

**Zumbrota Economic Development Authority Agenda**  
**7:00 A.M. Wednesday, January 20, 2016**  
**Zumbrota City Hall, 175 West Avenue**

- 1. Call Meeting to Order**
- 2. Amend/Adopt Agenda**
- 3. Approve Regular Meeting Minutes of December 16, 2015**
- 4. Monthly Financial Report & Accounts Payable**
- 5. Public Hearing**
  - A. Sale of EDA land to Johnson/Racine Properties, LLC**
  - B.**
- 6. Visitors to the Board**
  - A.**
- 7. New Business**
  - A. Sale of EDA land to Johnson/Racine Properties, LLC**
  - B. Zumbrota Veterinary Clinic Expansion/Relocation**
  - C.**
- 8. Unfinished Business**
  - A. Review of Revolving Loan Fund Policies**
  - B.**
- 9. Reports**
- 10. Adjourn**

**Please contact EDA Secretary Dan King at 732-7318 if you are unable to attend.**

**EDA Minutes**  
**Wednesday, January 20, 2016**  
**Zumbrota City Hall 7:00 a.m.**

Present: President Dale Hinderaker, Members Rich Meyerhofer, Brenda Lerum, Bill Eberhart, Betty Jo Grothe, Brian Haugen and Erik Bengtson. Absent: Rich Bauer. Also Present: City Administrator Neil Jensen and Community Development Director Dan King

The meeting was called to order by President Hinderaker at 7:00 a.m.

- 2. Agenda**  
**Motion Meyerhofer, second Eberhart to approve the agenda as submitted.**  
**Carried 6-0-0**
- 3. Minutes**  
**Motion Meyerhofer, second Eberhart to approve the minutes of the December 16<sup>th</sup>, 2016 EDA meeting as submitted. Carried 5-0-1 (Haugen Abstains)**
- 4. Financial Reports**  
**Motion Bengtson, second Eberhart to approve the financial report and accounts payable as amended. Carried 6-0-0**
- 5. Public Hearing – Sale of EDA land to Johnson/Racine Properties, LLC**

President Hinderaker opened the public hearing at 7:05 am. Staff stated the commercial redevelopment plan previously submitted by Steve Johnson and approved by the EDA has been reviewed by the City Council and was well received. The City Council voted to accept the proposal and schedule the necessary public hearings.

Minnesota State Statute 469.105 requires economic development authorities to hold a public hearing prior to the sale or conveyance of property to determine if the sale is in the best interest of the City. The terms of the sale are \$1.00 contingent upon the developers constructing the 20,700 square foot commercial structure. The existing Tax Increment Financing (TIF) District will remain in place so the City can recover costs associated with the acquisition and contamination cleanup of the site; about \$451,624.

Regarding the redevelopment site, the Comprehensive Plan states the city should “take action to assure solid retail businesses are found to replace businesses moved to new locations”.

It was the consensus of the Board this proposal furthers the goal of replacing retail businesses and is in the best interest of the community.

There being no input from the public, President Hinderaker closed the public hearing at 7:09 am

## **7. New Business**

### **A. Sale of EDA land to Johnson/Racine Properties, LLC**

**Motion Bengtson, Second Eberhart to approve the sale of EDA land to John/Racine Properties for the redevelopment of the Former Grover Auto site. Carried 6-0-0**

### **B. Zumbrota Veterinary Clinic Expansion/Relocation**

Members reviewed plans for a new clinic for relocating/expanding Zumbrota Veterinary Clinic. It is an approximately 3,300 square foot building in the Jacobson Commercial Park. Owner Dr. Daniel Nietz has submitted an application for a business subsidy to move the project forward.

Members were in support of the project and the use of incentives. Staff suggested using local and County abatement to cover the acquisition costs. This is entirely contingent on the development improvements being sufficient to cover these costs. Staff will continue to work with the applicant to bring the project forward in the future.

### **A. Review of Revolving Loan Fund Policies**

Members again reviewed the Commercial Rehabilitation policy and application. The interest rate is currently set at “up to 3% below prime rate”; with a minimum of 3%. At past meetings there has been discussion about amending the minimum interest rate and increasing the maximum amount to encourage more use of the funds. Other minor amendments were added for consideration.

Members did not feel changing the interest rate was warranted, but did agree increasing the maximum amount from \$10,000 to \$30,000 would be advisable and may encourage more use of the fund. Staff was directed to make the changes and return.

## **9. Reports**

Members were made aware of a Community Solar Garden proposal just east of County Highway #6 across from the Gold Course and Highlands residential subdivision. It was noted the land is outside of the city limits but may have an impact on current aesthetics and future growth.

There being no further business President Hinderaker adjourned the meeting at 7:51 am.

Respectfully Submitted,

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Dan King, Secretary