

**MINUTES**  
**Chisholm Economic Development Authority**

**July 19, 2010**

**Present:** Chairperson Jugovich, Ron Novoselac, Tim Larson, Shannon Kishel-Roche, Bobbi Jo Amic, Veda Ponikvar

**Absent:** Larry Killien

**Others Present:** City Administrator Mark Casey, Terry Rupar, Development Director Amy Rice

**1. Meeting called to order by Mayor Jugovich at 3:02 p.m.**

- **Addition to the agenda: Special Meeting Minutes of July 13, 2010**  
**Motion to adopt the agenda with the addition of the special meeting minutes.**  
By: Novoselac      2<sup>nd</sup>: Larson      Motion passes unanimously.

**2. Public Participation:** None

**3. Approve Minutes:**

- **Motion to approve minutes of meeting of June 21, 2010 & July 13,2010.**  
By: Ponikvar      2<sup>nd</sup>: Kishel-Roche      Motion passes unanimously.

**4. Reports: Chairperson-** Discussed the Udovich property. Possible residential development site. Mayor Jugovich will follow up with Mr. Udovich

**Treasurer** – no report

**Directors** – V. Ponikvar discussed the Welcome Home Ceremony to be held for the 114<sup>th</sup> Transportation Company on Saturday, Sept. 19<sup>th</sup>. The US Army Band will be attending.

B. Amic discussed residential sales within Chisholm. Seven homes have been sold in 2010. \$68,500 is the average purchase price. These statistics are lower than the area averages. The fall buying season will be starting and mine workers are now becoming eligible for mortgages after layoffs, so these numbers should be coming up. Also discussed, were fees involved with property acquisitions. Cost to the buyer will generally run under \$500.

**Development Director** – A. Rice reported that she has been in contact with Dave Peterson and will be meeting with him in Duluth to tour one of his developments. S. Kishel-Roche recommended speaking with Bob Vicari to see if he was interested in attending. The Wendigo Pines CDA loan has closed. MN Twist is approved but pending, as is Serving Hands. A. Rice also spoke with Lisa Diehl who is the listing agent on the property by McDonalds.

**City Administrator** – Advised that Serving Hands is looking for fill at their construction site.

## 5. Communications:

- None

## 6. Unfinished Business:

- **Anderson Lubricants:** Administrator Casey, Mayor Jugovich, Director Rice, and City Attorney Cianni met with CEO Steve King and John Fedo regarding their concerns about contamination. They also face some financing issues. John Fedo brought CEO King to the Tioga 40, they are very interested in the property. Administrator Casey will provide them with soil samples at their request. Administrator Casey, Director Rice and City Attorney Cianni will meet to discuss the option.
- **Hwy Billboard:** The CDA has approved the design completed by Bark Design. As per recommendation, we will try to have it photo shopped onto a larger image of the billboard so the size can be better determined.
- **Antique Emporium:** Information provided in the Special Meeting Minutes of July 13, 2010. A future meeting will be planned for Sept. 2010.
- **Budget 2011:** The finance committee of T. Larson, A. Rice and M. Casey met prior to this meeting and came up with a tentative budget. This was passed out at the meeting. Further discussion was held on EDA levy options and the possibility of escrowing unused 2010 funds for property acquisition. The budget is currently proposed at \$4,000 over 2010.
  - **Motion to approve the 2011 Proposed Budget.**  
By: Larson            2<sup>nd</sup>: Ponikvar            Motion passes unanimously.
- **Serving Hands:** Financing is now progressing. They had issues with the appraisal but new numbers are being worked out.

## 7. New Business:

- **Directors Invoice:** Quarterly expense report approved.
  - **Motion to approve the 2<sup>nd</sup> Quarter Expense Report.**  
By: Larson            2<sup>nd</sup>: Kishel-Roche            Motion passes unanimously.

- **Land Acquisition:** We are looking to budget funds for land acquisition. Areas including the city water source and waste water treatment along with housing development properties to be looked into.
  - **Motion to have City Attorney Lou Cianni, Administrator Casey and Director Rice look into land annexation with the water supply corridor first priority.**  
By: Ponikvar 2<sup>nd</sup>: Kishel-Roche Motion passes unanimously.
- **Companies Available:** Administrator Casey reported that there are a few businesses interested in the spec building at the airport. Larry Lehtinen, Magnetation LLC, is one that we could also pursue. The others are confidential at this time.
  - **Motion to have Director Rice contact Larry Lehtinen.**  
By: Kishel-Roche 2<sup>nd</sup>: Ponikvar Motion passes unanimously.
- **Meeting Frequency and Time:** 3<sup>rd</sup> Monday of the month, 3pm, every month.

**8. Other:** Director Rice mentioned pursuing Real Life Properties as a possibility for the property located by McDonald's. Another option would be by the lake when the waste water treatment plant is taken out. She will make a contact with Real Life.

#### **9. Adjourn:**

- **Motion to Adjourn at 4:20pm.**  
By: Larson 2<sup>nd</sup>: Novoselac Motion passes unanimously.

Next Meeting Date August 16, 2010.

Respectfully Submitted  
Amy Rice