



**Clearwater EDA  
Regular Meeting July 22, 2020  
Zoom Web Conference**

**Call to Order: 8:00 a.m.  
Roll Call**

- 1. Selection of Officers**
- 2. Approval of Agenda**
- 3. Approval of Minutes from October 13, 2015 Meeting**
- 4. Revisit EDA By-laws**
- 5. Discuss Use of CARES Act Funds**
- 6. Discuss Work Plan for Remainder of 2020**
- 7. Adjournment**

**To: Honorable Members of the Clearwater EDA**

**From: Annita Smythe, City Administrator**

**Date: July 14, 2020**

**Re: July 22, 2020 EDA Meeting**

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**1. Selection of Officers**

**2. Approval of Agenda**

**3. Approval of Minutes from October 13, 2015 Meeting**

*I have attached the last minutes that we had on record. It appears that the meeting scheduled for November 2015 was cancelled, as the October minutes were included in the December agenda that was prepared. However, there are no minutes from December 2015, so I don't know if that meeting ever happened, either. Right now, we're assuming the October 2015 meeting was the last time the EDA met.*

**4. Revisit EDA By-laws**

*Attached are the by-laws approved back in 2006. I have made some suggested modifications to comply with our new enabling resolution. I have also highlighted some areas we need to discuss further.*

**5. Discuss Use of CARES Act Funds**

*The City Council recently accepted funds being allocated under the CARES Act related to COVID-19. There are a number of restrictions on the use of the funds, however, the city has freedom to make use of these funds to assist local businesses. The EDA should discuss a program for use of the funds, as any funds not used by November must be returned. I have attached a memo from the city attorney outlining some permissible uses.*

**6. Discuss Work Plan for Remainder of 2020**

*I have attached the work plan from the last year the EDA met. We should review and discuss this. I would also like to talk about our basic game plan for the remainder of 2020, as I have a file of items for discussion. One is the 2021 budget.*

**7. Adjournment**

BY-LAWS OF THE ECONOMIC DEVELOPMENT AUTHORITY  
IN AND FOR THE  
CITY OF CLEARWATER, MINNESOTA

1. The Authority

Section 1.1. Name of the Authority. The name of the Authority shall be the Clearwater Economic Development Authority (hereinafter, “Authority”) in and for the City of Clearwater, Minnesota (hereinafter “City”), and its governing body shall be called the Board of Commissioners (hereinafter, “Board”).

Section 1.2. Office. The principal office of the Authority shall be the Clearwater City HallOffices.

Section 1.3. Seal. The official seal of the City of Clearwater shall be the Authority’s official seal.

2. Organization

Section 2.1. Officers. The officers of the Authority shall consist of a President, a Vice President, a Secretary, ~~and~~ Treasurer, and Assistant Treasurer. The President and the Vice President shall be members of the Board and shall be elected annually, and no Commissioner may serve as President and Vice President at the same time. The offices of Secretary, Treasurer, and Assistant Treasurer shall be appointed as set forth herein.

Section 2.2 President. The President shall preside at all meetings of the Board.

Section 2.3 Vice President. The Vice President shall preside at any meetings of the Board in the absence of the President and may exercise ~~or~~ perform the same due to absence or other inability.

Section 2.4. Treasurer. The Treasurer shall receive and be responsible for Authority money, shall disburse authority money by check only (in accordance with Section 4.3 herein), keep an account of all Authority receipts and disbursements and the nature and purpose relating thereto, shall file the Authority’s financial statement with its Secretary at least once a year as set by the Authority, and be responsible for the acts of the Assistant Treasurer.

Section 2.5. Secretary. The Secretary shall be the City Clerk. The Secretary shall keep or cause to be kept minutes of all meetings of the Board and shall maintain or cause to be maintained all records of the Authority. The Secretary shall also have such additional duties and responsibilities as the Board may from time to time and by resolution prescribe.

Section 2.6. Assistant Treasurer. The Assistant Treasurer shall be the Deputy City Clerk. The Assistant Treasurer shall have all the powers and duties of the Treasurer if the Treasurer is absent or disabled. ~~The Assistant Treasurer shall not vote unless appointed as a commissioner as provided herein.~~

### 3. Procedures of Board of Commissioners

Section 3.1. Annual Meeting. The annual meeting of the Board shall be held on the 2<sup>nd</sup> Wednesday of the month of January each year.

Section 3.2. Regular Meeting. The Board shall hold regular meetings on the 2<sup>nd</sup> Wednesday of each month, commencing at 8 am or at such other time as the Board may determine.

Section 3.3. Special Meetings. Special meetings of the Board may be called by the President or, in the event of the President's absence or inability, by the Vice President at any time, upon three day prior notice to all Commissioners and the Secretary-Treasurer. Upon the same notice, special meetings of the Board may also be called by any two Commissioners. The Secretary-Treasurer shall post notice of any special meeting in the principal office of the Authority no less than three days prior to such special meeting.

Section 3.4. Quorum. A quorum of the five-member Board shall consist of three Commissioners. In the absence of a quorum, no official action may be taken by, on behalf of, or in the name of the Board or the Authority.

Section 3.5. Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than a simple majority of all Commissioners present. Resolutions may, but need not be, read aloud prior to a vote taken thereon. All resolutions shall be executed after passage.

Section 3.6. Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.

### 4. Miscellaneous

Section 4.1 Fiscal Year. The fiscal year of the Authority shall be the calendar year. The City shall be the fiscal agent for the Authority and shall establish a separate fund for the purpose of maintaining all financial and accounting records of the Authority, including the nature of all receipts and disbursements, money on hand and the purposes to which it may be applied, and records of Authority's debits and credits. The City shall establish such other funds as may be properly authorized and necessary for conduct of the Authority's business.

Section 4.2. Checks. An authority check must be signed by the Treasurer and the President. The check must state the name of the payee and the nature for which the check was issued.

Section 4.3. Financial Statements. The City shall provide the Authority with such financial information as may be necessary for the proper conduct of the Authority's business. The funds established for the benefit of the Authority shall be audited annually, and included as part of the City annual financial report. The City shall file such financial reports with the State and any other organizations or agencies as may be required for proper operation of the Authority.

Section 4.4. Report to City. The Authority shall annually, or more often if requested by the City Council, make a report to the City Council giving a detailed account of its activities and of its receipts and expenditures for the preceding calendar year.

Section 4.5. Budget to City. The Authority shall annually send its budget to the City Council, no later than September 1, which budget includes a written estimate of the amount of money needed by the Authority from the City in order for the Authority to conduct business during the upcoming fiscal year.

Section 4.6. Employees. The Authority may recommend employment of an executive director, a chief engineer, technical experts and agents and other employees as it may require and determine their duties, qualifications and compensation.

Section 4.7. Services. The Authority may contract for the services of consultants, agents, public accountants and others as needed to perform its duties and to exercise its powers. The Authority may also use the services of the City Attorney or hire a general counsel, as determined by the Authority.

Section 4.8. Supplies, Purchasing, Facilities, and Services. The Authority shall purchase such supplies and materials as it needs. The Authority shall follow such procedures as are applicable to other City departments and agencies. The City may furnish offices, structures and space, stenographic, clerical, engineering and other assistance to the Authority.

Section 4.9. Execution of Contracts. All contracts, notes and other written agreements or instruments to which the Authority is a part or signatory or by which the Authority may be bound shall be executed by the President or Vice President, and the Secretary-Treasurer, or by such other Commissioners or Officers of the Authority as the Board may be resolution prescribe. All contracts will be signed after review by legal counsel.

Section 4.10 Appointment, terms; vacancies. Five member authority: the commissioners constituting a five-member authority, two of whom must be members of the city council, shall be appointed by the mayor with the approval of the city council.

Those initially appointed shall be appointed for terms of two, three, four, five, and six years respectively. Thereafter all commissioners shall be appointed for six-year terms.

Subd 1. Terms are as follows:

Two Year	-	Bruce Gohman
Three Year	-	Becky Thorpe
Four Year	-	Tom Dobson
Five Year	-	George Simmons, Council Member Seat
Six Year	-	Janelle Hennen, Mayoral Seat

Subd 2. A vacancy is created in the membership of an authority when a city council member of the authority ends council membership. A vacancy for this or another reason must be filled for the balance of the unexpired term, in the manner in which the original appointment was made. The city council may set the term of the commissioners who are members of the city council to coincide with their term of office as members of the city council.

Subd 3. Compensation and reimbursement. A commissioner, including the president, shall be paid for attending each regular or special meeting of the authority in an amount commiserate with other city agencies. In addition to receiving pay for meetings the commissioners may be reimbursed for actual expense incurred in doing official business of the authority. All money paid for compensation or reimbursement must be paid out of the authority's budget.

Subd 4. The Secretary and Assistant Treasurer will be paid compensation for their services in an amount to be determined by the City Council.

Subd 5. Removal for cause. A commissioner may be removed by the city council for inefficiency, neglect of duty, or misconduct in office. A commissioner shall be removed only after a hearing. A copy of the charges must be given to the commissioner at least ten days before the hearing. When written charges have been submitted against a commissioner, the city council may temporarily suspend the commissioner. If the city council finds that those charges have not been substantiated, the commissioner shall be immediately reinstated. If a commissioner is removed, a record of the proceedings, together with the charges and finding, shall be filed in the office of the city clerk.

Section 4.11. Conflict of Interest. Except as authorized in section 471.88 a commissioner, officer, or employee of an authority must not acquire any financial interest, direct or indirect, in any project or in any property included in any project, nor shall the person have any financial interest, direct or indirect, in any contract or proposed contract for materials or service to be furnished or used in connection with any project.

Section 4.12. Liable in Contract or Tort. Subject to the provisions of chapter 466, an authority shall be liable in contract or in tort in the same manner as a private corporation. The commissioners of an authority shall not be personally liable as such on its contracts, or for torts, not committed or directly authorized by them. The property or funds of an authority shall not be subject to attachment, or to levy and sale on execution, but, if an authority refuses to pay a judgment entered against it in any court of competent jurisdiction, the district court for the county in which the authority is situated may, by

writ or mandamus, direct the treasurer of the authority to pay judgment from any unencumbered funds available for that purpose. (MN State Statute 469.1081)

Section 4.13. Amendment of By-Laws. These By-Laws may be amended by the Board by majority vote of all the Commissioners, provided that any such proposed amendment shall first have been delivered to each Commissioner at least five days prior to the meeting at which such amendment is considered.

## **MISSION STATEMENT**

The mission of the Clearwater Economic Development Authority is to advance economic development and redevelopment in the City of through:

1. Assisting commercial, industrial, and community development activities;
2. Minimizing impacts to the environment, public infrastructure, and financial resources of the City and surrounding townships; and
3. Being a resource of information for the business community.

## **OVERVIEW**

The Clearwater Economic Development Authority was established in August 2006. During its first two years of operation, the EDA has accomplished the following initiatives:

1. Inventory of available land and buildings for sale or lease
2. Created and continue to enhance an EDA web site
3. Created a marketing folder
4. Created and recommended approval of a Business Subsidy Policy
5. Conducted business retention and expansion (BRE) visits and surveys and compiled into a BRE Report
6. Secured a technical assistance grant from the Blandin Foundation for a Community Broadband Resource program, which resulted in a Community Telecommunications & Technology Assessment
7. Coordinated the revival of the Old Town redevelopment team
8. Submitted a grant application for the extension of infrastructure to a proposed industrial park

The EDA most recently undertook the initiative of creating this Strategic Economic Development Plan to guide their efforts over the next five years. They will review this plan quarterly to ensure they are on course with the strategies and actions and review for any changes that may be necessary.

Economic development means different things to different people. A common definition used is the development or redevelopment that creates or retains jobs and increases the tax base. To that end, the EDA's activities are divided into three categories: Business Retention & Expansion, Business Recruitment, Redevelopment. The EDA's goals and strategies are aligned under those categories.

## **GOALS**

- Retain Existing Industry
- Attract New Industry
- Advance Workforce Development
- Promote Commercial Redevelopment
- Promote Old Town Revitalization Efforts
- Be the Go-To Organization for Businesses

**Clearwater Economic Development Authority  
Regular Meeting Minutes  
Clearwater City Council Chambers  
October 13, 2015**

**Call to Order**

Vice President Kask called to order the meeting of the Clearwater EDA at 9:11 a.m.

**Pledge of Allegiance**

Everyone joined in the pledge of allegiance.

**Roll Call**

Present: Members Edmonson, Lange, and Kask

Absent: Broich, and Clothier

Staff Present: Administrator Kevin Kress

Visitors: Erik Swenson – Central Portfolio Control

**Set Agenda**

MOTION by Edmonson, seconded by Lange, to approve the agenda with the addition of item “c” under new business, Discussion on Lease Rebate Application for Central Portfolio Control.

Motion carried unanimously.

**Consent Agenda**

**Approval 9-15-15 Minutes**

MOTION by Edmonson, seconded by Lange, to approve the consent agenda as submitted.

Motion carried unanimously.

**Old Business**

**Report on Outstanding Business Incentive Loans**

Administrator Kress informed the members that the City Attorney is working on collecting payment from Thielen Tires. Kress will update when payment is received.

**Discussion on EDA Business Magazine/Newsletter**

Members decided to discuss this when member Clothier is present.

**New Business**

**Summary of EDA Social Presentation and Development of Survey**

Members briefly discussed the EDA Social. Members elected to send out a survey to get feedback from those that attended and those that were unable to attend. Member Edmonson was asked to create a survey to distribute to businesses in the City.

**Update and Discussion on City Planner/Economic/Community Development Consultant**

Members were interested in the Landform, the new City Planner/Economic/Community Development Consultant producing an inventory of available properties and having a workshop quarterly.

**Discussion on Lease Rebate Application from Central Portfolio Control**

Eric Swenson was present to request a Lease Rebate from the EDA. Members requested a copy of the lease agreement before they issue the rebate. Swenson confirmed he would send in the lease rebate to City staff after

the meeting. Members reviewed the application submitted by Central Portfolio Control and discussed if it met the requirements of the program.

MOTION by Edmonson, seconded by Lange, to approve a \$3,000.00 Lease Rebate to Central Portfolio Control. Motion carried unanimously.

**Next meeting – November 10<sup>th</sup>, 2015**

**Adjournment**

MOTION by Edmonson, seconded by Kask, to adjourn at 10:04 a.m. Motion carried unanimously.

\_\_\_\_\_  
Kevin Kress, City Administrator  
Date Approved

\_\_\_\_\_  
Abby Broich, President

DRAFT

**From:** [Jay T. Squires](#)  
**To:** [Annita Smythe](#)  
**Subject:** RE: CARES Act  
**Date:** Monday, July 13, 2020 10:13:43 AM

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Annita, I have reviewed your question. The Federal Treasury Department has released some guidance identifying permissible uses of CARES Act funding. Following is an excerpt from the guidance. You will see that the things you contemplate are within the list of permissible expenditures. You should have the EDA specifically authorize the program you intend to implement and the use of CARES Act funds for the program:

Nonexclusive examples of eligible expenditures Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
  - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
  - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
  - Costs of providing COVID-19 testing, including serological testing.
  - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
  - Expenses for establishing and operating public telemedicine capabilities for COVID-19- related treatment.
2. Public health expenses such as:
  - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
  - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
  - Expenses for disinfection of public areas and other facilities, e.g., nursing homes, in response to the COVID-19 public health emergency.
  - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
  - Expenses for public safety measures undertaken in response to COVID-19.
  - Expenses for quarantining individuals.
3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID19 public health emergency.
4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
  - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
  - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
  - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
- 4 • Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
- COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
- Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.

5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:

- Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
- Expenditures related to a State, territorial, local, or Tribal government payroll support program.
- Unemployment insurance

costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise. 6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria. Nonexclusive examples of ineligible expenditures<sup>3</sup> The following is a list of examples of costs that would not be eligible expenditures of payments from the Fund. 1. Expenses for the State share of Medicaid. 4 2. Damages covered by insurance. 3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency. 4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds. 5. Reimbursement to donors for donated items or services. 6. Workforce bonuses other than hazard pay or overtime. 7. Severance pay. 8. Legal settlements

Jay

**Rupp, Anderson, Squires  
& Waldspurger, P.A.**

**Jay T. Squires**  
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**From:** Annita Smythe <ASmythe@clearwatercity.com>  
**Sent:** Thursday, July 9, 2020 11:27 AM  
**To:** Jay T. Squires <Jay.Squires@raswlaw.com>  
**Subject:** CARES Act

Hi, Jay.

As I'm sure you're aware, the state will soon begin distributing funds to cities under the CARES Act. I expect the city council on Monday will authorize acceptance of these funds. While the city does have some internal costs related to COVID-19, which I understand are reimbursable under this program, I am wondering if there are other uses of the funds. I am hearing that some other cities are authorizing such things as grants to businesses or local food shelves utilizing these funds.

Would it be possible to have you provide information on whether or not you believe the CARES Act authorizes the city to establish a grant program through our EDA either for local businesses or for the food shelf? I am attaching the information provided by the state.

Thank you for your assistance.

- Encourage Technological Infrastructure Investment

## STRATEGIES

STRATEGY	UNDERLYING GOAL
Industrial activities complementary to existing industries should be identified and the recruitment of those should be facilitated	Attract New Industry
Work with the developers of industrial parks to create covenants which provide for aesthetically pleasing and quality buildings	Attract New Industry
Coordinate economic development activities with area resources, i.e. Initiative Foundation, the Wright County Economic Development Partnership and the Small Business Development Center	Be the Go-To Organization for Businesses
Enhance the web site so that it is comprehensive and user friendly and provides a high-quality first impression	Attract New Industry
Identify key redevelopment opportunities and work with building owners to encourage improvement of individual buildings but also the overall atmosphere of the area	Promote Commercial Redevelopment / Promote Old Town Revitalization Efforts
Pursue funding opportunities to assist with economic development initiatives and development/redevelopment opportunities	Attract New Industry / Retain Existing Industry
Work with existing businesses and identify any expansion opportunities	Retain Existing Industry
Continue the Business Retention and Expansion (BRE) program	Retain Existing Industry
Market the City of Clearwater to recruit new businesses for those that will: complement existing businesses or fill a gap in existing offerings	Attract New Industry
Build relationships with builders, realtors and site selectors to encourage them to consider Clearwater with their new business development opportunities	Attract New Industry
Identify specific skills and knowledge that our “commuter” residents have and recruit specific businesses that can utilize these skills and knowledge	Attract New Industry
Identify and explore workforce development and training opportunities that will serve existing businesses’ needs	Retain Existing Industry
Explore the state’s “Shovel-Ready” site program and whether it is a fit for proposed industrial parks	Attract New Industry
Create stand-alone marketing documents for promotion; i.e. post cards, brochures, etc	Attract New Industry
Engage the community in economic development; recruit business “cheerleaders”	Attract New Industry / Retain Existing Industry
Create a tag line for the city, examples:	Attract New Industry

<ul style="list-style-type: none"> <li>• Alexandria – Easy to Get to, Hard to Leave</li> <li>• Cambridge – Opportunity Community</li> <li>• Norwood Young America – Planning Together to Share a Vision</li> <li>• Chisago County – A Natural Resource for Business</li> <li>• Sauk Rapids – Rising Above the Rest</li> </ul>	
Implement strategies from the Community Telecommunications & Technology Assessment (Bill Coleman report)	Encourage Technological Infrastructure Investment
Foster relations with other city boards and organizations, i.e. Planning & Zoning, Communities Activities Board, Clearwater Economic Development Corp, along with neighboring townships in order to complement each other's activities and reduce duplication of efforts	Be the Go-To Organization for Businesses
Survey residents regarding telecommunications needs and services to augment needs identified by business survey; build critical mass for telecommunications investment	Encourage Technological Infrastructure Investment
Explore the technology needs of the trucking and logistics industry in Clearwater	Encourage Technological Infrastructure Investment
Initiate discussions with CitEscape or other wireless provider to achieve maximum coverage of wireless services	Encourage Technological Infrastructure Investment
Monitor and leverage planned telecommunications investments	Encourage Technological Infrastructure Investment

## RESOURCES

- Wright County Economic Development Partnership
  - Marketing
  - Gap Financer
  - Events
  - Connector
- Initiative Foundation
  - Gap Financer
  - Grantor
  - Technical Assistance
- Central MN Workforce Center
  - Workforce Development / Training
- St. Cloud Area Economic Development Partnership
  - Marketing
  - Events
  - Connector
- Department of Employment and Economic Development

- Marketing
- Workforce Development / Training
- Grantor
- Research / Reports
- Data

## Potential Initiatives from 9/23/08 Session:

### BRE:

1. Things to Remedy
  - a. P & Z / ordinances
  - b. Street configurations, i.e. Subway location
  - c. Climate between businesses and city
  - d. High tax rate / fees
  - e. Too many avail. Buildings
2. Ideas
  - a. Niche of trucking and healthcare industries
  - b. Marketing / web site

### Business Recruitment

1. Things to Remedy
  - a. Traffic
  - b. Website
  - c. High cost
  - d. No land development experience with industrial land
  - e. Power quality
  - f. Wellhead Protection Plan
2. Ideas
  - a. Niche of trucking – freight brokerage
  - b. Bowling alley
  - c. Vendors / supplies existing businesses and neighboring (10 mi.) businesses
  - d. Deputy Registrar
  - e. Interested near purchaser of Haegel's property
  - f. Marketing "up north"
  - g. Unmet needs of residents
  - h. Hotels/motels
  - i. CapX2020

### Redevelopment

1. Things to Remedy
  - a.
  - b.
2. Ideas
  - a. Willing building owners
  - b. Ample buildings to work with (Holiday – Coborn's; Corners; Clearwater Mall Area; Old Town)
  - c. Enlist "expert" to sketch what a new façade over buildings could look like
  - d. Grant resources