THEDA Commission
Agenda
January 11th, 2022 @ 5:30 p.m.

THEDA Commission will meet on **Tuesday, January 11th, 2022 @ 5:30pm.**

Members of the Two Harbors Economic Development Commission may potentially attend such meeting in-person or by Zoom Video Conference.

The public is invited and encouraged to attend the hearing to provide input and/or ask questions.

Members of the public may participate in the meeting in-person or electronically from a remote location by joining the zoom meeting at:

Jennifer Sterbenz is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

https://us02web.zoom.us/j/85295368945?pwd=cDRRTmhRdHRTWdBWVRiSS9iUGVTUT09

Meeting ID: 852 9536 8945
Passcode: 546751

One tap mobile
+16465588656,,85295368945# US (New York)
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  +1 646 558 8656 US (New York)
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Find your local number: https://us02web.zoom.us/u/kbr7OWuKrF
THEDA Commission
Agenda
January 11th, 2022 @ 5:30 p.m.

1. Call to Order

2. Approval of Agenda

3. Commission Business
   a. By-Laws

4. Staff and Commission Member Reports
   a. Staff Reports
      a. Housing Study
      b. Economic Development Strategic Plan
      c. Commission is short (2) members. Needs to have (7) members
   b. Commission Member Reports

5. Adjourn

Next meeting is tentatively scheduled for

Tuesday, February 8, 2022
RESOLUTION NO. 6-116-10

ESTABLISHING THE TWO HARBORS ECONOMIC DEVELOPMENT AUTHORITY ("THEDA")

WHEREAS, Minnesota Statutes, Sections 469.090 to 469.108 (the "EDA Act"), authorizes cities to establish Economic Development Authorities ("EDA") with specified powers and obligations to promote and to provide incentives for economic development; and

WHEREAS, the City Council of the City of Two Harbors, Minnesota (the "Council") has determined that it is in the best interest of the City of Two Harbors, Minnesota (the "City") to established an EDA in order to preserve and create jobs, enhance its tax base, assist certain housing initiatives, promote the general welfare of the people of the City and to assume primary responsibility for development activities within the City; and

WHEREAS, the Council has provided public notice by publication and conducted a public hearing on June 28, 2010 concerning the establishment of an EDA and has fulfilled all other legal requirements for the establishment of an EDA; now therefore

BE IT RESOLVED by the City Council of the City of Two Harbors as follows:

1. The Two Harbors Economic Development Authority ("THEDA") is hereby established pursuant to Section 469.091, subd. 1, and Section 469.093, subd. 1, of the EDA Act.

2. Subject to the provisions of Sections 13, 14, 15, 16, 17, 18 and 19 of this Resolution, the THEDA shall have all of the powers, rights, duties and obligations conferred on economic development authorities by Section 469.090 to 469.108, including the powers of a city granted by the Municipal Development District Act, Minnesota Statutes, Sections 469.124 to 469.134, and of housing and redevelopment authorities granted by the Municipal Housing and Redevelopment Act, Minnesota Statutes, Sections 469.001 to 469.047 or other law.

3. Notwithstanding the provisions of Paragraph 2 above, the grant of powers contained in said section shall not be deemed to affect the authority of the City of Two Harbors or any Housing and Redevelopment Authority herein before or hereinafter created, in and for the City of Two Harbors to exercise the development powers authorized to or exercised by said bodies under Minnesota Statutes.

4. The THEDA shall be governed by a board of commissioners ("Commissioners") with seven (7) members. Two City Councilors shall be Commissioners. One Lake County Commissioner ("County Commissioner") shall be a Commissioner of THEDA unless no County Commissioner is willing or able to act as a Commissioner of THEDA. Four (4) persons or five (5) if no County Commissioner is willing or able to act as a Commissioner of THEDA, residing in the 55616 zip code area shall be appointed as Commissioners. All appointments of Commissioners shall be made by the Mayor of the City with the approval of the City Council. Two Commissioners initially appointed shall be appointed for terms of two, three and four years respectively, two Commissioners for a six year term and the City Council members' terms shall coincide with their terms of office as a member of the City Council. Thereafter all Commissioners shall be appointed for six-year terms. The term of any City
5. Councilor or County Commissioner shall earlier expire if his/her term of office as member of the City Council or as Lake County Commissioner ends and a vacancy shall then be created. A vacancy for this or another reason must be filled for the balance of the unexpired term, in the manner in which the original appointment was made. When a Commissioner serves two (2) consecutive six (6) year terms, notice of the availability of the position held by such Commissioner shall be publicly advertised. If a suitable replacement Commissioner applies for such position, then the serving Commissioner shall not be re-appointed. If no suitable replacement Commissioner applies for such position then the serving Commissioner may not be re-appointed. Each Commissioner shall, before assuming office, take an oath that he/she will faithfully discharge the duties as a Commissioner of THEDA.

6. In accordance with Section 469.100, subd. 2, of the EDA Act, THEDA shall annually submit its budget to the Council for approval by the Council. Within sixty (60) days of appointment and confirmation of the first Board of Commissioners of the THEDA pursuant to Section 2 hereof, the Commissioners shall submit for Council approval a temporary budget covering the period from the date of such submittal until the following January 1. THEDA shall submit for approval of the Council a proposed budget for the following full calendar year and shall do so in accordance with the Council directions. In addition, upon submittal of its proposed annual budget to the Council, THEDA shall provide the Council an account of its receipts and expenditures as required by Section 469.100, subd. 4, of the EDA Act.

7. The City Administrator shall, at the direction and of THEDA, perform staff duties for THEDA and may provide such other City staff to the THEDA as the THEDA may request; provided that the City may require reasonable reimbursement of the City by the THEDA for costs associated with the provision of such administrative and staff assistance; and provided further that nothing in this paragraph shall preclude the THEDA from hiring such personnel or third party contractors as the THEDA may from time to time determine, subject to the provisions of Section 17 hereof.

8. Each year, within sixty (60) days of the anniversary date of the first adoption of this enabling resolution, the THEDA shall submit to the Council its report regarding modification of this enabling resolution as required by in Section 469.092, subd. 3, of the EDA Act.

9. All financial books, records, accounts and reports of THEDA shall be prepared, presented and retained by the Finance Director of the City, who shall have the responsibility for administering the finances of THEDA as he/she does the finances of the City; provided that the City may require reasonable reimbursement by THEDA to the City for costs associated with the provision of such financial services.

10. City officials and staff are hereby authorized and directed to execute such assignments, requisitions, directives and agreements as may be necessary and appropriate to carry out the terms, conditions and intentions of this enabling resolution.

11. Each Commissioner shall be paid $50.00 for each regular or special meeting attended by such Commissioner and Commissioners shall be reimbursed for expenses incurred by them in the performance of their duties as a Commissioner in accordance with the rules governing reimbursements of expenses established by the City and as the same be made from time to time amended. Provided, however, that a Commissioner shall not be paid for more than two (2) meetings per month.

12. The THEDA may request the Council to levy a tax for not more than 0.01813 percent of the taxable market value in the City for the benefit of the THEDA as specifically set forth in Section 469.107 of the EDA Act.
13. Nothing shall prevent the City Council from modifying this enabling resolution to impose, restrict or expand limits on the powers of the THEDA or provide for other matters as authorized in the EDA Act or other law.

14. The THEDA shall not exercise the power of eminent domain without the prior approval of the Council.

15. The THEDA may not incur debt, sell or issue bonds or other obligations without the prior approval of the Council.

16. All official actions of THEDA must be consistent with the adopted comprehensive plan of the City of Two Harbors and any official controls implementing the comprehensive plan.

17. THEDA shall submit all planned activities for influencing the actions of any governmental agency, subdivision or body to the City Council for its approval before any such activities are undertaken.

18. THEDA shall not hire any employees without the prior approval of the City Council.

19. THEDA shall not purchase, lease, or obtain any interest in any real estate without the prior approval of the City Council.

20. THEDA may not adopt or amend its bylaws unless such bylaws or amendments thereto are approved by the City Council.

ADOPTED, this 28th day of June A.D., 2010.

Mary Rosati
President, City Council

ATTEST:  
Lee A. Klein
City Administrator

APPROVED, by the Mayor of the City of Two Harbors this 28th day of June A.D., 2010.

Randy K. Bolen
Mayor, City of Two Harbors
BYLAWS OF THE
TWO HARBORS ECONOMIC DEVELOPMENT AUTHORITY

ARTICLE I.
THE AUTHORITY

Section 1.1 Name of the Authority. The name of the Authority shall be the Two Harbors Economic Development Authority (hereinafter the "THEDA"), and its governing body shall be called the Board of Commissioners (hereinafter the "Board").

Section 1.2 Office. The principal of the THEDA shall be at the Two Harbors City Hall, 522 1st Avenue, Two Harbors, Minnesota 55616.

Section 1.3 Seal. The THEDA shall not have an official seal.

Section 1.4 Number of Commissioners. The number of Commissioners shall be as set forth in the Two Harbors Resolution No. 2010-___ whereby THEDA was created (the "Enabling Resolution") and as the Enabling Resolution may be amended.

Section 1.5 Appointment, Terms and Vacancies. The appointment, terms and vacancies in office shall be governed by the Enabling Resolution.

Section 1.6 Compensation. The compensation of Commissioners is set forth in the Enabling Resolution. All money paid for compensation or reimbursement must be paid out of THEDA's budget.

Section 1.7 Removal. The provisions of Minnesota Statutes Section 469.095, subd. 5, shall govern the removal of a Commissioner for cause.

ARTICLE II.
ORGANIZATION

Section 2.1 Officers. The officers of the THEDA shall consist of a President, a Vice President, a Secretary, a Treasurer and an Assistant Treasurer. The President, the Vice President and the Treasurer shall be members of the Board and shall be elected annually, and no Commissioner may serve as President and Vice President at the same time. The offices of Secretary and Assistant Treasurer need not be held by a Commissioner.

Section 2.2 President. The President shall preside at all meetings of the Board and shall have the usual duties and powers of President. The President shall have and perform such other duties and powers as may be given to the President by the Board from time to time by resolution.

Section 2.3 Vice President. The Vice President shall preside at any meeting of the Board in the absence of the President and may exercise all powers and perform all responsibilities of the President if the President cannot exercise or perform the same due to absence or other inability. The Vice President shall have and perform such other duties and powers as shall be given to the Vice President by the Board from time to time by resolution.
Section 2.4 President Pro Tem. In the event of the absence or inability of the President and the Vice President at any meeting, the Board may appoint any remaining Commissioner as President Pro Tem to preside at such meeting.

Section 2.5 Treasurer. Subject to paragraph 8 of the Enabling Resolution, the Treasurer shall receive and be responsible for THEDA money, shall disburse THEDA money by check only, shall keep an account of the source of all THEDA receipts, and the nature, purpose and authority of all disbursements; shall file THEDA’s detailed financial statement with THEDA’s Secretary at least once a year and at other times as set by THEDA, and shall be responsible for the acts of the Assistant Treasurer. The Treasurer shall have and perform such other duties and powers as may be given to the Treasurer by the Board from time to time by resolution.

Section 2.6 Assistant Treasurer. The Assistant Treasurer shall have all the powers and duties of the Treasurer if the Treasurer is absent or disabled. The Assistant Treasurer shall have and perform such other duties and powers as may be given to the Assistant Treasurer by the Board from time to time by resolution.

Section 2.7 Secretary. The Secretary shall keep, or cause to be kept, minutes of all meetings of the Board and shall maintain or cause to be maintained, all records of the THEDA. The Secretary shall also have and perform such additional duties and powers as may be given to the Secretary by the Board from time to time by resolution.

Section 2.8 Executive Director. The City Administrator of the City of Two Harbors shall be the Executive Director of the THEDA, shall be the chief appointed executive officer of the THEDA and shall have such additional duties and powers as may be given to the Executive Director by the Board from time to time by resolution. The Executive Director shall serve at the direction of the Board.

ARTICLE III
PROCEDURES OF BOARD OF COMMISSIONERS

Section 3.1 Annual Meeting. The annual meeting of the Board shall be held at 6:30 p.m. on the second Monday of the month of April in each year.

Section 3.2 Regular Meetings. The Board shall hold regular meetings at such times and dates as the Board may determine by majority vote.

Section 3.3 Special Meetings. Special meetings of the Board may be called by the President or, in the event of the President’s absence or inability, by the Vice President at any time, upon notice to all Commissioners and the Executive Director mailed at least three (3) days prior to the meeting to the least known addresses of the Commissioners and Executive Director. Upon the same notice, special meetings of the Board may also be called by any two (2) Commissioners. The Executive Director shall post notice of any special meeting in the principal office of THEDA no less than three (3) days prior to such special meeting.

Section 3.4 Quorum. A quorum of the seven (7) member Board shall consist of four (4) Commissioners at least one of whom must be a City Councilor Commissioner. In the absence of a quorum, no official action may be taken by, on behalf of, or in the name of the Board of the THEDA.
Section 3.5 Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than a simple majority of all Commissioners present. Resolutions may but need not be read aloud prior to vote taken thereon and may be need not be executed after passage.

Section 3.6 Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.

Section 3.7 Notice of Meetings. No notice of the annual meetings or regular meetings is required to be given to Commissioners.

Section 3.8 Place of Meetings. All meetings of the Board shall be at the Two Harbors City Hall, 522 1st Avenue, Two Harbors, Minnesota 55616, unless another place is designated by the majority vote of the Board.

Section 3.9 Waiver of Notice of Meetings. Notice of the time, place and purpose of any meeting of the Commissioners may be waived by any Commissioner. Such waiver may be given before or after the meeting, and may be given in writing, orally or by attendance at the meeting.

Section 3.10 Meetings; Open. All meetings of THEDA shall be open to the public unless involving matters for which meetings may be closed to the public under the Minnesota Open Meeting Laws. THEDA shall keep minutes of its meetings and records of its hearings and other official actions in accordance with applicable law.

ARTICLE IV.
MISCELLANEOUS

Section 4.1 Fiscal Year. The fiscal year if the THEDA shall be the same as the City's fiscal year.

Section 4.2 Treasurer's Bond. The Treasurer shall give bond to the State conditioned for the faithful discharge of his/her official duties. The bond must be approved as to form and surety by THEDA and filed with the Secretary and must be for twice the amount of money likely to be on hand at any one time as determined at least annually by THEDA, provided, however, that said bond must not exceed $300,000.00.

Section 4.3 Public Money. THEDA money is public money.

Section 4.4 Checks. A THEDA check must be signed by the Treasurer and one other officer named by THEDA in a bank authorization resolution related to the applicable THEDA checking account. The check must state the name of the payee and the nature of the claim for which the check is issued.

Section 4.5 Financial Statement. THEDA's detailed financial statement must show all receipts and disbursements, their nature, the money on hand, the purposes to which the money on hand is to be applied, THEDA's credits and assets, and its outstanding liabilities in a form required for the City of Two Harbors' financial statements.
Section 4.6 Report to City. THEDA shall annually, at a time and in a form fixed by the Two Harbors City Council ("City Council"), make a written report to the City Council giving a detailed account of its activities and of its receipts and expenditures during the preceding calendar year, together with such additional matters and recommendations it deems advisable for the economic development of the City of Two Harbors.

Section 4.7 Budget to City. THEDA shall annually, at a time fixed by resolution for the City Council, send its budget to the City Council. The budget must include a detailed written estimate of the amount of money that THEDA expects to need from the City in order for THEDA to conduct THEDA business during the next fiscal year. The needed amount is what is needed in excess of any expected receipts from other sources.

Section 4.8 Employees. THEDA may not hire any employees without the prior approval by the City Council.

Section 4.9 Professional Services. THEDA may contract for the services of consultants, agents, public accountants and others as needed to perform its duties and to exercise its powers. The City Attorney shall be the legal advisor to the THEDA.

Section 4.10 Supplies, Purchasing, Facilities and Services. THEDA may purchase the supplies and materials it needs to carry out its powers and duties. THEDA shall use the facilities of the City’s purchasing department/purchasing agent in connection with construction work and to purchase equipment, supplies and materials. THEDA shall utilize any offices, structures and space, stenographic, clerical, engineering and other assistance furnished by the City to THEDA.

Section 4.11 Execution of Contracts. All contracts, notes, and other written agreements or instruments to which THEDA is a party or signatory or by which THEDA may be bound shall be executed by the President and another officer of THEDA as the Board may by resolution determine.

Section 4.12 Amendment of Bylaws. These Bylaws may be amended by the Board by majority vote of all the Commissioners, provided that any such proposed amendment shall first have been delivered to each Commissioner at least five days prior to the meeting at which such amendment is considered and provided further that the proposed amendment shall have been approved by the City Council of the City.

Section 4.13 Conflict of Interest. Except as authorized in Section 471.88 of the Minnesota Statutes, a Commissioner, officer or employee of THEDA must not acquire any financial interest, direct or indirect, in any project or in property included, or planned to be included, in any project, nor shall the person have any financial interest, director indirect, in any contract or proposed contract, for materials or service to be furnished or used in connection with any project. The provisions of Minnesota Statutes Section 469.098 are also applicable to any Commissioner of THEDA.

Section 4.14 Report on Enabling Resolution. Without limiting the right of THEDA to request the City Council at any time, each year, within sixty (60) days of the anniversary date of the first adoption of the Enabling Resolution, THEDA shall submit to the City Council a report stating whether and how the Enabling Resolution should be modified. Within thirty (30) days of receipt of the recommendation, the City Council shall review the Enabling Resolution, consider the
recommendations of THEDA, and make any modifications it considers appropriate. Modifications must be made in accordance with the procedures required by Minnesota Statutes Section 469.093.

**Section 4.15 Depository(ies).** Every two (2) years THEDA shall name a national or state bank within the state as depositories. THEDA may deposit all its money in one bank account. Before acting as a depository, a named bank shall give THEDA a bond approved as to form and surety by THEDA. The bond must be conditioned for the safekeeping and prompt repayment of deposits. The amount of the bond must be at least equal to the maximum sums expected to be deposited at any one time.

**Section 4.16 Audits.** The financial statements of THEDA must be prepared, audited, filed and published or posted in the manner required for the financial statements of the City of Two Harbors. The financial statements must permit comparison and reconciliation with the City of Two Harbors’ accounts and financial reports. The report must be filed with the state auditor by June 30 of each year. The state auditor shall review the report and may accept it or, in the public interest, audit the books of THEDA.

**Section 4.17 Indemnification of Commissioners and Officers.** Any person (including any present or future Commissioner or officer, or the heirs or legal representatives of any such director of officer) made, or threatened to be made, a party to any action, suit or proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that he/she, his/her testator/testatrix or intestate, is or was a Commissioner or officer of THEDA, shall be indemnified by THEDA, and THEDA may advance his/her related expenses, in the manner and to the full extent as provided and as otherwise permitted by applicable law.

THE FOREGOING BYLAWS WERE APPROVED
BY THE COMMISSIONERS OF THE TWO HARBORS
ECONOMIC DEVELOPMENT AUTHORITY AT A
MEETING ON ____________, 2010

[Signature]
Secretary

THE FOREGOING BYLAWS WERE APPROVED
BY THE CITY COUNCIL OF THE CITY OF TWO HARBORS
AT A MEETING ON ________________, 2010

[Signature]  [Signature]
Mayor  City Administrator Acting as the City Clerk
RESOLUTION NO. 4-78-11

AMENDING RESOLUTION NO. 6-116-10 "ESTABLISHING THE TWO HARBORS ECONOMIC DEVELOPMENT AUTHORITY"; ITEM 11 REGARDING THE COMPENSATION OF COMMISSIONERS

WHEREAS, Resolution No. 6-116-10 (Enabling Resolution) adopted June 28, 2010, established the Two Harbors Economic Development Authority (THEDA); and

WHEREAS, Item 11 of said Enabling Resolution provides for the compensation of THEDA Commissioners; and

WHEREAS, THEDA has requested, that if allowed by law, an amendment be made to Item 11 of the Enabling Resolution removing the compensation requirement for attendance at regular and special meetings; preferring Commissioners serve without pay, thus allowing more of THEDA’s budgeted funds to be used for additional Economic Development opportunities; and

WHEREAS, the City Council believes that it is in the best interests of the City of Two Harbors to approve the request of the THEDA Commissioners; now therefore

BE IT RESOLVED, by the City Council of the City of Two Harbors, that Resolution No. 6-116-10 "Establishing the Two Harbors Economic Development Authority", Item 11 regarding the compensation of Commissioners is hereby amended as follows:

11. Commissioners shall serve without pay, but shall be reimbursed for expenses incurred by them in the performance of their duties as a Commissioner in accordance with the rules governing reimbursements of expenses established by the City and as the same be made from time to time amended.

ADOPTED, this 11th day of April, A.D., 2011.

Daniel C. Jones
President, City Council

ATTEST:

Lee A. Klein
City Administrator

APPROVED, by the Mayor of the City of Two Harbors this 12th day of April, A.D., 2011.

Randy K. Bolen
Mayor, City of Two Harbors
RESOLUTION NO. 4-79-11

AMENDING THE BYLAWS OF THE TWO HARBORS ECONOMIC DEVELOPMENT AUTHORITY, ARTICLE III, SECTION 3.1, ANNUAL MEETING

WHEREAS, Article III, Section 3.1 of the Bylaws of the Two Harbors Economic Development Authority (THEDA) dictate that the annual meeting of the Board is to be conducted on the second Monday of the month of April in each year; and

WHEREAS, it is the request of the THEDA Commissioners that the Bylaws be amended, designating the first Monday of the month of April in each year as the date for said annual meeting; and

WHEREAS, the City Council believes that it is in the best interests of the City of Two Harbors to approve the request of the THEDA Commissioners; now therefore

BE IT RESOLVED, by the City Council of the City of Two Harbors, that the Bylaws of the Two Harbors Economic Development Authority, Article III, Section 3.1, Annual Meeting, be amended as follows:

3.1 Annual Meeting. The annual meeting of the Board shall be held at 6:30 p.m. on the first Monday of the month of April in each year.

ADOPTED, this 11th day of April, A.D., 2011.

______________________________
Daniel C. Jones
President, City Council

ATTEST:

______________________________
Lee A. Klein
City Administrator

APPROVED, by the Mayor of the City of Two Harbors this 12th day of April, A.D., 2011.

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Randy K. Bolen
Mayor, City of Two Harbors