Economic Development Authority Minutes
Thursday, March 28, 2019
5:30 p.m. Arbor Gardens, Community Room, Eyota, MN

1. **Call to Order/Roll Call**

Members:	X___Dale Heintz	A___Connie Meiners
	X___Craig Horan	X___Tony Nelson
	X___Darcy Higgins	X__Bryan Cornell
	A___ Tom Aleshire	
Staff:	X___Cathy Enerson	X___Don Rademacher

Guests: Chris.Krebsbach by phone, and Marlene Schauland in person, both Tealwood Staff were present. Michael Klatt from Lutheran Home Services arrived at 6:00 p.m..

2. **Approve the Agenda:** As written
Motion: Tony Nelson *Second: Bryan Cornell* *Motion carried 5/0*

3. **Consent Agenda**

Approve the Arbor Gardens Financials
Approve the EDA minutes January 24 and Feb 5th
Approve EDA Financials
Motion: Darcy Higgins Second: Tony Nelson Motion carried 5/0

4. **Arbor Gardens Report**– Don provided a monthly report, he went over the written report which was included in the EDA packet. Independent living has 5 open apartments, all other units are full. Don presented an estimate for the failing, original water heater at cost of $8,696.11.

Motion by: Bryan Cornell *Seconded by: Darcy Higgins* *Motion carried 5/0 to approve the $8,696.11 expenditure from the enterprise fund to purchase a new water heater*

- Update from Tealwood: Kris shared with the board that the plan moving forward is to have Marlene as on site nursing director to provide staffing assistance above her current duties, Tealwood will hire an office administrator to cover all other tasks that Don performed.
- The board thanked Don for his years of service. Don responded that he felt Tealwood and the City were two forces driving for the success of the senior living facility.

5. **Revolving Loan Funds:** Update on the two loans (Bennett & Premier Chiropractic) Bennett's loan closed, a grand opening would likely take place in early summer. Staff will follow up on a grand opening, and gather the recorded documents. This succession of an existing business was another successful collaboration with People's Cooperative Service. Mark has a location secured and he can close on the three loans that he will be taking out with the bank, City, and People's Cooperative Service. Enerson asked the board if they would like a blanket UCC agreement or a lien on the x-ray machine. The board favored a blanket UCC on all equipment. Enerson will move ahead with preparing the final closing paper work for the EDA loan of $10,000.

6. **Small Cities Block Update:** 16 of the 20 units are in various stages. The board packet contained a project overview with goals to meet, and an apartment list for the City of Eyota. The board approved posting the list on the City website.

7. **Video Script:** Pending

8. **Façade Improvement Grant request by Mark Westphal:** Mark explained the purchase and remodeling project for the building his parents will own at 123 Lafayette Ave, Eyota. The building qualifies for a façade improvement grant for up to $10,000. He explained that he will remodel the inside of a home in the commercial district that will become his office. He requested funds from the sales tax fund to create ADA compliance inside the building. The front deck is being removed, a ramp and overhang will go in. The rear entry will be improved, doors will be widen both inside and outside the building. A sign and other improvements were described in the business subsidy application. Staff explained finding of fact, that Dr. Perry received loans of $25,000, and sales tax of $15,000 because like Mark he was beginning with zero patients and needed to build his business. The board felt each project request for 123 Layfette was an appropriate use of funds. Mark understand that the façade and sales tax programs will reimburse him, no funds are paid up front.

Motion by ***Bryan Cornell and seconded by Darcy Higgins to approve a façade improvement grant of up to $10,000 for t123 Layfette , and a $5,000 deferred loan to grant forgiven in $1,000 annual increments over a 5 year period using the Eyota Sales Tax fund, for a total grant package of $15,000, pending City Council approval, and motion carried 5/0.*** The project would begin the end of May, Mark would like to be open by summer. It was explained to Mark that the program is a reimbursement program, he will need to send in paid receipts to EDA staff.

9. **Informational pieces:**

The EDA staff present to the Rochester Area Builders, the Eyota profile sheet was included in the board packet. Enerson noted that the Rochester Area newsletter is sent out weekly with updates, Eyota can promote housing in the newsletter. Area building permit data was reviewed by the board.

The board was informed of the Rochester Area Chamber annual celebration which will be held on April 12th.

The Olmsted County Health Department will hold their listening session on April 15th, the complete flyer was in the board packet. Input from the community helps shape the next three years Olmsted County Heath Plan.

April 30th is the next SE MN Together meeting, the meeting will focus on becoming a welcoming community and showcase what other communities are doing to encourage diversity to all.

Staff provide the SBDC survey that is being mailed out by SBDC, board members were informed that area business persons may ask them about the survey, a copy of the survey was placed in the board packet.

SMIF is providing grants for paint.

The CEDA monthly grant bulletin was included in the board packet.

10. Other: Tealwood transitions were discussed by the board. Concerns included the gap in leadership if positions are not filled. Concern that the nurse manager is being asked to do too much if the position includes staffing. Michael Klatt has been working with a few board members to understand the needs of Arbor Gardens. He attended the meeting to introduce himself as a business development specialist for Lutheran Home Service. They may have interest in doing an assessment for Arbor Gardens, potentially managing or owning Arbor Gardens. The firm charges a fee for management based on performance. Within 90 days his firm will come to Eyota to visit the facility, provide a solid reply regarding acquisition. He is concerned about the lack of marketing, and the unused rooms, he noted that any income in independent is better than zero given that independent does not increase expenses. He was a firm believer in performance based fees for management. The board thanked Michael for coming to the meeting to introduce himself and his firm's interests.

Adjourn: *At 6:50 the motion by Tony Nelson, motion seconded by Darcy Higgins to adjourn, and motion carried 4/0.*

Next meeting: April 25, 2019

Respectfully submitted,

Cathy Enerson 5/30/19

Cathy Enerson date
EDA Director

Dale Heintz 5-30-2019

Dale Heintz date
EDA Chair