

CITY COUNCIL PROCEEDINGS

BEMIDJI, MINNESOTA

Work Session – Monday, October 28, 2019

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, October 28, 2019, at 5:30 p.m. in the Chambers of City Hall, Mayor Albrecht presiding.

Upon roll call, the following Councilmembers were declared present: Albrecht, Meehlhause, Beard, Johnson, Rivera, Erickson, Thompson.

Staff Present: City Manager Nate Mathews, City Engineer Craig Gray, Community Development Director Steve Jones, City Clerk Michelle Miller

Others: Chris Hamilton Lake-n-Woods Realty, Dave Hengel Greater Bemidji

Mayor Albrecht stated the purpose of the work session was to discuss economic and community development matters.

Land Sales

Mathews stated that staff would like to discuss various listings the City has with Lake-n-Woods Realty. Council discussed the list prices of four marketable properties located on Lake Shore Drive NE and possibly removing two less desirable lots located on 1st Street East from the listing. After discussion, consensus of the council was to remove the lot on 1st Street East to be used to store snow from the parking lots. The lot on the corner of Grant Avenue NE will remain listed at the current price.

Chris Hamilton presented his opinions of value for four parcels located in the plat of South Shore Addition. The first two being parcels 80.05893.00 and 80.05984.00 described as Lots 1 and 2, Block 3, South Shore Addition. He stated they are currently listed at \$8.50 a square foot (sf). The two comparable sales sold for \$5.25/sf and \$5.95/sf. Hamilton recommends reducing the two lots to \$6.00/sf. After discussion, consensus was to adjust the list price to \$6.50/sf.

Parcel 80.05989.00 described as Lot 1, Block 5, South Shore Addition is currently listed at \$2.99/sf. Hamilton recommends keeping this listed price and council agreed with that assessment.

Parcel 80.05990.00 described as Lot 1, Block 6, South Shore Addition is currently listed at \$5.00/sf. Hamilton recommends listing at \$3.25/sf. Upon discussion council consensus is to list the property at \$3.50/sf.

Parcel 80.00461.02 is located near the airport at the intersection of Hwy 2 West, Moberg Drive NW with access off Norris Court NW consisting of 6.3 acres. Mathews feels this is a highly marketable property. Hamilton recommends listing at \$5.00/sf based on comparable sales. Upon discussion council consensus is to list the property at \$5.50/sf.

Parcel 80.00461.03 is located near the airport at the end of Norris Court NW consisting of 5.13 acres. Hamilton recommends listing at \$2.00/sf based on comparable sales. Upon discussion council consensus is to list the property at \$2.75/sf.

Parcels 80.04266.00, 80.00422.00 and 80.00424.00 are located off of Rako Street SW consisting of 14.94 acres (lots 11-12 of PID 4266 are omitted at 1.36 acres each). This property poses some challenges with a drainage ditch bisecting the property and old rail bed at southern border of property. This property also poses an issue due to the storm water needs to help treat phosphorus discharges to Lake Irving which is currently on the MPCA Impaired Waters List. Hamilton recommends listing at \$.50/sf based on comparable sales. Upon discussion council consensus is to list the property at the recommended price.

City Economic Development Authority (EDA) and City Revolving Loan Fund (RLF)

Mathews stated that staff would like to discuss different ways to use revolving loan funds and having the EDA be strategic regarding its RLF, as it is currently underutilized. Jones briefly discussed the potential opportunities to invest and/or use the funds differently. A work session will be scheduled for further discussion.

City ED Contract Deliverables and/or Competitive Process

Mathews stated that in September the council discussed creating a detailed contract with Greater Bemidji, with an action plan and clear deliverables for the \$30,000 the city levies for economic development. Staff is seeking direction what those deliverables are and/or the

possibility of creating a competitive/open process for allocating these funds. In recent years, the entire amount has been given to Greater Bemidji, Inc. The city currently has the statutory authority to appropriate not more than \$50,000 annually out of the general revenue fund to paid to any incorporated development society or organization for promoting, advertising, improving or developing the economic resources of the city. Council members discussed other organizations that does similar work in the community and addressed the pros and cons of having a competitive process.

Hengel provided an update of the work done by Greater Bemidji and the fact that the money given to them is not a donation but services provided based on a work program. Hengel stated he is always willing to sit down with city officials to discuss ideas of the city. He described how the competitive process of the county is different than the contribution the city has given to Greater Bemidji for the purpose of economic development.

Upon discussion staff was directed to draft a Memorandum of Understanding with Greater Bemidji for review at a future work session.

Adjourn

There being no further business, motion by Meehlhause, seconded by Beard, to adjourn the meeting. Motion carried. Meeting adjourned at 8:00 p.m.

Respectfully submitted,



Michelle R. Miller
City Clerk