

**SPECIAL
BEMIDJI ECONOMIC DEVELOPMENT AUTHORITY
MINUTES**

Monday, July 1, 2013

Pursuant to due call and notice, a special meeting of the Bemidji Economic Development Authority (BEDA) of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, July 1, 2013, at 6:00 p.m. in the Conference Room of City Hall, President Albrecht presiding.

Upon roll call, the following Commissioners were declared present: Albrecht, Meehlhause, Hellquist, Johnson, Thompson, Erickson, Olson

Staff Present: City Manager John Chattin, City Attorney Alan Felix, Finance Director Ron Eischens, Public Works Director Craig Gray, City Clerk Kay Murphy

Others Present: Tom Hanson, Zorbaz; Dave Hengel, Greater Bemidji; Tiffany Fettig, HRDC

President Albrecht stated that the purpose of the Special BEDA meeting was for a development presentation from Zorbaz and to review and discuss an offer for the purchase of B.E.D.A. land located west of the Sanford Center.

Tom Hanson, founder/owner of Zorbaz, presented a proposal to locate a Zorbaz in the Village of the South Shore. He reviewed his business model stating that Zorbaz can bring traffic to the area, lake culture, outdoor activity, and be a perfect complement to the park. He stated that the restaurant would be 6,500 sq. ft. with a 2,500 sq. ft. patio. It also would employ 35 to 45 people.

Mr. Hanson's proposal was to purchase 1 to 1.5 acres of land located in the Southshore at \$7 sq.ft., and defer payment for five years or until the beach is developed whichever is later. He requested no loan funds, tax increment financing or city subsidy. He further stated that this was his only offer and would not be open to counteroffers.

Discussion continued regarding the condition of the beach, the "historic" bathhouse and the requirement for public dock. It was observed that the City Council will be discussing the cost of the beach cleanup at a work session in July.

Motion by Erickson, seconded by Meehlhause, to close the meeting in accordance with Minnesota Statute Section 13D.05, Subd. 3(b) for the purpose of discussing, developing, and/or considering offers or counter-offers for the proposed sale of BEDA property. Motion carried unanimously. Meeting closed at 6:36 p.m.

Staff Present: City Manager John Chattin, City Attorney Alan Felix, Finance Director Ron Eischens, Public Works Director Craig Gray, City Clerk Kay Murphy


Motion by Olson, seconded by Meehlhause, to reopen the meeting. Motion carried unanimously. Meeting reopened at 6:55 p.m.

Motion by Erickson, seconded by Olson, to reject Mr. Hanson's offer to purchase land. Motion carried with the following vote: Ayes: Meehlhause, Hellquist, Johnson, Erickson, Albrecht, Olson. Nays: Thompson.

ADJOURN

Motion by Meehlhause, seconded by Olson, to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:58 p.m.

Respectfully submitted,


Kay M. Murphy
B.E.D.A. Secretary