



**Blue Earth Economic Development Authority  
Regular Board Meeting  
Tuesday, June 07, 2016 at 7:15 am  
Official Proceedings**

**Minutes:**

- I. Secretary/Treasurer Rosenau called the meeting to order at the Blue Earth City Council Chambers
- II. Members Present: Bill Rosenau – Secretary/Treasurer, Rick Scholtes, John Huisman, Daryle Pomranke  
Members Absent: Bill Eckles – Chair, Brooke Prestegard – Vice Chair, Kara Drake  
City Staff: Tim Ibisch – City Administrator  
Chamber Staff: Cindy Lyon – Executive Director  
FCDC Staff: Tim Clawson – Executive Director, Beth Moss – Assistant Director  
Also Present: Chuck Hunt – Faribault County Register
- III. Approval of Agenda
  - Clawson requested that the agenda be amended to include Oswald Brewing to New Business – Construction Mitigation Loan Applications.  
**Motion was made by Scholtes, seconded by Huisman to approve the amended agenda. The motion was carried unanimously.**
- IV. Approval of Minutes  
**Motion was made by Scholtes, seconded by Pomranke to approve the minutes from the May 12, 2106 board meeting. The motion was carried unanimously.**
- V. Approval of Bills and Financials
  - Ibisch noted the Ag Center parking lot engineering services vendor is incorrect for Check #49343 in the amount of \$11,294.50 and should reflect Bolton and Menk.
  - Clawson pointed out that a check was disbursed in the amount of \$2,000 to Farmers Insurance, Chris Gack Agency for the forgivable portion of the Faribault County Commercial Rehabilitation Loan approved by the Faribault County EDA.  
**Motion was made by Huisman, seconded by Scholtes to approve the bills and financials for May, 2016 as presented. The motion was carried unanimously.**
- VI. Correspondence, Budget Update and Staff Update.
  - a. Correspondences
    - None
  - b. Exiting Loan/Grant Updates
    - Ibisch noted that the existing loans are on track and over the next few months the loan report will begin to reflect the incoming Construction Mitigations Loans.
    - Currently the 2016 budget is on track for the year to date noting the Century building has been sold to Kerry Ingredients and will be reflected in the operating budget.
  - c. Chamber of Commerce Update, Cindy Lyon
    - The Chamber of Commerce is hosting "Eggs and Issues" at the Ag Center on Tuesday, June 14, 2016 from 6:30 – 8:00 pm. Both Senator Rosen and Representative Gunther will be in attendance to answer questions from the public.



- North Union School of Swea City made their annual visit to the Green Giant Museum and had a picnic lunch out at the Green Giant statue.
  - Blue Earth Giant Days Festival is July 8 & 9. Lyon noted a couple minor changes from last year, due to the Main Street Reconstruction Project the Giant Days parade will require a slight detour and this year the Eagles Club will be hosting the street dance.
  - The Chamber of Commerce added three new memberships, Oswald Brewing, Kateri Johnson/Giant Fun Run and the Eagles Club bringing the membership total to 156.
- d. City Administrator Update
- Ibsch noted that he was following the legislative session closely. Governor Dayton allowed the tax bill to fail so it's anticipated that they will be scheduling a special session.
  - The Main Street Reconstruction Project is about one week ahead of schedule with Nicollet Street opening on Friday, June 10 or Monday, June 13. The next phase of the project is North Main Street and the City will be reaching out to those business with a projected timeline.
  - A couple tenants are moving within the Ag Center; Midwest IT is moving to the old Farrow Cabinetry space and Minnesota South Central is moving into the old Interfaith Caregivers space which leaves one office space available for rent at the Ag Center.
- e. FCDC Update
- Clawson attended the Minnesota Department of Employment and Economic Development (DEED)/Minnesota Investment Fund (MIF) in Owatonna, MN. The training addressed encumbered funds through the MN Investment Fund and Revolving Loan Fund and the process of making those funds unencumbered.
  - Greater Mankato Growth is launching Project ABE (Ag Business EpiCenter) on Monday, June 13, 2015. Project ABE was designed to promote investment in Ag businesses in southern Minnesota and northern Iowa.
  - A Manufacturers of Faribault County meeting is scheduled for June 23, 2106.

## VII. New Business:

- a. Commercial Building Exterior Improvement Grant Application
- Armon Decorating – Clawson presented an application for Armon Decorating for the replacement of the wood steps and landing and the reinforcement of the metal steps and landing. An estimate from United Builders was included in the amount of \$6,200.00. **Motion was made by Huisman, seconded by Scholtes to approve the Commercial Building Exterior Improvement Grant for up to \$3,100.00. The motion was carried unanimously.**
  - Breen's True Value – Moss presented an email from Breen's True Value requesting grant reimbursement for additional costs associated to the building façade from the removal of the awning as well as an additional window which was an oversight by the contracted company. **Motion was made by Scholtes, seconded by Pomranke to approve an additional \$1,500. Moss will send receipts to the Board members for review prior to the disbursement of funds. The motion was carried unanimously.**
- b. Construction Mitigation Loan Applications
- Blue Earth Custom Embroidery – Clawson presented an application for Blue Earth Custom Embroidery for qualifying expenses totaling \$461.13 monthly.



**Motion was made by Huisman, seconded by Scholtes to approve the Construction Mitigation Loan in the amount of \$461.13 for a period of up to five months. The motion was carried unanimously.**

- Armon Decorating – Clawson presented an application for Armon Decorating for qualifying expenses totaling \$1,032.00 monthly.

**Motion was made by Scholtes, seconded by Pomranke to approve the Construction Mitigation Loan in the amount of \$1,000.00 for a period of up to five months. The motion was carried unanimously.**

- Oswald Brewing – Clawson presented an application for Oswald Brewing for qualifying expenses totaling \$1,020.18 monthly.

**Motion was made by Scholtes, seconded by Huisman to approve the Construction Mitigation Loan in the amount of \$1,000.00 for a period of up to five months. The motion was carried unanimously.**

c. Main Street Reconstruction Update

- Newsletter update was included in the packet.

d. Green Giant Museum and Visitors Center – Building Loan Requirements

- Lyon noted that the Green Giant Museum and Visitor's Center was unable to secure funding during the recent legislative session. The Chamber Board expressed that in the event funding was unable to be secured they would like to proceed with remodeling the building. In the event the Chamber and CVB Board decided to postpone construction Lyon inquired as to whether or not payments could be deferred for another year. Huisman stated that in his opinion if the building were torn down, people may be more apt to donate money knowing that a new building will be going up. Scholtes noted that the Chamber has done a lot for the community and would be willing to work with the EDA and HRA on obtaining money to help fund the project versus waiting another year. Clawson noted that FCDC will continue to look for grant money for the project as well.
- Bolton and Menk provided a topographic map and survey. Site grading and tiling may be needed to be completed at the site to redirect water flow. Lyon is meeting with Brad Hinrichsen and will see if he has any references for tilers in the area and will work on obtaining estimates.

VIII. Old Business:

a. Ag Center Parking Lot Update

- Ibisch noted that the Blue Earth City Council approved the bid for the Ag Center and Fitness Center Parking Lot Improvements and is looking for a motion from the BE EDA to accept and proceed with Nielsen Blacktopping. There were three bids received with 4 schedules provided by each. Pomranke inquired about the status of the lighting and Ibisch noted the lights will remain but will receive updated fixtures. It was also noted that the signage will be removed and replaced with an updated design.

**Motion was made by Huisman, seconded by Scholtes to accept and proceed with the bid provided by Nielsen Blacktopping in the amount of \$261,626.00 for the Ag Center and Fitness Center Parking Lot Improvements. The motion was carried unanimously.**

b. Workforce Housing Update

- Clawson noted that a workforce housing task force has been compiled and anticipates that they will be meeting semimonthly over the next few months to discuss workforce housing needs.

c. Golden Spike Business Park Update



- Clawson noted that he had discussions with both Lonnie Trasamar of Barslou Realty and Kara Drake of O/NE Realty on Monday about co-listing the lots at the Golden Spike Business Park. It was also discussed as to whether the commission rate would need to be increased when an outside broker is involved. Clawson stated that he would work with both Trasamar and Drake to prepare a co-listing agreement to present at the next EDA meeting scheduled for July 14, 2016.
  - Clawson noted that Adam Hearn planted alfalfa on the three lots available out at the Golden Spike Business Park in which the city provided seed for. Hearn is requesting a formal agreement to plant and hay the ground for the next three years. Ibisch and Clawson will work with Hearn to prepare an agreement covering the terms.
- d. Kerry Building Update
- Ibisch noted that the Century building has been sold to Kerry Ingredients and will be reflected in the June, 2016 bills and financials.

IX. Other Business:

- Huisman noted the Blue Earth City Council has discussed the lot where Andy's Oriental used to be. The lot is owned by the City of Blue Earth and John Oswald owns the building adjacent to the lot. Huisman would like to see the EDA be proactive and work collaboratively with Oswald to find a temporary solution if need be to address the dilapidated wall.
- The board requested an update on the status of the Commercial Building Exterior Improvement Grant approved for Spencer, Barke and Viesselman that was approved back in December, 2015. Moss will reach out and report back at the next meeting scheduled for July 14<sup>th</sup>.

X. Adjournment

- **Motion was made by Scholtes, seconded by Huisman to adjourn the meeting. The motion was carried unanimously.**

**Next regular meeting scheduled for July 14, 2016 at 7:15 am**