

**MINUTES
CITY OF LONSDALE
ECOMONIC DEVELOPMENT AUTHORITY MEETING
MAY 16, 2024**

1. CALL TO ORDER

Prigge called a meeting of the Lonsdale Economic Development Authority to order at 7:01 am.

MEMBERS PRESENT:

Austin, Wermerskirchen, Daleiden, Prigge, Furrer and Pelava

MEMBERS ABSENT:

Simon

STAFF PRESENT:

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

OTHERS PRESENT:

None

2. AGENDA

Prigge asked if there were any additions, deletions or corrections to the agenda. A motion was made by Daleiden and seconded by Furrer to approve the agenda as presented. Vote for: Austin, Wermerskirchen, Daleiden, Prigge, Furrer and Pelava. Against: None; Vote 6-0. Motion carried.

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

Prigge asked if there were any additions, deletions or corrections to the minutes. A motion was made by Furrer and seconded by Austin to approve the minutes from the April 18, 2024 meeting. Vote for: Austin, Wermerskirchen, Daleiden, Prigge, Furrer and Pelava. Against: None; Vote 6-0. Motion carried.

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

Erickson said April had a beginning balance of \$79,832.57, revenues of \$552.08, and expenses of \$2,851.11 for an ending balance of \$77,533.54 between the two accounts. He said the revenue consisted of The Pet Stop Vet Clinic's monthly revolving loan fund payment. Erickson said expense(s) included payroll/benefits, legal fees and digital marketing. He said the expense(s) to be paid in May consist of digital marketing and sponsorship of the LACC's Street Fair. Erickson said with the audit and accounting software conversion basically complete, he will work with the City Treasurer to establish Fund 208 – EDA Revolving Loan Fund. A motion was made by Daleiden and seconded by Wermerskirchen to approve the April 2024 Treasurer's Report and monthly bill(s).

Vote for: Austin, Wermerskirchen, Daleiden, Prigge, Furrer and Pelava. Against: None; Vote 6-0. Motion carried.

5. OLD BUSINESS

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

Erickson said he received notification from MN DEED that pending any public comment, the funds will be released on May 28th. He said staff will be coordinating with the Rice County HRA on an application and marketing materials for the grant program so when the funds are released, we are ready to go. Erickson said yard signs will need to be ordered to comply with the grant agreement.

b. Update on the Marketing Videos

Erickson said he met with Tim Mart of APG yesterday and summarized the numbers for pre-roll and OTT. He said at the last meeting there was discuss about the results of the campaign and said Mart told him it takes between 7-10 times for an ad to stick with a viewer. Prigge said the campaign is to make people aware of Lonsdale. Austin asked what the goal of the campaign is. Prigge said to attract businesses to Lonsdale. Austin said the ads should not be sent to the general public and a different approach should be taken to reach the right people and at a different time than when the ads are being delivered. Prigge said APG uses AI to reach the desired audience. Wermerskirchen reviewed the websites that ads are being delivered on. Erickson said he would contact Mart and have him attend the June meeting.

c. Discuss the Quarterly Lunch & Learn Events

Erickson said the topic will be labor law and that MN DOLI will be at the event. He said the invite on the table will be sent to businesses today, May 30th and June 10th in an attempt to increase attendance. Prigge said she liked the invite. Wermerskirchen said a future topic could be licensing requirements based on discussions being held at the capital but might draw a small crowd. Pelava said legislative discussion has focused on requiring painters to be licensed, not being allowed to recycle copper, etc.

d. Update on the City's Website

Erickson said this was just an update and that staff worked with Catalis to make the recommended changes discussed at the last meeting. Wermerskirchen asked if residents will be able to select a specific notification. Hinz-Ibarra said the notification system has many capabilities. Wermerskirchen said the library is looking to use the system to notify patrons of events.

e. Discuss Contracting With a Real Estate Broker to Sell Land in the Lonsdale Business Park

Erickson summarized discussion held at prior meetings. Wermerskirchen asked when information on the potential buyer be provided. He said he would feel more comfortable making a decision with the information and he wants to make sure the City gets top dollar for the residents. Erickson said he would provide the City Council information on the buyer. Furrer said the City has a potential buyer and the EDA should not enter into an agreement with a broker. A motion was made by Furrer and seconded by Pelava to not enter into the Broker Agreement with Obsidian. Wermerskirchen said there is still land for sale even if the City sells 5.50 acres. The Board held general discussion on whether or not to contract with a Broker. Wermerskirchen said more information should be provided at the Council level. Pelava said every time there is discussion about utilizing a broker, businesses show interest in moving to Lonsdale. Wermerskirchen suggested the motion be revised to “at this time” due to Robert’s Rules of Order. Furrer amended her motion to not enter into an agreement with Obsidian at this time. She said her motion pertains to the EDA and the City Council could enter into an agreement with a broker. Wermerskirchen agreed. Furrer questioned the EDA entering into the agreement because the EDA is not the legal owner of the property. Vote for: Austin, Daleiden, Prigge, Furrer and Pelava. Against: None; Abstained: Wermerskirchen Vote 5-0-1. Motion carried.

6. NEW BUSINESS

a. Discuss the EDA’s 2025 EDA Preliminary Budget

Wermerskirchen suggested waiting to discuss the 2025 budget until the revolving loan fund account is established and the amount of available day to day funding is known. Erickson said that could be done or the Board could at a minimum discuss goals/priorities. Prigge suggested conducting a survey to determine what residents want to see. Pelava asked about how wages are allocated to the EDA. Erickson said as of now, only a portion of the City Administrator’s and City Treasurer’s wages are accounted for in the EDA fund. Prigge said digital marketing is a large expense and might not continue and asked what others thought about switching to a different type of marketing. The Board held general discussion on Lunch & Learn topics. Prigge suggested the Board think about the 2025 budget and the item be tabled until the June meeting. Wermerskirchen suggested reducing the amount of digital marketing due to the lack of leads generated. Pelava suggested the reason there are no leads is that not enough funding has been provided to the marketing campaign. A motion was made by Wermerskirchen and seconded by Daleiden to table discussion on the 2025 preliminary budget until the May meeting. Vote for: Austin, Wermerskirchen, Daleiden, Prigge, Furrer and Pelava. Against: None; Vote 6-0. Motion carried.

- b. Discuss 2024 Lonsdale Area Chamber of Commerce Sponsorships
Erickson said \$900 was budgeted for LACC sponsorships in 2024. He said in 2023, the EDA sponsored the Street Fair, the June networking event and Frosty Fest. Pelava said it is a good way for the EDA to show support for the LACC. Wermerskirchen said the funding shows support for existing businesses and not just focusing on new ones. A motion was made by Pelava and seconded by Wermerskirchen to approve sponsoring the LACC's Street Fair, the June networking event and Frosty Fest. Vote for: Austin, Wermerskirchen, Daleiden, Prigge, Furrer and Pelava. Against: None; Vote 6-0. Motion carried.
- c. Grand Opening / Ribbon Cutting for Beautifully Made MN, Touch of Lonsdale and Reiki with Bailee
Prigge said there are three ribbon cuttings scheduled for May 18th at 2:00 pm. The Board held general discussion and encouraged everyone to attend.

7. OTHER BUSINESS

- a. Additional Items to be Discussed
Erickson said Hinz-Ibarra reviewed and updated the downtown business signs and expects they will be installed next week.
- b. Items for the June 20, 2024 Agenda
The Board requested Lunch & Learn, the 2025 budget, SCDP Grant, digital marketing and broker updated be on the June 20, 2024 agenda.

8. ADJOURNMENT

A motion was made by Wermerskirchen and seconded by Austin to adjourn the meeting. Vote for: Austin, Wermerskirchen, Daleiden, Prigge, Furrer and Pelava. Against: None; Vote 6-0. Motion carried. The meeting ended at 8:06 am.

Respectfully Submitted:

Joel A. Erickson, City Administrator