

**Faribault Economic Development Authority
Meeting Minutes
Thursday, September 20, 2018**

The Faribault Economic Development Authority met in the 1st Floor Public Meeting Room at City Hall, 208 1st Ave NW, Faribault, MN.

Members Present: Dave Albers, Matt Carlander Kay Duchene, Matt Drevlow, Gary Kindseth, and Steve Underdahl

Members Absent: Rodney Gramse

Staff Present: Community and Economic Development Director Deanna Kuennen, City Administrator Tim Murray, Economic Development Coordinator Samantha Markman, and Administrative Assistant II Sandi Tidemann

Others Present: Jennifer Nelson-SMIF and Nort Johnson-Chamber of Commerce

1. Call to Order

Chair Underdahl called the meeting to order at 7:00 a.m. in the 1st Floor Public Meeting Room at City Hall.

2. Approval of Minutes

A. Minutes of August 16, 2018, Economic Development Authority meeting.

Action: Motion was made by Duchene and seconded by Carlander to approve the minutes of August 16, 2018 meeting as presented. Motion carried (5/0).

3. Routine Business

A. Monthly Loan Status Report

Discussion: The reports were presented for review. Lockerby is delinquent on their loan. Staff has been in contact with them and were asked to provide a coupon payment book to aid in timely loan payments.

B. Permit Activity Update Report

Discussion: The current monthly permit activity was attached for review. Included is a 10 year report on Faribault's building permit activity that Staff compiled for the Micro Summit.

C. Monthly Budget Status Report

Discussion: This report provides the EDA with "Year-to-Date" expenditures by line item and the budgeted amounts for each. No unusual expenses to report. Further discussion of the 2019 Budget will follow in 5B.

Action: Motion was made by Kindseth and seconded by Albers to approve Routine Business as presented. Motion carried (5/0).

4. Public Hearings

A. None

5. Items for Discussion

A. SMIF Presentation – Jennifer Nelson

Discussion: Chair Underdahl introduced Jennifer Nelson, Southern Minnesota Initiation

Foundation to present the SMIF Annual report. SMIF services 20 counties in Southern Minnesota with their main focus in three areas: Economic Development, Community Vitality and Early Childhood. Nelson thanked the EDA for their past contributions to the Foundation and hopes they will continue.

By collaborating with many agencies, SMIF is able to help businesses strive towards their goals/dreams. The most recent Faribault recipients are Living Greens and Bella Vita Salon. Fifteen thousand was given to the Faribault Diversity Collation and \$10,000 for programs help local farm growth with several local Non-tradition farmers receiving small loans. SMIF continues to add more layers to help entrepreneurs.

Early childhood plays a big part in economic development, affecting the workforce due to lack of childcare. Other programs for children include: dental program, parent aware rating, home visits and books for literacy programs.

Drevlow joined the meeting.

Community Vitality has the least amount of dollars because Faribault and Northfield both have other resources to help fill the gaps. One new program is Real Entrepreneur Venture.

Albers asked if smaller communities used their grant dollars differently; yes, as each community has different needs. Underdahl, past SMIF board member, noted SMIF has been first in areas where natural disasters have hit with disaster recovery relief. Ms. Nelson was thanked the EDA their continued contributions and for their time.

Action: None

B. 2019 Budget Discussion

Discussion: Kuennen and the sub-committee discussed the current work/action plan to see what areas they needed to move past, increase activity, or change direction. The EDA believe their role should focus more on economic development/growth and not land ownership, but paving the way by talking with owners willing to sell, learn what it will take to become "shovel-ready", look for avenues the EDA is able to help or referrals to other agencies which might be able to help. The four major areas are the same:

- ❖ Available land
- ❖ Gateways
- ❖ Regionalism
- ❖ Workforce (including housing)

The EDA has limited dollars and must use it wisely, working with items that work into their economic realm.

Going through the revenue and expenses, Kuennen noted the largest expense is still the indirect cost allocation charged by the City for office expenses, utilities, staff, etc. The City council did reduce their amount the last two years, but with the additional dollars from the one-time MIF exception, City Council will increase the allocation by \$8,000 for 2019. Other funds and expenses have stayed the same.

Staff asked the EDA how they wanted to proceed. Several suggestions were made, such as looking at contributions to the Chamber of Commerce and SMIF being reduced, but no decisions were made. The sub-committee will meet again to refine it. With their input, Staff will tweak the proposed 2019 work plan and will bring it and the budget back to the EDA for comments and/or approval.

Action: None.

C. Updates – Faribault MicroSummit

Discussion: Staff outlined the upcoming Faribault Micro Summit and showed some of the marketing items the audience will be given. Industry tours, panel discussions, economic development topics, and a downtown reception are scheduled. Staff encouraged the EDA members to attend.

6. Updates/Project Reports

Discussion: SteinAir - is moving forward with their building. Everything has been moving ahead of schedule.

Daikin – They received their State of Minnesota JCF award, and was approved for a MIF loan (forgivable) and the grant contract has been prepared. The City was also awarded a Business Development Public Infrastructure grant (BDPI) to provide utilities.

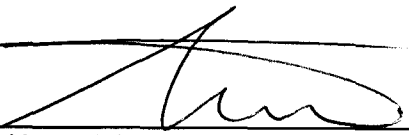
Ongoing projects include: Project Pepper, Met-Con Business Park, Wolf Creek Motorsports, SAGE JOBZ amendment and MIF/Tax Abatement extension, BRE Program, Community Profile, outreach to Rice County/Regionalism, I-35 Corridor, Available land inventory, and Downtown issues.

Action: None

Drevlow, with conflicting commitment, left the meeting before the adjournment vote.

Adjourn

Motion was made by Duchene and seconded by Duchene to adjourn the meeting at 8:35 a.m. Motion carried (5/0).



Steve Underdahl, President



Dave Albers, Secretary/Treasurer

Respectfully Submitted,



Sandi Tidemann, Administrative Assistant II