

**MINUTES
CITY OF LONSDALE
ECONOMIC DEVELOPMENT AUTHORITY MEETING
APRIL 19, 2018**

1. CALL TO ORDER

Benninghoff called the meeting to order at 7:01 am in the City Council Chambers, 415 Central St. W.

MEMBERS PRESENT:

Cherney, Zellner, Benninghoff, Furrer and Daleiden

MEMBERS ABSENT:

Prigge and Rivers

STAFF PRESENT:

City Administrator Joel Erickson

OTHERS PRESENT:

Jeff Bangs of Spectrum Reach

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 Cherney and seconded by Furrer to approve the agenda as presented. Vote for: Cherney, Zellner, Benninghoff, Furrer and Daleiden; Against: None; Vote 5-0. Motion carried.

3. APPROVAL OF THE MINUTES FROM THE MARCH 15, 2018 MEETING

Benninghoff asked if there were any additions, deletions or corrections to the minutes. A motion was made by Daleiden and seconded by Furrer to approve the minutes of the March 15, 2018 Regular Meeting. Vote for: Cherney, Zellner, Benninghoff, Furrer and Daleiden; Against: None; Abstained: None; Vote 5-0. Motion carried.

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

Erickson said March had a beginning balance of \$54,635.94, revenues of \$1,935.95 and expenses of \$1,820.48 for an ending balance of \$54,751.41. He said there were several bills to be paid in April. Erickson said at the last meeting, staff was requested to provide the balances for each of the outstanding Revolving Loans, which are included. He said the outstanding balance is \$127,090.00, which is repaid \$1,935.95 monthly and \$23,231.40 annually. A motion was made by Cherney and seconded by Daleiden to approve the March 2018 Treasurer's Report and monthly bill(s). Vote for: Cherney, Zellner, Benninghoff, Furrer and Daleiden; Against: None; Vote 5-0. Motion carried.

5. OLD BUSINESS

- a. Attendance at the University of Minnesota/Extension 2018 Business Retention & Expansion Training Courses
Erickson asked if any other Board members wanted to attend the BRE training. Cherney asked if there was a cost break if more people attended. Erickson said yes. A motion was made by Furrer and seconded by Cherney to have Erickson and Benninghoff attend the BRE training. Vote for: Cherney, Zellner, Benninghoff, Furrer and Daleiden; Against: None; Vote 5-0. Motion carried.
- b. Update on Participation in LACC/Copy Right Video Project
Erickson said the video is being scheduled and asked if the Board wanted any specific businesses interviewed for the video. He said he would contact businesses that have been established for a while and ones that recently opened and also discuss the EDA's financial incentives. Cherney suggested Pet Perfect due to the new façade on the building they are located in. Daleiden said they could talk about how the EDA benefited them under the Façade Deferred Loan/Grant Program.
- c. Discuss the 2019 EDA Budget
Erickson reviewed the proposed funding request document, which included information on prior funding, accomplishments of the EDA and financial incentives. Zellner said the two façade projects look good. Daleiden said \$50,000 in equipment funding is not much to a large business. Furrer said the EDA is of several funding sources for a larger project. Cherney said with the EDA obtaining funding through the property tax levy, there should be a MOU with the City Council pertaining to the funding and expectations. Daleiden suggested a long term funding solution where funds are allocated to the EDA annually or every other year. Daleiden also said that a strong economy also improves the City's bond rating. The consensus of the Board was to request \$50,000 annually in funding and cap the EDA's Fund Balance at \$300,000.00. Cherney and Zellner both said the EDA should continue the commercials and begin social media.

6. NEW BUSINESS

- a. Consider Approval to Reschedule the June 21, 2018 EDA Meeting
Erickson said he will be attending the League of MN Cities annual conference June 20th – 23rd and requested the Board reschedule the June meeting. A motion was made by Daleiden and seconded by Benninghoff to reschedule the June 21st meeting to June 14th at 7:00 am. Vote for: Cherney, Zellner, Benninghoff, Furrer and Daleiden; Against: None; Vote 5-0. Motion carried.
- b. Update on the Community Venture Network (CVN) Session – April 13, 2018
Erickson reviewed the businesses that presented at the last CVN session. He said there were several that he would be contacting and will provide an update at the next meeting.

c. Discuss Marketing– Social Media

Jeff Bangs of Spectrum Reach introduced himself and provided the Board an update on the last six months of TV commercials and Pre-Roll. He said the commercials were aired in the BBV zone and Pre-Roll in the south metro. Bangs said the purpose of the advertising was to put Lonsdale on the map. Cherney asked what the measurability of the advertising was. Bangs said it is difficult to measure but clicks on the City’s website are important and how many views of the videos took place from Pre-Roll. Bangs said he was proposing to continue with both but looking at different viewing areas. He said he is proposing more of a south metro visibility for both commercials and Pre-Roll. Cherney asked what Bangs would recommend. Bangs recommended Lakeville, Apple Valley, Burnsville and Savage with overlap of commercials and Pre-Roll. The Board thanked Bangs for providing information and he left.

Erickson asked the Board if they wanted to do both commercials and Pre-Roll or just one. Cherney said he preferred to do both. Furrer suggested both as well to give the marketing a full year. Zellner said she would look at marketing directly to Air Lake Park in Lakeville for businesses that have outgrown the current facility. A motion was made by Cherney and seconded by Daleiden to allocated \$1,000.00 per month to commercials and Pre-Roll. Vote for: Cherney, Zellner, Benninghoff, Furrer and Daleiden ; Against: None; Vote 5-0. Motion carried.

Erickson said he was contacted by Buzz 360, a company that provides social media marketing and website design. He said he met with them and reviewed their background. He said for Buzz360 to set up Facebook and Twitter accounts, dedicate staff, two posts per month, Facebook boosts and page maintenance, the fee is \$330/month. The Board discussed the need for a consultant to provide this service. Furrer asked who would pay for this, since there are many departments that will benefit from it. Zellner said it is time consuming and due to other obligations, she uses a consultant for her business, which is common. Erickson said before he invited Buss360 to a meeting, he wanted to see if the Board was interested in pursuing this service. Erickson said the fee for five posts per month was nearly \$1,000.00. Cherney asked what the effectiveness would be. Erickson provided an example of a Buzz 360 client that discontinued the service and did not receive nearly as many “likes” as with them. The Board said they would like Buzz360 to attend the next meeting. Zellner left the meeting at 9:00 am.

d. Overview of the Economic Development Authority / Enabling Resolutions / State Statute §469.090 – §469.108

Erickson said based on discussion at a number of recent meetings, he researched and included information in the packet about the roles and responsibilities of EDA’s. He said it is for informational purposes only.

7. OTHER BUSINESS

a. Additional Items to be Discussed

Benninghoff asked if there were any additional items to be discussed. The Board discussed activity at the former Flicek’s building and Michelle’s Café. Erickson

said the former Flicek's building has been purchased and planned to be opened as a Mexican restaurant. He said Michelle's seems to be building a clientele base.

b. Items for the May 17, 2018 Agenda

The Board requested an update on "Project Pepper" and CVN businesses for the May 17, 2018 agenda.

8. ADJOURNMENT

A motion was made by Furrer and seconded by Cherney to adjourn the meeting at 9:22 am. Vote for: Cherney, Zellner, Benninghoff, Furrer and Daleiden; Against: None; Vote 5-0. Motion carried.

Respectfully Submitted:

Joel A. Erickson, City Administrator