

Gate City Development minutes April to July, 2010

Gate City Development Association met on **April 8, 2010**. Present were: Will Stone, Angel Oeltjenbruns, Marion Denekamp, Mary Nosbush, Lynda Rol. Will reported that he had received word that property could be purchased for development purposes at a price of \$2,700 per acre, up to 49 acres. The parcel contains 23.17 acres in city limits and 26 acres adjacent to city limits.

Agreed to write up a purchase agreement which would give us the option to buy within 12 months.

Angel reported we have an available balance of funds of \$23,000. We have yet to receive \$10,000 allocated to local development by the City of Gary yet this year. Will intends to request \$20,000 from the County for road with highway access and infrastructure development.

Mary agreed to get the legal description of the property and the last recorded deed from the Register of Deeds office. The purpose of the land purchase is for industrial and residential development.

Discussed ways to promote the adoption of a 1% sales tax increase for City of Gary. Discussed hosting a public forum with a moderator and panel members on both sides of the issue. Decided to ask Tim Begalka to serve as moderator.

Meeting was adjourned.

Mary Nosbush, Secretary

Gate City Development Association met on **May 13, 2010** at the Gary Fire Hall. Present were: Will Stone, Angel Oeltjenbruns, Marion Denekamp, Mary Nosbush, and Lynda Rol. Darlene Bresson of USDA Rural Development was also present.

Lynda gave Darlene a tour of the property we are proposing to purchase.

Darlene reviewed some ideas for funding the development project. The City could apply for funding through a Community Facility Program grant (or loan??) for streets and utilities. This would not cover the cost of land purchase.

The City could form a TIF district which stands for Tax Increment Financing. Attorney Todd Meirhenry of Sioux Falls is the statewide expert on this. He advises that an assessed valuation of at least \$1 million is needed to make it worthwhile. A TIF is used like a bond to pay for infrastructure. The taxes paid on the property's increased assessed value are used to pay off the loan for the infrastructure.

Our 49 acre project at \$2,700 per acre will cost \$132,300 for the land purchase.

Our industrial development emphasis will be in the areas of wind energy, automotive and trucking.

Mary offered to make contacts for financing the project. She will approach Otter Tail Power Co., H-D Electric and ITC Telecommunications. Additional possibilities suggested for project partners were: City of Gary, Deuel County, DNB Bank, Wells Fargo and private businesses.

We also agreed to solicit memberships from all Gary School Alumni as a way to secure funds for this project by way of a letter and drawing of the project plus attending this year's alumni event with our plans. Wendell Peden would be the contact person.

Discussed a one-year goal of purchasing at least a 5-acre plot for business development in the event we are contacted by an interested business looking for a place to expand. Our 5-year goal is to purchase the 49 acres and have it designed for development by an engineer.

Meeting was adjourned.

Mary Nosbush, Secretary

Gate City Development Association met on **June 3, 2010** at the Gate City Lodge. Present were: Will Stone, Marion Denekamp, Mary Nosbush, Lynda Rol and two guests. Will called the meeting to order at 7:00 p.m. and moved into Executive Session to discuss land purchase agreement. Guests departed at 7:35 p.m.

Angel arrived. Angel and Mary will meet with Todd Boyd regarding the drafting of a purchase agreement on the 49 acres with 23.17 acres to be paid for by December 31, 2010 at a cost of \$62,559 located within city limits; and balance of 26 acres outside city limits to be paid for by December 31, 2011 at a cost of \$70,200.

We will request tax exempt status on this property with the County as soon as possible.

Development Board met on Friday **June 11, 2010** at Gate City Lodge at 3:30 p.m. Present were: Will, Lynda, Marion, Mary. Two guests were also present: Brad Wermer, engineer with Banner Associates, Inc., of Brookings, and Mike Nosbush, Supt. of Utilities for City of Gary.

We reviewed with Brad our plans to purchase a 49 acre parcel of land, in two separate agreements and our intention to use it for both industrial and residential development. We looked at city plat map and zoning map. Mike explained water and sewer access for the property.

Brad said we could probably get financial assistance for industrial development infrastructure.

He said Phase I of the project would include a survey of topography with elevations and a general layout of the 23.17 acres located in city limits. He said that infrastructure development on the total 50 acres could be \$1.5 million.

We then drove to the property for a tour. Brad said he would put together some cost estimates for us on Monday and email them to us. Mary agreed to meet with Brad in Brookings on

Wednesday morning, June 16 to bring some City maps and let him know how we want to proceed. Brad and Mike departed.

Discussed the annual meeting. Kellie Lewis is willing to fill the vacant seat on the Board. Lynda will contact another person about serving on the Board.

We decided our development corporation information needs to be presented on the City of Gary website, not the Experience the Life website, mainly because we get contacts from interested parties through the City. The City website provides greater access to the public.

Lynda mentioned information on grant funding for signage of trails through the SD Health Department. Discussed signs for points on a historical walking tour of Gary, probably 20 points could be included, Will suggested.

Will reported that the SD Game, Fish and Parks has a grant program for playground equipment from \$10,000 to \$50,000 with a June 30 deadline to apply. The City would need to make application.

Meeting adjourned.

Mary Nosbush, Secretary

Gate City Development Association met on **June 15, 2010** at 8:30 p.m. with the following present: Will, Mary, Angel, Marion, Lynda and Kellie.

Lynda presented an I-29 Corridor Survey from Deb Munsterman from Brookings. We are to fill in and return to her individually.

Will presented information on the SD Rural Enterprise involving capital investment funding. and the SD Ready to Work campaign. The contact person is Dave Anderson from the GOED.

We need to ask businesses we have assisted if they are willing to allow us to say so publically. We could use their testimonials on the City website.

Motion by Angel, seconded by Mary to approve signing a Purchase Agreement with Randy and Shirley Denekamp for land purchase of 23 acres by December 31, 2010 and remaining 26 acres by December 31, 2011. All voted yes and the motion carried.

Brad Wermers of Banner engineering firm said to allow an additional \$1,000 for their bid if they are to layout the entire project.

Will called for an executive session at 9 p.m. to discuss a possible business relocation to Gary. Discussion concluded at 10 p.m.

Reviewed ideas on fundraising for the land purchase. Kellie is working on a design of a money tree for residential and industrial development.

Meeting adjourned at 10:30 p.m.

Mary Nosbush, Secretary

GCDA met **on June 18, 2010** at 5 p.m. Will called the meeting to order. Those present were: Will, Mary, Angel, Lynda, Marion.

Angel presented information from Aason Engineering of Watertown to provide us with a preliminary layout and have it ready by July 4 at a cost of \$3,440.00 Cost estimate from Banner Associates in Brookings is \$4,500 with no certain time frame.

Motion Lynda, second Angel to contract with Aason Engineering on our development project for \$3,440 plus tax, and to have a preliminary layout of the property prepared for public presentation by July 4th. All present voting yes and the motion carried.

Will is going to make arrangements for us to be available at the alumni banquet at Buffalo Ridge Resort to give information to interested alumni about the development project.

Meeting adjourned at 6 p.m.

Mary Nosbush, Secretary

On **July 14, 2010**, Gate City Development met at Stone's Lodge at 1 p.m. with the following members present: Will, Mary, Marion, Angel and Kellie. Also present were guests: Terry Stallman from Otter Tail Power Company and Todd Morris from Interstate Telecommunications Cooperative.

We explained our development project to the corporate representatives who have funding available to development groups in their service areas.

Stallman stated that Otter Tail normally installs electrical at no upfront cost to the developer. He said the residential is usually installed underground and industrial overhead. Stallman also suggested we contact certain types of businesses that would be interested in expanding into SD because of the good business climate here.

Morris stated that ITC usually provides service to the lots in a new development.

Meeting with ITC and Otter Tail concluded about 2:40 p.m.

Mary is going to look into a new sign design for the 3-mile corner sign.

Mary will apply for annexation and rezoning of the property. Also discussed street names for the development. Adjourned at 3:30 p.m.

Mary Nosbush, Secretary

GCDA Board of Directors met on **August 3, 2010** with the following present: Will, Mary, Marion, Lynda and Kellie.

Reviewed our final plan and decided on the following street names: Grand Boulevard for the main street through the industrial park; Lovers' Lane for the 33 foot alley along the state line; Denekamp Avenue for the 40' access on the south edge of the property.

Will asked for a motion to purchase \$1 million liability insurance on the property. Motion Mary, second Lynda to purchase liability insurance on the bare land with DCN Insurance Agency at a cost of \$177 for the annual premium. All present voting yes and the motion carried. Mary will make arrangements.

In reviewing sign designs, decided to add more color to the 3-mile corner sign stating "Gas, Food, Lodging".

City Council meets Wednesday, August 4. Mary will present information on the plat of the property and the request for rezoning. Kellie Lewis will present information about our sign plans for the 3-mile corner and a request for advertising funding from their existing budget to pay for the new sign.

Meeting adjourned.

Mary Nosbush, Secretary

After the annual meeting of the membership, the board of Gate City Development Ass'n. met on **August 5, 2010** at 9:10 p.m. at Stone's Lodge. Those present were: Will, Mary, Angel, Marion, and Stuart Almos.

Will asked to go into Executive Session to discuss a possible business expansion to Gary.

The Board discussed getting bids for building the road in the new development and installing water and sewer, in the event we do not qualify for grants or the grants make the projects way too costly. We may be able to do the project at a lower cost without a grant.

Angel stated that we will need to apply for an extension on the USDA Rural Development grant of \$99,900 for the revolving loan fund.

The next Board meeting will be held on Thursday, August 19 at 7:00 p.m. at Stone's Lodge with election of officers.

Meeting adjourned.

Mary Nosbush, Secretary