

Zumbrota Economic Development Authority Agenda
7:00 A.M. Wednesday, October 17, 2018
Zumbrota City Hall, 175 West Avenue

- 1. Call Meeting to Order**
- 2. Amend/Adopt Agenda**
- 3. Approve Regular Meeting Minutes of Wednesday, September 19, 2018**
- 4. Monthly Financial Report & Accounts Payable**
- 5. Public Hearings**
 - A.**
- 6. Visitors to the Board**
 - A. Kris Ferguson and/or Roxanne Bartsh, Zumbrota Independent Business Alliance (ZIBA)**
- 7. New Business**
 - A. Business Subsidy Inquiry; Midwest Livestock Supply**
 - B. Goodhue County EDA Housing Study**
 - C. Goodhue County EDA Economic Development Summit**
- 8. Unfinished Business**
 - A. Branding Project Update**
 - B. 2018 Work Plan**
- 9. Reports**
- 10. Adjourn**

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

EDA Minutes
Wednesday, October 17, 2018
Zumbrota City Hall 7:00 a.m.

Present: President Richard Meyerhofer, Members Sara Durhman, Bill Eberhart, Brian Haugen, and Lindsey Raasch. Absent: Tina Hostager and David Starr. Also present: Roxanne Bartsh, Kris Ferguson, Rebecca Charles, Community Economic Development Association; City Administrator Neil Jensen and Community Development Director Dan King.

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

2. **Agenda**
Item 7D Business Incentive Subcommittee was added to the agenda. Motion Haugen, second Eberhart to adopt the agenda as amended. Carried 5-0-0
3. **Minutes**
Motion Eberhart, second Raasch to approve the minutes of the September 19, 2018 EDA meeting as amended. Carried 3-0-2 (Meyerhofer, Durhman abstain)
4. **Financial Reports**
Motion Haugen, second Meyerhofer to approve the financial report and accounts payable. Carried 5-0-0
5. **Public Hearings**

A.
6. **Visitor to the Board:**

A. **Kris Ferguson & Roxanne Bartsh**

Kris Ferguson and Roxanne Bartsh requested financial assistance for new Christmas/Winter banners for the light poles on Main Street downtown. They stated there were issues with the ones created last year and the snowflakes turned out more brown than white. The request is for \$500, to be matched by the Community Trust and downtown business owners. Eberhart questioned if it is a conflict of interest for EDA members that are also ZIBA members voting. Bartsh stated the request was not from ZIBA but individual business owners. Staff was directed to look into the conflict of interest issue for future votes. Staff stated the dollars could be allocated from 2019 promotion line item or reserves. Bartsh stated ZIBA will not be requesting an allocation in 2019.

Motion Durhman, second Haugen to allocate \$500 toward new banners for Main Street. Carried 4-1-0 (Eberhart Nay)

7. New Business

A. Business Subsidy Inquiry; Midwest Livestock Supply

Members reviewed an application for business subsidies from Midwest Livestock Supply, Inc. (MLS). Midwest Livestock Supply was established in 1971 and has been growing and diversifying since. Headquarters are located in Colorado with operations throughout the Midwest. They specialize in dairy, poultry and swine equipment and facilities.

The request is for the EDA to establish a tax increment financing (TIF) district that would cover the cost of two acres of land in the Highway 52 Business Park owned by the EDA. They are also requesting a \$100,000 loan from the revolving loan fund.

The structure they are proposing to construct is a 19,200 post frame building to house inventory/materials and service vehicles. The structure would likely be valued at approximately \$500,000 and generate about \$17,000 in total property tax annually. Of this about \$13,000 would be eligible for TIF (Local, School District & County). Staff noted all of this is speculative at this point and would need to be verified by Goodhue County Assessor's Office and our financial advisors Ehlers & Assoc.

The going rate for improved commercial/industrial land in the area is \$1.50/sf. Two acres of land would be \$130,680. Therefore, in order for the EDA to recover the cost of providing the land for free, the property tax increment would need to cover this, as well as a 10% administration fee. The proposed project was received favorably by the board and referred to the Business Incentive Subcommittee for further review and action.

B. Goodhue County EDA Housing Study

Rebecca Charles, Community Economic Development Association (CEDA) stated the Goodhue County EDA is proposing to conduct a County-Wide Housing Needs Assessment. There have been discussions in the past regarding the need for a comprehensive study to guide and accommodate needed housing in the county. The study will address the various types of housing needed: higher end, middle, affordable; rental, owner occupied, etc.

A proposed "Scope & Cost of Service" that details the process was reviewed. The expected fee is \$30,000, with Goodhue County EDA covering half, or \$15,000. The remaining amount is split by municipalities based on population (after \$500 base for each city). Zumbrota's expected contribution is about \$1,500.

Staff noted the Zumbrota EDA has conducted similar housing studies in the past, focusing on assisted living, senior living and more recently market rate rental housing. These have run about \$3,000 - \$7,000.

**Motion Haugen, second Raasch to participate in the Goodhue County EDA Housing Study.
Carried 5-0-0**

C. Goodhue County EDA Economic Development Summit

Rebecca Charles, Community Economic Development Association (CEDA) shared info on this year's Goodhue County EDA Summit:

Tourism is Coming - Are We Ready?

Join us at the 10th Annual Goodhue County EDA Summit in Cannon Falls on Wednesday, November 7th, 2018 to spend some time talking about Tourism in Minnesota and how your business and/or community can prepare to gain the maximum benefits! Don't forget to invite a friend!

Topics covered in this year's summit include:

- How to Assess the Tourism Assets/Infrastructure Available in Your Community
- Marketing Your Tourism Ready Assets
- Tourism Grants & Funding Opportunities
- Using Local History to Influence Tourism
- Rural Planning for Tourism and Agritourism
- Ecotourism
- Architecture Tourism

Refreshments and light breakfast will be provided.

Event to be held at the following time, date, and location:

Wednesday, November 7, 2018 from 8:00 AM to 12:00 PM (CST)

The Gathering Room

31257 64th Avenue Path
Cannon Falls, MN 55009

D. Business Incentive Subcommittee

Members discussed the intent and operations of the newly created Business Incentive Subcommittee. Staff stated the intent is to bring preliminary/potential/tentative inquiries for business subsidies to the Subcommittee prior for review prior to proceeding. Haugen stated the subcommittee makes sense and should continue. Durhman stated the subcommittee should take a recommendation to the full board, and the full board will give staff direction. Staff stated the subcommittee would not review minor items but focus on large scale projects.

Motion Haugen, second Durhman to formally create an Business Incentive Advisory Committee (consistent with EDA Bylaws Section 2.11). Carried 5-0-0

8. Unfinished Business

A. Branding Project Update

Subcommittee members Durhman and Raasch updated the full board regarding the status. The group reviewed six draft logos with Lime Valley's Brian Maciej. Members then offered feedback to Mr. Maciej and he revised the logos and sent back three for further review. Members offered comments and the three will be sent back for further revisions at the November meeting. No action taken on this item.

B. 2018 Work Plan

Members reviewed and commented on the 2018 work plan.

9. Reports

President Meyerhofer inquired about Highway Sign renovations. Durhman stated it should wait until the logo has been chosen and then incorporated into the sign renovation.

Staff stated the developers of the Bridge View Senior Living Apartment held two open houses the past week that were well attended and positive. Input and feedback were solicited from potential tenants at this time. There will be similar open houses in early 2019 that will solicit deposits to assure interest.

There being no further business President Meyerhofer adjourned the meeting at 8:25 am.

Respectfully Submitted,

Dan King, Secretary