to approve the invoice in the amount of \$7,000, second by Vedbraaten. Motion carried unanimously.

f) B3 Grant – Biermaier Chiropractor Clinic

Hoiseth introduced an application for a B3 grant from Biermaier Chiropractic Clinic to replace existing planters and install new brick planters. The project will enhance the store front and improve visibility. The grant amount requested is for \$2,052.50 which is half of the estimated project cost. Hoiseth stated that that this would be their 2nd grant with the B3 program. The B3 grant allows for two grants per business, and this request is exactly fitting of the criteria of the program.


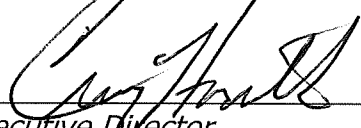
Motion: Member Vedbraaten moved to approve the B3 Grant for Biermaier Chiropractor Clinic in the amount of \$2,052.50, second by Erickson. Motion carried unanimously.

8) Other

Brady Martz Audit – Hoiseth stated that the audit wrapped up this last week. The reports will be generated in the next couple of weeks. Heldstab reported that he has been in contact with Brady Martz during the audit process on the phone and also had sent in some correspondence. Heldstab commented on the Brady Martz staff doing a great job, very thorough, and everything looks good.

There being no further business to come before the board, President Heldstab adjourned the meeting at 8:00 a.m.

These minutes were officially approved on June 16, 2020

Attest:  and 
Board President *Executive Director*

