

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Work Session – February 14, 2011

Pursuant to due call and notice, a work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, February 14, 2011, at 5:30 p.m. in the Conference Room of City Hall, Mayor Larson presiding.

Upon roll call, the following Councilmembers were declared present: Larson, Waldhausen, Hellquist, Johnson, Albrecht, Negard, Thompson

Staff Present: City Manager John Chattin, City Attorney Alan Felix, City Clerk Kay Murphy
Others Present: HRDC - Dave Hengel and Tiffany Fettig

Mayor Larson stated that the purpose of the work session was to discuss marketing of city-owned property located at the south shore and the “old” MnDOT site.

Dave Hengel, Director Leadership and Development – HRDC, reviewed the marketing for the south shore development. He stated that the south shore will be a premier northern Minnesota destination that features a socially and economically vibrant district within a park-like setting. As part of the marketing for the area it has been named Village at South Shore. He stated that the website is available now for developers to view parcels that are available for sale. A recruitment package has been developed and distributed to all local developers and over fifty metro developers.

Hengel stated that developers have been invited to the Gopher/BSU hockey game on March 4 at which time presentations and tours of the south shore will be given. Paul Bunyan Telephone and Kraus Anderson have provided suite seating for developers. He stated that it would be nice to have a council representative available at the March 4 game to visit with potential developers. Albrecht commented that many of the council members have season tickets and could visit with the developers at break time.

Hengel stated that it is their desire to market the south shore in the Sanford Center, i.e., kiosk, marquee sign, and scoreboard. He has been working with VenuWorks in this regard and they would like the clarification as to whether or not there would be a cost for marketing.

Motion by Waldhausen, seconded by Thompson, directing VenuWorks to allow advertising for the Village at South Shore at the Sanford Center at no cost to the City. Motion carried unanimously.

Tiffany Fettig, Business Loan Consultant – HRDC, reviewed the City’s criteria on economic development. There are different incentives for the traditional projects and for south shore projects. Fettig stated that she will negotiate with potential developers on behalf of the city and also will try to utilize other available gap financing funds, such as those available through the Joint Economic Development Commission (JEDC), HRDC, and Northwest Minnesota Foundation. She will make recommendations to the council which has final approval.

Albrecht asked how the city’s incentives compare with other communities? Hengel stated he was not sure but whether these incentives are used or not it does send a message to potential developers.

Hengel asked the Council to consider other potential incentives such as Tax Increment Financing (TIF), tax abatement and waiving of city fees. He stated that he is not looking for a policy but rather wants the Council to discuss options now before a developer would come to the Council table asking for one of these incentives. Council consensus was that a work shop be set up to educate the Council about TIF and tax abatement.

Felix stated that BEDA owns the south shore and a meeting, perhaps a joint meeting, will need to happen to discuss the marketing of the south shore.

UPDATES

Chattin stated that there has been recent discussion about the solar panels. However, the solar panel project is “dead” at this point as there is no funding available. Chattin stated that

the City received a rebate in the amount of \$77,000 from Otter Tail Power for the Sanford Center.

ADJOURN

There being no further business, motion by Hellquist, seconded by Johnson, to adjourn the meeting. Motion carried. Meeting adjourned at 6:36 p.m.

Respectfully submitted,


Kay M. Murphy
City Clerk