

**MINUTES  
CITY OF LONSDALE  
ECONOMIC DEVELOPMENT AUTHORITY  
JUNE 17, 2010**

**1. CALL TO ORDER**

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

**MEMBERS PRESENT:**

Furrer, Duban, Lieske, Kuchinka, Pierskalla and Daleiden

**MEMBERS ABSENT:**

Dietz

**STAFF PRESENT:**

City Administrator Joel Erickson

**OTHERS PRESENT:**

Lonsdale Area Chamber of Commerce President Andrea Nelson and Board Chairman John Vollertson

**2. AGENDA**

Lieske asked if anyone had any additions or deletions to the agenda. Erickson requested "Consider Approval of a Financial Contribution to the Rice County Small Business Development Center" be added to the agenda. A motion was made by Daleiden and seconded by Kuchinka to approve the agenda and addition of the Rice County Small Business Development Center item. Vote for: Furrer, Duban, Lieske, Kuchinka, Pierskalla and Daleiden Against: None Vote 6-0. Motion carried.

**3. APPROVAL OF THE MINUTES FROM THE MAY 20, 2010 REGULAR MEETING**

Lieske asked if anyone had any additions or deletions to the minutes. A motion was made by Daleiden and seconded by Duban to approve the minutes of the May 20, 2010 regular meeting. Vote for: Furrer, Duban, Lieske, Kuchinka, Pierskalla and Daleiden. Against: None Vote 6-0. Motion carried.

**4. APPROVAL OF THE TREASURER'S REPORT**

Erickson reviewed the May 2010 Treasurer's report. He stated the beginning balance, revenue(s), expenditure(s) and ending balance. Furrer reviewed the Revolving Loan Fund payments because of non-payments and double payments. She asked if the City provides a loan coupon book to submit with payments and to also track them. Erickson said no. Duban suggested looking into including a loan coupon book with loans. Erickson said future loan payments will include them. Kuchinka said the coupon book was unnecessary because the loan recipients know what they have to pay. Daleiden suggested sending a monthly invoice as a reminder. A motion was

made by Duban and seconded by Furrer to approve the May 2010 Treasurer's Report and Monthly Bills. Vote for: Furrer, Duban, Lieske, Kuchinka, Pierskalla and Daleiden Against: None Vote 6-0. Motion carried.

## **5. OLD BUSINESS**

### **a. Update on EDA Promotional Materials**

Erickson said a new picture of the Villages of Lonsdale was taken and inserted in the brochure and the grammatical errors contained in the City's MNPRO's information have been corrected.

### **b. Consider Approval of Programming / Incentives of the Lonsdale First Program**

Erickson said he asks businesses at the beginning, during and at the end of each program for feedback but does not get too much. He said he has recently heard the program should only be done once per year so interest does not fade and participation is as high as possible. Erickson reviewed potential prizes from Schumacher's Hotel and Grill 212, Treasure Island and Emma Krumbees. Pierskalla said Mystic Lake Casino does make donations to non-profit organizations but the request needs be approved by the Tribal Board and takes up to a month to process. Duban said the program should be run once per year and include \$5.00 punches. Kuchinka asked John Vollertson, Manager of Fred's IGA for comments. Vollertson said once per year would probably be the best and the punches should be \$10.00, so the employees spend less time punching cards when customers are looking to get out the store as fast as possible. Lieske said to offset time spent punching cards, he preferred to hy-brid card that includes both \$5.00 punches as \$10.00 punches. Kuchinka said the prizes should come from local businesses. Businesses such as Willinger's were discussed for future prizes. The consensus of the Board was to run the program once per year over the Holiday season. The item was tabled until a future meeting.

### **c. Consider Approval of the Proposed I-35 Signage**

The Board reviewed the proposed sign proofs. Erickson said he preferred option "A". Kuchinka said he preferred option "C". Duban said the logo should not be included on the sign because it takes up too much space. Furrer said she preferred option "B". The Board discussed and agreed that "Lonsdale" should be as visible as possible. The Board discussed the location of the sign on the Pumper property. Erickson said some trees would have to taken down for construction and visibility of the sign. He said he would work with the City Attorney to get a lease agreement drafted. The Board agreed to visit the site on June 24<sup>th</sup> at 8:00 am.

### **d. Update / Discuss the Closing of H.E. Westerman Lumber Company**

Erickson said he has meet twice with a potential purchaser of the company and provided him with the EDA's informational packet and directed him to the Rice County Small Business Development Center to get a business plan, etc. put together for private and public financing.

## **6. NEW BUSINESS**

- a. Discuss Construction of an Incubator Building on City Owned Industrial Property  
Erickson said this agenda item was requested by Mayor Rud. He said the request is because if the proposed business park is not constructed this year, the City needs to have buildings for potential businesses to locate in. He said he has meet recently with several businesses looking to locate in Lonsdale but there are no buildings available for purchase or lease. The Board discussed the pros and cons of constructing a building. Daleiden asked if it was time for the EDA to consider contracting with an architect for plans. Kuchinka asked what would happen if a building was built and there were no tenants paying rent. Erickson said that ultimately, the City would need to include the EDA's payment in the property tax levy the tax payer would be responsible. Erickson suggested a tour of recently constructed buildings to ask owners what they liked about their buildings and what they would have done differently. The Board agreed. Erickson said he would schedule tours of the US Office Furniture and R & L Woodcraft Buildings.
  
- b. Consider Approval of a Financial Contribution to the Rice County Small Business Development Center (SBDC)  
Erickson said he received a letter earlier in the week from the Rice County SBDC requesting funding in the amount of \$800.00 for 2011 and \$1,000.00 for 2012. He said the contribution will be used to assist in paying for the qualified consultants on staff. The Board held general discussion. A motion was made by Daleiden and seconded by Kuchinka to approve payments to the Rice County SBDC in the amount of \$800.00 in 2011 and \$1,000.00 in 2012. Vote for: Furrer, Duban, Lieske, Kuchinka, Daleiden and Pierskalla Against: None Vote 6-0. Motion carried. Against: None

## **7. OTHER BUSINESS**

- a. Update on Small Cities Development Program Grant  
Erickson said at the last meeting, it was discussed that one commercial and one residential property owner might be interested in participating in the program. He said the Lonsdale funds were transferred to Montgomery since they had a waiting list and Lonsdale did not. He said he spoke to Steve Moline and Montgomery has a waiting list for commercial properties but was not sure if all the funds would be used. As far as the housing property, there were no additional funds available at this time. Erickson said a supplemental application will be submitted in October of 2010 for use in 2011. Erickson said he would work with Moline and property owners to create a waiting list to be included in the supplemental application.
  
- b. Thursday Chat with the Chamber – 9:00 am After EDA Meeting  
Erickson said the LACC will be holding its monthly Thursday Chat with the Chamber after the EDA meeting at 9:00 am.

## **8. ADJOURNMENT**

A motion was made by Kuchinka and seconded by Pierskalla to adjourn the meeting. Vote for: Furrer, Duban, Lieske, Kuchinka, Daleiden and Pierskalla

Against: None Vote 6-0. Motion carried. Against: None The meeting ended at 8:20 a.m.

Respectfully Submitted:

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Joel A. Erickson, City Administrator