



**Blue Earth Economic Development Authority
Regular Board Meeting
Thursday, June 9, 2022, at 7:15 am
Official Proceedings**

Minutes:

I. Call to Order

President Laehn called the meeting to order at 7:16 a.m. in the Blue Earth City Council Chambers.

II. Roll Call and Determination of a Quorum

Members present: Lissia Laehn, Rick Scholtes, Bill Rosenau, Peggy Olson, and Wendy Cole

Members absent: Jamie Jones

City staff present: Mary Kennedy- City Administrator

CEDA staff: Amy Schaefer – Economic Development Specialist

Also Present: Emily Davis; Community Workforce Coordinator, Shellie Poetter; Chamber, Fiona Green; Register, Dan Ristau, Chase Brandt, Allen and Morray Aukes

A quorum was determined to be present.

III. Approval of Agenda

Scholtes brought forth an addition to the agenda consent items, adding Dan Ristau resignation letter from the EDA Board.

Motion by Scholtes, second by Cole, to approve the agenda. The motion was approved unanimously.

IV. Consent Items

The following items were included under Consent Items for approval.

a) Dan Ristau resignation letter

Scholtes read Ristau's letter of resignation from the EDA Board due to his new position on the City Council. Scholtes added that Chase Brandt is also present to observe as

Scholtes will be bringing Brandt to the Council to replace Ristau on this EDA Board.

Motion by Scholtes, second by Rosenau to accept the resignation of Dan Ristau from the EDA Board. The motion was approved unanimously.

b) Regular Meeting Minutes of May 12, 2022.

c) Bills and Financials May 2022

d) Correspondence and Loan/Grant Updates

Motion by Cole, second by Olson, to approve the consent items as presented. The motion was approved unanimously.

V. New Business

a) June Business Spotlight – Midwest IT Systems



Allen and Morry Aukes from Midwest IT were present as the June business spotlight. Aukes explained that he grew up on a farm in the area and after college worked in Washington DC for a time where he got his start in the IT business. Then they moved back to the area to be closer to family. They are celebrating 20 years in business this year and have clients all over, focusing on Southern Minnesota. Morry Aukes added that their mission is to prevent IT security incidents. Aukes shared that their office in Blue Earth is at the Ag Center and they appreciate the support that Blue Earth and the EDA has given them.

b) SBDC Funding Request

Kennedy shared the letter received from SBDC requesting \$1000 financial support. The letter is received each year and a donation amount is decided on. After discussion, the Board decided to get more information about the services SBDC can provide by asking them to come present to the Board before making a decision on a donation amount. Kennedy agreed to reach out to them with an invitation to attend a meeting.

VI. Old Business

a) Ag Center Storage-Faribault County Food Shelf

Kennedy reported that the 13 storage units added at the AG Center were built in one week and came in at just under \$15,000. Kennedy, along with Ag Center Maintenance, Greenside and Office Specialist, Hanevik adjusted the fee schedule to reflect more of the square footage of the units, which includes a tenant price and non-tenant price. Some of the tenants have moved spaces, to downsize, and some remained in the ones they have, with no concern of the \$5 increase in price. There are 4 open units as of right now. Kennedy explained that the Faribault County Food Shelf has 2 of the larger units while paying the price of just one, due to the Council agreeing back in 2020, to allow them a second unit at no charge. Kennedy shared that the Food Shelf was offered one larger unit, but they wanted to keep the 2 they have and hoped as a non-profit they could still get the second for no charge. Kennedy also explained that Post Prom has been storing items, for no charge in the old clinic space, and they are now taking a unit in the basement, but are asking for the tenant price, even though they are not tenants. Kennedy shared that the Ag Center should be run as a business and everyone's rates have changed. The Board must make the decision, but her recommendation would be to keep the guidelines and rates as listed. After further discussion The Board agreed that if exceptions are made in both of these cases, it is not fair to the tenants. Scholtes explained that when the Council made that decision in 2020 for the Food Shelf, it was during COVID, while the EDA was not meeting. It was temporary and the Council really does not have the authority to make that decision. Scholtes added that the price of the storage units are very reasonable and the Board should stick with the new rates as shown. Kennedy added that the storage leases will be signed by August 1st.

Motion by Scholtes, second by Cole to approve the new fee schedule for the Ag Center storage units. The motion was approved unanimously.



b) Childcare Provider Grant Draft

Schaefer presented a draft of the paperwork for the Child Care provider Grant discussed last meeting. Schaefer explained that she took the commercial business loan and made some adjustments to fit for childcare providers. There was some discussion about the requirement to be in business five years after receiving it or having to repay the loan. Kennedy shared that some of the providers have done this their whole career and their home needs improvements, even as entering retirement age. Scholtes added that of the 5 providers in business right now, they will all probably be retiring in the next five years. The Board discussion ended in 2 plans, if a provider has been in business for 20 plus years already, they would qualify for the grant for up to 2 years after retirement. If the provider has been in business 20 years or less, then they must stay in business for 5 years or repay the grant. Schaefer agreed to make the changes.

VII. Other Business

a) REV pop-up project

Schaefer shared a project that REV is starting this fall. It is aimed to attract and encourage craft makers and hobbyist to explore the business world. The crafter partners up with a business owner, as a mentor for a 10-week program meeting as a group and also with the business every other week. At the conclusion of the 10 weeks, they will display their crafts or goods at the Holiday Sampler at a pop-up shop located at the On Pointe Dance Studio. Any interested party should check the REV website or Facebook page. Applications will be taken until July 1st and they are hoping for 5- 10 participants.

b) Commercial Business Forgivable Loan

Schaefer presented the commercial loan application for Michele's Quilting and Sewing. They recently completed a huge lighting update project that costs \$15,420.00. and are asking for the forgivable loan in the amount of \$5,000.00.

Motion by Scholtes, second by Olson to approve the Commercial Business Forgivable Loan in the amount of \$5,000. to Michele's Quilting and Sewing. The motion was approved unanimously.

VIII. Staff Reports

a) EDA Specialist Update was provided in the packet.

b) City Administrator Update was provided in the packet.

c) Chamber of Commerce Update was provided in the packet.

d) Workforce Coordinator Update

Davis shared that the Game of Life event was a success. They will be planning it again next year. Davis will be presenting to the School Board next week on the 2nd semesters activities. Davis also shared that next school year she will be in the USC and Blue Earth schools only.



IX. Adjournment

***Motion by Scholtes, second by Cole, to adjourn the meeting.
The motion carried unanimously.***

Laehn adjourned the meeting at 8:25 am.

Next regular meeting is scheduled for July 14, 2022, at 7:15 a.m.