

- MINUTES -
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
MARCH 19, 2018

1. Call to Order

President Windschitl called the meeting to order at 9:34 pm.

2. Roll Call

Roll call was taken. Present: Commissioners Geisler, Rohe, and President Windschitl

Absent: Commissioners Boe and Schulz

Also Present: Nate Kabat, Assistant Executive Director; Luke Melchert, City Attorney; Kevin Ringwald, Community Development Director; and, Matt Podhradsky, Executive Director.

3. Agenda

Motion by Commissioner Geisler, second by Commissioner Rohe, to adopt the agenda as presented.

Motion carried.

4. Minutes

Motion by Commissioner Rohe, second by Commissioner Geisler, to approve the minutes of the January 8, 2018 EDA meeting.

Motion carried.

5. Adopt Resolution No. 2018-04, Authorizing the Executive Director to enter into a Listing Agreement for the Ernst/Ess House Site to Market for a Sale to a Private Redeveloper

Executive Director Podhradsky presented the item to the Commission.

Commissioner Rohe inquired how similar this plan is to what the Stebners did with their Chaska brick home.

Executive Director Podhradsky clarified it became the old Hazeltine Clubhouse by Chevalle.

Community Development Director Ringwald stated it is different, but the Ernst house portion would be similar. This will look like two structures from the street. By connecting the two buildings there will only need to be one elevator, located in the new part building.

President Windschitl commented the new building does not look very historic.

Executive Director Podhradsky explained it is just a concept drawing that shows the amount of space that can be utilized. They have been working Greg Anderson from ReMax and he has some potential builders. Based on the cost of the project and parking lot, they would need to sell the house and vacant lot for \$150,000 to \$200,000. They would also set up a redevelopment TIF district which would generate about \$300,000. This would give them about \$500,000 for revenue and they anticipate about \$507,000 for costs. The City wants to build and own the parking lot because of future building that will take place above it to support Highway 41 parking.

President Windschitl inquired if they will get any money from Mn/DOT for buying parking.

Executive Director Podhradsky noted that is how they are going to build the second level of parking.

City Attorney Melchert inquired if the Ernst House would qualify for the National Register of Historic Places. He commented there is a 35 percent tax credit for improvements made to the house.

Executive Director Podhradsky responded it already is. They looked at a similar option and this is a common way to preserve historic places. The 35 percent tax credit may be for people who own and live in a historic property.

Community Development Director Ringwald noted the plans will need to go through the Heritage Preservation Commission, Planning Commission, and City Council.

Executive Director Podhradsky explained if this approved, they will put a giant rendering on the site, so people know what they are proposing. They hope to list the property in April and have a buyer sometime this summer.

Commissioner Geisler inquired if there will still be parking behind the building, if the large stones on the retaining wall will be changed, and if the mural will be repainted.

Executive Director Podhradsky responded the design of the parking will connect with the parking in the area. He will look into if the retaining wall block will be changed. The entire alleyway will be pedestrian friendly and look different with benches and streetlights.

President Windschitl stated the entire site needs to be cleaned up. If they can make this project happen, something positive will come out of it and they should get their money back over the coming years. They have to preserve the history.

Commissioner Rohe commented it was a tough decision, but the right decision to move the house.

Executive Director Podhradsky noted if they expect business owners in downtown to invest in their historic buildings, the City must lead in that as well.

Motion by Commissioner Geisler, second by Commissioner Rohe to adopt Resolution No. 2018-04, Authorizing the Executive Director to enter into a Listing Agreement for the Ernst/Ess House site to market for a sale to a private redeveloper.

Motion carried.

6. Other Business

President Windschitl requested an update on the Chaska Building site.

Assistant Executive Director Kabat responded they are continuing to work with Formacoat on entering into a purchase agreement. They would take about three acres of the site and to put up a building. This will provide 15 immediate jobs, and this will double over the next three to five years.

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Executive Director Podhradsky noted there will only be one-third of the site left. They had to get the City of Savage to sign off on releasing them as a business in order to get State dollars for the business moving to a different town.

President Windschitl inquired when the buildings across from the Curling Center will be demolished.

Assistant Executive Director Kabat responded plans have been submitted to the planning process and the concept plan should be at the April meeting.

Executive Director Podhradsky stated the CDA has not signed off yet. They attended their board meeting and got them to conceptually say if the City could meet certain conditions, they would sign off on it.

President Windschitl inquired if there were any opportunities for the Fire or Police Department to do any kind of drills or exercises in the large building.

Assistant Executive Director Kabat noted this was a good suggestion and he will look into it.

8. Adjourn

Motion by Commissioner Rohe, second by Commissioner Geisler to adjourn the meeting at 9:54 pm.
Motion carried.