



**CHEDA Board Meeting Minutes**  
**Tuesday, March 16, 2021, 7:00 a.m.**

**Present:** Kurt Heldstab, Craig Bunes, Steve Erickson, Tom Vedbraaten, and Betty Arvidson

**Liaison to the Board:** Wayne Melbye

**CHEDA Staff:** Craig Hoiseth, Tiffany Jones, and Theresa Tahrn

**Others present:** Mike Christopherson, Rob Silvers, Don Cavalier, Dylane Klatt, Joe Kresl, Dale Stainbrook, Kay Hegge, and Jeremy Olson

**Online Attendance:** Michelle Christopherson, Dennis Egan, and Christine Anderson

**Absent:** Leon Kremeier and Paul Eickhof

- 1) President Heldstab called the meeting to order at 7:00 a.m.
- 2) PUBLIC FORUM – No one present to address the Board. Heldstab closed the public forum.

**3) Approve Agenda**

*Motion: Member Vedbraaten moved to approve the Agenda as presented, second by Arvidson. Motion carried unanimously.*

**4) Approve Minutes – January 19<sup>th</sup>, 2021 and February 2<sup>nd</sup>, 2021 Board Meeting**

*Motion: Member Erickson moved to approve the minutes, second by Bunes. Motion carried unanimously.*

**5) Consent Agenda**

Member Vedbraaten requested to remove the B3 grants and financials.

*Motion: Member Arvidson moved to approve the Consent Agenda with the removal of the B3 grants and financials, second by Bunes. Motion carried unanimously.*

Vedbraaten asked about the grant that was given to DaRoos and if they are to pay that back. Hoiseth replied that the business still retained the purchased assets and the Board previously chose to wait and see if the assets can help the next business owners/operators before determining DaRoos should pay any amount back.

*Motion: Member Vedbraaten moved to approve the B3 grants and financials, second by Erickson. Motion carried unanimously.*

## 6) Old Business –

- a) **Colborn Property** –Representative Kiel and her team continue to work on getting the design added to the language in the bill. Hoiseth stated that Administrator Finch is hesitant to initiate the project until that specific language is in the bill, so we are continuing to follow up with hopes of the language being edited.
- b) **POHP** – Hoiseth reported that we are nearing the end of the project. The final walk through will be conducted at the end of the month. We currently have around \$50,000 left in construction contingency which we plan to utilize to replace the corridor carpet that was beat up during construction. MN Housing has agreed this to be a legitimate use of contingency dollars.
- c) **Childcare** – Hoiseth reported that Gotta Love Kids opened its doors in early January. Follow up discussions with the owner suggests that things have been going good however she still has open slots, which will be monitored concerning market demand. She stated that infant care is clearly the most urgent need at this time, as those slots filled quickly. Negotiations with Little Pirates Childcare, a non-profit, and a possible building acquisition continue, and a meeting last week discussed timing and costs associated with renovations meeting the mandates of a childcare center. Hoiseth voiced appreciation for this non-profit volunteer Board’s hard work.
- d) **CHEDA Orientation Conducted** – Hoiseth reported that we recently completed orientation for the new council and commission members. Additionally, the Mayor and CHEDA Board President sat in as a refresher in how to better understand the management reports. These reports depict all financial activity of CHEDA and the current status every month to include total cash position of each account. We continue to distribute the reports in hard copy to all Crookston City Council and Administration.

## 7) Main Agenda

### a) B3 Committee Recommendations -

Hoiseh reported that last week a committee which in addition to himself included Councilmen Melbye and Klatt along with Administrator Finch met and discussed three B3 applications. All three applicants presented their businesses and specific requests. Hoiseh asked Klatt and Melbye how they thought the process went. Klatt stated that it was a good process and was glad to have participated in the interviews. Melbye stated that it was good to visit with the applicants about their projects and also was glad to have participated. Hoiseh mentioned that the committee reviewed 3 applicants and recommended 2 for Board approval. The third applicant was not rejected, but instead the committee seeks more information and would like to consider this request at a future time.

#### i. Synergy -

Heldstab introduced the committee recommended B3 grant for Synergy.

*Motion: Member Arvidson moved to approve the B3 grant in the amount of \$1,630 as recommended, seconded by Bunes. Motion carried unanimously.*

#### ii. Total Lawn Care –

Heldstab introduced the committee recommended B3 for Total Lawn Care.

*Motion: Member Vedbraaten moved to approve the B3 grant in the amount of \$4,000 as recommended, seconded by Aridson. Motion carried unanimously.*

### b) Resolution 1-3-2021 Accepting Capital Funds –

Heldstab introduced the resolution and asked if anybody had questions. This is an annual acceptance and dollars to go toward capital projects at Oak Court.

*Motion: Member Arvidson moved to approve Resolution 1-3-2021 Accepting Capital Funds in the amount of \$87,879, second by Bunes. Motion carried unanimously.*

**c) BCBS Benefit Alignment –**

Hoiseth stated his understanding was that the City has settled with AFSCME which would require Board action if they wish to follow suit, as it will affect the CHEDA Budget. The settlement would require CHEDA to pay \$1,140 into a VEBA/HSA account for the year 2020 and early 2021 insurance changes. The 2021 monthly employer contribution changed to \$1,055 as well.

*Motion: Member Bunes moved approve the insurance changes to align with the City's union agreement, second by Arvidson. Motion carried unanimously.*

**d) Epitome Energy Invoices –**

Heldstab introduced the draw requests that were submitted from Epitome Energy.

*Motion: Member Vedbraaten moved to authorize CHEDA to pay the submitted invoices in the amount of \$41,793.48, second by Erickson. Motion carried unanimously.*

The owner of Epitome Energy, Dennis Egan, was present virtually to answer any questions and give an update to the CHEDA board. Bunes asked Dennis if he expected any surprises, particularly regarding the permitting process. Egan replied that it was the exact opposite. Early investigation led to the belief that an extra permit might be needed however recent investigation has proved that to be false. The permitting application should be submitted early in Q2 and hopefully approved by MPCA in late summer. Bunes also asked if he had an expected date for groundbreaking. Egan was hopeful if timing fell into place, for a fall of 2021 date.

**e) POHP Bond Application –**

Hoiseth informed the Board that MN Housing Finance Agency has been awarded general obligation bonding dollars for 2021. Hoiseth reported that Oak Court still has some critical needs as the building is aging. Hoiseth asked the Board for a motion to allow staff to apply for POHP funding to replace the roof at Oak Court and install new smoke detectors. Leverage for such an application is important and discussions were had about the percentage (and/or dollars) to put forth on the application.

*Motion: Member Arvidson moved to authorize CHEDA staff to apply for MN Housing POHP Bonding, and leverage up to 20% match for the roof and smoke detector projects, second by Vedbraaten. Motion carried unanimously.*

## 8) Other Business

Hoiseth reported a concern with a prior construction trades house from a few years ago. The concrete is flaking off and the owner has asked if we could fix it. Hoiseth stated that the estimated cost could be approximately \$10,000 to fix which would include jackhammering the existing concrete and pouring new. The Board had discussion and suggested that we continue to work with the general contractor on a joint solution and continue to work for a satisfactory result for the customer.

Hoiseth reported to the Board that Kay Hegge from Prairie Skyline has requested a second extension on her loan balance. Kay reported that the final work will be completed sometime in April. After that, Kay will be submitting her report which will conclude the project, likely in early May. She will receive her last installment of the grant in July or August in the amount of \$41,000.

*Motion: Member Arvidson moved to extend the loan balance due date until September 1<sup>st</sup>, 2021, second by Bunes. Motion carried unanimously.*

Erickson asked if CHEDA planned on advertising the rehab program since we only have two loans out at this time. Hoiseth responded that banks have such good interest rates right now that gap financing isn't as necessary. One objective for 2021 is to review this Rehab Housing Loan program and recommend any changes that might be appropriate.

Councilmen Kresl reported that the Crookston Pirate Wrestling team won the Section 8A Championship last Saturday. It was the first time since 1988 and only the second ever in program history.

## 9) Adjourn

**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 April 20, 2021  
Attest: [Signature] and [Signature]  
Board President Executive Director

