

**MINUTES  
CITY OF LONSDALE  
ECONOMIC DEVELOPMENT AUTHORITY  
NOBEMBER 18, 2010**

**1. CALL TO ORDER**

Vice President Duban called the meeting to order at 7:05 am in the City Council Chambers at 415 Central St. W.

**MEMBERS PRESENT:**

Furrer, Duban, Lieske, Kuchinka, Dietz, Pierskalla and Daleiden

**MEMBERS ABSENT:**

None

**STAFF PRESENT:**

Joel Erickson, City Administrator

**OTHERS PRESENT:**

Lonsdale Area Chamber of Commerce President Andrea Nelson and Chamber Board member Scott Pelava

**2. AGENDA**

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

**3. APPROVAL OF THE MINUTES FROM THE OCTOBER 21, 2010 REGULAR MEETING**

Duban asked if there were any additions or deletions to the minutes. A motion was made by Kuchinka and seconded by Dietz to approve the minutes of the September 16, 2010 regular meeting. Vote for: Furrer, Duban, Lieske, Dietz, Kuchinka, Pierskalla and Daleiden. Against: None Vote 7-0. Motion carried.

**4. TREASURER'S REPORT**

Erickson said the Board had a beginning balance of \$279,934.00, receipts of \$1,370.00 and expenses of \$51,773.74 for an ending balance of \$229,530.26. A motion was made by Daleiden and seconded by Pierskalla to approve the Treasurer's Report and monthly bills. Vote for: Furrer, Duban, Lieske, Kuchinka, Dietz, Pierskalla and Daleiden. Against: None Vote 7-0. Motion carried.

Duban asked if staff received a response from Ann Pint, the contract for deed holder of 104 Railway St. NW regarding getting the siding put on the building. Erickson said staff did not receive a response from Pint.

## 5. OLD BUSINESS

- a. Update on Heritage Heating & Air (H.H. &A) Building Completion and Loan Payment

Erickson said Heritage Heating & Air installed siding on the building before the November 10<sup>th</sup> deadline. He said H.H. &A was still delinquent with their revolving loan fund payments and they would be receiving a letter requesting payment or a revised payment schedule.
- b. Update on the Sale of Lonsdale Hardware Rental & Appliance

Erickson said the \$51,000.00 in Revolving Loan Fund funds had been provided to Lonsdale Hardware and Rental and the store opened on November 8, 2010.
- c. Update on the Rice County Variance Process for the EDA Sign to be Located Adjacent to I-35 in the Right of Way

Erickson reviewed the conflicting ordinance language between Rice County and the Minnesota Department of Transportation pertaining to governmental signs adjacent to I-35. He said he spoke with Rice County Planning and the only option available to the City is to propose a zoning text amendment. The Board stated they wanted to proceed with constructing the sign and wants to proceed with a text amendment to the County zoning ordinance. Erickson said he would have proposed language for the Board's review at the next meeting. He said if approved, construction of the sign would begin in late spring to early summer of 2011.
- d. Update on the Lonsdale 1<sup>st</sup> Prizes

Erickson said he purchased the gift card in the amount of \$226.00 for the grand prize for the Lonsdale 1<sup>st</sup> program of an overnight stay at Treasure Island. He said the Board needs to decide on how and when the businesses will be selected to purchase gift cards from as the remaining prizes. He recommended the businesses be selected by a raffle. The Board agreed and decided to hold the raffle at the December meeting so gift cards could be purchased and available for the January drawing.
- e. Update on Business Visits

Erickson said the Board has recently visited Per Perfect Grooming, Olivia Wagner Photography, ALL Yarn, Habitat for Humanity, Toy Box Investments, LLC. Dietz asked if the Hardware Store had been contacted for a visit. Erickson recommended allowing the new owners some time to get situated and schedule a visit for December or January.
- f. Update on Nature's Prime Organic (NPO) Foods

Erickson said he has been negotiating with NPO regarding the repayment of the Minnesota Investment Fund money and securities. The Board discussed the terms of the lease, what would happen if NPO filed bankruptcy and securities. Daleiden presented the best and worst case scenarios. He asked the Board what they thought the public perception would be on the City financing the building and

kitchen equipment when this has not been done in the past. Pierskalla said the Board should not worry about public perception at this time because the City Council still has to approve the proposal. Furrer asked the Board if they were comfortable with financing \$600,000.00 in kitchen equipment. Erickson said to keep costs down, the building could be metal instead of block or tip up panels. Kuchinka said the other property owners in the area were required to build with block or tip up panels and this building should be no different. The Board agreed. The Board discussed holding a special meeting on Wednesday, November 24, 2010 at 1:00 pm to meet with NPO. Erickson said he would contact NPO to check for their availability.

**6. NEW BUSINESS**

- a. None

**7. OTHER BUSINESS:**

- a. Thursday Chat with the Chamber – 9:00 am After EDA Meeting  
Lieske reminded the Board that the Third Thursday Chat will be at 9:00 AM at the Chamber Office.

**8. ADJOURNMENT:**

A motion was made by Duban and seconded by Pierskalla to adjourn the meeting at 7:52 am. Vote for: Furrer, Duban, Dietz, Lieske, Kuchinka, Pierskalla and Daleiden. Against: None Vote 7-0. Motion carried.

Respectfully Submitted:

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Joel A. Erickson, City Administrator