

Valley City-Barnes County Development Corporation Special Board Meeting
Wednesday, January 6, 2016
7:30 a.m., Regional Technology Center, 415 Winter Show Road (Training Lab)

PRESENT: Tony Kobbervig, George Gaukler, Wade Bruns, Luke Trapp, Mary Simonson, Josh Kasowski, Mike Metcalf, Bobby Koepplin, Jennifer Feist and Alicia Hoffarth

ABSENT: Paige Bjornson, Bill Carlblom, Leighton Smith and JoAnn Hooper

EX-OFFICIO: Keith Andersen, ICTC

President-Elect Tony Kobbervig called the meeting to order at 7:30 a.m.

CRITERIA TO SELL 3.44 AND 2.87 ACRES

Mailing was sent to 40+ parties indicating land was available for sale for multi-family housing with a January 29th deadline to submit a proposal. We have not received any serious interest beyond the parties already on the table. Previously had a \$500,000 option to purchase but developer did not receive funds through ND Housing Incentive Fund so project did not move forward. Discussed what if any criteria should be attached to the sale. Criteria related to affordable rent and critical needs may impact the funding/grant programs available to the developer. ND State Historical Society wants to conduct additional on-site investigation related to the burial mounds before ground is disturbed. Their findings may impact how many units can be built on the site and therefore whether the project is feasible for the developer. Land can be sold with the only criteria being the price; however it is important to this organization to ensure we have affordable housing. Land is zoned for multi-family housing. Additional criteria are needed to meet the needs of the Flex PACE program if the developer wishes to utilize that program. The local community defines "affordable housing" means for the Flex PACE program, within reason. Do we want to set a minimum number of units for the site? Jennifer will call ND Housing Finance Agency to determine when the next round will open for the Housing Incentive Fund. Based on that information, the deadline to submit a proposal will be pushed back - likely to April 1st. Questioned the value of the land - 2.87 acres does not have much value except to provide access to the 3.44 acres. A purchase price of \$500,000 for the 3.44 acres is roughly \$3.33/square foot - land would need to be developed with all utilities plus address the elevation issue. It was noted that the two parcels should be advertised as one piece of property with the notation that there may be unusable land, burial mounds, etc.

PRIMARY SECTOR

Labor Force - Telos Associates: Reviewed three step proposal. Program would be defined and promoted in January and launched in February. Telos has not done this type of work before but has completed successful campaigns for political purposes, specifically Measure 3/State Board of Higher Ed. They are priced significantly lower than a firm that has significant experience. We will utilize Job Service to be a confidential depository so individuals can turn in their resumes, consider additional opportunities.

1. Website/Facebook - questioned how long they would be maintaining the site and if the Facebook site could then be transferred to be a Development Corporation page.
2. Employee survey - Would include 1,000 completed surveys. They have access to a cell phone database to ensure those without landlines are included. We will assist with setting the parameters of the questions to ensure that we are gathering information on commuting, wage levels, health benefits, flexible schedule, etc.
3. Employer survey - proposal to survey 250 businesses, may be a large number, use the 150 Development Corporation members which would be more appropriate.

Companies ask about the workforce when considering whether they will locate their business here. We do not have the data to provide solid answers to them. There is no guarantee what type of information we will receive as it will depend highly on the respondents and the data will be out of date within a few years. However, this will provide us the information we need to handle company questions. Bobby Koepplin moved to approve the Telos Associates proposal up to \$14,000 with a clarification of parameters and final approval by the committee working on the project. Funding from Marketing or Small Projects. Wade Bruns seconded. Motion carried unanimously.

Minimum Wage Levels: Currently to receive primary sector economic development funding, companies must provide a minimum wage of \$14/hour for manufacturing or \$35,000/year for technology and medical benefits but we do not specify. Need to determine what the ACA requirements are; may indicate that they provide insurance

for a single person or meet ACA. What are other companies in Valley City currently paying? The \$14/hour is the base salary required. Many companies provide incentives/production bonuses above the base rate. Paying health insurance premiums also equates to a substantial increase in dollars per hour. Need to balance setting a level that is high enough to promote good living wages without pushing companies away. It was noted that individuals getting paid very low wages are often eligible for programs while those getting mid-level wages are not eligible for programs but are still unable to pay for housing, etc.

~Note: Mike Metcalf left the meeting at 8:30 a.m.

Meetings with VCSU: Meetings pending to determine how we can enhance the internship program, build a pipeline of technology students and identify business sectors that could locate here and utilize our students (ex. Fish & Wildlife program students). Also identify the profile of a student who wants to stay and work in Valley City. Mary noted that social workers are in very high demand as well as teachers and nurses. All require specific education programs. Can we ramp up our nursing program?

Meetings with Critical Partners: Will continue to meet with the City and County as well as other key partners. This provides an opportunity to update them about what we are doing, learn what they are doing, and identify how we can help each other. It is sometimes difficult to get the groups' undivided attention so alternative meeting times will be explored. It is imperative that we work to keep the Valley City Job Service office open. It was noted that we need to continue efforts to enhance the work of the Career & Technology Center, particularly because VCSU does not offer two year degree programs. Continue working to build the relationships between the Career & Technology Center and our local companies. The Center provides the education necessary to engage more people in the skilled trades. This takes significant time to coordinate and requires resources to be dedicated to it. Also work to enhance the relationship between the Public Schools and the Technology Center to engage more students. Are companies utilizing/being matched appropriately with the students that are there now?

QUALITY OF PLACE

Flex PACE: Board consensus is not to fund additional storage units. Review ineligible projects and determine if changes are needed. Note that the Board can always make an exception – guidelines will state that “typically ... are not funded”. Summarize the amount of funding used to date and number of projects. Flex PACE cap is \$133,333 - \$100,000 (75%) from the Bank of ND and \$33,333 (25%) local match.

Roundtable: Update meeting scheduled on January 21st.

Claw back: Should we have a claw back provision if a project is not used as intended (example - Kathryn Community Center up for sale). Going forward we will include a statement with project documents that indicates that the project may need to return funding if it is not used as intended.

INFRASTRUCTURE

Land Use & Transportation Plan - process will be started this spring.

Planning & Zoning is proposing some zoning changes - opportunity to provide feedback at City Hall. May have update to the Board at the March meeting.

OPERATIONS

Ex-Officio Positions: Ex-officio positions have all the rights and responsibilities of Board members with the exception of voting. Discussed whether key groups within the community should have ex-officio positions. The School Board was offered a voting position and it was declined. Joining the Board is a process - individuals need to be interested and start coming to meetings as it takes time to learn. George Gaukler moved to appoint Dean Kinney as an ex-officio member. Mary Simonson seconded. Motion carried (Nayes: Bobby Koepplin and Josh Kasowski, Mike Metcalf absent and not voting).

Public Participation: Clarify policy and possibly include in Bylaws.

There being no further business, President-Elect Tony Kobbervig adjourned the meeting.

Respectfully Submitted

Jennifer Feist
Director of Development