

Zumbrota Economic Development Authority Agenda
7:00 A.M. Wednesday, April 15, 2020
Zumbrota City Hall, 175 West Avenue

- 1. Call Meeting to Order**
- 2. Amend/Adopt Agenda**
- 3. Approve Regular Meeting Minutes of Wednesday, March 18, 2020**
- 4. Monthly Financial Report & Accounts Payable**
- 5. Public Hearings**
 - A.**
- 6. Visitors to the Board**
 - A. Dairy Farmers of America / DiariConcepts**
- 7. Old Business**
 - A.**
- 8. New Business**
 - A. Keller-Baartman Properties, LLC request for renegotiations of TIF terms**
- 9. Reports**
 - A. COVID-19**
- 10. Adjourn**

Please contact City Hall at 732-7318 if you are unable to attend.

Zumbrota Economic Development Authority Minutes
7:00 A.M. Wednesday, May 13, 2020
Zumbrota City Hall, 175 West Avenue

PRESENT: Richard Meyerhofer, Dave Starr, Sara Durhman, Tina Hostager, Brian Haugen, and Lindsey Raasch. Also present: Finance Clerk Miranda Raasch, Community Development Director Ryan Soukup, Jennifer Brentano, Bill Taylor, and Nathan with DFA.

NOT PRESENT: Bill Eberhart

1. **Call Meeting to Order** – at 7:03 AM by Richard Meyerhofer.
2. **Amend/Adopt Agenda –Motion** Meyerhofer, second Haugen.
Approved 5-0-1 (Raasch lost connection.)
3. **Approve Regular Meeting Minutes of Wednesday, March 18, 2020** – Not included in packet. Tabled until next meeting.
4. **Monthly Financial Report & Accounts Payable – Motion** Haugen, second Duhrman approve Monthly Financial Report and Accounts Payable. Carried unanimously.
5. **Public Hearings**
A.
6. **Visitors to the Board**
A. **Dairy Farmers of America/DairiConcepts** – Bill Taylor presented the plans for the odor control project/addition at DairiConcepts.
7. **Old Business**
A.
8. **New Business**
A. **Keller-Baartman Properties, LLC request for renegotiations of TIF terms** - Keller-Baartman Properties, LLC has requested to

renegotiate the terms of the TIF. The original request was for \$1,126,661, plus \$198,700 in SAC/WAC fees, building permit fees, sidewalk/apron repair, and blacktop/curb for the alleyway, for a total of \$1,325,361. This would have been \$102,618 net annual assistance (City would have received 10%, or \$11,402, of the annual increment for admin costs).

Their new request is for \$3,695,920 (at no interest), to include \$198,700 in SAC/WAC fees, building permit fees, sidewalk/apron repair, and blacktop/curb for alleyway. Also included in the request is to receive 95% of the increment, for \$108,318 annually (5% to City for admin costs)

EDA has asked for Soukup to contact Ehlers for further advice on this subject.

9. Unfinished Business

A.

10. Reports

A. Covid-19 - With the ongoing pandemic and state of emergency, Governor Walz has issued a Stay-at-Home directive which has impacted most, if not all, businesses in the community. The Federal government through the Small Business Administration (SBA) and the State government through MN Department of Employment and Economic Development (MN DEED) have offered low-interest loans and grants for small businesses as well as programs for unemployed workers and businesses. The SBA is offering the Economic Injury Disaster Loan (EIDL) with a \$10,000 grant. The loan has an interest rate of 3.75%, and does not need to be secured against borrower's property/real estate. The MN DEED emergency loan is only applicable to those businesses directly affected by the Governor's closure/restriction orders – ex, restaurants, bars, hookah bars, salons, ect. The SBA's Paycheck Protection Program offers a loan with a max interest rate of 4% (but may be lower depending on the local lenders' terms), and provides money to cover payroll costs so long as the business maintains workers on its payroll. As long as the business does so, the first 8 weeks of the loan are forgiven, and payments are deferred for the first 6 months.

The State of Minnesota is offering unemployment benefits plus an additional \$600 for workers laid off or whose hours were reduced.

The City of Zumbrota can provide direct relief as well. One such way is to temporarily suspend payments on EDA loans if requested. The EDA also has Revolving Loan Fund money available to loan out at reduced interest. The City of Chisholm is offering \$4000 loans at 1.5% interest. Should the EDA decide to pursue such an option, it needs to be determined if it should be secured or unsecured.

Motion Duhrman, second Meyerhofer to have funds available (up to \$35,000) to local businesses for a \$4,000 loan at 1.5% interest to be paid back over 4 years (repayment starting 6 months after the issue date of the loan pursuant to EDA approval. Carried unanimously.

- 11. Adjourn** - There being no further business, Meyerhofer adjourned the meeting at 8:26 AM.