



Blue Earth Economic Development Authority
Regular Board Meeting
Thursday, November 10, 2016 at 7:15 am
Official Proceedings

Minutes:

- I. Chair Eckles called the meeting to order at the Blue Earth City Council Chambers
- II. Members Present: Bill Eckles - Chair, Brooke Prestegard - Vice Chair, Bill Rosenau - Secretary/Treasurer, Daryle Pomranke, John Huisman
Members Absent: Rick Scholtes, Kara Drake
Chamber Staff: Cindy Lyon - Executive Director
City Staff: Tim Ibisch - City Administrator
FCDC Staff: Tim Clawson - Executive Director, Beth Moss - Assistant Director
- III. Approval of Agenda
 - **Motion was made by Huisman, seconded by Pomranke to approve the agenda as presented. The motion was carried unanimously.**
- IV. Approval of Minutes – Huisman, Rosenau
 - **Motion was made by Huisman, seconded by Rosenau to approve the minutes from October 13, 2016. The motion was carried unanimously.**
- V. Approval of Bills and Financials – Huisman, Rosenau
 - **Motion was made by Huisman, seconded by Rosenau to approve the bills and financials for October, 2016 as presented. The motion was carried unanimously.**
- VI. New Business:
 - a. Commercial Building Exterior Improvement Grant Applications
 - Michele's Sewing – Clawson presented an application for Michele's Quilting & Sewing Center for a new sign, exterior painting of the building and the replacement of the cement threshold on the back entrance. The total project cost is \$1,243.42.
Motion was made by Huisman, seconded by Pomranke to approve the Commercial Building Exterior Improvement Grant for up to \$621.71. The motion was carried unanimously.
 - Blue Earth Custom Embroidery – Clawson presented an application for Blue Earth Custom Embroidery for the removal of old awning, installation of new awning and wall repair. An estimate from Ernie's Canvas Products, Inc. was included in the amount of \$2,390.51.
Motion was made by Huisman, seconded by Prestegard to approve the Commercial Building Exterior Improvement Grant for up to \$1,195.25.
 - 3 Sisters Building – Clawson presented quotes from Vets Glass for the replacement of windows at 128 and 130 Main St. S. Two quotes were provided for the windows and door at 130 Main St. S, one for single pane and one for double pane.
Motion was made by Prestegard, seconded by Huisman to approve the replacement of the windows at 128 Main St. S in the amount of \$3,695.00 and the double pane windows for 130 Main St. S in the amount of \$4,195.00



- Simplified Ag Technology – Clawson presented an application for Simplified Ag Technology, LLC for the installation of 14 windows new energy efficient windows and a new insulated door. An estimate from Andrew Lorenzen Construction was included in the amount of \$7,700.00. It was noted that the windows were already purchased and therefore the cost of the windows is not included in the application. There was discussion by the board and it was determined that they would like to see interior window coverings added to the new windows due to the nature of the business.

Motion was made by Pomranke, seconded by Huisman to approve the Commercial Building Exterior Improvement Grant for up to \$3,850.00 contingent upon installation of window coverings. The BE EDA would entertain a future application for window coverings. The motion was carried unanimously.

b) Revolving Loan Application

- Simplified Ag Technology, LLC – On behalf of the BE EDA Loan Review Committee, Clawson recommended that the loan guarantee for Simplified Ag Technology, LLC be approved in the amount of up to \$10,000.00 (25%) for a 1 year term contingent upon receiving a clean Title and approval by the Faribault County EDA (FC EDA) of an additional \$10,000.00 (25%) loan guarantee. It was noted that the FC EDA approved a \$10,000.00 (25%) loan guarantee on Wednesday, November, 9, 2016 and will be the lead agency on this transaction. The BE EDA loan guarantee will be made to the Faribault County EDA for 50% of the FC EDA loan guarantee. The FC EDA will be quarantining up to \$20,000.00 (50%) of a \$40,000.00 working line of credit at First Bank Blue Earth.

Motion was made by Huisman, seconded by Pomranke to accept the committee's recommendation and approve the \$10,000.00 (25%) loan guarantee for a 1 year term for Simplified Ag Technology, LLC. The motion was carried unanimously.

c) 2017 State of Officers

- Eckles noted that as of January 1, 2017 he will be stepping down as Chair and resigning from the BE EDA Board. Prestegard will move to the Chair position and Rosenau will move to the Vice Chair position. Recommendations for a new board member can be made to Mayor Scholtes who will appoint and the Blue Earth City Council will confirm.

VII. Old Business:

- Three Sister's Redevelopment Update
 - The Blue Earth City Council approved the purchase of the 3 Sister's Buildings on Monday, November 7, 2016. The City will be utilizing Sentence to Serve to assist in cleaning and the removal of the garbage and recyclables contained within the buildings. Huisman questioned whether it was possible to temporarily heat the buildings until they are purchased and it was noted that they have gone unheated for years and it would be expensive to do so. Clawson noted that Kato Roofing was coming to inspect the roof to determine if any repairs are needed prior to the winter season. Pomranke noted that he would like to see a matrix compiled to track the project including timelines, vendors and costs. Moss will compile a matrix in Smartsheet to share with the EDA.
- Ag Center Sign
 - Clawson noted that Precision Signs is scheduled to start installing the new sign the week of November 14, 2016. An update will be sent to the tenants informing them of the price for the tenant panels.

VIII. Correspondence, Budget Update and Staff Update

- Correspondences



- The Soil and Water Conservation District presented Storm Water Excellence Awards to the Blue Earth EDA, the Blue Earth Community Foundation and the Faribault County Development Corporation on November 9, 2016 for their involvement in the Ag Center's water quality parking lot project.
- Existing Loan/Grant Updates
 - It was noted that an interest payment was received from Breen's Hardware Store for the Forgivable Loan, reducing the balance from \$15,000 to \$10,000. The remaining principal balance plus interest will be forgiven on the Rollenhagen & Associates Forgivable Loan on December 1, 2016. The remaining \$3,100.00 on the Mill's Auto Body & Sales Highway 169 Mitigation Loan was forwarded onto Frundt and Johnson to collect the payoff of the loan prior to the sale of the property.
- Chamber of Commerce Update
 - The Chamber of Commerce report was included in the agenda packet.
- City Administrator Update
 - The City Administrator's report was included in the agenda packet. Ibisch noted that he attended a Workforce Housing Taskforce meeting and they had a positive meeting with Rick Goodemann with the Southwest Minnesota Housing Partnership.
- FCDC Update
 - The FCDC Administrative report was included in the packet with Clawson noting that the Manufacturers of Faribault County meeting has been moved from November 15, 2016 to November 22, 2016.

IX. Other Business

- None

X. Adjournment – Huisman, Rosenau

Next regular meeting scheduled for December 8, 2016 at 7:15 am