

City Council Proceedings

Regular Meeting/Work Session

September 12, 2005

Pursuant to due call and notice, a regular meeting/work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, September 12, 2005, at 5:30 p.m. in the Council Chambers of City Hall, Mayor Lehmann presiding.

Upon roll call, the following Councilmembers were declared present: Meuers, Johnson, Hellquist, Markeson, Erickson, Lehmann. Absent: Downs

Staff Present: Minke and Murphy-Schuett

Mayor Lehmann stated that the purpose of the meeting to discuss the location of the Event Center and to review concerns expressed by the Council at the last work session.

Dave Hengel, HRDC, commented that the Council listed a number of potential criteria and directed a couple members of the event center committee to work with City staff to develop criteria and solutions. The criteria for selection of a site for the event center were developed as: 1) economic impact; 2) tax base impact; 3) alignment with City goals; 4) need for hotel rooms; 5) acquisition cost and process; 6) competitive advantage; 7) funding/financing; and 8) political feasibility. Mr. Hengel stated from his perspective and from the full groups perspective they believe there are two great sites for a potential event center; however, the group feels that the downtown site is the best site. However, based on the criteria set by the Council if there is a compelling reason to select the SE Lake Bemidji site, the committee will support it.

Lehmann stated that there are compelling arguments to build an event center in either location and could support either one.

Markeson commented that he was in favor downtown location stating reasons which included that the economic impact will be felt more in the downtown location, it is next to Lake Bemidji, Paul & Babe, Visitor's Center and a unique downtown area which is located on city trails, and closer to BSU which will be the primary tenant.

Angie Kemmer, native of Bemidji, commented that location of the event center is very important for the long range development of the City. The site location should enhance our community for those that live and visit our City. She felt that the community would gain from the site location at SE Lake Bemidji. The southeast site lends itself to development and the downtown location has its own values.

Gayle Quistgard, Bemidji Visitor and Convention Bureau, commented that the site should be one that community will embrace and can be "sold" to the legislature.

Johnson asked for a clarification of the downtown visioning process. He further asked why the SE Lake Bemidji vision which was done a number of years ago was no longer valid which showed an event center and hotels.

Dick Rose stated that the DDA visioning process is ongoing and will be looking at the positive and negative. He felt that the bottomline was the leveraging issue and the option of mixed use development in the downtown. Mixed use developments which combine retail, housing and other types of activities are part of what will make the downtown viable. Mr. Rose commented that one must look at the number of people in order to diversify the investment portfolio. In considering the SE Lake Bemidji site the focus is on fewer individuals at least initially then the same kind of investment in downtown.

Mike Smith, Downtown Development Authority President, stated that the DDA has not been vocal but has been in agreement with the location subcommittee's recommendation of a downtown location for the event center. He commented that the Joint Planning Board led by the HRDC led a series of 20-25 community meetings and at every meeting the issue of vibrant downtown was discussed and came out as one of the highest of priorities. Bemidji Leads has identified the downtown as one of its top sixteen destiny drivers. The Bemidji Chamber of Commerce also identified the downtown as one of its top issues. He stated several reasons why the south shore was not a good choice including competitive businesses and environmental problems.

Lehmann commented that the major beneficiary will be the restaurants and hotel/motel chains. Lehmann asked how this has a positive impact on downtown businesses when most likely most businesses are closed during the event center's peak operating hours. Mike Smith responded that it will bring people into the community and create an awareness of who the businesses are and what there is to offer.

Davey Mills, owner of Bar 209, stated that the event center will impact all businesses if located downtown.

Kelly Larson, owner of Birds in Flight, was in favor of the downtown location which will create an awareness of downtown.

Dale Thompson, member of DDA and Joint Planning Commission, stated that the DDA is very supportive of the Events Center Task Force recommendation to locate the facility in the downtown and handed out a letter of support signed by several downtown business owners.

Johnson commented that having the event center in Bemidji is more important than where it goes. He stated that the south shore is very important to our community. Johnson felt it was important that the Council be on the same page and the full Council vote on the location.

Kristi Anderson, President Innkeepers Association, stated that the Innkeepers Association supports the downtown location and agree that Bemidji needs an event center. She commented that the event center would be more viable and more businesses would benefit from a location downtown.

Rich Siegert, business owner, stated that he belongs to the DDA and considers the south shore as part of the downtown. He stated he is in favor of the SE Lake Bemidji location. It offers a much better chance for financial success and offers more opportunities for events.

Erickson commented that it is more important to have an event center that is successful and that the event center located at the SE Lake Bemidji location would offer a competitive edge because of the proximity to the lake and trails. The Council has prioritized several issues for the City and the top three were an event center, SE Lake Bemidji redevelopment and trails. Erickson stated that she is concerned about the downtown location and the loss of the downtown feel.

LaDon Howes, Tea & Gift Shop, stated he owns a small business and needs people to come downtown. He was concerned that shops will develop around the event center and the downtown shops will dry up. He stated that placing the event center in the SE Lake Bemidji location will not help downtown.

Markeson commented that the downtown location is as much a Lake Bemidji site as the southeast location.

Meuers commented that either site would work. She stated that the SE Lake Bemidji site is a big draw; however, locating it downtown could help small businesses. Meuers stated that she has a hard time envisioning a downtown feeling with the downtown businesses going out of downtown.

Lehmann stated he is in favor of the downtown location. The SE Lake Bemidji site does address three of the top priorities; however, the downtown location would be beneficial to more businesses.

Erickson commented that the housing downtown would use the services from downtown on a daily business.

Johnson commented that placing the event center downtown will impact several businesses that will either close or move out of downtown. He commented that perhaps replacing some of the older buildings is good.

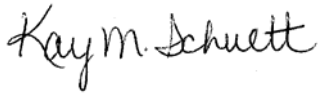
Hellquist commented the most succinct argument for the SE Lake Bemidji he heard was by Rich Siegert and showcases that we have one chance to do a fabulous event center. BSU will be one-third of the revenues of the event center and it is critical to have BSU's input prior to making a decision on this. Hellquist commented that an event center should be a destination point. Hellquist stated that the railroad will still be operating behind the event center at the downtown site.

Consensus of the Council was to schedule a special meeting on Tuesday, September 20 at 5:30 p.m. to vote on the location of the event center

ADJOURN

There being no further business, motion by Hellquist, second by Johnson, to adjourn the meeting. Motion carried. Meeting adjourned at 7:15 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kay M. Schuett".

Kay Murphy-Schuett
City Clerk