



BAXTER ECONOMIC DEVELOPMENT AUTHORITY MINUTES

Tuesday, June 07, 2022 at 6:30 PM

Baxter City Hall, 13190 Memorywood Drive, Baxter, MN

"A Growing Community"

CALL TO ORDER

President Cross called the meeting to order at 6:30 p.m.

ROLL CALL

President Mark Cross, Vice President Tabatt, Treasurer Connie Lyscio, and members Darrel Olson and John Ward were present.

Executive Director Brad Chapulis, Secretary Kelly Steele, Trevor Thompson, and Josh Doty. Assistant Treasurer Jeremy Vacinek was absent.

MINUTES

1. Approve EDA Minutes from February 15, 2022

Motion by Treasurer Lyscio, seconded by Vice President Tabatt to approve the EDA minutes from February 15, 2022. Motion carried unanimously.

OLD BUSINESS

None.

NEW BUSINESS

2. Approve Option Agreement for Lot 1, Block 1, Fourth Addition to Baxter Industrial Park Phase 3

Executive Director Chapulis explained a proposed option agreement between the Baxter EDA and T&E Properties, LLC is proposed for EDA consideration. If the agreement is executed by both parties, the agreement would provide T&E Properties the exclusive right to acquire Lot 1, Block 1, Fourth Addition to Baxter Industrial Park through 2026 with the ability to extend the agreement for an additional two years. In exchange for the right, the company will pay the EDA \$1,250 upon execution of the agreement and an additional \$1,250 if the company extends the agreement through 2028. The \$1,250 payment represents approximately .05% of the current appraised value and established asking price for the subject property, which is \$241,200. The agreement was drafted by Attorney Person.

The company is the real estate holding company for Lindar, Avantech, Triven and others. The company is currently completing an addition to its building located at 7794 Hastings Road and has interest in the property directly north of the side form the EDA for future expansion. The company is asking for the option agreement to allow them time to complete their due diligence on the property and plan their next expansion. The

company would proceed with the acquisition when ready to proceed with the expansion prior to the end of 2028.

Motion by Member Ward, seconded by Vice President Tabatt to approve the Option Agreement for Lot 1, Block 1, Fourth Addition to Baxter Industrial Park Phase 3. Motion carried unanimously.

3. EDA Real Estate Marketing Update

Executive Director Chapulis explained at the February 15, 2022, EDA meeting staff presented appraisal reports completed by Bill Ludenia on the EDA properties. After discussion, the EDA directed staff to explore the possibility of a limited brokerage agreement with local realtors for marketing of the EDA commercial and industrial properties. With the assistance of BLAEDC, staff interviewed three real estate firms. The firms all wanted a full brokerage rather than a limited one. Based on the feedback, staff met with BLAEDC to discuss alternatives.

Tyler Glynn, executive director of BLAEDC, explained he has access to a system called Local One which is a national system. This system allows BLAEDC to enter sites on the platform which is used nationwide by realtors and site selectors. Properties would also be listed on websites for BLAEDC and DEED. The system is free to both the BLAEDC and the city. BLAEDC can review any offers to determine if the buyer meets state statute requirements for sale of city property. Mr. Glynn should have the properties listed in the next couple of weeks for review and approval.

The consensus of the EDA was to support working with BLAEDC to list the properties.

EDA BOARD MEMBER COMMENTS AND DISCUSSION

None.

ADJOURN

Motion by Vice President Tabatt, seconded by Treasurer Lyscio to adjourn at 6:45 p.m.

Approved by:

Respectfully submitted,

Mark Cross
President

Kelly Steele
Assistant City Administrator

