

**City of Sandstone
EDA Meeting Minutes
September 25, 2024**

CALL TO ORDER: 6:00 p.m.

ROLL CALL: Val Palmer, Julena Rahier, Matt Anderson, Cassie Gaede, Tim Schmutzer, Peter Spartz, Randy Riley

Members absent: None

Staff present: Executive Director Kathy George

Others present: Matt Gebhart, Eric Canfield

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

Motion Riley, second Spartz to approve the Agenda with the addition of Eric Canfield: Billboard. Motion carried 7-0.

APPROVE MINUTES

Motion Rahier, second Spartz to approve the minutes of the August 28, 2024 Regular EDA meeting. Motion carried 7-0.

PUBLIC HEARING/PRESENTATION:

Public Hearing: Matt Gebhart – Lot Purchase

Motion Riley, second Rahier to open the Public Hearing to consider the Lot Purchase proposed by Matt Gebhart at 6:02 p.m. Motion carried 7-0.

The EDA received an offer from Matt Gebhart for the purchase of Lot 12, Block 9, Townsite of Sandstone Quarries, 222 Main Avenue North. He plans to demolish the building and expand Sandstone Ace Hardware, which is adjacent to the property. Gebhart has also agreed to a Deed restriction to keep 10-feet from MN DOT's right-of-way into the property clear from structures and visual obstructions. Gebhart is offering \$85,000 for the property.

The EDA is required to hold a Public Hearing before selling land. The Public Hearing notice was published in the 9/12 and 9/19 editions of the *North Pine County News*. No comments from the public have been received.

Chair Palmer called for comments from the public. Gebhart explained that he plans to tear down the building by the end of the year. He will keep the billboard until he moves forward with the expansion of his building, likely to occur in 2026. The billboard content will relate to his business, Ace Hardware.

Motion Gaede, second Spartz to close the public hearing at 6:06 p.m. Motion carried 7-0.

Motion Schmutzer, second Anderson to adopt Resolution No. 20240925-01 approving the Purchase Agreement between the EDA and Matt Gebhart approving the conveyance of land. Motion carried 7-0.

Eric Canfield: Billboard Offer

Eric Canfield was present on behalf of Schubert & Hoey Outdoor Advertising, Inc. They own some billboards that are located on northbound I-35 between Hinckley and Sandstone. Canfield proposed the EDA advertise on one of these billboards for \$650-\$700 per month, with a \$1,000 initial setup charge.

EDA members were interested in this opportunity, as marketing and promoting the area is a priority. Perhaps the Sandstone Chamber website could be listed, along with the City's website. The focus would be Robinson Quarry Park as Minnesota's First and Best Ice Park.

Motion Gaede, second Rahier to advertise Robinson Quarry Park on a billboard located on northbound I-35 between Hinckley and Sandstone. Motion carried 7-0.

Onyx Places, LLC: Sign Grant Applications

Moe Ludwig owns the H&R Block/Becca's building downtown. He has applied for two signage grants from the Community Business Partnership Program. One sign will be for H&R Block and one sign will be for Becca's. He is requesting \$1,500 for each sign, \$3,000 total. **Motion Schmutzer, second Riley approve two Community Business Partnership Program signage grants for Onyx Places, LLC in the total amount of \$3,000. Motion carried 7-0.** The off-premise advertising currently located on the building must be removed.

Gas Light Building

The EDA purchased three buildings from Lenny Bonander - the Gas Light, the Colonial, and the Furniture Store. The EDA is selling the Furniture Store property to Matt Gebhart. The Gas Light and the Colonial are connected via a connection corridor. The thought upon purchase was to separate the Gas Light from the Colonial and move forward with offering the Gas Light for sale.

A proposal was received from DemoSubs Construction to separate the Gas Light from the Colonial for \$13,800. **Motion Gaede, second Spartz to approve the proposal of \$13,800 from DemoSubs Construction to separate the Gas Light building from the Colonial building. Motion carried 7-0.**

After further discussion, Executive Director George was asked to solicit bids for the demolition of the Colonial building (302 Main Ave; 45.5316.000).

Historic Sandstone School

Frerichs Construction Company: Application for Payment No. 5

Application for Payment No. 5 was submitted by Frerichs Construction Company representing 92% of work completed on the Historic Sandstone School Roof Stabilization project in the amount of \$275,500.00. Retainage of \$62,280.00 will be withheld.

Motion Gaede, second Schmutzer to approve payment of \$275,500.00 to Frerichs Construction Company representing 92% of work completed on the Historic Sandstone School Roof Stabilization project. Motion carried 7-0.

Various Updates regarding the Historic Sandstone School Redevelopment Project

The roofing contractor (Frerichs) has substantially completed the original 3-story building roof and the 2-story building roof; they continue to work on the integral gutters and east common cornice. A punch-list walk thru with the engineer occurred on Monday, September 16th. A few minor items are on the list that the Contractor will address.

Developer Meghan Elliott is working with Minnesota Power and has submitted a request to the Minnesota Climate Innovation Finance Authority for assistance with a geothermal energy system for the housing project.

Elliott is partnering with the Sandstone History and Art Center on an event to celebrate the new roof. EDA members are invited to attend the pre-event, which starts at 5:00 p.m. and will take place at the Sandstone Public Library. The public is invited to the grounds of The Rock at 6:45 to receive updates on the housing project and to watch an outdoor viewing of the movie "Hoosiers".

Various Updates (General)

Downtown Redevelopment Plan – Next Steps

After meeting with Mike Greco and David Abazs (with the UofM Extension Northeast Regional Sustainable Development Partnerships), the streetscape project sounds like a good fit for participating in an Empowering Small Communities Impact Project. Applications for consideration are now open and will be pursued.

Business Park Sign

Landscaping was added to the Business Park Sign. The contractor will be asked to increase the size of the boulders to scale better with the size of the sign.

Kwik Trip

A meeting took place at City Hall on September 4th with representatives of Kwik Trip. They are definitely coming to Sandstone and are planning construction for 2026.

MN Dept of Ag – Creosote Cleanup

Contractors will be excavating at two locations on 202 State Highway 23 South (Slama property). The excavated material is hazardous waste and will be hauled to disposal facilities in Oklahoma and Canada.

East Central Development Partners (ECDP – formerly GPS)

Executive Director George was a panelist regarding Day Care Centers at the annual ECDP meeting which took place September 25th in Braham.

Motion Rahier, second Gaede to close the meeting at 6:53 p.m. in accordance with Minnesota Statutes 13D.05, Subdivision 3(C), to consider offers or counteroffers for the purchase or sale of real or personal property and to review confidential or protected nonpublic appraisal data and to determine the asking price for real property to be sold or purchased by the EDA. Motion carried 7-0.

The following property was discussed:
Parcel 45.5312.000, 313 Commercial Avenue North

Motion Rahier, second Gaede to re-open the EDA meeting at 7:20 p.m. Motion carried 7-0.

ADJOURN

Motion Riley, second Anderson to adjourn at 7:20 p.m. Motion carried 7-0.

Valerie Palmer, President

Kathy George, Executive Director