

**MINUTES**  
**PORT AUTHORITY REGULAR MEETING**  
**WEDNESDAY, JANUARY 24 2018**  
**4:30 P.M.**  
**LOWER LEVEL CONFERENCE ROOM**

**Members Present:** Commissioners Jerry McCarthy, Lee Bjorndal, Laura Helle, Michael Bednar, Larry Maus (4:35 pm), and Jerry Mohrfeld.

**Members Absent:** Commissioner Jeff Austin.

**Staff Present:** Port Authority Executive Director Craig Clark and Port Authority Secretary Tom Dankert.

**Others Present:** Curtis Sorenson.

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

**Item #2. – Approval of minutes of the December 6, 2017 special meeting:** Motion by Commissioner Mohrfeld, seconded by Commissioner Helle to approve the minutes of the December 6, 2017 special meeting. Carried 5-0.

**Item #3. – Claims for Payment:** Mr. Dankert discussed the claims paid from October 6, 2017 through January 11, 2018 noting in total payments made were \$30,815. Mr. Dankert there are several claims related to the old Hy-Vee building as we were required to do some monitoring of the facility that required phone lines and monitoring through CRC, Inc. A payment to Carciofini was noted for the Hormel Institute project that was reimbursed to us by a rebate from the Austin Utilities. The funds left over from the rebate were remitted back to The Hormel Foundation as the Port Authority was not to make or lose any money on this transaction. Another rebate check for approximately \$35,000 is also forthcoming for another lighting rebate we received. Mr. Dankert noted we are also experiencing the usual roof leaks here and there at the Walker Building that require some re-caulking around some of the rivets.

Motion by Commissioner Bjorndal, seconded by Commissioner Mohrfeld to approve the claims for payment as presented. Carried 6-0.

**Item #4. – Election of Officers:** President McCarthy noted this is the annual meeting for which officers need to be elected. Motion by Commissioner Mohrfeld, seconded by Commissioner Bednar to approve the officers for 2018 as follows:

President	Jerry McCarthy
Vice President	Jeff Austin
Treasurer	Larry Maus
Secretary and Assistant Treasurer	Tom Dankert

Carried 6-0.

**Item #5. – Review of Port Authority property located at 117 and 119 2<sup>nd</sup> Avenue NE and the redevelopment of such:** Mr. Clark discussed his memo in regards to the property the Port

Authority recently acquired, better known as The Ville and Paradise Island. Curtis Sorenson leases the neighboring property known as The Bakery Lounge and would like to acquire the two buildings and renovate them to include a restaurant.

Mr. Sorenson discussed his operations at The Bakery noting he hosts pool leagues and dart leagues that fill up his bar Monday through Thursday. Friday nights and Saturday's, he has the regular bar crowd that also fills up his bar, and many patrons are asking for food options. Mr. Sorenson noted he has approximately 20 employees and he would like to completely gut and remodel the two neighboring buildings if he can acquire them. He is working with First Farmers & Merchants Bank for financing, but needs to own the buildings for collateral purposes in order to be able to receive bank financing. Mr. Sorenson noted his plan is to EIFS the entire exterior of the buildings and to remodel the apartments, but keep the apartment structure and walls intact as they currently are.

Commissioner Mohrfeld questioned if the building is worth fixing. Mr. Sorenson noted he and Chris Baier from Joseph Company believe they can be fixed for the budget that has been prepared.

Commissioner Bednar questioned the apartment sizes. Mr. Sorenson thought there were two studio apartments, and 4 one-bedroom apartments of approximately 1,000 square feet each.

After further discussion, motion by Commissioner Helle, seconded by Commissioner Bednar to close the meeting pursuant to M.S. 13D.05 Subd. 3(c)(3). Carried 6-0.

**See DVD of closed meeting.**

Motion by Commissioner Bednar, seconded by Commissioner Bjorndal to reopen the meeting. Carried 6-0.

Motion by Commissioner Bednar, seconded by Commissioner Bjorndal to approve the sale of the buildings at 117 and 119 2<sup>nd</sup> Avenue NE for \$5,000 and to direct the Executive Director to publish the 20-day notice required for the land sale. Carried 6-0.

Motion by Commissioner Bednar, seconded by Commissioner Helle to approve the request of \$105,650 for the Business Encouragement/Enhancement Program (BEEP) for the exterior renovation of 117 and 119 2<sup>nd</sup> Avenue NE. Carried 6-0.

Motion by Commissioner Bednar, seconded by Commissioner Mohrfeld to approve of a \$43,800 sprinkler loan to Curtis Sorenson at 0% interest amortized over 10 years (same amortization period as Steve's Pizza). Carried 6-0.

**Item #6 – Review a Business Encouragement/Enhancement Program (BEEP) application for redevelopment:**

Mr. Dankert noted Jon Erichson was not able to make it to the meeting today, but asked that we present the request from the B & J Bar and South Central Athlete for access to the BEEP program for some exterior renovations on the south side of their building that faces the new SPAM Museum. Mr. Dankert noted the B & J Bar is ready to go and would request up to \$21,698.33 for the exterior renovation of their half of the south wall. This will include EIFS, new signage, replacement of two rear doors, installation of two new upper level windows and some electrical.

South Central Athlete is still contemplating the remodel, so theirs is not exactly ready to go, but we would like approval from the Port Authority Board in the event Mr. Erichson can push them over the finish line. The renovations to the south side of South Central Athlete include EIFS, replace a door, and frame in the upper level windows. The total request from the BEEP Program is up to \$13,007.50 for their share of the renovations.

Mr. Dankert noted only the B & J Bar may go through with this, so please keep in mind that each request is separate from each other, although we hope they do them together to keep the cost down.

Motion by Commissioner Bjorndal, seconded by Commissioner Mohrfeld, to approve of the Business Encouragement/Enhancement Program forgivable grant for up to \$13,007.50 for South Central Athlete. Carried 6-0.

Motion by Commissioner Bjorndal, seconded by Commissioner Mohrfeld, to approve of the Business Encouragement/Enhancement Program forgivable grant for up to \$21,698.33 for B & J Bar. Carried 6-0.

**Item #7. – Executive Director Report – Old Hy-Vee building:** Mr. Clark noted he has been in contact with Slaby and Associates in regards to an update for the re-use of the old Hy-Vee building. Additionally, Mr. Clark noted he is in discussion with some developers regarding both market rate and affordable housing apartment complexes.

**Item #8. – Any other business:** None.

**Item #9. Adjournment:** With no further business, motion by Commissioner Mohrfeld, seconded by Commissioner Helle to adjourn the meeting at 5:54 pm. Carried 6-0.

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

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

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