

**MINUTES
CITY OF LONSDALE
ECOMONIC DEVELOPMENT AUTHORITY MEETING
JUNE 20, 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, Prigge, Furrer and Simon

MEMBERS ABSENT:

Daleiden and Pelava

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 Furrer and seconded by Wermerskirchen to approve the agenda as presented. Vote for: Austin, Wermerskirchen, Prigge, Furrer and Simon. Against: None; Vote 5-0. Motion carried.

3. CONSIDER APPROVAL OF THE MINUTES FROM MAY 16, 2024 MEETING

Prigge asked if there were any additions, deletions or corrections to the minutes. A motion was made by Wermerskirchen and seconded by Simon to approve the minutes from the May 16, 2024 meeting. Vote for: Austin, Wermerskirchen, Prigge, Furrer and Simon. Against: None; Vote 5-0. Motion carried.

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

Erickson said May had a beginning balance of \$77,533.65, revenues of \$552.08, and expenses of \$4,777.06 for an ending balance of \$73,308.67 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 SCDP Grant advertisement, payroll/benefits, digital marketing, LACC Street Fair sponsorship and the updated downtown business signs. He said the expense(s) to be paid in June consist of digital marketing. A motion was made by Furrer and seconded by Simon to approve the May 2024 Treasurer's Report and monthly bill(s). Vote for: Austin, Wermerskirchen, Prigge, Furrer and Simon. Against: None; Vote 5-0. Motion carried.

5. OLD BUSINESS

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

Erickson said staff has been working with the Rice County HRA (HRA) on grant administration. He said two or three inquiry forms have been submitted to the HRA. Hinz-Ibarra said staff is working hard to accommodate residents that have shown interest in applying for a grant.

b. Update on the Marketing Videos

Erickson reviewed the numbers provided by APG. He asked the Board if they wanted to change the target area and if the campaign should be broadened to include residential housing since the last lot in the Business Park has been sold. Pelava asked how the Board would move forward with marketing since there are no City owned lots in the Business Park and very few residential lots remaining. The Board held general discussion on marketing buildings for sale. Austin suggested using photos and portions of the new videos for marketing. The Board discussed terminating the agreement with APG for digital marketing and questioned if there was a fee to terminate the agreement. Erickson said Tim Mart of APG will be attending the July meeting to discuss digital marketing through the end of 2024. Erickson asked if the Board wanted to change the target location. Wermerskirchen suggested the target area include Northfield. Prigge asked why there was no information pertaining to "lift" on the marketing information. Erickson said the campaign has never included "lift". Prigge suggested using an App to help drive people to the City's website. Erickson reviewed past target areas for digital marketing. Austin recommended the target area be changed. Wermerskirchen suggested the target area be changed to the south/west metro. Prigge suggested Pine Island be part of the target area. Furrer suggested the target area include LeSueur. The Board held general discussion on the target location and the consensus was for the target area to be changed to include the south metro from Jordan to Rosemount. Wermerskirchen suggested Northfield. Prigge said she disagreed with including Northfield in the target area.

c. Discuss the Quarterly Lunch & Learn Events

Erickson said the June Lunch & Learn was held earlier in the week and it had the best attendance so far of any event. Pelava said an event on legislative updates should be held every year. Wermerskirchen said June would be the best month for that. Simon asked why there was such a good turnout for the event. Erickson said it might be because the topic pertained to every business in Lonsdale. Prigge asked the Board what they wanted the topic to be for the September event. Hinz-Ibarra said in the past a job fair has been discussed. Furrer said it has been talked about in the past. Simon suggested tax planning for year end. Austin asked if a poll was done to determine if a job fair should be held. Pelava brought up the Titans Pathway program. Prigge said the schools can present on their student/business programs. The Board agreed to have the September event focus on financial planning and workforce be the focus of the December event.

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

Erickson said with the last lot in the Business Park owned by the City being sold, there is not a need for a broker anymore. Erickson updated the Board on the City selling Outlot B to Advanced Exhaust Solutions. He also said the City has been in discussion with Kwik Trip as well.

f. Discuss the EDA's 2025 EDA Preliminary Budget

Erickson said this was discussed at the last meeting but tabled to allow for establishment of a Revolving Loan Fund creation. He said for staff to take action, the Board needs to adopt a resolution creating the fund and transfer the funds from the 210 Fund (EDA) to the 208 (Revolving Loan Fund/RLF). He asked the Board how much they wanted to transfer to the Revolving Loan Fund. The Board discussed the amount of the transfer. A motion was made by Wermerskirchen and seconded by Simon to create Fund 208 – Revolving Loan Fund and transfer \$50,000.00 from the 210 Fund (EDA) to Fund 208. Vote for: Austin, Wermerskirchen, Prigge, Furrer and Simon. Against: None; Vote 5-0. Motion carried.

Simon suggested funding music for the Farmer's Market to increase attendance. The Board the discussed the following pertaining to the 2025 budget: (1) creating a QR code for marketing; (2) contracting with a marketing consultant/Westbrack Marketing; and (3) music in the park. Prigge asked what the marketing consultant would do. Erickson suggested purchase merchandise such as chip clips with Lonsdale's/EDA's logo. Prigge suggested conducting a survey to see what residents want the EDA to be doing. The Board discussed conducting a survey. Erickson said he was not looking to complete the EDA's budget at the meeting but if there is information the Board is interested in receiving, he would provide it for the August meeting. Hinz-Ibarra said he would contact Westbrack Marketing to see if she is interested in working with the EDA on marketing in 2025.

6. NEW BUSINESS

a. Preliminary Discussion on a Revolving Loan to a Business

Erickson said he received a phone call from a local bank asking if the EDA would provide a loan to a person looking to purchase To The Pointe Dance. He said it was for the business only and no real estate. Erickson said the loan would be for a down payment and purchase of some equipment. He said for collateral, the EDA would need to complete a UCC filing on the equipment. Erickson said the bank would not be providing financing at this time but hopes to in several years through an SBA loan. He said he is not recommending the EDA provide a loan because the bank is not providing assistance and the last time the EDA approve a loan without bank financing, the borrower defaulted on the loan and the EDA needed to take legal action to get it repaid. After much discussion the Board agreed. A motion was made by Pelava and seconded by Austin to not fund the potential loan based on information known at this time. Vote for: Austin, Wermerskirchen, Prigge, Furrer and Simon. Against: None; Vote 5-0. Motion carried.

- b. Funding Request Presentation by the Southern MN Initiative Foundation
Erickson said Alissa Oeltjenbruns of SMIF is present to discuss SMIF and request a contribution from the EDA in 2025. Oeltjenbruns said thank you to the Board for contributing to SMIF in prior years and for supporting the Lonsdale Community Foundation. She said with the EDA's contributions, SMIF has been able to provide \$2,400,000.00 to activities in Rice County. Oeltjenbruns said community vitality is a major focus of SMIF. She said they assist entrepreneurs with business/financial assistance and have a partnership with a consultant that focuses on childcare. Oeltjenbruns said shortly, SMIF's Small Town Grant program will be accepting applications. She said applications they are looking for need community involvement upfront. A motion was made by Simon and seconded by Furrer make a \$1,000.00 to SMIF. Vote for: Austin, Wermerskirchen, Prigge, Furrer and Simon. Against: None; Vote 5-0. Motion carried.

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 July 18, 2024 Agenda
The Board requested the 2025 budget and marketing be on the July 18, 2024 agenda.

8. ADJOURNMENT

A motion was made by Wermerskirchen and seconded by Simmon to adjourn the meeting. Vote for: Austin, Wermerskirchen, Prigge, Furrer and Simon. Against: None; Vote 5-0. Motion carried. The meeting ended at 9:00 am.

Respectfully Submitted:

Joel A. Erickson, City Administrator