

**MINUTES  
ECONOMIC DEVELOPMENT AUTHORITY MEETING  
JUNE 20, 2016**

The meeting was called to order at 6:42 p.m.

Present: Commissioners: Kermes, Prudhon, Ruzek; Assistant Treasurer / Secretary: Short; Attorney: Lemmons.

**APPROVAL OF AGENDA (Additions/Deletions):** Prudhon moved approval of the agenda as submitted. Ruzek seconded. Ayes all.

**APPROVAL OF MINUTES OF MAY 16, 2016 (Additions/Deletions):** Ruzek moved approval of the May 16, 2016 meeting minutes. Prudhon seconded. Ayes all.

**TOWN HALL – UPDATE:** Work is being done on the punch list of things that need to be.

**TIF DISTRICT 22 – WATER GREMLIN; 1) CERTIFICATION OF ERROR; 2) AMEND TIF PLAN; 3) AMENDED DEVELOPMENT AGREEMENT:** The Clerk referred to a diagram of the Water Gremlin TIF District as it is defined and which shows a portion of the district which was omitted in the TIF District map by the County. MN Statute allows for corrections of errors. There was a loss of increment to Water Gremlin of approximately \$55,000 per year for 2015 and 2016. The Town's TIF Consultants prepared a resolution which recited what happened and the correction to be made. The District will extend out for two more years to correct the error. The EDAB reviewed the matter and recommends approval of the resolution to amend the TIF Plan for Water Gremlin and to amend the Development Agreement to extend the duration of the TIF District and tax payments for two years.

Prudhon moved, based on Staff, TIF Consultants, and EDAB review and recommendation to adopt the Resolution approving an Administrative Amendment to Tax Increment Financing Plan for Tax Increment Financing District No. 22; amendment to Development Agreement; and to authorize execution of the First Amendment to Development Agreement by the President and Secretary/Treasurer. Ruzek seconded. Ayes all.

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**EDA FUND – UPDATE:** The Clerk reported that the EDAB received an annual review by the Finance Officer of the EDA Fund. As of December 31, 2015 the EDA Fund balance was \$1,559,109.54. TIF District 1-13 – Water Gremlin/St. Croix Valley Hardwoods was decertified; TIF District 1-15 – Birch Lake Villas paid its final pay-as-you-go payment to the developer, however the district still has bond payments due through 2021, at which time the district could be decertified prior to its required 2026 decertification. In 2016 TIF District 1-1 – Drill-A-Matic/Cortec, District 1-2 – Thermoform, and District 1-19 – SMC are required to be decertified. District 1-9 – Cottages – has completed all of its obligations and could be decertified. District 1-14 – Comtal only has the 2011C bond payments left. Bond is paid off in 2019, so the district could be decertified prior to 2024 required decertification. District 1-22 – Water Gremlin- had an issue with County certifying wrong parcels resulting in significant reduction in tax increment received. District 1-24 – Nextern – increment is estimated based on value and building completion in 2016. TIF reports are due to the State Auditor by August 1, 2016 along with annual disclosure of TIF district published in the paper. The EDAB has reviewed the information and the consensus was that it was all okay.

**RECEIPT OF AGENDA MATERIALS / SUPPLEMENTS:** Ruzek moved to receive all of the agenda materials and supplements for tonight's meeting. Prudhon seconded. Ayes all.

The meeting adjourned at 6:58 p.m.

Respectfully Submitted,

William F. Short  
Assistant Treasurer/Secretary