

**MINUTES
CITY OF LONSDALE
ECONOMIC DEVELOPMENT AUTHORITY MEETING
JANUARY 18, 2018**

1. CALL TO ORDER

Benninghoff called the meeting to order at 7:05 am in the City Council Chambers, 415 Central St. W.

MEMBERS PRESENT:

Cherney, Zellner, Benninghoff, Furrer, Rivers and Daleiden

MEMBERS ABSENT:

Prigge

STAFF PRESENT:

City Administrator Joel Erickson

OTHERS PRESENT:

None

2. AGENDA

Benninghoff said the agenda went through 7B and asked if there were any additions, deletions or corrections to the agenda. A motion was made by Daleiden and seconded by Benninghoff to approve the agenda as presented. Vote for: Cherney, Zellner, Benninghoff, Furrer, Rivers and Daleiden ; Against: None; Vote 6-0. Motion carried.

3. APPROVAL OF THE MINUTES FROM THE DECEMBER 21, 2017 MEETING

Benninghoff asked if there were any additions, deletions or corrections to the minutes. A motion was made by Rivers and seconded by Furrer to approve the minutes of the December 21, 2017 Regular Meeting. Vote for: Cherney, Zellner, Benninghoff, Furrer, Rivers and Daleiden; Against: None; Abstained: None; Vote 6-0. Motion carried.

4. CONSIDER APPROVAL OF THE DECEMBER 2017 TREASURER'S REPORT AND MONTHLY BILL(S)

Erickson said December had a beginning balance of \$55,477.36, revenues of \$2,146.42 and expenses of \$1,699.41 for an ending balance of \$55,924.37. He said there were several bills to be paid in December. A motion was made by Rivers and seconded by Furrer to approve the December 2017 Treasurer's Report and monthly bill(s). Vote for: Cherney, Zellner, Benninghoff, Furrer, Rivers and Daleiden; Against: None; Vote 6-0. Motion carried.

5. OLD BUSINESS

a. Discuss Marketing Priorities

Erickson said at the last meeting, the Board wanted to discuss the Tax Abatement Policy, the Rehabilitation Grant Program and the Equipment Grant Program. Erickson reviewed the proposed changes to the policies for the Board to consider. Rivers said the EDA needs additional funding and asked how quickly the funds could be replenished by the City if needed. Erickson reviewed the financial incentives given out in 2017. Furrer asked if the value of the properties that received façade grant funding increased due to the improvements. Erickson said he did not know. Cherney asked what the economic development vision/mission was and asked what the return on investment of the financial incentives given out was. He said he did not see any accomplishments of the EDA in the packet for 2017 and questioned if the EDA was weak. Rivers introduced himself to Cherney and explained his viewpoints of economic development. Erickson said if the EDA is going to ask for funding from the City Council, the Board should continue with reviewing the policies, layout a plan and propose it to the City Council. He said simply asking for funding will not work. Erickson said at a previous meeting, the Board discussed search engine optimization (SEO) and he met with Spectrum Reach, the company the EDA is working with on the TV commercials and pre-roll videos. He said the minimum monthly cost for SEO is \$750.00. Cherney and Zellner said they did not want to proceed with SEO at this time. Erickson said Buxton presented at the December meeting and asked if the Board was still interested in pursuing this option and whether or not staff should continue researching comparable firms. The consensus of the Board was to not pursue this project at this time because of the cost relative to the EDA's current fund balance and future revenue streams and the fact the EDA and staff know what businesses are needed in Lonsdale.

6. NEW BUSINESS

a. Introduction of Councilmember/EDA Member Steve Cherney

Cherney introduced himself and said he was elected in November and is replacing Daleiden on the City Council. He said he has a lot of experience in economic development, elected office and management in the private sector and he is looking forward to improving Lonsdale.

b. Election of Officers

Erickson said the January meeting is the Annual Meeting of the EDA and historically, has been the meeting when Elections take place. He stated that Prigge is President, Benninghoff is VP, City Treasurer Tami Brokl is Treasurer and Erickson is secretary. A motion was made by Daleiden and seconded by Cherney to keep the Officers the same in 2018 as 2017. Vote for: Cherney, Zellner, Benninghoff, Furrer, Rivers and Daleiden; Against: None; Vote 6-0. Motion carried.

- c. Consider Approval of a Request for Proposals (RFP) for a Real Estate Agent/Broker Services for the Lonsdale Business Park
Erickson said at the last meeting, the Board requested staff to draft an RFP for real estate / broker services and reviewed the “Scope of Services”. He asked the Board if they wanted any items added to or deleted from the “Scope of Services”. The Board agreed that each Outlot should be listed with a separate agent. A motion was made by Zellner and seconded by Furrer to approve the proposed RFP with the revision that each Outlot be listed by a separate agent. Vote for: Cherney, Zellner, Benninghoff, Furrer, Rivers and Daleiden; Against: None; Vote 6-0. Motion carried.
- d. Discuss Having a Booth at or Being a Sponsor of the Lonsdale Area Chamber of Commerce’s Business Showcase/Job Fair – March 3, 2018 at the Lonsdale Elementary School
Erickson said based on past years timing of information being sent out on the Chamber’s Showcase and meeting dates of the EDA, he was recommending the Board discuss being a sponsor and/or having a booth at this year’s Showcase. He said the EDA has not always had a booth but has always been a sponsor. Erickson said this year, the Showcase will include a job fair where businesses will be able to interview potential employees on the spot if they are looking at hiring. A motion was made by Zellner and seconded by Cherney to be a sponsor at the \$200-\$250 level. Vote for: Cherney, Zellner, Benninghoff, Furrer, Rivers and Daleiden; Against: None; Vote 6-0. Motion carried.
- e. Rice County Membership to Community Venture Network (CVN)
Erickson said after several years of not being a member of CVN, Rice County approved funding to be a member in 2018. He said with their membership, Rice County will be allowed to bring eight representatives to each CVN session. He said Lonsdale will be able to attend under the membership. Erickson said CVN is beneficial and will get Lonsdale in front of up to twenty four potential businesses looking to relocated. Board members that have attended CVN in the past said it was beneficial to attend. Erickson said if any Board Member wants to attend a CVN session to let him know and he will get it coordinated with Rice County.
- f. Consider Attendance at the University of Minnesota/Extension 2018 Business Retention & Expansion Training Courses
Erickson said he was made aware of BRE training that is being offered by the U of M Extension Office. He said if the Board is interested in continuing with the BRE’s and for them to be useful for both the EDA and businesses, he recommended attending the training course in person. The Board tabled this item to a future meeting.

7. OTHER BUSINESS

- a. Additional Items to be Discussed
Benninghoff asked if there were any additional items to be discussed. Erickson said there was a Letter to the Editor in the last edition of the Lonsdale Area News Review. He reviewed it and said he contacted the writer to explain what the

City/EDA have been doing to increase economic development. Furrer asked what was meant by “petty rules”. Erickson said it was not allowing garbage cans in front of garages and regulating off-street parking.

Erickson said he reviewed the clicks on various webpages on the City’s website. He said clicks are down from when the TV commercials began airing but are slightly higher than prior to the TV commercials.

Erickson said he attended the Rice County Regional Economic Development meeting earlier in the week. He said topics of discussion were: CVN membership, Update on the Workforce Study (Rice County not pursuing at this time), MnDOT’s Manufacturing interviews and general updates. He said all the cities in Rice County are reviewing their financial incentives and Lonsdale has the same incentives available.

b. Items for the February 15, 2018 Agenda

The Board requested the following items: (1) Financial Incentive Programs; (2) review of proposals for Real Estate Broker/Agent for Lonsdale Business Park Outlots; and (3) U of M Extension BRE visit training.

8. ADJOURNMENT

A motion was made by Benninghoff and seconded by Daleiden to adjourn the meeting at 8:56 am. Vote for: Cherney, Zellner, Benninghoff, Furrer, Rivers and Daleiden; Against: None; Vote 6-0. Motion carried.

Respectfully Submitted:

Joel A. Erickson, City Administrator