

**MINUTES
CITY OF LONSDALE
ECONOMIC DEVELOPMENT AUTHORITY
MAY 19, 2011**

1. CALL TO ORDER

Vice President Duban called the meeting to order at 7:01 am in the City Council Chambers at 415 Central St. W.

MEMBERS PRESENT:

Furrer, Duban, Kuchinka, Dietz and Pierskalla

MEMBERS ABSENT:

Lieske and Daleiden

STAFF PRESENT:

Joel Erickson, City Administrator

OTHERS PRESENT:

None

2. AGENDA

Duban asked if there were any additions or deletions to the agenda. A motion was made by Kuchinka and seconded by Pierskalla to approve the agenda as presented. Vote for: Furrer, Duban, Kuchinka, Dietz and Pierskalla. Against: None Vote 5-0. Motion carried.

3. APPROVAL OF THE MINUTES FROM THE APRIL 21, 2011 REGULAR MEETING

Duban asked if there were any additions or deletions to the minutes. A motion was made by Pierskalla and seconded by Kuchinka to approve the minutes of the April 21, 2011 regular meeting. Vote for: Furrer, Duban, Dietz, Kuchinka and Pierskalla. Against: None Vote 5-0. Motion carried.

4. TREASURER'S REPORT

Erickson said the April 2011 Treasurer's Report was included in the packet for approval. He said April had a beginning balance of \$231,121.51, revenues of \$516.35 and expenses of \$931.00 for an ending balance of \$230,706.86. Erickson said there are legal invoices for approval in the amount of \$497.80, which represents legal expenses pertaining to the Heritage Heating & Air loan for the month of April and \$800.00 to the Faribault Area Chamber of Commerce for funding of the Rice County Small Business Development Center. A motion was made by Furrer and seconded by Dietz to approve the April 2011 Treasurer's Report and the monthly invoices in the amount of \$931.00. Vote for: Furrer, Duban, Dietz, Kuchinka and Pierskalla. Against: None Vote 5-0. Motion carried.

5. OLD BUSINESS

a. Update on Lonsdale Sign Adjacent to I-35

Erickson said the application is complete and it will be submitted tomorrow to Rice County Planning & Zoning for review and approval. He said he was not going to order the sign and pole until after the permit was approved by Rice County and the Minnesota Department of Transportation.

b. Update on Proposed Industrial Building

Erickson said he requested proposals from APPRO Development and AMCON Construction Company for the private financing and construction of an industrial building in the Lonsdale Industrial Park on the lot between Shirk's Pizza and the US Office Furniture building. He said APPRO said they could not get financing on the project until a majority of the space was committed to prior to construction. Erickson said AMCON did provide the EDA/City a proposal. He reviewed the main points of proposal with the EDA:

1. The City provides AMCON exclusive development rights to the property for one (1) year.
2. The proposed size of the building will be 23,500 square feet.
3. The EDA will assist with providing information on the City for marketing to AMCON.
4. The proposed building will be privately marketed, financed and constructed.
5. AMCON will meet with the EDA within thirty days of receiving the signed agreement to review the proposed marketing materials.

The EDA discussed the proposal, size of building, etc. and the consensus of the Board was the proposal was good and they were excited for the City to enter into the agreement with AMCON.

c. Update on Heritage Heating & Air Loan

Erickson said there was a meeting scheduled with Moe for late last week but Moe did not show up. He said the only option available to the City will be placing a lien on the building. Furrer said she spoke to the Northfield Economic Development Director and she was told if it was the first loan to be defaulted on, the EDA should not worry about it. A motion was made by Kuchinka and seconded by Pierskalla to place a lien on the 104 Railway St. NW property for the unpaid balance of the EDA revolving loan provided to Heritage Heating & Air owned by Duane Moe. Vote for: Furrer, Duban, Dietz, Kuchinka and Pierskalla. Against: None Vote 5-0. Motion carried.

d. Update on Children's Learning & Adventure Center Loan

Erickson said he sent the enclosed certified letter to Children's Learning & Adventure Center (CLAC) regarding their past due loan balance and the payment of future payments. He said Tyler Hustad came to City Hall and provided the EDA checks for both loan payments through the end of 2011. He said staff will

deposit the checks on the second Friday of each month and CLAC will be current for the rest of the year.

6. NEW BUSINESS

a. Consider Approval to Reschedule the June 16, 2011 EDA Meeting to June 23, 2011
Erickson said he and Furrer will be attending the League of Minnesota Cities Annual Conference in Rochester on June 16, 2011 and requested the Board consider rescheduling the meeting. A motion was made by Furrer and seconded by Kuchinka to reschedule the June 16, 2011 EDA meeting to June 23, 2011. Vote for: Furrer, Duban, Dietz, Kuchinka and Pierskalla. Against: None Vote 5-0. Motion carried.

b. Discuss Planting of the Downtown Flower Pots
Erickson said the flower pots on and around Main St. need to be planted. He asked if the EDA wanted to do the plantings. He said the idea of a planting contest was presented to him and asked if the Board was interested in it. The Board agreed the idea of the planting contest should be pursued. A motion was made by Kuchinka and seconded by Dietz to asked interested business owners on and around Main St. to “Adopt-A-Flower Pot” for the 2011 plantings. Vote for: Furrer, Duban, Dietz, Kuchinka and Pierskalla. Against: None Vote 5-0. Motion carried.

7. OTHER BUSINESS:

a. Business Visits –Businesses on Main St. N.
Erickson no business will be visited this month.

8. ADJOURNMENT:

A motion was made by Pierskalla and seconded by Kuchinka to adjourn the meeting at 8:05 am. Vote for: Furrer, Duban, Dietz, Kuchinka and Pierskalla. Against: None Vote 5-0. Motion carried.

Respectfully Submitted:

Joel A. Erickson, City Administrator