

**MINUTES
CITY OF LONSDALE
ECONOMIC DEVELOPMENT AUTHORITY
SEPTEMBER 16, 2010**

1. CALL TO ORDER

President Lieske called the meeting to order at 7:00 am in the City Council Chambers at 415 Central St. W.

MEMBERS PRESENT:

Dietz, Furrer, Duban, Lieske, Kuchinka and Pierskalla

MEMBERS ABSENT:

Daleiden

STAFF PRESENT:

Joel Erickson, City Administrator

OTHERS PRESENT:

Lonsdale Area Chamber of Commerce President Andrea Nelson, Chamber Board Member Adam Shand

2. AGENDA

Lieske asked if there were any additions or deletions to the agenda. A motion was made by Furrer and seconded by Duban to approve the agenda as presented with the proposed addition. Vote for: Dietz, Furrer, Duban, Lieske, Kuchinka and Pierskalla. Against: None Vote 6-0. Motion carried.

3. APPROVAL OF THE MINUTES FROM THE AUGUST 19, 2010 REGULAR MEETING

Lieske asked if there were any additions or deletions to the minutes. A motion was made by Duban and seconded by Kuchinka to approve the minutes of the August 19, 2010 regular meeting. Vote for: Dietz, Furrer, Duban, Lieske, Kuchinka and Pierskalla. Against: None Vote 6-0. Motion carried.

4. TREASURER'S REPORT

Erickson said the Board had a beginning balance of \$278,408.10, receipts of \$2,575.81 and expenses of \$0.00 for an ending balance of \$280,983.91. Erickson reviewed the invoices proposed for approval and payment. Kuchinka asked why the City uses an Attorney from Apple Valley and not one located in Rice County. Erickson said the City's current attorney was appointed in 2004 and when the City advertised for proposals several years ago, only firms from the metro area responded. A motion was made by Furrer and seconded by Duban to approve the Treasurer's Report and monthly bills. Vote for: Dietz, Furrer, Duban, Lieske, Kuchinka and Pierskalla. Against: None Vote 6-0. Motion carried.

5. OLD BUSINESS

a. Consider Approval of Quotes Submitted by Brushwork Signs and Fredrickson Outdoor Advertising in the Amount of \$8,510.00 for a 10' x 15' Sign, Pole Fabrication and Installation

Erickson reviewed the quotes submitted for the sign and fabrication and installation of the sign pole. He said he followed up with M&M Sign of Mankato on the Board's questions from the last meeting and provided the responses. He said he did not receive an updated quote from them pertaining to a single pole sign. Erickson updated the Board on the fact that when he contacted Rice County at the beginning of this project, he was told they really did not have nor regulate signs for governmental agencies and not that the sign needs to be located in the Right of Way rather than on private property. He told the Board he spoke to the Planning Dept. and was forwarded to the Highway Dept. for specifics on the size of the sign. Pierskalla asked when the Board decided on picture "D" for the color and layout of the sign. Erickson said the decision was made at the July meeting. A motion was made by Furrer and seconded by Dietz to approve the quote submitted by

Brushwork Signs and Fredrickson Outdoor Advertising in the amount of \$9,255.37. Vote for: Dietz, Furrer, Duban, Lieske, Kuchinka and Pierskalla. Against: None Vote 6-0. Motion carried.

6. NEW BUSINESS

a. Consider Approval of the Proposed Land Lease Agreement Between the City of Lonsdale and Judy Pumper

This item was discussed under the previous agenda item.

b. Select Date to Conduct New Business Welcome Visits

Erickson said he has been working with Andrea Nelson of the Lonsdale Area Chamber of Commerce (LACC) to select dates to conduct business welcome meetings. The consensus of the Board was that Tuesday morning worked the best for Board members to attend. The businesses that need to be contacted include: All Yarn, Pet Perfect, Brian Mork - Financial Planning, Veronica Hienz – dog walking, Olivia Wagner Photography, Midwest Cryogenics, Damian Redlegs, Habitat for Humanity and Five Star Embroidery’s new facility. Duban asked Nelson if this was something that the Chamber could take over. Nelson said it should be a joint effort and it is important for businesses to know what the EDA does and has available for financing programs.

c. Review of the Revolving Loan Fund Policy and Application

Erickson said with a loan recently approved and some questions on the equity component of the policy, staff felt it important to review the policy. Duban said equity should only be cash. Furrer suggested the percent required for equity be reduced to 25%. Kuchinka said the Board was looking for flexibility when the policy was approved and that it does not need to be changed. Shand suggested language be amended to “typically or generally” rather than minimum. Pierskalla suggested replacing “minimum” with “preferred”. Furrer said if the Board is comfortable with the policy, it can be left as is. Dietz and Kuchinka said the policy should be left as is. Erickson said the policy will be changed because “Appendix A”, which is the loan agreement will be amended. Furrer asked the Board if they were comfortable approving the next loan with the mortgaged building as equity for the loan. Lieske said the building is still an asset. Furrer asked if future loan applicants should get the loan proceeds up front or if the loan proceeds should be treated like a letter of credit and not paid until proof of the work being completed. The Board discussed the idea and concluded it would be too difficult to enforce the policy. Lieske asked if any Board members wanted any changes made to the policy. Kuchinka said the policy should be left as is.

d. Consider Approval of Lonsdale First Programming for 2010

Erickson reviewed the history of past rounds of the program. Dietz said to promote the program, the Board should use a combination of Facebook and the Lonsdale Area News Review in order to make as many people as possible aware of the program. The Board held general discussion on how to market the program. Furrer asked if the Board wanted to charge a fee. Kuchinka said he felt it would be difficult to charge more than \$25.00 to participate. The Board discussed using Chamber Checks as the smaller prizes and if they could be used at any business in Lonsdale. Nelson informed the Board about the new plan for Holiday Traditions the Chamber will be implementing this year. The Board discussed prizes such as a TV or overnight stay as the grand prize and having several smaller prizes such as chamber checks or gift certificates from participating businesses but agreed that the budget of the program should be covered by the revenue generated for participating in the program. A motion was made by Furrer and seconded by Pierskalla to approve another round of the Lonsdale First program beginning on November 1, 2010 and ending December 30, 2010 with a the cost to participate of \$25.00. Vote for: Dietz, Furrer, Duban, Lieske, Kuchinka and Pierskalla. Against: None Vote 6-0. Motion carried.

7. OTHER BUSINESS:

a. Update on the Sale of Lonsdale Hardware Rental Appliance

Erickson said he spoke to Russ Sirek about the sale of the Hardware Store and the closing has been scheduled November 1, 2010.

b. Thursday Chat with the Chamber – 9:00 am After EDA Meeting

Lieske reminded the Board that the Third Thursday Chat will be at 9:00 AM at the Chamber Office.

8. ADJOURNMENT:

A motion was made by Duban and seconded by Furrer to adjourn the meeting at 8:29 AM. Vote for: Dietz, Furrer, Duban, Lieske, Kuchinka and Pierskalla. Against: None Vote 6-0. Motion carried.

Respectfully Submitted:

Joel A. Erickson, City Administrator