

## EYOTA ECONOMIC DEVELOPMENT AUTHORITY, MEETING MINUTES

**DATE:** January 28, 2016  
**TIME:** 5:00 p.m.  
**LOCATION:** Arbor Gardens

**Call the Meeting to Order:** Dale Heintz called the meeting to order at 5:07 p.m.

### Roll Call:

Present: Ryan Castle, Tyrel Clark, Craig Horan, Dale Heintz, Connie Meiners, Bryan Cornell joined the meeting at 5:25 p.m., and Cathy Enerson. Absent Amy Brown. Also in attendance, Marlis Knowlton – City Clerk, and Don Rademacher – Arbor Gardens Director, and Brett Lincoln joined the meeting at 5:30 p.m. The board roster was distributed for possible corrections.

**Set the Agenda:** *Motion by Tyrel Clark, and motion seconded by Connie Meiners to set the agenda as written, and motion carried 5/0.*

### Arbor Gardens

- **Financials** - emailed
- **Report** – Don informed the board that there will be four apartments opening up, and that they are likely to all to be filled. When a tenant leaves their apartment that is the time to change out the flooring. Don asked for up to \$2,500 from the Enterprise Fund to change out the new flooring. *Motion by Tyrel Clark, and seconded by Connie Meiners, to fund the cost of the new flooring for Arbor Garden's four apartments in the amount of up to \$2,500.00 using the Enterprise Fund, and motion carried 5/0.*
- **Tealwood Recommendation for Replacement & Repair expense category 1665**  
Don reported that the Elderly Waiver Billing System was changed, the collections were not timely, year to date profits were behind partially due to collection, and partially due to the vacancies during the changeover of rooms to Memory Care. The financial aging report indicated that there is collections to be made for elderly waivers and the Repair and Replacement Fund account #1665. The aging report indicates that each month Arbor Garden's owes the Enterprise Fund \$4,000, that amount has accrued to \$84,000. This is actually inaccurate since the intent is to use the Enterprise Fund as a collector for extra cash for future projects, it is not a fund that is owed money each month. Tealwood made a recommendation to reverse the \$84,000 of unpaid items from the aging report account 1665-000 for monthly payments to the Enterprise Fund, and to stop invoicing \$4,000 a month for possible excess cash. The board discussed the need to relook at the financials in three months, at that time the board will tract the goal set by Tealwood that collections for elderly waivers meets a goal of \$38,000 - \$40,000 a month, and that the technical issues for collections are resolved. *Motion by Ryan Castle to reverse the \$84,000 owed, and eliminate that amount as a notes payable, and motion seconded by Connie Meiners, motion carried 6/0. Motion by Ryan Castle and seconded by Connie Meiners to waive collections of \$4,000 a month for the Repair and Replace account, also known as moving excess cash into the Enterprise Fund for the months of January, February, and March, the motion carried 6/0.* There was a brief comment that the next possible expansion project could be skilled nursing care.

- I. Approve the EDA Minutes: October 2015:** *Motion by Tyrel Clark to approve the October EDA minutes for 2015, and seconded by Connie Meiners, and motion carried 5/0.* December minutes are pending

## II. Budget Status Report

Economic Development Authority Financial Report Month ending: **December**

220 EDA cash balance checking:	\$ 84,315.04
221 Revolving Loan Fund	\$ 47,527.55
222 Eyota Investment Fund balance cash	\$ 18,220.25
223 Rochester sales tax funds	\$ 209,580.75
655 Arbor Gardens Enterprise Fund August	\$ 109,194.84

The financial were emailed to the board, and are filled at City Hall.

## III. EDA Director's Report

- **2016 update:**
  - New Construction lot prices: John Keefe began putting in infrastructure this fall to the north and the east of the existing Stone Ridge residential housing, the board packet had a copy of the 15 lots that are being developed, which will be priced at \$47,000 to \$55,000. John Keefe reported two lots are on hold. Cathy indicated the lots are less costly than lots in Rochester which are selling for \$70,000. Lot information for John Keefe's new addition has been placed on the City website.
  - Revolving Loan Fund terms update: Cathy indicated the terms were updated and information and forms are on the City website to download.
  - Business Subsidy Guidelines: The historic downtown business incentive was updated to reflect the EDA changes based on City planning's suggestions. The guidelines and application forms are on the City website and can be downloaded.
  - Water and sewer rates for 2016 – March increase
- **Burt's Meats Minnesota Department of Agriculture Value added grant:** Burt's will receive grant funds, Cathy assisted Burt's with their application, and the grant contract has now been signed and delivered by both parties.
- **Strategic Plan** – discussion pending
- Cathy included the **monthly summary** that was sent to People's Electric Cooperative, the Coop requests monthly updates.
- There will a **Food and Dairy Round Table on March 1, 2016**. The EDA assisted Journey to Growth's initiative by calling the area contacts on the Journey to Growth list and making suggestions for other businesses that could be invited.

## IV. Old Business:

- **MN Design Team Planning** – Connie, Informational
- **Legion/Community Center** – Tyrel, informational, Tyrel will plan a follow up meeting, all volunteers attended.
- **Eyota Business meeting** – Craig/Cathy: Informational. The meeting was well attended, and the business group was well represented. Information about the Knox boxes, and the Direct Mailing of promotional materials will be posted in the City website.

## V. New Business:

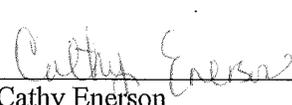
- **Business Incentive applications**
  - **Extension request for Burt's Meats:** *Motion by Connie Meiners, and seconded by Tyrel Clark to extend the Burt's Meats historic downtown façade improvement grant application, the extension is for six months and construction must be completed with twelve months of the start date, and motion carried 6/0. Findings of fact for the extension is related to the time of year when the application was approved and the difficulty to plan, and get the contractors started and the project finished before the wintery weather.*

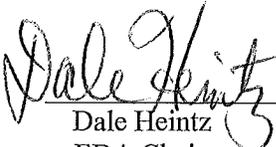
- **Extension request for Jem's Confections:** *Motion by Tyrel Clark, and seconded by Ryan Castle to extend the Jem's Confection historic downtown façade improvement grant application, the extension is for six months and construction must be completed with twelve months of the start date, and motion carried 6/0. Findings of fact for the extension is related to the time of year when the application was approved and the difficulty to plan, and get contractors started and the project finished before the wintery weather.*
- **Eyota Antiques –Historic Downtown façade Incentive receipt:** *Motion by Byran Cornell, and seconded by Connie Meiners to approve the payment of half the expense for the new sign placed on John Erickson's downtown building, at a cost to the City of \$608.75, and motion carried 6/0.*
- **EDA Promotional/Marketing Plan:** A promotions plan that includes \$1,000 for videos was presented. *Motion by Tyrel Clark, and seconded by Connie Meiners to approve \$525.00 from the EDA promotional budget for the Higgins Rochester Area Builders business spot light, and motion carried 6/0.* The spot light should focus number one on the business, and then secondly on the City. Cathy would like to archive the MN Design Team visit on video with short video clips for promotional use, the estimate to capture the weekend event was \$1,975.00, the cost of which could be mostly paid for by applying for a grant. The board encouraged Cathy to apply for the grant. The board discussed promotion the MN Design Team visit to community members. *Motion by Bryan Cornell, and seconded by Ryan Castle to assign up to \$800.00 towards the promotions of the April 14<sup>th</sup> – 16<sup>th</sup> MN Design Team visit pending City Council approval, and motion carried 6/0.*
- **Brewery:** Brett Lincoln, a Master Brewer, presented a power point presentation outlining his plans for area jobs, construction cost, and design for a brewery in Eyota. Brett Lincoln joined the EDA meeting at 5:30 p.m. Brett requested that he be allowed to build a brewery on a developable one acre lot located on land owned by the City off of 2<sup>nd</sup> street near the Eyota apartments. The land was recently purchased by the City for water retention. The one acre is outside of the flood plain and would eventually become Brett's collateral for financing this nearly \$600,000 project. The board discussed the need for a business subsidy agreement, and in the long term the value of the land would come back to the city in increased jobs and tax base. *Motion by Tyrel Clark and motion seconded by Connie Meiners to recommend to the City Council that the developable one acre of land on 2<sup>nd</sup> street, no address, that was land purchased for water retention, be used for a destination business, the Lincoln Brewery, pending zoning changes and City Council approval, the finding of facts is it is a good opportunity to reuse a portion of this land to increase taxes, bring in a destination business, and add jobs, the EDA would be charged with assisting with the business subsidy agreement, and motion carried 6/0.*

**VI. Other: None**

**Next meeting:** February 25, 2016

Respectfully submitted,

  
 Cathy Enerson                      3/24/16  
 EDA Director                      date

  
 Dale Heintz                      3/24/16  
 EDA Chair                      date