CITY OF NISSWA
MINUTES – SPECIAL COUNCIL MEETING
THURSDAY, FEBRUARY 12, 2026 – 10:30 A.M.
NISSWA CITY HALL

Members present: Jennifer Carnahan, Bruce London, Mark Froehle
Other Members Present: Dave Reese, City Engineer; Tom Pearson, City Attorney; Tyler Glynn, BLAEDC
Members Present via Zoom: Jesse Zahn
Members absent: Joe Hall
City staff present: Maggi Wentler, Interim City Administrator; Tom Blomer, Public Works Director; Steven Timblin, City Planner

Audience members: 1 member of the public were present

A. Call to Order

Mayor Jennifer Carnahan called the special meeting of the City of Nisswa City Council to order at 10:30 AM on Thursday, February 12, 2026, at Nisswa City Hall.

The Mayor noted that the special meeting was called by Council Members Zahn and Hall, though Council Member Hall was absent due to a family emergency. Council Member Zahn attended remotely.

Mayor Carnahan expressed concern about the scheduling of special meetings during weekday mornings, noting this was the second time within two weeks that this meeting had been scheduled, canceled, and rescheduled. She emphasized that special meetings create additional costs for taxpayers, including attorney time, special meeting compensation, and pulling staff from regular duties. The Mayor also noted that the timing limited public accessibility and participation.

B. Economic Development Authority/Commission Discussion

Mayor Carnahan began by noting she had discovered that an Economic Development Authority (EDA) is already codified in Nisswa City ordinance section 2-125b(8). She explained that according to Minnesota state statute 469.091, establishment of an EDA requires council adoption of an enabling resolution, which would be reflected in city ordinances. The last amendment to city ordinances occurred on October 21, 2020, meaning the EDA has been in place at least since then.

The Mayor questioned whether anyone had a copy of the original enabling resolution, which would have outlined the size, composition, membership structure, meeting frequency, and governance requirements of the EDA.

Mr. Pearson, the city attorney, confirmed that while the ordinance references an EDA and there had been an EDA operating in the past, staff could not locate any information about how the EDA was formed, meeting minutes, or documentation about its disbandment. Ms. Wentler presented a resolution that closed out EDA funds, but Mr. Pearson noted this was not a formal disbanding resolution.

Mr. Pearson advised that whether or not the original EDA was properly disbanded was not critical to the current discussion. He suggested that if the Council decided to move forward with an EDA, they could draft a resolution that either recreated or amended the existing EDA.

Tyler Glynn, serving as an economic development consultant, explained the differences between an Economic Development Authority (EDA) and an Economic Development Committee (EDC):

- An EDA has greater authority and can work directly on projects, though major decisions still require Council approval
- While an EDA has taxing authority, this power is optional and must be approved by the City Council
- An EDA board typically consists of five members, with two being Council members and three being community members who either reside in or own a business within city limits
- An EDC is purely advisory, has no formal powers, and consists only of community members, not Council members

Council Member Froehle expressed concern about adding another taxing authority. Mr. Glynn clarified that while an EDA has taxing capability, this is entirely at the Council's discretion. The EDA can recommend a tax for specific projects, but the Council has final approval authority. He cited Baxter as a city that has an EDA but does not exercise its taxing authority, while Brainerd does.

Mr. Glynn emphasized that an EDA provides better structure for economic development activities and would give him more authority as the city's contracted economic development person. The EDA would serve as an intermediary body between his work with developers and the City Council.

Council Member Zahn explained that the purpose of the special meeting was to provide direction to the city attorney to draft the necessary resolution for establishing an Economic Development Authority or Committee. He noted that while the city has been without a full-time administrator since April of the previous year, the Council needed to continue moving city business forward, particularly regarding development of city-owned property on Highway 371.

After discussion, Council Members Froehle and London indicated they preferred an Economic Development Committee rather than an Authority, primarily due to concerns about taxing authority. However, after Mr. Glynn's clarifications about Council oversight of any taxing decisions, they expressed openness to reconsidering.

Given the absence of Council Member Hall and the complexity of the discussion, the Council decided to continue the discussion at the regular Council meeting scheduled for the following Tuesday at 6:00 PM. This would allow Council Member Hall to participate and give all Council members time to further consider the information presented.

C. Adjourn

Council Member Froehle moved to adjourn the meeting, seconded by Council Member London. The motion passed unanimously. The meeting was adjourned at 11:02 AM.

Respectfully submitted,

Jennifer Carnahan, Mayor

Maggi Wentler, Interim City Administrator