



Economic Development Advisory Committee  
Minutes of the January 9, 2013, meeting  
10 a.m., Pittsburg Area Chamber of Commerce Board Room

**Committee members present:** Pat Ceden, Brad Hodson, Shane Kannarr, Richard Oler and Mark Werner

**Others present:** John Bailey, Bill Beasley, Blake Benson, Daron Hall, Chuck Heckert, Henry Menghini and Jim Villamaria

**Additions to the agenda:** None

**Consent calendar:** Shane asked for discussion regarding the minutes from the October 10, 2012, committee meeting. There was none.

**MOTION:** A motion was made to approve the October 10, 2012, minutes as presented. Motion seconded. Motion carried.

**New business:**

*Jim Villamaria joined the meeting.*

**CDL project:** Jim Villamaria, vice president and general counsel for CDL, Inc., detailed the multifaceted company's plans to consolidate their services by performing all of them at the former McNally Industries building at 1300 North Walnut. CDL currently has three properties scattered across Pittsburg. Jim explained that the McNally building and its cranes were in relatively good shape and wouldn't need much repair after sitting dormant for eleven years. CDL also plans to add more than 12,000 square feet of office space, which could take as long as eight months to complete. This was the time frame Jim gave for a full transfer of CDL's services into the McNally building. CDL submitted a Revolving Lund Fund (RLF) application for \$150,000 to help with the purchase of the building. Jim cited the property's list price at \$423,000.

Questions from EDAC members primarily focused on the environmental liability associated with the building. Jim explained that Metso Minerals will retain its existing environmental liability and future remediation responsibilities as mandated by the Environmental Protection Agency. Shane asked about future liabilities that CDL might have with future major construction projects

at the site, to which Jim said the company had no plans for. Mark asked if CDL would inherit any environmental or financial liability if Metso were to declare bankruptcy. Jim was not aware of any. Jim then spent considerable time outlining CDL's business model and their plans for future growth and diversification. Jim estimated that CDL would add at least five new jobs over the next two years.

*Jim Villamaria left the meeting.*

MOTION: A motion was made to provide a \$150,000 loan to CDL, Inc., to help purchase the former McNally Industries building. \$50,000 of this would be forgivable contingent on CDL adding at least five new jobs over the next two years. The remaining \$100,000 would be repaid, with no interest, over the next five years. Motion seconded. Motion carried.

### **Chuck Heckert property:**

*Chuck Heckert joined the meeting.*

Chuck Heckert, owner of Heckert Construction Company, currently owns 20 acres of property in the city's northeast industrial park but desires to own 26 acres located in the southwest industrial park. Chuck would utilize the 26 acres to grow his business, which is currently located adjacent to this property. Chuck's land in the northeast park is located next to the former Superior building, which sparked discussion regarding any environmental/contamination issues associated with the property. Chuck was not aware of any, but suggested the city conduct a Phase I test on soil from the property. The city will do so and will proceed accordingly following the conclusion of that test.

*Chuck Heckert left the meeting.*

### **Meadowbrook West project:**

Blake detailed ongoing discussions with a Nashville-based site selector interested in locating a major retailer at the Meadowbrook West development. This is the development at the corner of Centennial and the Highway 69 bypass which is currently undeveloped. The retailer would need three acres of land and would bring an array of retail items not readily available in Pittsburg at this time. This retailer is also the nation's largest in their field. A considerable obstacle to the development of the site is the absence of utilities. EDAC members discussed the city's role in preparing the site for development, along with project costs. John showed a preliminary estimate of \$267,400 but thought that he might be able to lower the cost. EDAC members elected to table the issue until the February 13 meeting to give city staff more time to refine the cost projections.

### **Goal-setting and strategic direction:**

EDAC members discussed holding a strategic planning meeting to further refine the city's economic development goals and direction. Members agreed this needed to be done separately from a committee meeting and will aim for late February or early March.

Mark mentioned he would like to receive regular updates on RLF balances and Richard questioned the need for Springsted reports on economic development prospects.

**Director's report:**

Blake briefly reported on a Wichita-based developer's plans to locate a distribution center and retail store at the former Movie Gallery location. The developer has been working with Tri-State Building, which has requested RLF assistance in demolishing the former Movie Gallery structure. Blake said the request wasn't firm enough for EDAC consideration yet, but hopefully would be in the next two months.

There being no further business, the meeting was adjourned at 11:38 a.m.