

Valley City-Barnes County Development Corporation Board Meeting

Monday, June 13, 2016

6:45 a.m., Regional Technology Center, 415 Winter Show Road (Training Lab)

PRESENT: Tony Kobbervig, JoAnn Hooper, George Gaukler, Luke Trapp, Bill Carlblom, Wade Bruns, Bobby Koeplin, Jennifer Feist and Alicia Hoffarth

ABSENT: Paige Bjornson, Josh Kasowski, Leighton Smith, Mary Simonson, Mike Metcalf and Dean Kinney

EX-EFFICIO: Matt Pedersen, City Commission; Tisa Mason, VCSU; Jeff Bopp, SVACTC; and Chad Petersen, KLJ
President Tony Kobbervig called the meeting to order at 6:45 a.m.

AGENDA: Adjust agenda order to secure decisions prior to loss of quorum and extend deadline for Project BEKM

MINUTES: Wade Bruns moved to approve the May 9th minutes as submitted. Luke Trap seconded. Motion carried unanimously.

FINANCIAL STATEMENTS: Bobby Koeplin moved to approve the financial statements as submitted. JoAnn Hooper seconded. Motion carried unanimously. Flex PACE-\$200,000 unrestricted funds-\$197,000 paid to BND.

2016-2017 PRELIMINARY BUDGET: Administrative budget is for purposes of requesting funds from the City and County. The goal is to decrease funds by \$27,000 from the County but is contingent on leasing the NW Industrial Park building. Will request funds upfront and work to lease the building. Bobby Koeplin moved to request \$27,000 from the City and County each for administration. JoAnn Hooper seconded. Motion carried unanimously.

EXECUTIVE SESSION: JoAnn Hooper moved to go into Executive Session. Luke Trapp seconded. Motion carried unanimously.

CLOSE EXECUTIVE SESSION: JoAnn Hooper moved to close the Executive Session. Luke Trapp seconded. Motion carried unanimously.

NEW MANUFACTURING PROJECT PROPOSAL: Submit proposal with four options, \$150,000 cash incentive at \$10,000 per job for the first 15 jobs plus up to \$100,000 for PACE funding. Include a note in the proposal that we have another project and proposal on the table. The NW Industrial Park building is available on a first come-first serve basis. Show available buildings. If we invest in a privately owned building, recoup at least half of the funds through the lease payment. Promote our buildings primarily and have the company work with private property owners; we can provide incentive to the business. Adjust lease rate or PACE funds to pay ourselves back. Using public money; is it fair to invest in someone else's building? Funds invested in the NW Industrial Park building are an investment in the community's property. Bobby Koeplin moved to submit the proposal with the following adjustments; include a \$150,000 incentive for 15 jobs, adjust proposal for Blumer and Malach buildings by excluding \$100,000 but may be able to add back incentives to the company, lease rate to be the same as BEKM, deadline of August 15 and NW Industrial Park building is available on a first come-first serve basis. Luke Trapp seconded. Motion carried unanimously.

PROJECT BEKM: Bobby Koeplin moved to extend the deadline to August 15 for Project BEKM and add that the NW Industrial Park building is available on a first come-first serve basis. Bill Carlblom seconded. Motion carried unanimously.

Note: Bill Carlblom left at 7: 30 am-absent and not voting on subsequent motions. President Kobbervig recognized a quorum was no longer present, no further decisions, discussion only.

JUST KIDDING DAYCARE: Check with City to ensure a building permit can be secured because of FEMA regulations and Audi location. We have \$58,000 available and would need to request additional funds from the City and County (\$13,500 each) or only as much as needed to be able to provide \$85,000. Child care is still needed and possibly getting worse. Head Start may lose 10-12 slots due to budget cuts. The \$127,000 Child Care Grant Program would create 82 slots (average investment of \$1,550 per slot). The program could or will end because funds are fully expended and will not be

automatically renewed. Financing and building permit needs to be in place. Consensus was to provide \$85,000 in grant funds which are subject to City and County funding approval. Request \$13,500 from the City and County each.

VC EAGLES: Requesting funds for building repairs; southwest corner is sinking and causing building to shift. Repair costs include mechanical and concrete issues. CVB tentatively approved \$10,000 and \$10,000 requested from Roundtable. How is it different from helping the VFW and others? Eagles Club is our convention center and the only location that can accommodate large groups; one-time funding contingent on Food & Beverage funds. A/C repairs before freeze up.

DIRECTOR'S REPORT:

1. **Housing:** Expect more information at the July Board meeting
2. **July Board Meeting:** Reschedule based on attendance/quorum
3. **Labor Study:** Working on final report
4. **Job Service:** Pending
5. **Eagle Creek Lease:** Pending-expect to be signed soon. Paid down FCCU loan by \$200,000 and reset payments
6. **State of IT Industry Guide:** Consider advertising and story
7. **IDEAS Group:** Established-Alison Kasowski, Chair
8. **DOT Land Sale:** About 45-55 acres-to be sold July 14th. Publicize to increase interest and encourage development
9. **Marketing:** Technology "proposal" without a name to help develop leads (growing and startup)-discuss at July meeting

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

Respectfully Submitted

Jennifer Feist
Director of Development

NOTE: Valley City Development Corporation Annual Meeting postponed.