



## **AGENDA**

### **ECONOMIC DEVELOPMENT AUTHORITY MEETING**

**Regular Meeting**  
**Tuesday, October 18, 2022**  
**12:00 p.m.**

Montrose City Hall  
311 Buffalo Ave S  
Montrose, MN 55363

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF AGENDA**
4. **APPROVAL OF MINUTES**
  - A. July 19, 2022 Economic Development Authority Meeting Minutes
5. **TREASURER'S REPORT**
  - A. Economic Development Authority Fund = \$196,681.67
  - B. Economic Development Revolving Loan Fund = \$257,754.78
6. **OLD BUSINESS**
  - A. Preserve Update – RFP Update
7. **NEW BUSINESS**
  - A. Luxury Car Condos – Discussion with Developer
8. **NEXT MEETING**
  - A. Tuesday, November 15, 2022 at 12:00 p.m. in the Montrose City Hall Conference Room
9. **ADJOURNMENT**

**LUNCH FROM DOMINOS PIZZA WILL BE SERVED**

City of Montrose  
 Economic Development Authority Meeting  
 311 Buffalo Avenue South  
 Montrose, MN 55363  
 Tuesday, July 19, 2022  
 12:00 P.M.

**1. CALL TO ORDER**

**Pursuant** to call and notice the Montrose Economic Development Authority (EDA) met in Regular Session on Tuesday, July 19, 2022 at 12:00 p.m.

Council Member Marszalek called the meeting to order at 12:00 p.m.

**2. ROLL CALL**

Present: EDA President Tom Marszalek  
 EDA Member Sonya Tourville  
 Mayor Kirby Moynagh via Zoom

Staff Present: Mr. Michael Sommerfeld, City Clerk/Treasurer  
 Ms. Jessica Bonniwell, City Administrator

Absent: EDA Member Matt Smith  
 EDA Member Robb Kirkpatrick

**3. APPROVAL OF AGENDA**

**EDA Member Tourville motioned to approve the agenda as written. EDA President Marszalek seconded the motion. Motion carried 3-0.**

**4. APPROVAL OF MINUTES**

A. April 19, 2022 Economic Development Authority Meeting Minutes

**EDA Member Tourville motioned to approve the April 19, 2022 Economic Development Authority Meeting Minutes as written. EDA President Marszalek seconded the motion. Motion carried 3-0.**

**5. TREASURER'S REPORT**

A. Economic Development Authority Fund

Mr. Sommerfeld gave an update on the Economic Development Authority Fund Balances:

Economic Development Authority - \$197,210.05

B. EDA Revolving Loan Fund – \$257,754.78

C. Economic Development Authority Accounts Payable – February 14, 2022

**6. OLD BUSINESS**

A. The Preserve TIF Discussion

EDA President Marszalek stated that the city has been very patient in waiting for a TIF application or update from Brummer and JP Brooks regarding The Preserve development. No additional information regarding this development has been received during the past six or seven months, and the property is being held with a

sale contract by the developer. EDA President Marszalek stated that the task at hand during this meeting is to decide if we will continue to wait for Brummer and JP Brooks to come up with a plan or TIF application for the Preserve Development. Mayor Moynagh stated he is in favor of moving onto another developer that is ready and willing to get going with a project out there as there are a few interested parties. Mayor Moynagh stated that if the Autumn Winds developer is no longer interested in the property, he knows another developer that would be interested in the property. EDA President Marszalek stated he also believes it is time for the city to move forward since the developer is either not motivated or interested in developing the project anymore. Ms. Tourville asked if Mr. Brummer and JP Brooks had been given a deadline for getting this information in to the city. Ms. Bonniwell stated that yes, Mr. Shannon Sweeney had given them a deadline many months ago to turn in the TIF application information, and that deadline has passed by several months. Mayor Moynagh asked if there was an original deadline within the sale agreement. Ms. Bonniwell stated that yes and that all of those deadlines are long passed as the contract for sale was signed back in 2020. Discussion was had regarding a deadline for the developer to respond to a termination letter. EDA President Marszalek stated that if we give them yet another deadline, it will drag this out for many more months, and could lose the Autumn Winds developer in the meantime. Ms. Bonniwell stated that Brummer has been given ample time to contact the city to ask for an extension or update the status of the TIF district, and no contact has been made.

**EDA President Marszalek motioned to have City Attorney draft letter based on non-compliance with sale agreement to terminate the sale and return any money being held. Mayor Moynagh seconded the motion. Motion carried 3-0.**

## B. Development Updates

Ouverson Development – Ms. Bonniwell stated that city staff is waiting for them to come in and pay the associated fees and sign the Developer Agreement. The developers are working on getting the money together to pay the fees and then will be in to sign the agreement and start building.

Northridge Development – Ms. Bonniwell stated the city is waiting for the engineers to approve the Line of Credit numbers received from the developer and then will be able to finalize the agreement and come in and sign and move forward with building.

Creekside Hollow Development – EDA President Marszalek stated the developer is asking for the city to help pay for 2/3 of a box culvert to complete the crossing over the creek in that development and that the city is not willing to pay for those development costs as the crossing will need to be completed in order to build any homes on the west side of the creek and is a benefit to the developer to put in that crossing.

South Ridge Development – Ms. Bonniwell stated that staff has received some early concept plans from LGI regarding the South Ridge Development. EDA President Marszalek stated that this development will be contingent on the status of the Waste Water Treatment Plant since the city is so close to capacity before an upgrade is completed.

## C. EV Charging Station Update

EDA President Marszalek stated that several attempts have been made to contact this group for a possible EV Charging Station/Strip Mall business development, but he has been unable to make contact.

# 7. NEW BUSINESS

## A. Apartment Development

Mayor Moynagh stated he has a contact that is hoping to expand his apartment development portfolio and is interested in Montrose as a location. Mayor Moynagh stated that this developer has done apartments as well as attached townhomes and other similar designs. Mayor Moynagh stated he has discussed this possibility with a developer and to add businesses into the design of the apartments. EDA President Marszalek asked what the EDA thought of the possibility. EDA Member Tourville stated that it would depend on what kind of apartments this developer is planning as she would not want Section-8 Housing or other low-income housing at this time. EDA President Marszalek stated that St. Michael is developing apartments that look like nice apartments and the type they would like to see in town. EDA President Marszalek stated that people wanting to live in apartments also want to live places with more amenities, which Montrose does not currently offer and would these people be interested in living in

Montrose without additional businesses and amenities for new residents. EDA Member Tourville stated that the EDA needs to do what is best for the community, and think about how to responsibly grow the community. EDA President Marszalek stated that apartments usually appeal to either younger people that cannot yet afford a house, or older seniors looking to downsize. EDA Member Tourville stated that if apartments will be going in, she would rather see them be senior housing. Mayor Moynagh agreed with that and stated that was the original concept for the Preserve. Ms. Bonniwell stated there is an unfinished development at Meadow Brook that was originally planned to be different levels of senior living, including an apartment complex for assisted living, but was never completed. EDA President Marszalek summarized the EDA feelings that they would like to see either higher end apartments, or senior living apartments.

**B. Attracting Businesses to Montrose Discussion**

EDA President Marszalek stated trying to attract businesses to Montrose is an ongoing battle and little progress has been made on this front. Ms. Bonniwell stated she gave a bunch of EDA brochures to Wright County Economic Development Partnership for an event they are hosting in September to be put in swag bags. EDA Member Tourville asked if the Wright County EDA has people looking for locations to open businesses and Ms. Bonniwell stated that the Partnership sends out feelers if a business is looking for a location in Wright County. Ms. Bonniwell stated that perhaps Council Member Paradeise might be a valuable asset to try to help attract businesses because of his business environment and being in sales and should maybe attend a future EDA meeting. EDA Member Tourville stated that she enjoys the small town and just makes arrangements to go to Buffalo or Delano to get groceries and other goods since she knows they are not available in town. EDA Member Tourville stated that she was not sure that businesses coming into town would have enough traffic to be profitable and unsure if more people would want to go out to eat and do things in town if those types of businesses were available. Ms. Bonniwell stated that she thinks there is a population of people in town that would be interested in new businesses and restaurants in town. EDA Member Tourville stated some type of fast-food restaurant would likely do well because of the businesses we have in town that would use that restaurant for lunch breaks since the gas stations cannot seem to keep up.

**8. NEXT MEETING**

A. Tuesday, August 16, 2022 at 12:00 p.m. in the Montrose City Hall Conference Room

**9. ADJOURNMENT**

**EDA President Marszalek motioned to adjourn the Economic Development Authority Meeting at 12:54 p.m. EDA Member Tourville seconded the motion. Motion carried 3-0.**

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Council Member Tom Marszalek  
 President  
 City of Montrose Economic Development Authority

ATTEST:

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Jessica Bonniwell  
 City Administrator  
 City of Montrose





## Request for Proposals for Preserve of Montrose

COME  
GROW  
WITH US

Issued by the City of Montrose EDA

PO BOX 25  
MONTROSE MN 55363  
763-575-7422

## 1. Intent of Offering

The City of Montrose EDA is seeking proposals from residential/commercial developers for the redevelopment of the "Preserve of Montrose" located along the south side of Highway 212 in Montrose. The EDA is seeking experienced residential developers to replat the 54.22 acre townhouse plat to address housing needs within the community.

## 2. Community Background

### Population

The City of Montrose has grown nearly 150% over the past ten years with an increase in population from the year 2000 (1,143 residents per the 2000 Census) to a 2010 population of 2,847. With 1,043 households and an average 2.73 people per household, the City is poised for continued growth.

The immediate area has a population of over 8,800 with 3,266 households. In addition to the population within the City of Montrose's city limits, there are nearly 6,000 residents in the townships immediately adjacent to the City.

### Location

Located within Wright County, the city enjoys easy access to Metropolitan amenities while retaining its rural, small town charm. Montrose is ideally located along U.S. Highway 12, MN Highway 25 and Co. Rd 12 and is within 17 minutes of Interstate 94. Located 25 miles west of Minneapolis, Montrose has easy access to metropolitan amenities while retaining small town charm.

Traffic counts along U.S. Highway 12 on the east side of Montrose have increased 36% from 8,800 ADT to 12,000 ADT between 2000 and 2010 (Source: MNDOT), providing businesses with exposure to local and regional traffic.

### Education

The City of Montrose is a part of the Buffalo-Hanover-Montrose School District (ISD #877). The District's Web Site is: [www.buffalo.k12.mn.us](http://www.buffalo.k12.mn.us)

The Montrose Elementary School is located at 100 2nd Street SW, Montrose. It includes kindergarten through 5th grade. It is also the Wright Co. site for head start and community education ECCE.

In 2010, the Montrose Early Education Center opened adjacent to the Elementary School. This features classrooms, a lunchroom, and large motor skills room for preschool and head start age children. Adult education classes are also offered in the facility. The space also offers a daycare facility on-site.

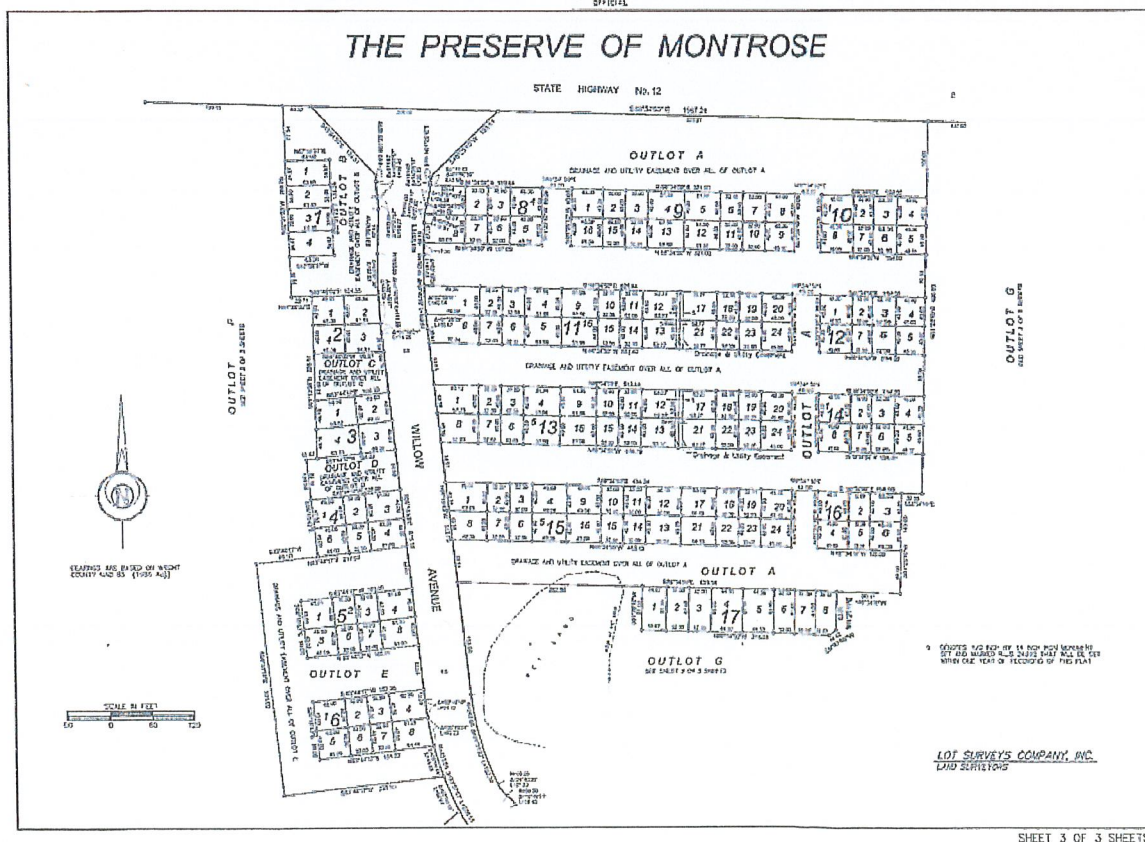
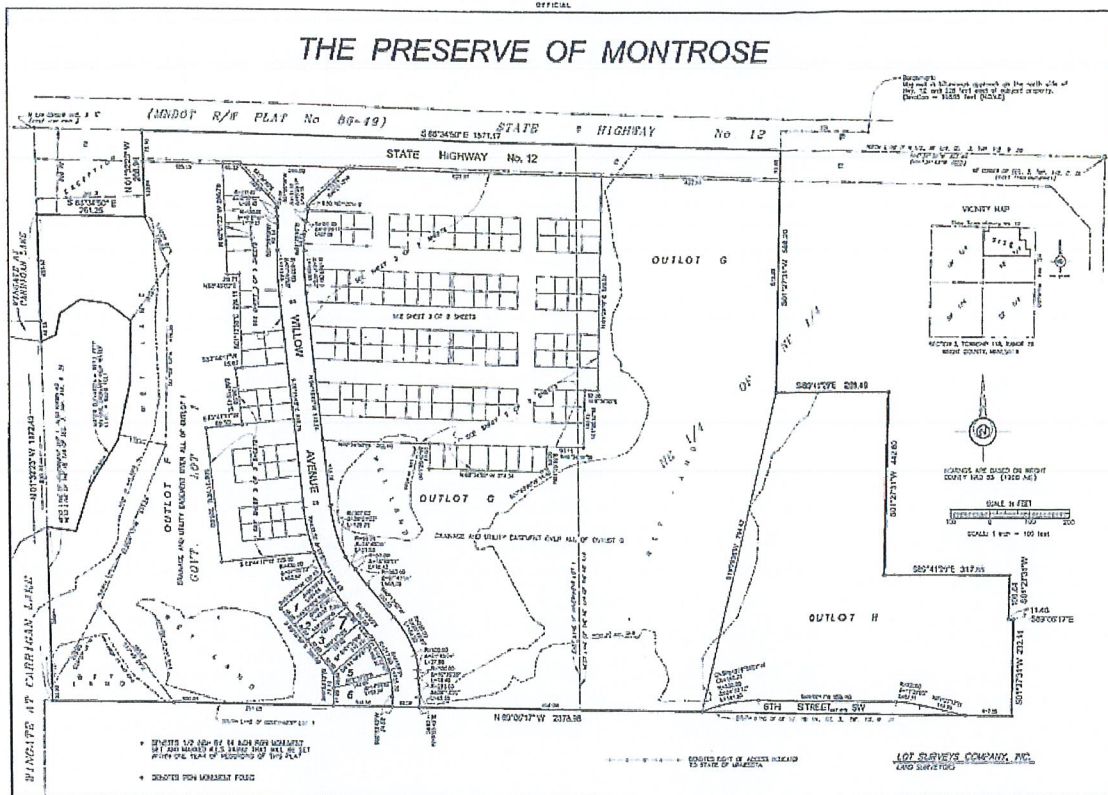
## 3. Site Description

The Preserve of Montrose site is located on the west side of the community on the south side of Highway 212. The 54.22 acre site was originally platted in 2007 with 182 townhouse lots. Public improvements are substantially in place; however due to the length of time the subdivision has been vacant and due to likely re-platting of the subdivision, substantial investment is required to existing infrastructure within the site (streets, water, storm sewer, sanitary sewer and wetland mitigation). While sanitary sewer connections to the municipal system have been made, the water service connection to the site under Highway 12 has not been made.











#### 4. Housing Need.

In November, 2014, the City of Montrose engaged the services of Maxfield Research to complete a Housing Market Study. The study identified a need for 360 new housing units in the city by 2020. This includes 33 market rate rental, 15 affordable rental, 7 subsidized rental, 142 for-sale homes and 47 multi-family for sale units.

In addition, there is a need for 41 active adult ownership units, 14 active adult market rate rental units, 29 active adult affordable, 7 active adult subsidized, 16 congregate units, 11 assisted living units and 12 memory care units. A complete copy of the Market Study is available upon request.

The Montrose EDA has also identified a need for additional commercial development in the community. The development of commercial property along the Highway 212 corridor to serve the proposed new residential neighborhood as well as the community is desired.

#### 5. Proposal Contents

Proposals should provide a clear description of the Responder's capacity to redevelop the site and replat it as a residential or mixed use development. The following evaluation point system shall be utilized for evaluating proposals:

- A. Proposed project description including proposed layout and type of housing units, as it relates to housing needs identified in the Housing Market Study, as well as any commercial sites. (10 points)
- B. Proposed ownership structure including entities, individual members and ownership percentages and the demonstrated successful experience of the team members. (10 points)
- C. Demonstrated successful residential and/or mixed use (residential commercial) development experience, including addresses of current/past locations and number of years of experience. (20 points)
- D. Proposed budget for the redevelopment project (15 points)
- E. Evidence of financial capacity to complete the project (10 points)
- F. A narrative demonstrating the capacity to redevelop the Preserve of Montrose site. (15 points)
- G. Development Schedule including financing, design, construction and anticipated occupancy dates (10 points).
- H. Clear and verifiable commitment to working in cooperation with the community and city to provide residential and/or residential/commercial sites. (10 points)

#### 6. Submission Requirements

- A. This RFP is issued by the City of Montrose.
- B. Please submit one original to: City of Montrose, Attn: Jo Foust, PO Box 25, Montrose MN 55363. Electronic proposals will be accepted and may be emailed to: foustmdg@gmail.com
- C. Respondents may be required to make a presentation to the City Council of the City of Montrose.
- D. The City of Montrose reserves the right to reject any and all proposals.

## **7. Notice of Award**

By submitting a proposal, the Respondent agrees if it issued a written Notice of Award to be bound by the conditions of this RFP. Acceptance of a proposal will be made by written Notice of Award from the City to the successful development partner.

## **8. Rights Reserved**

- A. The City reserves the right to revise any part of this RFP to provide additional information necessary to adequately interpret the requirements of the project.
- B. The City reserves the right to extend the Due Date by a reasonable time.
- C. The City reserves the right to refuse to approve any and all proposals.
- D. The City reserves the right to request additional information from any or all Respondents to clarify information in the proposal.

## **9. Other**

- A. The City shall not be responsible for costs incurred by any Respondent in preparing and submitting a proposal.
- B. By submitting a proposal, the Respondent acknowledges they are in compliance with all federal, state and city regulations related to this RFP.
- C. If a mistake in a proposal is suspected or alleged, the proposal may be corrected, at the sole discretion of the City.
- D. Limited Confidentiality. The City is subject to disclose public data. Information provided may be shared, subject to data privacy laws.