

Economic Development Authority Agenda
Thursday, January 24, 2019
5:30 p.m. Arbor Gardens, Community Room, Eyota, MN

Call to Order/Roll Call

Members Present: Dale Heintz, Darcy Higgins, Tom Aleshire, Bryan Cornell, Tony Nelson arrived at 6:00 p.m., Craig Horan arrived 5:35 p.m.

Members Absent: Connie Meiners

Staff Present: Cathy Enerson, Don Rademacher, Shelly Schossow

Slate of Officers:

Enerson presented a slate of officers, discussion led to keeping the slate of officers the same, *Higgins motioned to keep the 2018 slate of officers the same for 2019, Aleshire seconded the motion, and motion passed 4/0.*

Approve the Agenda:

Aleshire motioned to approve the agenda as written, Higgins seconded the motion, and motion passed 4/0

Member Horan arrived 5:35p.m.

Consent Agenda

Approve the Arbor Gardens Financials

Approve the December 27 EDA minutes

Approve EDA Financials

Higgins motioned to approve the consent agenda items, Aleshire seconded the motion, and motion passed 5/0.

Arbor Gardens Report– Don Rademacher

Rademacher reported the vacancy rate is high than expected, higher than last year at this time, staff are looking into more creative ways to market the facility. Don was asked about rates. Don replied that rates are reasonable and locally competitive. Members asked if the age limit could be lowered for residents. Rademacher mentioned it's already at 55. After discussion members agreed that any lower could lead to on-going issues. It was mentioned potentially some of the independent rooms could be converted to memory care. Rademacher said yes however there would be a cost and is the board willing to spend the funds in order to try and fill vacancies. Enerson noted that more seniors are remaining in their homes, and go into the hospital, into a rehab facility. Arbor Gardens lacks rehab, skilled care, and in home care. Seniors currently need a great deal of those services when they leave home. Board members discussed budget history and forecasts along with current upcoming capital expenditures previously approved. The board has questions regarding a break even number, Don indicated that 3-4 vacancies is a break even with current expenses. The board would like Don to work with Tealwood to uncover how to cut expenses using the current occupancy rate and how marketing can be improved.

Cornell motioned to put currently approved capital expenditures for the main kitchen and memory care kitchen on hold until revenue is back on track, Aleshire seconded the motion, and motion passed 6/0

Cornell motioned to move \$20,000 of profits to Arbor Gardens Enterprise fund, Higgins seconded the motion, and motion carried 6/0.

Council Representative Board Member Mayor Nelson arrived during the Arbor Gardens report at 6:00p.m.

Revolving Loan Funds

Enerson reported the person who expressed interest in opening a chiropractic office in Eyota is still looking for a location. Enerson reported the building in the applicant's original plan is for sale. There are

a couple of options being looked at by the applicant, a closing date for the loan is yet to be determined. Enerson also reported the building which was originally planned to house the practice was approved for the **Small Cities Block grant** and the grant application and funds will go with the building upon sale allowing a new owner to complete renovations with grant funds.

Director's Report and Board Updates

Enerson reported the Small Cities Block Grant recipients have been contacted and given the ok to get bids on their projects.

The past Mayor is working on the **community video**, there is not an update at this time.

Burt's Meats grant administration is wrapping up. Burt's received two grants which a final report on the last grant is due, the Federal shut down effects the grant reporting.

The wayfinding sign replacement proof is pending, Enerson will contact the vendor for an update.

The Compeer grant for \$8,200 for Arbor Gardens Marketing awaits a response from Compeer.

A second community meeting on forming a **co-op** was held with a turnout lower than expected. However, there is still private interest from a couple of parties to purchase the market without forming a co-op.

Council updates were given by Cornell and Nelson stating John Chesney has been appointed to the vacant council seat. At this time Cornell and Nelson will be the representatives on the EDA, if there is a need to switch Council Representatives the EDA will be notified.

New Business

Annual Report: Enerson went over the EDA Annual Report which she compiled and includes member attendance numbers, projects handled, small cities grant, revolving loans, events attended, etc. The report is provided to the council and as a public document.

Rochester Economic Summit: Enerson also reported on her attendance at the January 15th Economic Summit in Rochester stating the cost was covered by other entities therefore her attendance not as previously approved any cost to Eyota. Discussion at the summit was relating to small businesses in Olmsted County and different ideas to look at when trying to keep small business successful.

Enerson provided updates on the **Design Thinking Workshop** she attended which was sponsored by DEED.

Enerson will continue to work on **website updates**.

Cornell shared that **John Chesney** is a new Council member

Eyota Building Fees: Enerson brought up the fact the EDA historically has reviewed certain building permit fees annually and determine if fees such as SAC/WAC (sewer and water connection) fees could be waived for new building permits. Board members discussed in the most previous year they decided not to waive the fees since it appeared waiving fees would only benefit one developer and that the residential fee waiver program was meant to encourage more residential home building in Eyota. Board members mentioned the SAC district fee is non-negotiable, WAC is something the council can look into. Eyota building fees are higher than surrounding communities and the council should continue to look into what they might be willing to waive.

