

MINUTES
SPECIAL PORT AUTHORITY MEETING
TUESDAY, JUNE 18, 2002
4:30 P.M.
CITY HALL COUNCIL CHAMBERS

The special meeting was called to order at 4:50 p.m. Roll call was taken. Present: Chaffee, Maus, Lang, Koch, Mohrfeld. Absent: McCarthy and Bednar.

Also present: Patrick McGarvey, Executive Director; David Hoversten, City Attorney; and Craig Hoium, Community Development Director

The Executive Director presented information on the potential for Usem's to relocate this auto dealership onto about 4.2 acres of land west of 8th Street NW which is owned by Mr. Heise and adjacent to the Port Authority's Block 2, Lot 1 in the Burbank Addition,. Usem's would need Block 2, Lot 1 to combine with the Heise property to reach sufficient size of land plus front footage on 18th Avenue NW. Usem's is proposing to pay the Port Authority \$86,218 for Block 2, Lot 1, contingent on Mower County executing a purchase agreement with Usem's for the Block 19 Usem's property in the downtown and Heise executing a purchase agreement with Usem's for the approximate 4.2 acres.

The sale of Block 2, Lot 1 to Usem's would first require that Auto Parts Headquarters, Inc. of St. Cloud agree to amend their purchase agreement with the Port Authority and agree to buy Block 1, Lot 4, Burbank Addition for \$76,054.38 as per an Amendment to Purchase Agreement prepared by the City Attorney, with the added requirement that the two double-sided, existing billboards on Block 1, Lot 4 will be caused to be removed by the Seller and no billboards will be allowed on Block 1, Lot 4, Burbank Addition.

The Executive Director suggested that the Purchase Agreement with Usem's be executed with an October 1, 2002 contingency deadline. This will hopefully allow Mower County sufficient time to execute a grant agreement with the federal government for \$500,000 to be applied by the County to their purchase/renovation of the Usem's property on Block 19, allow the County to execute their purchase agreement with Usem's. It should also allow sufficient time for Usem's and Heise to put their agreement in place and possibly to close on it, depending on Mower County executing the purchase agreement with Usem's.

The Port Authority will cover additional fill material on Block 1, Lot 4 up to a maximum of \$5,500 and \$2,500 for topographical/survey costs incurred by Auto Parts Headquarters, Inc.

Motion by Mohrfeld, seconded by Koch, to approve the purchase agreement with Usem's Inc. in the amount of \$86,218.75 for Block 2, Lot 1, Burbank Addition, with time for the two contingencies involving Usem's achieving an executed purchase agreement with Mower County and one with Mark Heise for the adjacent approximate 4.2 acres on or before October 1, 2002.

Roll call. Ayes: Maus, Koch, Mohrfeld, Lang and Chaffee. Nays: None.

Motion by Koch, seconded by Maus, to approve a purchase agreement with Auto Parts Headquarters, Inc. in the amount of \$76,054.38 for Block 1, Lot 4, Burbank Addition and the Amendment to the Purchase Agreement dated March 27, 2002 including the requirement by the Seller to cause the removal of the two existing double-faced billboards on this lot at the expense of the owner of these billboards and that there will be no billboards allowed on this lot.

Roll call. Ayes: Maus, Mohrfeld, Koch, Lang and Chaffee. Nays: none.

Motion by Lang, seconded by Mohrfeld to adjourn.

Motion carried. 5-0. Time: 5:35 p.m.

Executive Director

President

Motion by Commissioner Lang, seconded by Commissioner Koch, to adjourn at 5:36 pm. Carried 4-0.

Approved: _____

President: _____

Secretary: _____