

**MINUTES
CITY OF LONSDALE
ECOMONIC DEVELOPMENT AUTHORITY MEETING
FEBRUARY 15, 2024**

1. CALL TO ORDER

Daleiden called a meeting of the Lonsdale Economic Development Authority to order at 7:04 am.

MEMBERS PRESENT:

Wermerskirchen, Daleiden, Furrer, Simon and Pelava

MEMBERS ABSENT:

Austin and Prigge

STAFF PRESENT:

City Administrator Joel Erickson and Community Development Planner Cory Hinz-Ibarra

OTHERS PRESENT:

None

2. AGENDA

Daleiden asked if there were any additions, deletions or corrections to the agenda. A motion was made by Pelava and seconded by Wermerskirchen to approve the agenda as presented. Vote for: Wermerskirchen, Daleiden, Furrer, Simon and Pelava. Against: None; Vote 5-0. Motion carried.

3. CONSIDER APPROVAL OF THE MINUTES FROM JANUARY 18, 2024 MEETING

Daleiden asked if there were any additions, deletions or corrections to the minutes. A motion was made by Wermerskirchen and seconded by Daleiden to approve the minutes from the January 18, 2024 meeting. Vote for: Wermerskirchen, Daleiden, Furrer, Simon and Pelava. Against: None; Vote 5-0. Motion carried.

4. CONSIDER APPROVAL OF THE JANUARY 2024 TREASURER'S REPORT AND MONTHLY BILL(S)

Erickson said January had a beginning balance of \$81,077.57, revenues of \$552.08, and expenses of \$1,676.73 for an ending balance of \$79,952.92 between the two accounts. He said the revenue consisted of the monthly revolving loan payment from The Pet Stop Vet Clinic. Erickson said expenses included payroll/benefits, LACC Annual Dinner attendance, legal fees and lunch and learn supplies. He said there were no expenses to be paid in February. Erickson said Fund 210 will be reduced by \$2,500 because the \$2,500 donation made by Frandsen Bank & Trust was supposed to be allocated to Fund 209, the SCDP account. A motion was made by Furrer and seconded by Pelava to approve the

January 2024 Treasurer's Report and monthly bills. Vote for: Wermerskirchen, Daleiden, Furrer, Simon and Pelava. Against: None; Vote 5-0. Motion carried.

5. OLD BUSINESS

a. Update on the EDA's 2023 Small Cities Development Program Grant

Erickson said at the last meeting, the Board reviewed the proposed policies, grant agreement and the Memorandum of Understanding between the Rice County HRA and the City. He said they were presented to, reviewed and approved by the City Council at their January 29, 2024 meeting. He said he will be reaching out to the Rice County HRA to begin working on marketing material, applications, etc. so when the State gives the go ahead, outreach can begin right away. Daleiden asked what the target area was. Erickson said initially, it was the old part of town but after discussing it with MN DEED, it was changed to include the entire City.

b. Update on the Marketing Videos

Erickson said he provided the Board with the revised videos last week and did not receive any comments so he told APG to move to finalizing them. He said APG provided a new QR Code and got the City's and MN DEED logos in the necessary format to be used in the videos. Daleiden said the voiceover sounded better this time. Pelava agreed. Wermerskirchen said he liked the graphics over the Business Park.

c. Update on TCU's TITAN'S Pathway's Program – Career Expo

Erickson said the event went well and provided a summary of the presentation given. Hinz-Ibarra said the presentation was well done.

d. Discuss the Quarterly Lunch & Learn Events

Erickson said this has been discussed at the last several meetings and desired topics included financial assistance opportunities and labor law updates. Erickson said he has reached out to MN DEED on financial assistance and the City Attorney for a labor law update. He said the City Attorney was not interested in providing legal advise in that type of format. Wermerskirchen suggested contacting MN DOLI. Pelava said he attended an event where MN DOLI gave a presentation on labor law updates and that he would forward Erickson the contact information. The Board discussed establishing a consistent schedule such as the first Wednesday of the first month of each quarter. A motion was made by Simon and seconded by Wermerskirchen to schedule the first Lunch & Learn for Wednesday, March 20th and not exceed \$300.00 in expenses for the event. Erickson said he would schedule either financial assistance opportunities or MN DOLI for the event based on availability. Vote for: Wermerskirchen, Daleiden, Furrer, Simon and Pelava. Against: None; Vote 5-0. Motion carried.

6. NEW BUSINESS

- a. Update on the City's MN DEED Minnesota Investment Fund (MIF) Application and Support for a Job Creation Fund (JCF) Application – Minnesota Millwork & Fixtures
Erickson said for the last several years, he has been working with Randall Rivers of MN Millwork & Fixtures on MN DEED financial assistance through their MIF and JCF programs. He said Rivers is in expansion mode and needs to construct another facility to allow for increased production to meet his customers' needs. Erickson said MN DEED has committed over \$1,000,000 in financial assistance to the project. Erickson explained the City needs to apply to MN DEED for MIF funding and then loans the funds to MN Millwork & Fixtures, who then repays the MIF funding. He said the City Council will be holding the required public hearing at their February 29, 2024 meeting. He said in addition to the proposed second building on site, Rivers has purchased the building across the street and is currently remodeling it to meet his needs.

- b. Discuss the EDA's Revolving Loan Fund (RLF) Policy
Erickson said with the SCDP grant starting soon, the possibility of the EDA receiving MIF funds and several recent calls about the EDA's RLF, staff is recommending a separate RLF fund be created to separate day to day operating costs from the RLF. He said staff received a call last week about the RLF but was not able to provide an answer to how much is available. Hinz-Ibarra reviewed the conversation he had with a business about the RLF. The Board discussed creating a separate fund and how much should be allocated to the fund based on the current fund balance and 2024 revenues and expenses. Wermerskirchen said that the EDA should not be the only funding source for a project. Furrer agreed with Wermerskirchen. Simon said the RLF should be separate and possibly a minimum fund balance be established so one business does not receive all the funds available. A motion was made by Wermerskirchen and seconded by Pelava to establish a separate fund for the RLF and allocate \$50,000 to the fund. Vote for: Wermerskirchen, Daleiden, Furrer, Simon and Pelava. Against: None; Vote 5-0. Motion carried.

- c. Update on the City's Website
Erickson said himself and Hinz-Ibarra have been working on and provided Catalis the needed information for them start working on the new design, which will be responsive and mobile friendly. He provided information on photos, colors and the carousel. Wermerskirchen said the website will be nice and a way to increase communication with residents. Hinz-Ibarra said he included Wermerskirchen in the initial process for selecting websites or components of them the City should consider using.

7. OTHER BUSINESS

- a. Additional Items to be Discussed
There were no other items discussed.

b. Items for the March 21, 2024 Agenda

The Board requested that land broker, website, review of the March 20th Lunch & Learn, marketing videos, the Revolving Loan Fund and update on the SCDP be on the agenda for discussion. Furrer requested information and costs of previously used brokers.

8. ADJOURNMENT

A motion was made by Simon and seconded by Wermerskirchen to adjourn the meeting. Vote for: Wermerskirchen, Daleiden, Furrer, Simon and Pelava. Against: None; Vote 5-0. Motion carried. The meeting ended at 8:29 am.

Respectfully Submitted:

Joel A. Erickson, City Administrator