



**CITY OF NEWPORT
NEWPORT ECONOMIC DEVELOPMENT AUTHORITY
NEWPORT CITY HALL
JANUARY 15, 2015 – IMMEDIATELY FOLLOWING CITY COUNCIL MEETING**

President:	Tim Geraghty	E. D. Director/Executive Director:	Deb Hill
Board of	Tom Ingemann	City Administrator/Asst. Exec. Dir.:	Deb Hill
Commissioners:	Bill Sumner	Executive Analyst:	Renee Eisenbeisz
	Tracy Rahm	Authority Attorney:	Fritz Knaak
	Dan Lund	Planning & Zoning Official:	Deb Hill

1. CONVENE ECONOMIC DEVELOPMENT AUTHORITY MEETING

- A. Roll Call
- B. Review Agenda
- C. Approval of NEDA Minutes
 - 1. Minutes of November 6, 2014 NEDA Annual Meeting

2. NEW BUSINESS

- A. **Resolution No. 2015-1** – Adopting the 2014 Annual Report
- B. Discussion Regarding Selling City-Owned Lots and Former Public Works Site

3. OTHER BUSINESS

4. ADJOURN



**City of Newport
Newport Economic Development Authority Minutes
November 6, 2014**

1. CONVENE ECONOMIC DEVELOPMENT AUTHORITY MEETING

Mayor Geraghty called the Regular NEDA Meeting to order at 6:43 P.M.

A. Roll Call

Commission Members Present – Tim Geraghty, Tom Ingemann, Bill Sumner, Tracy Rahm, Steven Gallagher

Commission Members Absent -

B. Review Agenda

Motion by Gallagher, seconded by Geraghty, to approve the Agenda as presented. With 5 Ayes, 0 Nays, the motion carried.

C. Approval of August 7, 2014 NEDA Meeting Minutes

Motion by Gallagher, seconded by Ingemann to approve the August 7, 2014 minutes as presented. With 5 Ayes, 0 Nays, the motion carried.

2. NEW BUSINESS

A. Resolution No. 2014-5 - Adopting the 2015 Proposed Budget

Admin. Hill presented on this item as outlined in the November 6, 2014 NEDA packet.

Commissioner Rahm - What's our goal for the property behind City Hall?

President Geraghty - Options. It makes it more valuable if we leave or allows us to expand. The \$50,000 for the cleanup, is that what we're obligated to pay?

Admin. Hill - Yes. That amount is an estimate because not all of the bills are in.

President Geraghty - When would we have ownership of that land?

Admin. Hill - We won't buy it until the PCA has signed off on it. I'd assume in spring time.

Commissioner Gallagher - The Red Rock Gateway Properties, is that acquire properties?

Admin. Hill - That's the Maxwell site.

Commissioner Rahm - That's only \$100,000?

President Geraghty - No, first we need to make payments to MnDot for \$400,000 and then we need to purchase the underlying property and Newport Cold Storage said \$40,000 and then we need to do the deed.

Commissioner Gallagher - I'd like to see the City do something that would accent the HRA's work and hire someone to make contacts for potential businesses. I think that would be smart. That would be more economic development than the levee park.

Admin. Hill - We can make adjustments at any point.

Motion by Geraghty, seconded by Sumner, to approved Resolution No. 2014-5 adopting the 2015 Budget. With 5 Ayes, 0 Nays, the motion carried.

B. Discussion Regarding the Maxwell Avenue Site

President Geraghty - I asked Deb to put this on there because I would like us to give the Administrator authority to negotiate with Cold Storage and work on the deed.

Attorney Knaak - The Engineer and I are meeting to work on the title. I'm expecting that we will have a two-part package. The first is to use as a proposal to the State to purchase the easement rights and then a quiet title if we need one.

President Geraghty - Is there anything wrong with us authorizing the Administrator to negotiate?

Attorney Knaak - No, it would be subject to us getting the easement.

Commissioner Gallagher - So MnDot is willing to sell the easement?

Admin. Hill - They were directed to.

Motion by Geraghty, seconded by Rahm, to authorize the City Administrator to begin negotiating with Newport St. Paul Cold Storage and directing the attorney to continue to work on the deed. With 5 Ayes, 0 Nays, the motion carried.

C. Discussion Regarding Lot Sale

Admin. Hill - We have the Roger Johnson property behind Steve Marko's old house and the Mosley property on the west side of Stettner's house. We have two lots there. John Anderson, who has been doing a number of the in-fill houses in town, is interested in both of those sites. I have the assessed values, they are about \$45,000. I know there's a couple of real estate agents that live in Newport and maybe I can talk to them about getting an appraisal done.

President Geraghty - Do we have to advertise those?

Attorney Knaak - You have discretion. If someone makes an offer and you feel it's a fair value you can accept it. It's usually a good practice to bid it out though.

Commissioner Gallagher - Could we do a RFP for it?

Admin. Hill - Developers do not like RFP's. We didn't have anything with the Public Works RFP. We could always list it with an agent.

Attorney Knaak - Yes, you could do that too. It's your judgment.

Commissioner Sumner - What does an appraisal cost?

Attorney Knaak - Probably \$300.

Commissioner Rahm - I would do that.

Admin. Hill - I'd like to explore that and what type of options we have.

Commissioner Sumner - With \$300 then we have something to go with.

Commissioner Gallagher - What if someone wants to put in manufactured homes in there?

Admin. Hill - There are development standards.

Commissioner Gallagher - Don't we have like 11 parcels in that area?

Admin. Hill - They're all little parcels that protect the ravine.

Commissioner Gallagher - Couldn't we combine them?

Admin. Hill - We could combine the one on 7th Street to make a buildable lot. I'll explore it more than.

3. OTHER BUSINESS

4. ADJOURN

Motion by Geraghty, seconded by Ingemann, to adjourn the NEDA Meeting at 7:04 p.m. With 5 Ayes, 0 Nays, the motion carried.

Signed: _____
Tim Geraghty, President

Respectfully Submitted:

Renee Eisenbeisz
Executive Analyst

**ECONOMIC DEVELOPMENT AUTHORITY RESOLUTION NO.
2015-1**

**A RESOLUTION ADOPTING THE 2014 ANNUAL REPORT OF THE NEWPORT
ECONOMIC DEVELOPMENT AUTHORITY**

WHEREAS, the Newport City Council established the Newport Economic Development Authority (NEDA) on February 19, 2004, pursuant to Minnesota Statutes 469.090 to 469.1081; and

WHEREAS, the City Council has given the NEDA the responsibility for all development and redevelopment projects and programs; and

WHEREAS, Council Resolution No. 2004-12 requires the NEDA to adopt and submit for Council approval an annual report.

NOW, THEREFORE, BE IT RESOLVED That the Economic Development Authority of the City of Newport hereby adopts and recommends to the Newport City Council for approval the 2014 Annual Report of the Newport Economic Development Authority.

Adopted by the Economic Development Authority of the City of Newport on this 15th day of January, 2015.

Motion by: _____, Seconded by: _____

VOTE:	Geraghty	_____
	Ingemann	_____
	Sumner	_____
	Rahm	_____
	Lund	_____

Signed: _____
Tim Geraghty, President

ATTEST: _____
Deb Hill, Executive Director

**City of Newport
Newport Economic Development Authority
2014 Annual Report**

A. Resolution No 2013-7 Approving the 2014 NEDA Proposed Budget

- a. The 2014 NEDA Budget called for the transfer of \$218,500 from the General Fund, with current budget expenditures of \$360,660. Expenditures included monies for items such as purchasing Levee properties, Mill Pond properties, Red Rock Gateway properties (Maxwell), Knauff properties, and façade improvements. The budget was approved in November of 2013.

B. Business Assistance Policy Update

The City did not receive any grant requests this year.

C. Business Assistance Programs Update

The City has a number of business assistance programs on the web site including links to DEED, CEE, Xcel Energy, and Metro MSP.

D. Homeowner Assistance Programs Update

The City has a number of homeowner assistance programs on the web site including links to the Washington County HRA, CEE, MN Housing, and Xcel Energy. The City will do a follow-up with these organizations to gauge the level of interest and use by Newport residents and businesses.

E. Vacant Building Registration Program Review

- Two properties were registered in 2014 as vacant (There were two in 2013). One has sold and one has a pending sale.
- Three properties are exempt from registration – two are for sale and one has an active building permit out.
- Letters have been sent to four vacant properties that need to be registered.

F. Property Update

Knauff property – The Knauff property was sold to IRC in 2013. The City applied for and was awarded a grant from DEED for \$153,000 to assist with the cost of the soil clean-up. Clean-up was conducted in September. Reporting to the MPCA is currently being conducted by Carlson McCain. The City tentatively has an agreement with IRC to purchase the lot behind city hall for \$30,000.

Cedar Lane properties – No properties were acquired this year.

Raceway to Fun – Staff has met with a number of interested parties for this site. The site has some development problems – no water and sewer, a large storm water system running under the property for example. The site does have great access and visibility. The market seems to be loosening up with increased interest in the site.

Mill Pond properties – The City purchased 14 parcels from the Johnson family estate for \$115,000. One of the two homes was removed by burning from our fire department the

other home will be taken down in 2015. Two single family home parcels will be put on the market in 2015.

Maxwell MNDOT site – An appraisal for future purchase from MNDOT came in at \$430,000. We are currently in contact with MNDOT for the possible transaction and with Ehler's about the financing. Staff has had meeting with the HRA and a local businessman about developing the site.

Old Public Works site – Staff has been contacted by the developer that was interested in the site last year. He has inquired whether the city would be willing to play a more active role in the development.

G. Red Rock Gateway Update

The Newport Transit Station was built and is now in operation. The Washington County HRA submitted an LCDA grant from Met Council but our grant was not selected for funding. HRA representatives and staff met with Met Council representatives and to find out how we can make our next application more attractive. A housing developer is still very interested in building a 42 unit building on the site.

Council approved a \$35,000 stormwater plan for the site that was completed by TKDA and MSA.

H. Newport Development Information Guide

The City has developed and placed on the City's web site, along with a wealth of other economic development information, Newport's Commercial and Industrial Development Guide and Residential Development Guide. These guides will provide clarity and convenience to those interested in developing in Newport.

I. 2015 Goals and Strategies

1. Continue to work with the County HRA on the Red Rock Transit Station
2. Continue to work on the development of the old public works site.
3. Finish the Knauff site clean-up and reporting.
4. Continue to work on the acquisition of Cedar Lane properties.
5. Market the Johnson property home sites.
6. Continue to work on the Maxwell site acquisition.



MEMO

TO: Mayor and Council
FROM: Deb Hill, City Administrator
DATE: January 15, 2015
SUBJECT: City owned properties

927 2nd Avenue/Mosely lot on corner of 2nd and 9th – Discussion on:

- The garage on 927
- The likelihood of the water and sewer lines need to be replaced
- The cost of water and sewer lines to the Mosely property
- Market analysis for the lots

Old Public Works Site – Discussion on whether the city would consider being an active participant in the development.