

**Valley City-Barnes County Development Corporation Board Meeting**  
**Wednesday, June 28, 2017**  
**7:00 a.m., Regional Technology Center, 415 Winter Show Road (Large Conference Room)**

**PRESENT:** JoAnn Hooper, George Gaukler, Paige Bjornson, Bobby Koepplin, Mike Metcalf, Wade Bruns, Dean Kinney, Mary Lee Nielson, Josh Kasowski, Mary Simonson, Bill Carlblom, Alicia Hoffarth and Jennifer Feist

**ABSENT:** Tony Kobbervig and Luke Trapp

**EX-OFFICIO:** Chad Petersen, KLJ; Matt Pedersen, City Commission and Jeff Bopp, VCACTC.

President-elect JoAnn Hooper called the meeting to order at 7:00 a.m.

**AGENDA:** No changes.

**EXECUTIVE SESSION:** 7:00 a.m. Mary Simonson moved to go into Executive Session. Paige Bjornson seconded. Motion carried unanimously.

**CLOSE EXECUTIVE SESSION:** 7:40 a.m. Mary Simonson moved to close the Executive Session. Wade Bruns seconded. Motion carried unanimously.

**SHEYENNE VALLEY COMMUNITY FOUNDATION:** Requesting \$10,000 per year for 3 years for administrative support; to be funded through Roundtable. The Corporation also provides office space and RDS time. Financial information provided shows a loss of (\$22,307.31) for FYE 6/30/16 which included \$10,000 from the DC, otherwise the loss would have been over (\$32,000); and a loss of (\$9,618.29) for FYE 6/30/17 without any DC support. The Foundation has closed the gap considerably and this request would help cover the (\$9,618.29) and future years. Our support would send a positive message for and to the Foundation; it takes time to build a base for administrative support. Wade Bruns declared a conflict of interest for George Gaukler and Mary Lee Nielson and they will not be voting. Paige Bjornson seconded. Motion carried unanimously. Mary Simonson moved to approve \$10,000 per year for 3 years funded through the Roundtable. Mike Metcalf seconded. Ayes: JoAnn Hooper, Paige Bjornson, Bobby Koepplin, Mike Metcalf, Wade Bruns, Dean Kinney, Josh Kasowski, Bill Carlblom and Mary Simonson. Motion carried. Mary Lee Nielson and George Gaukler abstained.

**FLEX PACE:** Currently, \$1,002,037 committed of the \$1,050,000 pool. Service/retail balance is \$85,266 less LaValle Flooring. As of 9/30/16 we have \$230,139 unrestricted cash and \$192,269 restricted cash. Currently, we have about \$350,000 unrestricted funds, \$310,000 restricted funds. Unrestricted funds include cash from our land sale and Tech II/Eagle Creek; \$100,000 was allocated to Trinity's position and \$100,000 to Flex PACE. Land Sale-current CFD of \$25,000/year for 4 years, \$150,000 balloon at the end of 5<sup>th</sup> year. CFD-potentially change to receive \$100,000 upfront and the remainder paid annually and matched with the Flex PACE amount if Meridian II moves forward. Do we feel there is need to increase multi-family housing and therefore need additional funds? Is there a value to assist with apartment renovations also? Occupancy-if company expands, the need will be there if we stay within current rent range. People are looking for new/modern apartments. Losing about 40 units and most are being bought out because of permanent flood protection. At some point do we need to be done with new multi-family projects? Bank of ND service/retail cap increased from \$100,000 to \$200,000. Benefit of Flex PACE goes to tenants. Look at renovation options at July meeting. Expect more service/retail requests downtown. Homerun to leverage 2:1 funds from Bank of ND. Bobby Koepplin moved to increase multi-family housing for new construction or renovations to \$700,000. Mary Simonson seconded. Ayes: JoAnn Hooper, George Gaukler, Mike Metcalf, Wade Bruns, Mary Lee Nielson and Mary Simonson. Nays: Paige Bjornson, Josh Kasowski, Bobby Koepplin, Bill Carlblom and Dean Kinney. Motion carried.

**NOTE:** Mary Simonson and Bill Carlblom left at 8:10 am and not voting on subsequent motions.

**MERIDIAN II:** Paige Bjornson moved to declare a conflict of interest for Paige Bjornson and George Gaukler and they will not be voting. Mike Metcalf seconded. Motion carried unanimously. Mike Metcalf moved to approve Flex PACE for Meridian II up to \$166,667 with an expiration date in 120 days. Mary Lee Nielson seconded. Ayes: JoAnn Hooper, Mike Metcalf, Wade Bruns, Dean Kinney, Mary Lee Nielson and Josh Kasowski. Naye-Bobby Koepplin. Paige Bjornson and George Gaukler abstained. Motion carried.

**NORTH DAKOTA WINTER SHOW:** Project changed due to fire code requirements. Need to add more doors to existing building, firewall, sprinkler, etc. Building costs have increased from \$350,000 to \$500,000. Cost of adding water line and hydrants is estimated at \$310,000; the water loop will be beneficial to the City. Need additional Flex PACE funds plus longer term. Increase Food & Beverage request by \$200,000. Fire code has been an issue for years but there is nothing in the file. Need to meet with the Winter Show Board and ensure an understanding of the full aspect of the project. They need to have a fundraising drive and ask previous and current Board of Director members. Food & Beverage will not be approved until request is made. What is follow up to solicitation? Land would be beneficial for the Technology Park.

NOTE: Paige Bjornson left at 8:20 am.

Critical to address fire issue before the next big event-cannot put value on lost life. This brings Food & Beverage revenue to town so the Food & Beverage Fund is a good place for funding. Not meeting code since 2012, which was when the City adopted the new code. Does the ND Insurance Reserve know of the issue? NDWS is 501(c)5 nonprofit. How does the Foundation fit in? The food vendors in the NDWS take business from restaurants. Events do help hotels, etc. People do not go downtown as much as they have in the past. Getting estimates on additional doors, sprinkler system, etc. NDWS needs to have skin in the game. Land is not enough as they will use anyway and come out ahead. Cannot take all of Food & Beverage for one project and not leave anything for other projects. Lay out pro-forma on unrestricted funds.

There being no further business, President-Elect JoAnn Hooper adjourned the meeting.

Respectfully Submitted

Jennifer Feist  
Director of Development