

**MINUTES  
CITY OF LONSDALE  
ECONOMIC DEVELOPMENT AUTHORITY MEETING  
MARCH 15, 2018**

**1. CALL TO ORDER**

Prigge called the meeting to order at 7:02 am in the City Council Chambers, 415 Central St. W.

**MEMBERS PRESENT:**

Cherney, Prigge, Furrer, Rivers and Daleiden

**MEMBERS ABSENT:**

Benninghoff and Zellner

**STAFF PRESENT:**

City Administrator Joel Erickson

**OTHERS PRESENT:**

Duane Fredrickson of Copy Right Studio

**2. AGENDA**

Prigge said the agenda went through 7B and asked if there were any additions, deletions or corrections to the agenda. A motion was made by Cherney and seconded by Daleiden to approve the agenda as presented. Vote for: Cherney, Prigge, Furrer, Rivers and Daleiden ; Against: None; Vote 5-0. Motion carried.

**3. APPROVAL OF THE MINUTES FROM THE FEBRUARY 15, 2018 MEETING**

Prigge asked if there were any additions, deletions or corrections to the minutes. A motion was made by Furrer and seconded by Rivers to approve the minutes of the February 15, 2018 Regular Meeting. Vote for: Prigge, Furrer, Rivers and Daleiden; Against: None; Abstained: Cherney; Vote 4-0-1. Motion carried.

**4. CONSIDER APPROVAL OF THE FEBRUARY 2018 TREASURER'S REPORT AND MONTHLY BILL(S)**

Erickson said February had a beginning balance of \$55,262.26, revenues of \$1,935.95 and expenses of \$2,562.27 for an ending balance of \$54,635.94. He said there were several bills to be paid in March. Rivers said it would be beneficial to be provided the outstanding balance of revolving loans quarterly or bi-annually. A motion was made by Daleiden and seconded by Cherney to approve the February 2018 Treasurer's Report and monthly bill(s). Vote for: Cherney, Prigge, Furrer, Rivers and Daleiden; Against: None; Vote 5-0. Motion carried. Furrer questioned who the cancelled check was issued to. Erickson said Spectrum Reach.

## **5. OLD BUSINESS**

### **a. Review and Consider Approval of Financial Incentive Programs**

Prigge asked the Board if everyone was satisfied with the current Tax Abatement Policy. Everyone was satisfied with the current language. Prigge asked the Board if they wanted any changes made to the Equipment Grant Program. Erickson said the proposed policy is the same as the prior one, except for reducing the amount off the deferred loan/grant from \$50,000 to \$25,000 and a completion date of December 31, 2018. Rivers said the Board knows his thoughts regarding this program, in that, it is geared more towards the small employer and not the larger employer. Erickson said the EDA is one of several agencies that would be approached to request funding for a large loan request or business looking to locate to Lonsdale. Cherney asked if the policy should be written to be flexible on the amount of the deferred loan/grant. Erickson said it was written that way last time and recommended the policy be written very specific so that the EDA and potential applicants know exactly what can be applied for and what is expected. Prigge said it will be up to the City Council to provide more funding if necessary to land a business in Lonsdale. The Board held general discussion on the rolls of the EDA and City Council as it pertains to economic development. Cherney said given the amount of funding available to the EDA, the Equipment Grant Program should not be implemented. The Board did not pursue further action on the Equipment Grant Program.

### **b. Consider Attendance at the University of Minnesota/Extension 2018 Business Retention & Expansion Training Courses**

The Board held general discussion on whether or not to attend the training. After discussing the topic in detail, a motion was made by Rivers and seconded by Cherney to pay for two to attend the BRE training. Vote for: Cherney, Prigge, Furrer, Rivers and Daleiden; Against: None; Vote 5-0. Motion carried.

### **c. Update on the EDA's RFP for Real Estate Agent / Broker Services**

Erickson said he has sent out the RFP to a number of local and non-local agents/brokers. He said the initial feedback on the RFP is not that good and the comments he has received from multiple agents/brokers that will not submit a proposal are: (1) only one broker for the entire +/- 34 acres should be sought; (2) the contract length should be at least two years and (3) monthly attendance at EDA meetings is too often. After Board discussion, it was decided that the services of a broker would not be sought at this time.

## **6. NEW BUSINESS**

### **a. Discuss Participation in LACC/Copy Right Video Proposal**

Erickson said the Lonsdale Area Chamber of Commerce (LACC) has partnered with Copy Right Studio to complete three videos on Lonsdale and Chamber members. He said Duane Fredrickson of Copy Right Studio was in attendance to discuss the project with the EDA. Fredrickson explained the process used to create the videos, which would be between 2 – 3 minutes in length and showed a compilation of video segments completed by Copy Right Studio. Cherney asked what the ongoing costs of the videos would be. Fredrickson said there are no

ongoing costs, it is only the initial cost of the video. He did suggest the videos be updated occasionally. Rivers asked how the videos would be distributed. Fredrickson said the video(s) are to be placed on the businesses website or social media sites and used for marketing. It was noted by the Board that the project seems to be a duplication of the EDA videos/commercials already completed. A motion was made by Cherney and seconded by Rivers to approve being a sponsor at the \$500.00 level. Vote for: Cherney, Prigge, Rivers and Daleiden; Against: Furrer; Vote 4-1-0. Motion carried. The Board stated the video associated with the EDA should focus on businesses and the people to be interviewed should be business owners and why they located/continue to be located in Lonsdale.

b. Discuss 2019 EDA Funding Request

Erickson said at the last meeting, it was decided to work on a funding request from the City Council to be included in the 2019 budget process. He said the framework of the narrative was on the table and based on discussion held at the last meeting. The Board discussed how funding is obtained/approved and the approval process for revolving loans. There was a discussion held on the effectiveness of the EDA and whether or not the EDA should be the City Council or kept as is. A motion was made by Rivers and seconded by Cherney to approve the funding request letter framework. Vote for: Cherney, Prigge, Furrer, Rivers and Daleiden; Against: None; Vote 5-0. Motion carried.

**7. OTHER BUSINESS**

a. Additional Items to be Discussed

Prigge asked if there were any additional items to be discussed. There were no additional items.

b. Items for the April 19, 2018 Agenda

The Board did not request specific items for the April 19, 2018 agenda.

**8. ADJOURNMENT**

A motion was made by Rivers and seconded by Cherney to adjourn the meeting at 9:02 am. Vote for: Cherney, Prigge, Furrer, Rivers and Daleiden; Against: None; Vote 5-0. Motion carried.

Respectfully Submitted:

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Joel A. Erickson, City Administrator