

CITY OF ST. CLOUD
COMMUNITY REDEVELOPMENT AGENCY AGENDA
1300 9th STREET; BUILDING A, 3RD FLOOR
THURSDAY, April 7th, 2022, 6:00 PM

I. CALL TO ORDER

Chair Nathan Blackwell called the meeting to order at 6:00pm.

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

- Chair Nathan Blackwell (present)
- Member Linette Matheny (present)
- Member Kolby Urban (present)
- Member Dave Askew (present)
- Member Keith Trace (present)
- Member Dwight Loeding (present)
- Vice Chair Joel Davis (present)

IV. APPROVAL OF MINUTES

A. February 3rd, 2022, Meeting Minutes

Member Loeding made a motion to approve the February 3rd, 2022, minutes. Member Askew seconded the motion. The vote was 6-0 with all members voting “Aye.”

V. NEW BUSINESS

A. VFW Loan Agreement

Mr. William Sturgeon, City Manager, provided a summary of the exterior remodel of the VFW facility and requested the board to authorize him to execute a forgivable loan agreement with an additional \$50,000 to account for cost inflation.

Member Davis asked if there was any design schematic of the project.

Member Matheny stated that the \$50,000 is a lot of money and requested to have 20%.

Member Davis and Loeding agreed to have 20%.

Member Davis asked if VFW has a budget.

Mr. Sturgeon agreed to work with the 20% and if additional funds are required, a special meeting will be scheduled to discuss.

Member Davis asked if the seven-year term is pro-rated.

Ms. Lindsay Moczynski, City Attorney, responded that it is pro-rated by the year based on the seven-year occupancy and its continual operation as the VFW.

Member Matheny made a motion to approve to change the loan agreement in the amount of \$120,000 with the commitment to reconvene for additional funds if required. Member Askew second the motion. The vote was 7-0 with all members voting “Aye”.

B. St. Cloud Main Street Annual Report

Ms. Paula Stark, Executive Director- St. Cloud Main Street, provided a presentation on its annual report and events.

Ms. Matheny suggested that it will be a good idea to change the street color signs and work with the CRA to implement this request.

Mr. Sturgeon stated that the city has been working on the street signs and there is a new sign company so that it will be taken care of quickly.

C. St. Cloud Hotel update

Mr. Sturgeon reminded the board that the city has been working on the BSIG grant and helping the St. Cloud Hotel with that process. He introduced Mr. Mateo Hodo, Project Manager for the St. Cloud Hotel, who provided an update on the progress.

Mr. Hodo notified the board about the status of the project and the different elements including construction timelines, price inflation on goods, and alternative financing solutions—including a private investor.

Mr. Sturgeon informed the board that he would like to get permission to move forward with the reimbursement grant instead of the forgivable loan.

Member Davis mentioned that the board should look at all the issues in the city funding. Member Urban asked if there is a way to expedite the process to secure the roof before the hurricane season starts.

Member Matheny asked staff to review alternative funding ideas for the grant process.

Member Davis suggested staff to come up with a different funding structure.

Chair Blackwell explained the importance of compliance with CRA regulations and its use of funding.

Ms. Lindsay Moczynski, City Attorney, informed the board that the owner or tenant would have to pay for the contracted work upfront and show the receipts to get reimbursed.

Ms. Wendy Collazo, Finance Director, stated that funding sources are available depending on what project needs to be done. As with all grants, staff will request proof of all expenditures and documentation.

Member Trace expressed concerned about going out to an investor pool without a budget and a plan.

Mr. Sturgeon suggested Mr. Hodo come back in June meeting with a full plan.

Member Askew expressed concerned about Mr. Hodo signing a contract with a vendor without receiving grant approval.

Ms. Antranette Forbes, Economic Development Manager, stated that the property owner must commit to receiving funds and be in compliance with the policies and procedures of the BSIG grant.

Member Askew asked how we move forward to get the roof done. Ms.

Forbes provided detail about the current BSIG policy.

Member Davis asked to place a municipal lien on the building for that amount to be more careful. He also advised caution of the use of CRA funds on a project with stalled completion.

Ms. Collazo informed that Finance Department are not allowed to front money that is CRA projects based on the statute for the liability and the increased risk.

Member Matheny asked if there's another source of money available to pay for the roof.

Ms. Collazo responded that they are policies and procedures to follow through and get the project quickly done.

Member Matheny made a motion to delegate authority to the city manager to negotiate and execute an agreement within 3 months, with the St. Cloud Hotel for a grant or reimbursable loan, subject to agreement with the property owner.

Member Askew second the motion.

Member Davis asked for an estimated time frame for the negotiation process. Member Matheny mentioned a possible three months.

Chair Blackwell made the motion passed 6-1 with Members Davis voting "Aye".

VI. STAFF REPORT/UPDATE

A. CRA Annual Report

Ms. Forbes provided a brief explanation of the projects and programs accomplished last year with CRA businesses and different programs.

B. Bi-Monthly Financials

Ms. Collazo presented the financial statement review for FY21-22.

Member Trace requested to show pending reserves of the budget on future presentations.

VII. MEMBERS UPDATE

Member Matheny asked about the update on extending the terms of the CRA.

VIII. PUBLIC COMMENT

IX INFORMATION

Next CRA Meeting – Thursday, June 2nd, 2022

X. ADJOURNMENT

- Adjourned at 7:48 PM

Respectfully submitted:

Nathan Blackwell, Board Chairman

Date

Massiel Rivas, CRA Board Secretary

Date