

**MINUTES
CITY OF LONSDALE
ECONOMIC DEVELOPMENT AUTHORITY MEETING
MAY 19, 2016**

1. CALL TO ORDER

Ruppert called the meeting to order at 7:06 am in the City Council Chambers, 415 Central St. W.

MEMBERS PRESENT:

Prigge, Duban, Zellner, Ruppert, Furrer, Rivers and Daleiden

MEMBERS ABSENT:

None

STAFF PRESENT:

City Administrator Joel Erickson

OTHERS PRESENT:

Tom Sullivan, Cushman & Wakefield

2. AGENDA

Ruppert said the agenda went through 7B and asked if there were any additions, deletions or corrections to the agenda. Erickson requested that agenda item 6A be moved up to 5A and that the Main Street Flower Planter contest be added to the agenda. A motion was made by Furrer and seconded by Prigge to approve the agenda with the requested changes. Vote for: Prigge, Duban, Zellner, Ruppert, Furrer, Rivers and Daleiden. Against: None Vote 7-0. Motion carried.

3. APPROVAL OF THE MINUTES FROM THE APRIL 21, 2016 REGULAR MEETING

Ruppert asked if there were any additions, deletions or corrections to the minutes. A motion was made by Duban and seconded by Daleiden to approve the minutes of the April 19, 2016 regular meeting. Vote for: Prigge, Duban, Zellner, Ruppert, Furrer, Rivers and Daleiden. Against: None Vote 7-0. Motion carried.

4. CONSIDER APPROVAL OF THE APRIL 2016 TREASURER'S REPORT AND MONTHLY BILL(S)

Erickson said April had a beginning balance of \$205,486.28, revenues of \$516.35 and expenses of \$542.78 for an ending balance of \$205,459.85. He said there were no bills to be paid in May. Ruppert asked if anyone had any questions. There were no questions. A motion was made by Prigge and seconded by Daleiden to approve the April 2016 Treasurer's Report and monthly bill(s). Vote for: Prigge, Duban, Zellner, Ruppert, Furrer, Rivers and Daleiden. Against: None Vote 7-0. Motion carried.

5. OLD BUSINESS

a. Update on the City's Website

Erickson said the website is up and running. He said there are changes that need to be made, which can be done by staff, now that the site is live. The Board said the site looks good.

b. Review of the Business Forum

Erickson asked what the Board thought about the Business Forum held earlier in the week. Furrer said she was surprised there were not many questions. Rivers said it was nice to hear the shop local message. Erickson asked the Board their thoughts on positives and negatives of the Forum such as a shorter social hour, etc. Rivers said possibly more EDA involvement would lead to more questions. Ruppert said the Board will dedicate more time to planning next year. Overall, the Board said the Business Forum is good and will have one next year.

c. Discuss the Proposed EDA Equipment Grant Program

Erickson provided a brief update on the Rehabilitation Grant Program and that he has received one application and he has spoken to several property owners that have indicated they are interested in applying for funds. He said he has been approached by one property owner regarding the possibility of a grant larger than \$10,000.00 to complete a much larger project than what is currently proposed. He said the Board should consider the request dependent upon the number of applications received.

Erickson said he used several of MN DEED's programs to draft the proposed equipment policy, specifically, the MN Investment Fund (MIF). He reviewed the draft policy and said that besides free money, it is essentially the same as the EDA's Revolving Loan Fund. The Board held general discussion on the positives and negatives of the policy. Furrer asked if the policy included security, specifically, the five year term and payback. Erickson said no. The Board directed staff to include language that a business needs to stay in Lonsdale for five years after receiving a grant and the amount to be repaid would be reduced by 20% each year. The board also discussed how job creation, retention or improvement can be incorporated into the policy.

d. Consider Approval to Enter into an Agreement Between the EDA and Southern Minn Digital for Programmatic Digital Target Marketing

Erickson said the Board has been discussing this since last fall, funds were budgeted for the marketing and the website was updated to provide a landing page from the digital marketing. Zellner said the strategy markets the City in general, which is much more than just economic development. She said Lonsdale is its own best kept secret because no one knows about us. The Board discussed how the strategy would be measured in terms of success or failure. The Board decided to not pursue digital marketing.

6. NEW BUSINESS

a. Introduction of Tom Sullivan of Cushman & Wakefield

Sullivan introduced himself and said he is excited to get working on this project. Sullivan said he would get the Broker Agreement signed and returned. He explained how his team plans to market the property and said they have the necessary horsepower to get the property out in the market. Sullivan said it will take some time for the site to be sold and explained what other cities in the area are doing as far as industrial development. River asked what Sullivan's strategy/timing of the project will be. Sullivan said he is old school and believes in the cold call with proactive follow up. He said he plans to market the site to businesses within a forty mile radius by newsletter, newspaper and the internet. Sullivan said the City's best strategy is that the community is open, flexible and welcoming. He said he plans to start big and narrow users down. Rivers asked what the strengths and weaknesses of Lonsdale are. Sullivan said the biggest negatives are access to I-35, even though it is eight miles to the east and amenities for employees such as restaurants, etc. He said the biggest asset to the City is being flexible and welcoming. Rivers asked about incentives for businesses to locate to Lonsdale. Sullivan said he intends to inform buyers about the positive things happening in Lonsdale, future plans and the fact the City is progressive. Rivers asked if the school systems are a positive. Sullivan replied yes. Rivers asked what the City can do to assist in the process. Sullivan said to be pro-active, respond quickly to questions and offers and not too much red tape. Rivers asked how often Sullivan plans to communicate with the EDA. Sullivan said monthly. Ruppert asked if Sullivan has worked with other cities the size of Lonsdale in the past. Sullivan replied Lonsdale is the first of its size but he has worked with larger cities. Daleiden asked what comes first, businesses or amenities or vice versa? Sullivan said a market cannot be created. Ruppert asked if Sullivan has been updated on progress made by TMI? Erickson said he had not updated him. Ruppert said TMI has closed on their financing and should have a shovel in the ground within thirty days. Sullivan said that was great. Rivers asked about pricing. Sullivan said pricing is a benefit of the City because land in Lakeville is selling for between \$4.00 and \$5.00 per square foot. Erickson said the Board has been working on a digital marketing plan for the last several months and at the last meeting, the Board tabled a decision until Sullivan provided comments. He asked if the Board wanted to pursue the digital marketing plan. Rivers said he did not hear Sullivan discuss it when he was talking about his strategy to market the site, so no. Sullivan said he would review the information and provide comments to staff and the Board. Prigge asked if Sullivan will provide advertising recommendations. Sullivan said yes and will work with staff.

b. Consider Approval to Schedule the June Business Retention & Expansion Visit

Erickson said the visits seem to be going well and asked the Board which business they would like to visit on June 16th. The Board said R & L Woodcraft. Rivers said in September or October. The Board agreed either Minnesota Barnwood or CarQuest. Erickson said he would get it scheduled for June 16th after the EDA meeting.

c. Main Street Flower Planter Contest

Erickson asked how the EDA wanted to proceed with the contest this year. The Board held general discussion on what was done in the past, inclusion of other businesses, etc. The Board decided to keep it the same as last year. Erickson said he would send letters to businesses asking for participation.

7. OTHER BUSINESS

a. Additional Items to be Discussed

Ruppert asked if there were any additional items to discuss. There were none.

b. Items for the June 2016 Agenda

The Board requested an update from Sullivan on marketing the Business Park and the Equipment Grant Program be placed on the June 2016 agenda.

8. ADJOURNMENT

A motion was made by Duban and seconded by Prigge to adjourn the meeting at 8:57 am. Vote for: Prigge, Duban, Furrer, Ruppert, Rivers and Daleiden. Against: None
Vote 6-0. Motion carried.

Respectfully Submitted:

Joel A. Erickson, City Administrator