

**UNAPPROVED MINUTES
ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING
CITY OF WYOMING, MINNESOTA
JUNE 8, 2015
5:30 PM**

CALL TO ORDER:

President Mike Soule called the Regular Meeting of the Wyoming Economic Development Authority for June 8, 2015 to order at 5:30 P.M.

CALL OF ROLL:

On a Call of the Roll the following members of the Wyoming EDA were present: Mayor Eric Peterson, EDA Members: Dennis Schilling, Mike Soule, Ed Prigge, Nate Wilner and Roger Elmore

ABSENT: Luger

Also Present; Craig J. Mattson, City Administrator, Robb Linwood, Assistant City Administrator and Nancy Hoffman Chisago County HRA/EDA

DETERMINATION OF A QUORUM:

The President determined a Quorum was present.

PLEDGE OF ALLEGIANCE:

OPEN FORUM:

"An opportunity for members of the public to address the EDA on items not on the current Agenda. Items requiring EDA action maybe deferred to staff for research and future EDA Agendas if appropriate."

APPROVAL OF MINUTES:

- 1 **Consider approving the minutes of the "Regular Meeting" of the Wyoming, Minnesota Economic Development Agency for MAY 15, 2015.**

A MOTION WAS MADE BY EDA ELMORE SECONDED BY EDA MEMBER SCHILLING TO APPROVE THE "REGULAR MEETING" MINUTES OF THE WYOMING, MINNESOTA ECONOMIC DEVELOPMENT AUTHORITY FOR APRIL 13, 2015

Voting Aye: Soule, Elmore Peterson, and Schilling

Voting Nay:

Abstain: Wilner and Prigge

SCHEDULED BID LETTINGS: NONE.

SCHEDULED PUBLIC HEARINGS: NONE

CONSENT AGENDA: NONE

Items under the "Consent Agenda" will be adopted with one motion; however, council members may request individual items to be pulled from the consent agenda for discussion and action if they choose.

ACKNOWLEDGE RECEIPT OF REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND DEPARTMENT HEADS:

COMMUNICATIONS: NONE

NEW BUSINESS:

3. HOTEL PROPOSALS

Stephen Sherf – Hospitality Consultants - *Timing is excellent, no hotel development during the recession and the industry is trying to keep up. Works with different hotel groups. Tries to determine how far a hotel will draw Demand and Supply, look at demographics for next 10 to 20 years. Examine the level of quality in other hotels. Reports are usually about 50 pages long, try to tell your story, why a hotel would be successful here, and will provide information to hotels, lenders, investors. Reports are concise and available to meet with bankers and answer questions.*

President Soule – *What if we were going to actively go after a hotel chain or developer. What information in your report could we use to find one?*

Stephen Sherf – *The report would provide enough information for the developer to tell them that the market is a good one. If things just don't look good we stop the study, I think this is a marginal product and we will pull the plug.*

Nancy Hoffman Chisago County HRA – *Is the proposal site specific, how would you evaluate those if necessary?*

Stephen Sherf – *We could identify different sites within the report.*

Mayor Peterson – *Why do you stand out from your competition?*

Stephen Sherf – *He is practical, has worked with developers and lenders. Has been doing it a very long time. Understands the financial end as well.*

President Soule – *What groups have you worked with?*

Stephen Sherf – *Has worked with Cobblestone, Grand stay, Holiday Inn, and worked almost every hotel in downtown Minneapolis.*

Ed Prigge – *What is the time frame on the study, what is the key drive for traffic for a hotel?*

Stephen Sherf – *The commercial traveler and they are on expense accounts. The Leisure is much more sensitive and on weekends.*

Roger Elmore – *How many projects have you called a halt too?*

Stephen Sherf – *We just stopped one up in Barnesville, probably about 1 a year. . Reasons can be small commercial base or close to a major town. Stopped a project in Hartford Indiana, they had a good commercial base but had major chains in neighboring cities.*

Nate Wilner – *How many have you done this year?*

Stephen Sherf – This year not many due to a large resort project, last year 16. Just started one in Cannon Falls this year.

The EDA Thanked Mr. Sherf for his time

Greg Hanis Hospitality Marketers – We do all types of hotels, economy to full service hotels. They have been in business about 35 years. Member of international society of hospitality consultants. We have been doing work in the upper Midwest for quite some time.

Examples of Projects – We have done everything from small towns, Minneapolis, we worked on Jordan, MN, Alexandria area, Brainerd, Spicer, Rochester, Mayo Clinic, and just completed a study in Wadena

Greg Hanis – Has not ever been to Wyoming, MN. You need to understand lodging demand in a community that is critical. Assessment of the market is critical. How many guest are coming through the area. You probably have some limitations in regards to the support services. They may want some more casual themed restaurants etc. They assess this area and the competing properties and almost have to prove that you need a hotel. You have to be very cautious with smaller markets to understand the lodging demand.

- *Phase 1 Report – Research analysis report — Key elements, general market, site locations, review economics, macro, go through leisure demand, commercial demand, rate sensitivity, lodging demand potential. Lodging supply – look at outside the area. Issues, risks and opportunities.*
- *Phase 2 Community Overview Report - This portion would be the portion would be where if the report would be pulled out if it did not look good. 3575 If you decided to expand off of the research analysis report.*
- *Phase 3- Comprehensive Hotel Market Study - This phase will complete a detailed of Comprehensive Hotel Market Study for a specific hotel development in Wyoming. This report would be used by the developer, investors and lenders in the process of developing a specific hotel project.*
- *Phase 4- Operational Performa and Investment Analysis - This phase will complete a detailed Operational Proforma and Investment Analysis for a specific hotel development in Wyoming. This will present anticipated Development Costs, Lending and Equity, Cash flow statement, a Profit & Loss Statement, Debt Coverage Ratios, Return of Investment, etc. This report that would be used by the developer, investors and lenders in the process of developing a hotel.*

The EDA Thanked Mr. Hanis for his time.

A MOTION WAS MADE BY EDA MEMBER PETERSON SECONDED BY EDA MEMBER SCHILLING TO SELECT AND CONTRACT WITH HOSPITALITY MARKETERS INCORPORATED FOR A HOTEL ANALYSIS REPORT FOR THE CITY OF WYOMING EDA

Voting Aye: Soule, Schilling, Elmore, Peterson, Wilner and Prigge
Voting Nay:

4. ACCEPT THE RESIGNATION OF NATE WILNER

Nate Wilner – Has been here almost 12 years and has enjoyed his time with the EDA. He will be available and gladly help out the EDA in any way in the future.

EDA Thanked Mr. Wilner for his service and he will be missed.

A MOTION WAS MADE BY EDA MEMBER PETERSON SECONDED BY EDA MEMBER ELMORE TO ACCEPT THE RESIGNATION OF NATE WILNER FROM THE WYOMING ECONOMIC DEVELOPMENT AUTHORITY

Voting Aye: Soule, Schilling, Elmore, Peterson, and Prigge

Voting Nay:

Abstain: Wilner

5. REVIEW THE LETTER OF INTEREST FROM ALEX BULMER TO BE A BOARD MEMBER OF THE EDA

Alex Bulmer – Background is restaurants, in his 16th year of restaurants and the last 10 years of ownerships. Owned 2 subways, bought big apple bagel in Forest Lake 2 years ago. Has a family and a wife, she is a teacher. Blake Roberts helped peak his interest in the EDA, spoke with Steve Stegner in Forest Lake and met Nate Wilner at a WABA meeting and expressed his interest. He says he will be able to attend meetings regularly. Brings new eyes, fresh look, likes to grow things and see how things move forward. .

A MOTION WAS MADE BY EDA MEMBER ELMORE SECONDED BY EDA MEMBER PRIGGE TO RECOMMEND TO THE CITY COUNCIL ALEX BULMER AS A BOARD MEMBER OF THE EDA

Voting Aye: Soule, Schilling, Elmore, Peterson, Wilner and Prigge

Voting Nay:

Abstain:

Brainstorm:

ADJOURN:

A MOTION WAS MADE BY EDA MEMBER SCHILLING SECONDED BY EDA MEMBER PRIGGE ADJOURN THE JUNE 2, 2015 “REGULAR MEETING” OF THE WYOMING, MINNESOTA ECONOMIC DEVELOPMENT AUTHORITY MEETING 7:15

Voting Aye: Soule, Schilling, Elmore, Peterson, Wilner and Prigge

Voting Nay:

Abstain: