



**Blue Earth Economic Development Authority
Regular Board Meeting
Thursday, October 20, 2022, at 7:15 am
Official Proceedings**

Minutes:

CALL TO ORDER

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

ROLL CALL AND DETERMINATION OF A QUORUM

Members present: Jamie Jones, Chase Brandt, Bill Rosenau, Peggy Olson, and Wendy Cole

Members absent: Lissia Laehn and Rick Scholtes

City staff present: Mary Kennedy, City Administrator and Amy Schaefer, Economic Development Specialist

Also present: Shellie Potter, Chamber; Fiona Green, Faribault County Register;

Emily Davis, Community Workforce Coordinator; Jared Resutec and Trey Dyslin, TJD Repair & Service

A quorum was determined to be present.

APPROVAL OF AGENDA

Motion by Rosenau, second by Brandt, to approve the agenda. The motion was approved unanimously.

CONSENT ITEMS

The following items were included under Consent Items for approval.

Regular Meeting Minutes of September 7, 2022.

Bills and Financials September 2022

Loan/Grant Updates

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

NEW BUSINESS

October Business Spotlight

The October Business Spotlight was presented to TJD Repair and Service, LLC. Dyslin explained that their new sign was back ordered, but they finally have a shipping date. They hope to have it installed in the next 2-3 weeks. Dyslin shared that business has been good and they now have 5 employees. They have been busy with towing, oil changes, tires, semis, and ag equipment. Dyslin indicated that he never thought they would be selling tires, but they sell a lot of them. Kennedy inquired if they plan to expand in the future and Dyslin suggested they will need more room in the



shop eventually. Schaefer reminded them to reach out to the EDA when and if they need some assistance.

Forgivable Loan Request

Shawna Hannaman has recently purchased Classic Cuts and is requesting a forgivable loan for \$25,000 for remodeling, new chairs, tanning bed, and signage. She plans to keep things mostly the same with the addition of some new services and changing of the name. Schaefer explained that the committee recommends approval and if this loan is approved, the EDA is at the limit of three for the year.

Motion by Olson, second by Cole, to approve the Forgivable Loan in the amount of \$25,000 to Classic Cuts. The motion passed unanimously.

Commercial Business Improvement Forgivable Loan Request

Michael Lahti is requesting the Commercial Business Improvement Loan for his business, Lost Saint Brewing Company. Lahti is adding a deck, ADA accessible ramp, stairs, and signage to the building. The estimates total \$10,170.00. The EDA loan provides half of the cost, up to a max of \$5,000.

Motion by Cole, second by Olson, to approve the Commercial Business Improvement Forgivable Loan to Lost Saint Brewing in the amount of \$5,000. The motion passed unanimously.

OLD BUSINESS

Motion by Brandt, second by Rosenau, to go into closed session at 7:28 a.m. The motion passed unanimously.

Motion by Cole, second by Brandt, to end the closed session at 7:39 am. The motion passed unanimously.

Kennedy reported that the closed session was used for discussion of a real estate transaction and no decisions were made.

CEDA 2023

Kennedy indicated that the Board had voted to stay with a 4 day per week CEDA contract, with the new contract reflecting a 5% increase. The 2023 contract is included in the packet.

Motion by Rosenau, second by Cole, to approve the 2023 CEDA Contract. The motion passed unanimously.

Tenant lease language

Kennedy explained that one Ag Center tenant had requested lease language to be added to reflect that no business entity with the same or like business as theirs (in competition) be allowed to rent in the building. Kennedy declined that. In response, the tenant wanted the option added that if a like business came into the building, they could opt out of the lease. This was going to be brought to the EDA Board members to discuss. Kennedy explained there was some miscommunication with the attorney's office which resulted in the clause being added to the lease and sent to the tenant



before the approval of the Board. Kennedy shared a statement from Attorney David Frundt explaining the clause and what it means. Kennedy apologized for the breakdown in communication on behalf of David Frundt and indicated if the Board is against this clause, it needs a vote to stop it before the lease is fully signed. The Board was agreeable to the new lease language.

Commercial Business Improvement Forgivable Loan form update

Schaefer explained an addition to the Commercial Business Improvement Forgivable Loan form as there was some confusion in the past. The 2023 form will read that the loan may not be used retroactively, as funding cannot be guaranteed for grants after a project has been completed.

OTHER BUSINESS

Faribault County Newsletter

Kennedy shared the Faribault County EDA newsletter which highlighted the Entrepreneurial Pop-up Project. Kennedy explained there was a typo in the ad which listed it as an EDA project, although it is a REV project. Kennedy added that the newsletter is very nicely done and if the Board would like to receive the newsletter contact Annie Nichols.

Succession planning

Schaefer shared that the U of M Extension is offering a 5-week online succession training course for businesses. They're suggesting that EDA's push this program and possibly contribute to the \$500.00 cost to the businesses that would be interested in the course. A program could possibly look like the training finance program or even come from those funds. Schaefer wanted to know if she should push this moving forward. Olson suggested possibly paying half of the cost.

Motion by Rosenau, second by Brandt, to approve a program with a \$250 contribution for up to five businesses. The motion was approved unanimously.

STAFF REPORTS

EDA Specialist Update

Schaefer included her update in the packet. Schaefer also reported that one space was found for a business that hopefully will be locating to Blue Earth by the end of this year.

Schaefer also gave an update from the job fair she and Kennedy attended for veterinary students at ISU. They were complimented on the support that the City and EDA were giving Makotah Veterinary Center by being there and representing them. Schaefer reported that about 50 students attended the fair, but she has realized that this shortage is a larger problem than anticipated. Kennedy commented that there are not many advocates for rural animal health care and she and Schaefer have been having many conversations with larger entities like Green Seam, Compeer, University of Minnesota, and the Minnesota Commissioners Association. She explained that they are passionate about this and will keep talking to try to solve this problem.

Schaefer also noted that she and Kennedy attended the Green Seam Global Workforce event for the second time and made good connections with colleges for moving forward.



City Administrator Update.

Kennedy included her update in the packet and highlighted the Bridge Event she and Schaefer attended. She was impressed with what they learned and made good connections there. Kennedy also reported that she is the new Kiwanis president.

Chamber of Commerce Update

Poetter included her update in the packet. Poetter shared that the Fall Festival had perfect weather but for some reason only had 30-35 kids attend. It included live music, hayrides and crafts and will be even bigger next year. Poetter also reported that she attended a conference in Brainerd that was full of information and knowledge. Poetter gave kudos to the City and EDA for what they are trying to conquer with the workforce, housing, and childcare shortages. She found that not all entities collaborate as well as Blue Earth. Poetter also mentioned the scarecrow contest and getting a map for the Halloween/Scarecrow Crawl to view all the scarecrows and decorated yards.

Workforce Coordinator

Emily Davis gave her update, sharing that this was a very busy month with school kids getting tours at businesses and getting ready for 2nd Quarter with some job shadowing to come. Davis also reported applying for a grant for a drone academy which would include building, programming, flying, and repairing drones. She and the school principal are excited for this grant, and they will find out in November if they will receive it.

Kennedy announced that the Day of the Dead Festival will be at the 10 Talents building on Oct. 30. from 12-4 and extended an invitation to all EDA board members.

ADJOURNMENT

Motion by Brandt, second by Cole to adjourn the meeting. The motion was approved unanimously.

Jones adjourned the meeting at 8:12 am.

Next regular meeting is scheduled for Thursday, November 10, 2022, at 7:15 a.m.