

June 25, 2020 postpone to JULY 9, 2020
Economic Development Authority Monthly Meeting Minutes
MEETING LOCATION: Eyota Fire Hall or join us by phone or online

Join with Google Meet meet.google.com/vxf-dwbk-zzy or by (US) +1 843-970-0246 PIN: 534 126 621#

1. Call to Order/Roll Call

Members:	X__ Dale Heintz	X__ Brian Halvorson
	X__ Craig Horan	X__ Tony Nelson
	A__ Darcy Higgins	X__ Bryan Cornell
	X__ Tom Aleshire	
Staff:	X__ Cathy Enerson	Guests: Marty Walsh - online

2. Approve the Agenda:

Motion by Tony Nelson and seconded by Bryan Cornell to approve the agenda as written, motion carried 6/0.

3. Approve the Consent Agenda:

Motion by Brian Halvorson, and seconded by Craig Horan to approve the consent agenda as presented, motion carried 6/0.

- Approved EDA May Minutes
- Approve EDA Financials
- Approve EDA Expenses – none

4. Accept resignation and fill Darcy Higgins Seat:

Motion by Brian Halvorson and seconded by Craig Horan to accept Darcy Higgins resignation from the EDA board, motion approved 6/0. The board would like to express their appreciation to Darcy Higgins for his years of service to the board. Submitted last month were two applications to fill Higgins position. Dale Heintz asked board members to mark down who they would like to have on the board, the results were read by the Director, there were two marks for Clark, and four marks for Bandit. Heintz called for a nomination, Tom Aleshire nominated Jason Bandit to fill the Higgins seat, and motion seconded by Tony Nelson, and motion carried unanimously 6/0.

5. Revolving Loan - Informational

- Potential for a loan(s), the Director is working with 2 businesses one existing, one new
- Deferments - July 1 payments resume there were a total of 3 payment deferments

6. New & Existing Business

- The board was informed of a grant program, an **automation pilot grant** for local businesses was presented to Menards for their consideration.
- **Menard's Inc. - Nail Plant update:** WHKS has reviewed the Menard's engineers, S.E.H., cost estimates, WHKS add \$15,000 to the overall cost. The board members were provided the WHKS Memo, in their packet. The Memo will be used in the business infrastructure grant application's project budget. Taft, the City's bond attorney, continues to work on a development agreement which will be edited to match a proposed \$1,7 million proposed tax increment financing (TIF). The County valuation came in higher than the previous Taft estimate for TIF, therefore the Council will work toward a TIF amendment. The EDA was able to review the letter the EDA sent to the County to request a valuation, and the documents the County provided back to the EDA which indicates how the County arrived at their future tax valuation resulting in t\$1,7 million dollars that could potentially be collect in taxes over 9 years to

provide a TIF to Menards to offset the cost of public infrastructure which also came in at \$1.7 million dollars. All documents will be submitted to DEED with the business infrastructure grant request.

- **Except land donation for the city stub road, an extension of Whetstone:** The Director provided the board with information that would allow the City to acquire land for one dollar for the land it needs to create a city stub street. The stub street is the only MNDOT approved to 108 acres along Highway 42 which is zoned industrial. The board will act on the land purchase if \$899,000 in grant funding and Menards desire to move forward looks promising.
- **NEW – TED Grant – 70% of the cost for turn lanes:** DEED and MNDOT have allocated special funding to fund several projects around the State in MN. The Director participated on the DEED webinar for TED grant funds to understand what is required to apply for an opportunity to proceed with a turn lane grant request. The grant can potentially provide 70% of the cost for the left and right turn lanes into the 108 acres zoned industrial.
- **State Allocation of Federal C.A.R.E.S Act Funding –** The EDA Director has provided local spending ideas for the Council to consider as they decide whether or not to accept the State allocation, and move towards a spending plan.
- **Introduce Marty Walsh:** Marty Walsh introduced himself as the new People's Energy Cooperative Economic Development Director. Marty worked on a DEED proposal with Enerson for a company that wishes to purchase up to 300 acres for future development. The company is a heavy user of water, and has very specific needs for water in and water out of the 300 acres. Enerson and Walsh reported the firm has moved on to other properties, however both the new Director at Rochester Area Economic Development Inc., and Marty have been educated about the parcels, and the zoning for potential development of the land west of Eyota.
- **Arbor Gardens – ending financial statement:** Enerson provided the board with a statement for expenses incurred during the EDA's last month of ownership of Arbor Gardens. The EDA also has an ending balance in a savings account for Arbor Gardens to close out the expenses. The EDA has asked Tealwood for their oversight to be sure the expenses submitted look legitimate. Marlis will settle the expenses with the existing income.
- **Discuss a possible business incubator program:** The board continued the discussion of a business incubator program that would allow for a rent subsidy to be used to attract new business that want to establish in Eyota. With the uncertainty of COVID the board was not ready to promote a plan to incubate new business at this time, however the board will continue to help businesses with items such as the deferred loans to grants.

5. Director & Council Reports

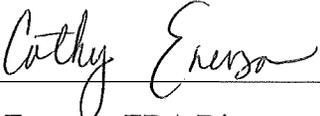
- **Mini Processors grant awarded:** The Director worked with Burt's Meats to submit a MN Agriculture, mini processors grant for the business grant. The grant was submitted to purchase a compressor to add additional cooler space to Burt's. The demand to process meat is high because other large meat processing facilities have had to shut down temporarily due to the Covid pandemic.
- **Fed Disaster Relief Grant –** The grant resolution and request for proposal to proceed with the Federal grant were submitted for Council's review. The City's SAM's number to submit the grant request has expired, the City Clerk will need to request a new or reinstated SAM's number in order to proceed.
- **Council Members report:** The Council has approved two new housing subdivisions.
- **Planning– recommend a comp plan:** The EDA has requested that Council pass on their wishes to Planning to update the City's Comprehensive Plan.
- A Current List of Grants document created by CEDA which was shared with the board.

6. Other: The board is willing to set a special meeting to work through a land agreement for the stub street for the proposed development and or to work on the EDA 2021 budget. The board recommended the proposed budget remain very close to the current budget.

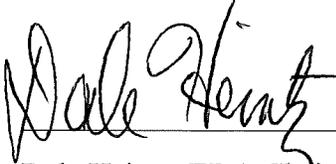
7. Next Meeting: The EDA's next scheduled meeting is August 27, 2020.

Adjourn: Brian Halvorson motioned to adjourn the meeting at 6:50 pm, with no further discussion the board adjourned.

Respectfully submitted,



Cathy Enerson, EDA Director 8/27/20 Date



Dale Heintz, EDA Chair 8-27-20 Date