

Economic Development Authority Minutes

Thursday, October 25, 2018

5:30 p.m. Arbor Gardens, Community Room, Eyota, MN

4:30 p.m. – 6:00 p.m. – Open house at Speed Pro Printing

EDA Members will try to attend, a quorum could occur

1. Call to Order/Roll Call

Chair Heintz called meeting to order at 5:37 pm

Members Present: Dale Heintz, Craig Horan, Tyrel Clark, Bryan Cornell

Members Absent: Connie Meiners, Darcy Higgins, Tom Aleshire

Staff: Cathy Enerson, Don Rademacher, Jason of Tealwood, Shelly Schossow

2. Approve the Agenda:

Clark motioned to approve the agenda as written Horan seconded. Motion passed 4/0

3. Consent Agenda

Clark motioned to approve the Consent agenda as presented; Arbor Gardens Financials, EDA minutes of the regular meeting September 27th, EDA Financials, EDA expense for snack on Sept 27th. Horan seconded. Motion passed 4/0

4. Arbor Gardens Report and Budgeting Progress

Jason gave an updated on Tealwood's paid time off and extended sick leave policies as they appear in the Tealwood Human Resources manual. Jason provided the five year history for ESL and PTO and how that information will be used for budgeting. Rademacher's update included vacancies for two assisted living/independent living units. The debt service coverage ratio for the month of September is .8 on a budget of 1.77. Year to date debt service ratio is 1.23 on a budget of 1.68. Accounts receivable is approx. \$6,000 with the goal to remain under \$30,000. Rademacher continued his report stating the lower level kitchen updated approved a couple months ago has been begun. With these upgrades beginning Rademacher asked the EDA to consider going ahead with upgrading lockable cabinetry, adding hand washing sink and laundry hook ups for the Memory Care wing. These upgrades would allow staff to do the laundry in a timely manner and keep laundry and food from tasing near each other, The bids and quotes received were made available to the EDA with plumbing coming in at \$4,200, Kitchen cabinets/countertops \$5,684 for a total of \$9,884. Rademacher asked if these payments be paid out of the Enterprise Fund.

Clark motioned to updated the memory care kitchen plumbing which includes the addition of washer and dryer hookups at a cost of \$9,884 to paid out of the Enterprise Fund. Cornell seconded. Motion passed 4/0 Note: Clark stated this recommendation will not be forwarded to Council until the Nov. 8th meeting at the past request of Council members for more time between when EDA items are placed on the agenda and decisions are being requested.

5. EDA Director's Report

Enerson reported the Revolving Loan Fund approved applicant, Premier Chiropractic is currently waiting on a property owner to complete building improvements.

Facade improvement program has awarded eight, \$2500 grants. There is currently \$12,779.99 of the \$57,500 approved but is unused. \$6793.49 pending funds which will sunset at the end of September. With the current unused funds of \$19, 573.48, the EDA can amend the January 2016 policy and allow two more \$2500 grants and one more \$10,000 grant. Enerson also proposed the EDA could add funding from the sales tax fund for 2019 allowing for two additional \$10,000 grants and two additional \$2500 grants. Or assign an additional \$9,720.01 to cover the projects which have reached sunset along with other projects which have recently submitted applications and expressed interest and not yet finished the application process.

Horan motioned to use the remaining funds to support three, \$2500 grants and the remaining \$7500 be designated for the 50/50 match. Cornell seconded the motion, and motion passed 4/0.

Enerson mentioned she has been meeting with the school where they shared they are in the process of exploring additional grant dollars to assist in preparing students into the workforce.

Enerson also updated the board on other Journey to Growth and CEDA events happening around the area.

6. Facade Improvement Application

Enerson reported the EDA has received one new Facade Improvement grant application. Jake Renken is the applicant for Renken Apartments at 34 S. Front St SW (between City Hall and Eyota Antiques). The application

shows this request is for the \$2500 grant option, the project is projected to start during the winter of 2019 and be completed by summer 2019. Cost itemization includes a front window replacement, \$1000, add siding, \$700, the addition of an Awning \$800. The board noted that adding a sign with building numbers would enhance the building as well.

Cornell motioned to approve the Façade Improvement Application from Renken apartments as presented, Clark seconded. Motion passed 4/0 Note: this will be placed on the Council November 8th agenda.

7. **Old Business**

Community Video: No update to given.

Council Updates and status of EDA budget and Housing Trust Fund: No update available at time of meeting.

Enerson provided an updated cost estimate and options for improving the welcome/wayfinding sign at Knowledge Road. Option one would include two sign blanks with an arrow directing to Dover/Eyota Schools at a cost of \$2,110. Option two would include one sign blank adding one more sign rider with an arrow directing to Dover/Eyota Schools at a cost of \$1,915.

Cornell motioned for option #2 Horan seconded. Motion passed 4/0 Note: Clark reminded this will not go to the Council agenda until November 8, 2018. An inquiry was made if this decision needed to be pending current property owner approval. Discussion included the actual footprint of the sign so there was no need to obtain current property owner approval. It was also noted this would not be placed on the Council agenda until Nov. 8th.

6. **New Business**

Housing Project – 2 methods to assist with the gap financing based on previous TIF Education

Members agreed to table this item, the property owner became unavailable to attend this meeting.

Ghost Plating also tabled due to property owner not being available for the meeting. The board is not in favor of using the sales tax funds for housing.

Update the shop local video - approval to move ahead and apply for People'e Energy Cooperative's marketing dollars.

Members were in agreement for Cathy to apply for marketing dollars from Dairyland Power for use in updating the shop local video

Home business directory

Clark stated this request has been presented to the board on two occasions. Cornell stated this request would require city staff time to maintain and update on a regular basis. Clark asked if we currently have a regular business listing on the city's website and if not it doesn't make sense to have a home based one. Staff commented there used to be an In-Home Child Care listing on the website but was often outdated so now there is a link to Parent Aware website which is updated by the MN Department of Human Services. Members agreed this would not be a good use of staff time. However they did encourage the home business owner requesting marketing on the city website to use websites and social media pages to get their business noticed.

CEDA contract for 2019

Clark motioned to forward the CEDA contract for 2019 to Council for their approval with the standard 3% increase as mentioned in the contract. Cornell seconded. Motion passed 4/0

Request to update the shop local video

Members agreed to allow Enerson to contact Dairyland Power for financial assistance to update the shop local video

Request to advertise in the Eagles Sports Program

Members determined the EDA currently does not have any programs happening to promote therefore, they will pass on this opportunity and encourage local businesses to use the program.

Restaurant: council minutes – survey the area for suggestions

Members agreed to table this item

7. **Other Business:** Members shared with the board new information about the sale of the grocery store, the information was given to them by the grocery store owner. The ownership group has had the store/building for sale, they have not found a buyer, if there is no indication that there is a buyer very soon, possibly by the end of the year, the owners are likely to shut the store down. The EDA recommends a community meeting to share this knowledge in an attempt to attract a buyer or community cooperative group to own and operate the store. The EDA members suggested the meeting should be coordinated by the City, and should take place after the election, in mid-November. The EDA focused other businesses on the grocery store, no action was taken on surveying the community about the need for another family restaurant. The board, from the MN Design meetings, became aware that the community is looking for additional choices for family entertainment and meals, an operator

approached the EDA, however they decided to move onto another project and not to open a restaurant. The EDA is willing to assist an operator in the startup of another family restaurant, those that want to operate another restaurant and or a grocery store should contact the City. Side note from the Director: The EDA tools to help start a grocery cooperative, loan funds, TIF, and tax abatement can be shared by the EDA Director at the proposed meeting.

8. **Next meeting:** Due to Thanksgiving Holiday City Council is moving their meeting to Nov 19th or 20th which ever is the night of the Council meeting.

Adjourn: Clark motioned to Adjourn the meeting at 6:54pm Horan seconded. Motion passed 4/0

Respectfully submitted,

Cathy Emerson 12/24/18.
Cathy Emerson date
EDA Director

Dale Heintz 12-27-2018
Dale Heintz date
EDA Chair