

City of Mora Economic Development Authority

Minutes

**2:00 p.m. Tuesday, March 7, 2023**

Mora City Hall, 101 Lake St. S, Mora, MN

Pursuant to due call and notice thereof Dan Johnson called to order the regular meeting of the EDA at 2:00 p.m., on Tuesday, March 7, 2023, in the Mora City Hall council chambers.

**2. Roll Call:** Present: Jody Anderson, David Youngquist, Dan Johnson, Alison Holland, Mike Segner, Rose Krie, Brett Baldwin, Robert Jensen

Absent: None

Staff Present: City Administrator Glenn Anderson, Community Development Director Kirsten Faurie, Administrative Services Director Natasha Segelstrom

Others Present: Kanabec County EDA Director Jim Hartshorn

**3. Adopt Agenda:** MOTION made by Segner, seconded by Baldwin, and unanimously carried to adopt the agenda.

**4. Special Business:**

a. Industrial Park Proposal

Faurie informed the EDA members the City of Mora received a proposal from Nick Mitchell requesting to purchase a 4.84 acre lot in the Mora Industrial Park, Lot 5 Block 1. Mitchell is in the process of purchasing the Mora Marine business, but not the land and building. Mitchell is looking to construct a new building in the Industrial Park roughly 40x100 and use the rest of the lot for outdoor boat storage. The building would be split between a service garage and a showroom to sell new and used boats.

Mitchell is offering \$50,000. Faurie explained the city's Business Subsidy Policy establishes a guideline of \$12,500 per acre. The EDA will need to discuss and decide if they are willing deviate from those guidelines to accept the \$50,000 offer.

The Business Subsidy Policy also establishes a guideline that businesses purchasing a lot in the Industrial Park must construct a building covering a minimum of 5.75% of the lot. Mitchell's proposal falls short, covering 1.9% of the lot. The EDA will need to consider if they are willing deviate from the guidelines and accept this building size.

Hartshorn shared with the EDA his review of Mitchell's business plan found it to be a solid, reasonable plan. Hartshorn said he liked that the business is already functioning and profitable and has the potential to grow. Hartshorn said Mitchell's financing options could include applying to the City or the ECRDC for their revolving economic development loan funds.

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The EDA discussed pros and cons of the sale as well as some of their concerns.

J. Anderson expressed concern about if the business type suited the allowable uses in the Industrial Park, and that perhaps more suitable locations could be found outside of the city.

Faurie discussed the allowable uses in the Industrial Park and the decision of whether or not boat sales as a part of Mitchell's business would be the role of the Planning Commission to decide.

Johnson commented on the other businesses in the Industrial Park and the extent that many of them have outdoor storage.

J. Anderson expressed concern that allowing a smaller building to be constructed also means less tax revenue for the city.

Youngquist questioned if the sale would encourage job growth.

Faurie acknowledged the business plan does not include much job growth, but would retain the existing jobs with the potential to grow 2-6 FTE jobs.

G. Anderson noted cities like Mora can struggle to find perfect fits for the Industrial Park, and that the goal is to fill the lots that are available; it may be worth making some exceptions to achieve that goal.

J. Anderson questioned if making exceptions would be fair to the other businesses that followed the guidelines.

Discussion continued regarding building size, building placement and potential for future expansion.

Krie noted that this type of business is needed in the area. She also wondered about how much interest there has been from people wanting to buy Industrial Park lots.

Segner noted that the business shows promise and that it would be good to have more activity in the Industrial Park.

The board discussed making it a higher priority for the City to extend the road and utilities in the Industrial Park in order to make all of the land available for development.

The group discussed the value of the land and what terms they would like to include in a purchase agreement. The EDA directed Faurie to work with the city attorney to draft a purchase agreement, and clarify what Mitchell meant by a "three-year tax moratorium" in his letter of intent. The group also discussed the timeline of the project and sale.

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MOTION by Segner to move forward with the purchase at the proposed price of \$50,000 pending the creation of terms of purchase. Discussion continued regarding possible terms. Seconded by Jensen and approved unanimously.

The EDA scheduled a Special Meeting to further review the purchase and terms for 10 a.m. Friday, March 17, 2023 at Mora City Hall.

**5. Adjournment:** MOTION by Baldwin, seconded by Jensen and unanimously carried to adjourn the meeting at 2:56 p.m.

The next Meeting of the EDA is a special meeting for **10 a.m. Friday, March 17, 2023** at Mora City Hall.

The next regular meeting of the EDA is **2 p.m. Tuesday, May 2, 2023.**

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Dan Johnson  
President

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Kirsten Faurie  
Community Development Director