

**MINUTES  
CITY OF LONSDALE  
ECONOMIC DEVELOPMENT AUTHORITY  
APRIL 19, 2012**

**1. CALL TO ORDER**

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

**MEMBERS PRESENT:**

Furrer, Duban, Lieske, Kuchinka, Pierskalla and Daleiden

**MEMBERS ABSENT:**

Dietz

**STAFF PRESENT:**

Joel Erickson, City Administrator

**OTHERS PRESENT:**

Devin Reyes, Lonsdale Area Chamber of Commerce Executive Director

**2. AGENDA**

Lieske asked if there were any additions or deletions to the agenda. A motion was made by Kuchinka and seconded by Duban to approve the agenda. Vote for: Furrer, Duban, Lieske, Kuchinka, Pierskalla and Daleiden. Against: None Vote 6-0. Motion carried.

**3. APPROVAL OF THE MINUTES FROM THE MARCH 15, 2012 REGULAR MEETING**

Lieske asked if there were any additions or deletions to the minutes. A motion was made by Duban and seconded by Kuchinka to approve the minutes of the March 15, 2012 regular meeting. Vote for: Furrer, Duban, Lieske, Kuchinka, Pierskalla and Daleiden. Against: None Vote 6-0. Motion carried.

**4. TREASURER'S REPORT**

a. Consider Approval of the March 2012 Treasurer's Reports

Erickson said March had a beginning balance of \$239,377.99, revenues of \$1,467.97 and expenses of \$1,380.46 for an ending balance of \$239,465.50. He said there were two legal bills in the amount of \$53.40 and \$534.00 for approval pertaining to Heritage Heating & Air and review of the EDA's proposed Revolving Loan Fund Policy respectively. Furrer asked if the League of Minnesota Cities could be used instead of the City Attorney to save money. Erickson said the League of Minnesota Cities Research Department can be used for research but they do not provide legal advice. A motion was made by Daleiden and seconded by Pierskalla to approve the March 2012 Treasurer's

Report. Vote for: Furrer, Duban, Lieske, Kuchinka, Pierskalla and Daleiden.  
Against: None Vote 6-0. Motion carried.

## **5. OLD BUSINESS**

- a. Update on Lonsdale EDA Sign Adjacent to I-35  
Erickson said he there was no update to provide.
- b. Update on the Conciliation Court Hearing With Heritage Heating & Air  
Erickson said the Court ruled in the City's favor to obtain a judgement against Heritage Heating & Air but not against Leading Edge Heating & Air, Inc. He said he would provide the Board with the procedure to garnish the bank accounts of Heritage Heating & Air and a cost estimate for legal to obtain the garnishment.
- c. Update on Steele Waseca Cooperative Electric and the Lonsdale Business Park  
Erickson said Steele Waseca Cooperative Electric (SWEC) has met with Rice County to discuss the possibility of purchasing property in Rice County. The reason for the meeting was to create a systems approach to purchasing property for a presentation to the SWEC Board.
- d. Discuss Park Improvements to the Property Located at 127 Main St. N.  
Erickson said he did not have an update on the Main Street N. park.

## **6. NEW BUSINESS**

- a. Conduct the Public Hearing on Proposed Ordinance 2012-251, an Ordinance Repealing City Ordinance 2006-192 (EDA Revolving Loan Program)  
Lieske called the Public Hearing to order at 7:19 am. Erickson provided the Board with a review of the current and proposed changes to the Revolving Loan Fund policy. Lieske asked for any public comment. There was none. A motion was made by Furrer and seconded by Duban to close to the public hearing. Vote for: Furrer, Duban, Lieske, Kuchinka, Pierskalla and Daleiden. Against: None Vote 6-0. Motion carried. The public hearing closed at 7:26 am.
- b. Consider Recommending Approval of Ordinance 2012-251, an Ordinance Repealing City Ordinance 2006-192 (EDA Revolving Loan Program)  
Erickson said staff had not received any written or verbal comments on the proposed policy. A motion was made by Daleiden and seconded by Furrer to recommend approval of Ordinance 2012-251. Vote for: Furrer, Duban, Lieske, Kuchinka, Pierskalla and Daleiden. Against: None Vote 6-0. Motion carried.
- c. Consider Approval of a Request From the Lonsdale Area Chamber of Commerce for the Second Business Genius Seminar  
Reyes reviewed the first seminar held on Business Genius and feedback provided from participants. She said the feedback was used to create the programming for the second seminar. She said the feedback received showed that 85% of the participants thought the seminar was positive. Daleiden said he likes the program and if businesses need this type of education, the EDA should participate. Duban

said she expected something different and the speaker was more of a moderator for participant discussion. Reyes said she received both positive and negative comments regarding the speaker. Erickson said the participants had specific questions on running their businesses and not general leadership. He said the second seminar is focused more on specific business operation questions. Duban asked if there will be a fee for non-chamber members. Reyes said she is proposing a fee of \$10.00 for non-chamber members. Furrer asked if in the future, the seminar will be able to stand alone financially. Reyes said yes but not this year. Daleiden said if the EDA does not provide any other programs except for loans, then the EDA is just a bank. Duban said given the cost of the first seminar, it was expense for the 14 people that attended. Furrer said she was concerned with the EDA (which is funded by tax dollars) providing funding and then charging a fee. The Board held general discussion on the amount of funding provided by the EDA and advertising of the seminar. Lieske said the seminar should be free this year during development of the seminar and a fee should be charged next year. Kuchinka said he like the idea of the seminar but there should not be a fee. Duban agreed but said the EDA should not be funding the seminar at 100%. Erickson said he appreciates both the EDA's and Chamber's positions on funding the seminar but suggested no fee be charged if the EDA provided \$1,000.00 and if the EDA provides \$500.00 a fee be charged for non-city or non-chamber members. A motion was made by Kuchinka and seconded by Daleiden to provide up to \$1,000.00 in funding for the Business Genius seminar. Vote for: Furrer, Lieske, Kuchinka, Pierskalla and Daleiden. Against: Duban Vote 5-1. Motion carried. Reyes left the meeting at 8:04 am.

d. Discuss the 2012 Main Street Flower Pot Plantings

Erickson asked the Board if they were in favor of continuing with the flower pot planter contest in 2012, where businesses pay for and maintain the flower pot plants and the EDA votes on the winner. The Board agreed that last year's process worked well and they want to continue with it in 2012.

e. Discuss Purchase of the Property Located at 133 Main St. N. (Carey Property)

Erickson said an idea for a goal in 2012 was to purchase the Carey property on Main St. N. He said Kuchinka looked into whether or not Carey's were interested in selling their property and they are. He said the asking price for the property was \$110,000.00. Furrer asked what the EDA would do with the property. Erickson said he was not sure and it is very early in the process. There was general discussion on what to do with the property. The Board discussed what the property was used for in the past and the architecture of the building when it was used as a bank. Pierskalla said the Board should wait to obtain an appraisal of the property until a decision was made to purchase the property.

f. Consider Approval to Reschedule the June 2012 Meeting for June 28<sup>th</sup> at 7:00 am

Erickson said the League of Minnesota Cities Annual Conference is being held on the same date of the June EDA meeting and requested the date of June EDA meeting rescheduled to either June 14<sup>th</sup> or June 28<sup>th</sup>. A motion was made by

Daleiden and seconded by Kuchinka to reschedule the June EDA for June 28, 2012 at 7:00 am. Vote for: Furrer, Duban, Lieske, Kuchinka, Pierskalla and Daleiden. Against: None Vote 6-0. Motion carried. Pierskalla left the meeting at 8:33 am.

g. Consider Approval of the Proposed 2012 Protocol Agreement Between the Lonsdale Economic Development Authority Board and Rice County Related to Essex Capital, LLC (CVN)

Erickson said this is an agreement that is reviewed annually. He said anyone that attends CVN must sign the Protocol Agreement. He said the only change to the proposed agreement is that it clarifies the County's and each attendee's responsibilities once a City is short listed by a business. A motion was made by Daleiden and seconded by Duban to approve the 2012 Protocol Agreement between the Lonsdale Economic Development Authority Board and Rice County relating to Essex Capital, LLC. (CVN). Vote for: Furrer, Duban, Lieske, Kuchinka and Daleiden. Against: None Vote 5-0. Motion carried.

**7. OTHER BUSINESS**

a. Additional Items to be Discussed

There were no additional items discussed.

b. Items for the May 2012 Agenda

The Board said they wanted the Main Street N. Park, an update on the Carey property and the I-35 sign on the May agenda.

**8. ADJOURNMENT**

A motion was made by Furrer and seconded by Duban to adjourn the meeting at 8:38 am. Vote for: Furrer, Duban, Lieske, Kuchinka and Daleiden. Against: None Vote 5-0. Motion carried.

Respectfully Submitted:

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Joel A. Erickson, City Administrator