

**MINUTES
CITY OF LONSDALE
ECONOMIC DEVELOPMENT AUTHORITY MEETING
DECEMBER 17, 2015**

1. CALL TO ORDER

Furrer called the meeting to order at 7:08 am in the City Council Chambers, 415 Central St. W.

MEMBERS PRESENT:

Duban, Prigge, Furrer, Ruppert and Rivers

MEMBERS ABSENT:

Zellner and Daleiden

STAFF PRESENT:

Joel Erickson, City Administrator

OTHERS PRESENT:

Shanna Gutzke-Kupp of the Lonsdale Area Chamber of Commerce

2. AGENDA

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

**3. APPROVAL OF THE MINUTES FROM THE NOVEMBER 19, 2015
REGULAR**

Furrer asked if there were any additions, deletions or corrections to the minutes. A motion was made by Duban and seconded by Prigge to approve the minutes of the November 19, 2015 regular meeting. Vote for: Duban, Prigge, Furrer, Ruppert and Rivers. Against: None Vote 5-0. Motion carried.

**4. CONSIDER APPROVAL OF THE NOVEMBER 2015 TREASURER'S
REPORT AND MONTHLY BILL(S)**

Erickson said November had a beginning balance of \$212,480.52, revenues of \$516.35 and expenses of \$433.97 for an ending balance of \$212,562.90. Erickson said there were no bills to be paid December 15th. He did present an invoice in the amount of \$6,395.00 from Avenet Web Solutions for the website upgrades approved at the November meeting. Furrer asked if anyone had any questions. A motion was made by Prigge and seconded by Ruppert to approve the November 2015 Treasurer's Report monthly bill(s). Vote for: Prigge, Duban, Furrer, Ruppert and Rivers. Against: None Vote 5-0. Motion carried.

5. OLD BUSINESS

a. Update on the Task Force Creating a New Website

Erickson said at the last meeting, the Board approved to move forward and upgrade the level of website development. He said at the last City Council meeting, he provided an update to the City Council and they are on board with updating the City's website. He said he has begun to rewrite the narrative for the EDA's page based on surrounding community's websites. Prigge said "diverse" should be removed because Lonsdale is essentially 100% white. The Board agreed the narrative was sufficient. The Board also said the colors to use should be of a blueish tone and not yellow. Erickson said he would continue to work with GovOffice on the website update.

6. NEW BUSINESS

a. Consider Approval of a Funding Request from the Lonsdale Area Chamber of Commerce (LACC) for Business Grand Opening / Ribbon Cutting Ceremony Supplies

Furrer said the LACC has made a request for the EDA to fund the purchase of grand opening / ribbon cutting ceremony supplies. She said there are two options. The first is in the amount of \$170.86 and second in the amount of \$315.86, which includes the \$170.86 plus a ceremonial red carpet. Shanna Gutzke-Kupp of the LACC said the LACC will coordinate the events and invite elected and appointed officials and members of the EDA. She also reviewed the two proposals. Erickson said if City staff was to coordinate the events, it would cost more than option two. A motion was made by Ruppert and seconded by Prigge to approve providing funding in the amount of \$315.86 for the purchase of the supplies. Vote for: Prigge, Duban, Furrer, Ruppert and Rivers. Against: None Vote 5-0. Motion carried.

b. Review of the EDA's Revolving Loan Fund (RLF)

Erickson reviewed the main points of the RLF policy. Rivers said the maximum loan amount should be increased to \$100,000.00, equity reduced to 20%, the interest rate lowered and the borrower should be required to provide an annual income/balance sheet while the loan is being paid back. Duban said the EDA should be aggressive and work to attract businesses. Ruppert said the policy should be revised because the EDA is not in the business of making money, working capital (to a maximum of 25% of the loan) should be an allowable use, the maximum loan amount increased to \$100,000.00, the fees should be lowered and projects started before the loan is approved should be allowed.

The Board discussed the maximum loan amount being \$100,000.00, lowering the interest rate to 2% and lowering the application fee to \$350.00 plus other applicable fees and establishing a timeframe of 60 days after a completed loan application is submitted for a decision to be made on the loan. The Board agreed that loan funds will not be used to refinance existing debt. Erickson said he would make the changes and bring a final draft to the next meeting.

- c. Discuss Other Potential Financial Incentive Programs
Erickson said one of the items to come from the Business Forum was the interest in other financial incentives, especially grants. He suggested the EDA establish a program similar to the Small Cities Development Grant Program (SCDG) administered by the State. He said the EDA could use the State's template as an example and require the same or similar terms. Erickson said based on the Comprehensive Plan survey results, respondents felt the biggest improvement downtown should be building facades. The Board discussed the idea and whether or not it should only be for downtown businesses or citywide. There was discussion on how it should be structured as it pertains to whether it is a grant, loan or deferred loan, after how many years the deferred loan would be a grant, etc.

- d. Consider Approval to Attend the LACC's Annual Dinner – Saturday, January 30, 2016
Erickson said the LACC's Annual Meeting/Dinner was being held in late January and given the next EDA meeting will be after the RSVP deadline, he asked if the EDA wanted to attend. A motion was made by Ruppert and seconded by Rivers to approve EDA attendance at the LACC's Annual Meeting/Dinner. Vote for: Prigge, Duban, Furrer, Ruppert and Rivers. Against: None Vote 5-0. Motion carried.

- e. Comprehensive Plan Survey Results Specific to Economic Development
The Board reviewed the survey results from the Comprehensive Plan survey completed earlier in the month. He said the highlights were: (1) 45% of respondents feel it is very important to preserve downtown; (2) the vast majority of respondents feel the number one improvement should be building facades; and (3) the types of businesses wanted/needed include: restaurants, coffee shop, flower shop, veterinarian, nail salon, manufacturing, auto parts, Walmart/Target and entertainment. Erickson said the City's consultant and members the LACC Board will be at the next EDA to go over Chapter 6.

- f. Consider Approval of Name Tag Layout
The Board reviewed the proposed name tags. The Board agreed the name tag should include: the logo, name and "Economic Development Authority". Erickson said he would order the name tags and have them ready by the next ribbon cutting ceremony.

7. OTHER BUSINESS

- a. Additional Items to be Discussed
Invision Thermography Grand Opening / Ribbon Cutting Ceremony – January 9, 2016

- b. Additional Items to be Discussed
None

b. Items for the January 2016 Agenda

The Board requested the following item(s) on the January agenda: the Revolving Loan Fund, Comprehensive Plan and elections.

8. ADJOURNMENT

A motion was made by Prigge and seconded by Daleiden to adjourn the meeting at 8:40 am. Vote for: Prigge, Duban, Furrer, Ruppert and Rivers. Against: None Vote 5-0. Motion carried.

Respectfully Submitted:

Joel A. Erickson, City Administrator