

**MINUTES**  
**PORT AUTHORITY SPECIAL MEETING**  
**WEDNESDAY, MAY 22, 2013**  
**4:30 P.M.**  
**COUNCIL CHAMBERS ROOM**

**Members Present:** Commissioners Jerry McCarthy, Jerry Mohrfeld, Lee Bjorndal, Michael Bednar, Roger Boughton, and Larry Maus.

**Members Absent:** Commissioner Jeff Austin.

**Staff Present:** Assistant Port Authority Attorney Craig Byram, Port Authority Secretary Tom Dankert and Port Authority Executive Director Jim Hurm.

**Others Present:** Community Development Director Craig Hoium, DCA Executive Director John Garry, and Austin Daily Herald.

President McCarthy called the meeting to order at 4:30 pm.

**Item #2. – Agreement with Turtle Creek Engineering and Consulting LLC as project manager for Hormel Institute Expansion:** Mr. Hurm discussed the proposed contract between the Austin Port Authority and Jon Erichson and his company Turtle Creek Engineering and Consulting LLC. Mr. Erichson has been involved with the Hormel Institute expansion since the beginning and we will need his expertise to get this project completed. Mr. Hurm stated he estimated Mr. Erichson's time to be less than 10 hours per week on this, and would last all the way through to the end of construction. The rate would be at \$50.68 per hour.

Motion by Commissioner Boughton, seconded by Commissioner Mohrfeld, to approve the contract with Turtle Creek Engineering and Consulting LLC.

Mr. Hoium added that the State of Minnesota has been in constant contact with us regarding the project and understands the delays that have happened and are okay with the progress to date.

Carried 6-0.

**Item #3. – Review of economic development tools:** Mr. Hoium discussed some of the items that are available to municipalities in their economic development efforts. Mr. Hoium discussed several available sites that are owned by the Port Authority for a business to build on, including 150 acres at the Cook Farm site, 17 acres of land on I-90 by the truck stop, and the downtown fire site. Mr. Hoium noted the acreage by the truck stop has some contamination (estimated \$200,000 to clean up), but somebody could hard surface over these areas for a parking lot and it would be just fine.

Mr. Hoium also noted the incentive tools that are available, including tax increment financing, tax abatement, bonding bill projects, and others. Mr. Hoium stated many staff work together in setting packages of incentives to help business expand in Austin or to relocate here.

Mr. Garry discussed some recent legislation that has evidently funded some additional programs at Minnesota DEED for economic development. We are not privy to the details just yet, but Mr. Garry stated he would keep us informed once he heard of the details. Mr. Garry also noted Mower County has some funds set aside for economic development that may be available to the right development project. Other entities such as Freeborn Mower REC, The Initiative Fund, and credits such as historical and new market tax credits are also out there.

Commissioner Bjorndal questioned if we have had any historical tax credit projects in Austin. Mr. Hoium stated he only believed the Paramount Theatre and the Hormel Historic Home have been designated as historical, and none of those has any tax credits associated with them. Mr. Garry stated the power plant building is researching this issue however.

Commissioner Maus questioned what is the most popular tool for economic development. Mr. Hoium stated tax increment financing has been used in Austin many times over the years.

Commissioner Bednar questioned if some of these tools can be combined. Mr. Hoium stated yes, some could be, but others cannot so it depends on what vehicle for economic development you would like to use.

**Item #4. – Executive Director Report:** Mr. Dankert noted the final signed audit report was handed out this evening. This is the same as the draft report that our auditors presented at the last regular meeting on April 24, 2013.

**Item #5. Adjournment:** With no further business, motion by Commissioner Bjorndal, seconded by Commissioner Bednar to adjourn the meeting at 5:13 pm. Carried 6-0.

Approved: \_\_\_\_\_

President: \_\_\_\_\_

Secretary: \_\_\_\_\_