

Meeting Minutes
New Prague Economic Development Authority
Wednesday, January 9, 2008

Dirk Berger, Chairperson, called the meeting to order at 8:00 a.m. with the following members present: Berger, Kratochvil, Slavik, and Executive Director Morris. Bruce Wolf and Kathy Novotny were invited guests.

1. Minutes of Last Meeting

The minutes were reviewed. Kratochvil moved approval, Slavik seconded and the Committee approved unanimously.

2. Claims for Payment

The claims for payment for December were reviewed. Slavik moved approval of the claims for payment. Kratochvil seconded and the Committee approved unanimously.

3. Balance Sheet

The balance sheet and income statement for December were reviewed.

4. AMPI Creamery Building

Morris reported the building is in the process of being demolished. No plans have been made for how to use the property in the future.

5. George Winn Property – Business Park

George Winn is in the final stages of design for a 20,000 addition to the Eco Labs building.

6. State Bank

Kratochvil and Wolf reported on the State Bank construction project. The Bank is now enclosed to allow work to continue through the winter and good progress is being made on the construction.

7. Schumacher Hotel

Morris reported that John Schumacher is planning to reopen the Hotel and Restaurant. He has partially completed a business plan to run the operation on a reduced scale. The next step is to get a proposal for the remodeling costs and secure financing so he can finalize the business plan.

8. Walmart

Renee Christianson said a Request for Proposal has been developed for the economic impact study requested by the Council. The cost of the study will be paid by the developers.

9. Marv Deutsch Business Park Property

Morris noted that Marv Deutsch is in the process of adding 20,000 square feet to his building in the Business Park.

10. Coborns

Coborns is making progress. They are finished with the foundations and starting to construct walls. Their appropriate opening date is May 1, 2008.

11. Genex Lease

There is one issue related to the above ground tank Genex owns that we have to get resolved.

12. EDA 2008 Membership

The EDA will need to replace Bruce Wolf whose term expires on December 31, 2007 and Kim Gassner. The Council will also need to appoint a new member to replace Bink Bender's position which he resigned when he became Mayor. Bink now serves as a member of the Council just as Jim Kratochvil does. The new members will be appointed with terms ending in 2009, 2013 and 2014.

13. Executive Directors Report

The Executive Directors report for December was provided to the members.

14. Chamber Breakfast Meeting

The next Chamber Breakfast meeting with the Mayor will be January 21, 2008.

15. University of Minnesota Extension Economic Study of New Prague

Morris reported an update on the U of M study which will be completed in February of 2008 with presentations to interested community members on February 12, 2008.

16. Election of 2008 EDA President

Dirk Berger was elected as the 2008 President of the EDA. At the March meeting we need to elect a Vice President, Secretary, and Treasurer. The Secretary and Treasurer do not need to be commissioners.

17. A Real Estate Professionals Look at the 2008 Housing Market.

Jane Dittberner, professional real estate agent associated with Remax Dynamic Associates, provided the EDA an update on her perspectives related to the local real estate market. She said her data includes houses around New Prague that are not necessarily in the City limits. She noted there are 153 active single family homes/townhomes/condos listings. Normally there are about 100. 10 are new construction and 23 are foreclosures. The average days on the market is 207 – normal is approximately 90. Jane said there are 8 pending sales and 71 homes sold last year. She said there are 53 lots available for purchase in New Prague. She commented on the description of the market caused by the Parish Homes situation noting there are currently 121 Parish Homes on the market. (more than half in some stage of foreclosure). The market only absorbed 71 homes in 2008 so it will take almost 2 years to absorb just the Parish Homes. Jane said construction has almost stopped.

18. Next Meeting

The next meeting will be March 12, 2008 at 8:00 A.M. There will be no meeting in February.

19. Adjournment

The meeting was adjourned at 9:00 a.m.