

Pursuant to due call and notice thereof a meeting of the Economic Development Authority (EDA) in and for the City of Albany, Stearns County, Minnesota, was called to order by Chairman Mayor Tom Kasner at 6:30 o'clock in the evening on Monday, June 6, 2022, in the Council Room at 400 Railroad Avenue for the said City.

Other EDA Board members present for the meeting were: Councilor John R. Harlander, Paul Wellenstein, Jon Stueve, and Bill Scepaniak. None were absent.

Chairman Mayor Tom Kasner called for any additions or corrections to the minutes of the meeting held on January 20, 2022 and hearing none declared them approved.

Jason Murray, Economic Development Consultant with the firm of David Drown Associates, Daryn Lecy, Oakmont Capital Services, Albany, and Joseph Peternell, Shamrock Lane Rentals, LLC, Albany, were present for the meeting.

Mr. Peternell appeared before the board to inform the board he is proposing to construct a 20,000 square foot commercial office building at 1321 Shamrock Lane to serve as administrative offices for Wells Concrete, Oakmont Capital Services, and the remaining square footage for growth of existing tenants at an estimated cost of \$2 million. Mr. Peternell noted due to rising costs of construction, labor, and materials, he is requesting tax abatement assistance from the city. Mr. Peternell noted the estimated tax abatement over a 15-year period is \$250,000+/- and without the assistance of tax abatement he would be unable to move forward with the project. Mr. Lecy appeared before the board to inform the board that Oakmont Capital Services is in need additional office space and will be hiring several new employees to meet the needs of the growing business. Mr. Peternell informed the board Wells Concrete is considering adding several new jobs if the project moves forward. Mr. Murray informed the board the project serves the following public purposes:

- The tax abatement shall increase tax base.
- Provides employment opportunities in the city.
- Help redevelopment or renew a blighted property.
- The project will result in investment of approximately \$2.2 million worth of local development spending or more.

Mr. Murray noted Shamrock Lane Rentals, LLC is proposing pay-as-you-go assistance to partially fund up to \$250,000 of new improvements; whereas the city will issue a pay-as-you-go contract authorizing to reimburse 100% of the new city taxes generated by the project for up to 15 years commencing with taxes payable 2024. Mr. Murray also noted Shamrock Lane Rentals, LLC will enter into a Business Subsidy Agreement which will outline a statement of public purpose, wages, total business subsidy data, and job creation goals including annual reporting within two years of receiving the subsidy. Mr. Peternell informed the board nearly fifteen (15) new jobs will be created between the Oakmont Capital Services, Wells Concrete, and Albany Manufacturing, but with the uncertainty of the economy in recent months it could be less. Mr. Murray noted if new jobs are not created within a specific timeframe, the city will move forward to rescind the business subsidy agreement and future payments. Mr. Stueve questioned if a request for tax abatement for their share of property taxes was made to Stearns County or the school district. Mr. Murray noted no request was made, but with his experience the county rarely or never to his knowledge approves a tax abatement request, but school districts have considered tax abatement for new housing projects. Mr. Stueve questioned if a sidewalk is proposed to connect the new building to the Lake Wobegon Trail. Mr. Peternell noted he is considering a sidewalk and connection to the said Trail. After due discussion, a motion was made by John R. Harlander and seconded by Jon Stueve to recommend to the council the tax abatement request by Shamrock Lane Rentals, LLC be approved as follows:

- Construct a new 20,000 square foot building at 1321 Shamrock Lane.

- The term of pay-as-you-go tax abatement assistance shall be 15-years, commencing in 2024
- Maximum amount of the abatement to be collected is \$250,000.
- Create ten (10) new full-time jobs within 24 months of operating at the new facility.
- Enter into a Business Subsidy Agreement

All voted for the motion and it carried.

Chairman Tom Kasner adjourned the meeting at 7:00 PM.

Tom Schneider
Clerk/Adm.