

**MINUTES
CITY OF LONSDALE
SPECIAL ECONOMIC DEVELOPMENT AUTHORITY MEETING
DECEMBER 1, 2016**

1. CALL TO ORDER

Ruppert called the meeting to order at 7:00 am in the City Council Chambers, 415 Central St. W.

MEMBERS PRESENT:

Duban, Zellner, Ruppert, Furrer, Rivers and Daleiden

MEMBERS ABSENT:

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STAFF PRESENT:

City Administrator Joel Erickson

OTHERS PRESENT:

None

2. AGENDA

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

3. MINUTES

None

4. TREASURER'S REPORT AND MONTHLY BILL(S)

None

5. OLD BUSINESS

a. Consider Approval of an EDA Equipment Grant Program Application Submitted by Lonsdale Hardware & Rental

Erickson reviewed the application submitted by Lonsdale Hardware & Rental. He said discussion at the last meeting regarding all applications submitted included: (1) the applicant(s) using cash instead of a loan for their 1:1 required match; (2) the number and type of jobs to be created; (3) the desire for new businesses and jobs to town and (4) increase in the tax base. Rivers said the grant program is a function of the three areas of town identified prior to the first Business Forum. He said increasing the tax base is critical to town and the Board needs to be careful to not favor certain types of businesses. He questioned if the application met the objectives of the program. Furrer said discussion when drafting the policy, it was kept vague on purpose and the Board maybe did not realize what types of equipment would be applied for. Rivers said that all aspects need to be

considered and that is why it was kept vague. Furrer said that all programs need to be open to all businesses. Zellner agreed and said that all programs need to be and are accessible to all businesses. Ruppert said TMI, Inc. is a good cheerleader for the City and is an example of business/job attraction. He said his thoughts on the program is that it was created to attract new businesses, new and skilled jobs. He said he did not feel the applications meet that vision. Furrer said that even though the applicants applied for a certain amount, the EDA does not necessary need to approve the full amount requested. Daleiden said the policy was broad. Erickson said that is the way the Board wanted the policy drafted. He said that point was discussed at several meetings. The Board held general discussion on the fact that the staff needs to get the message out that the EDA has programs available and is involved in the economic development actives happening in town. Daleiden left the meeting. Ruppert asked Erickson what his recommendation would be. Erickson said if you look at the program purposes/evaluation criteria, it does to meet the intent of the program. Ruppert said a 0% interest loan seems to be a better fit for this application. Duban said the applicant does propose to hire two new employees. A motion was made by Furrer and seconded by Zellner to recommend approval to the City Council that of the funds requested by Lonsdale Hardware & Rental that \$7,500.00 be in the form of a grant and \$30,250.00 be in the form of a 0% interest loan. Vote for: Duban, Zellner, Ruppert and Furrer. Against: None. Abstain: Rivers. Vote 4-0-1. Motion carried.

b. Consider Approval of an EDA Equipment Grant Program Application Submitted by TMI, Inc.

Rivers said this program is good for a company like TMI, Inc., and they can be a cheerleader for the City. Ruppert said it does not increase the tax base and timing is an issue, in that, if it was part of the deal to get them to located in town, it probably would have been approved. The Board discussed the application and agreed this decision should be similar to Lonsdale Hardware & Rental. A motion was made by Zellner and seconded by Furrer to recommend approval to the City Council that of the funds requested by TMI, Inc. that \$10,000.00 be in the form of a grant and \$40,000.00 be in the form of a 0% interest loan. Vote for: Duban, Zellner, Ruppert, Furrer and Rivers. Against: None Vote 5-0. Motion carried.

6. NEW BUSINESS

- a. None

7. OTHER BUSINESS

- a. Additional Items to be Discussed

The Board discussed that signs need to be purchased so the EDA can promote their involvement when funds are provided to businesses. The Board said language such as “project completed in partnership with the Lonsdale Economic Development Authority (EDA)”. The Board also said that window clings should be purchased as well. Erickson said he would obtain pricing.

Erickson said this was Duban’s last EDA meeting. The Board thanked Duban for his commitment and service to the EDA.

b. Items for the December 2016 Agenda

The Board requested that a review of financial programs, marketing strategies/priorities and signage be on the December 2016 agenda.

8. ADJOURNMENT

A motion was made by Zellner and seconded by Duban to adjourn the meeting at 8:06 am. Vote for: Vote for: Duban, Zellner, Ruppert, Furrer and Rivers. Against: None Vote 5-0. Motion carried.

Respectfully Submitted:

Joel A. Erickson, City Administrator