

**ECONOMIC DEVELOPMENT AUTHORITY
MEETING AGENDA
MONDAY, OCTOBER 23, 2017 @ 5:30 P.M.
Arlington Community Center - Council Chambers**

1. Call to Order.
2. Pledge of Allegiance
3. Approval of Agenda
4. Approval of Minutes
 - A. September 11, 2017
5. Approval of Financial Reports
 - A. September 2017
6. New Business
 - A. Presentation on Succession Planning Strategies by U of M Extension Educator – Neil Linscheid
 - B. EDA Staffing for 2018
 - C. 2018 Goals
7. Old Business
 - A. Sibley Housing Team Update
 - B. 2017 Goals – SMIF Small Town Grant Update
8. Board Announcements
9. Adjourn

<p>A QUORUM OF THE CITY COUNCIL MAY BE PRESENT AT THIS MEETING. NO OFFICIAL ACTION BY THE CITY COUNCIL SHALL OCCUR AT THIS MEETING</p>

**ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
OCTOBER 23, 2017 @ 5:30 P.M.**

The meeting was called to order by President Dean Bergersen at 5:30 p.m.

Members Present: Council Member Michelle Battcher, Councilmember Tom Hatlestad, President Dean Bergersen, Richard Thomes, Larry Sorenson and Tim Kloeckl (arrived at 5:35pm).

Members Absent: Angelica Rose.

Also Present: Director Holly Kreft, Sibley County Community Development Program Manager Amy Newsom, U of M Educator Neil Linscheid, Mayor Richard Nagel and Kurt Menk.

Motion by Thomes, seconded by Hatlestad and passed by unanimous vote to approve the agenda as presented.

Motion by Thomes, seconded by Hatlestad and passed by unanimous vote to approve the minutes from the September 11, 2017 meeting as presented.

Motion by President Bergersen, seconded by Hatlestad and passed by unanimous vote to approve the September 2017 Financial Reports as presented.

University of Minnesota Educator Neil Linscheid gave a presentation on strategies that the U of M Extension has researched in rural communities throughout Minnesota, in regards to business succession planning. University of Minnesota Extension started their research in Sandstone, MN after the City Administrator there noticed a large percentage of their Main Street business owners were at the age where in the next five to ten years they would be wanting to retire. One of their early findings was that 70% of all small business owners are in the age group of 52-70 years old. One of their main goals was to not only find out the barriers of transitioning the current owners to new owners but to also find out the factors for successful transition. They sent out roughly 200 surveys to new owners of small businesses to get their insights on the transition process. Mr. Linscheid went over the survey results and highlighted some important findings from the surveys. Mr. Linscheid explained U of M Extension's program HomeTown America, a program designed to get residents (specifically young families) to move to rural communities. HomeTown America starts with a steering committee which meets multiple times over a few weeks. Within their meetings they discuss how and why we can get people to move to rural cities and how to address those needs. U of M Extension helps facilitate this program. HomeTown America has recently been completed in Litchfield, and it has been successful so far. Mr. Linscheid presented the information about HomeTown America recently to the Chamber and they were interested in this program. The cost for the program is \$1000.00 base fee plus \$.50 per resident with a \$3,000 maximum cap.

As discussed at the last meeting, Director Kreft gave her notice to end her contract for economic development consulting at the end of 2017. The City Council has discussed the next steps in filling the position. Council member Hatlestad asked for this to be on the agenda for discussion purposes. The City has received a proposal from Sibley County to provide services through Amy Newsom and the Sibley County Community Development Department. Interim Administrator Elvebak want it noted to the EDA that the City has \$15,000 budgeted for 2018 EDA services. Councilmember Hatlestad explained that he thought Ms. Newsom has already done a lot for the City of Arlington and she would be a good fit. He feels it would be a good idea to move forward with Amy Newsom as the new EDA director. The County is looking at hiring an Admin Assistant to help cover some of Amy's responsibilities if she were approved to work with the City of Arlington. There was much discussion on hiring Amy Newsom and how her hours and cost would affect the budget.

Motion by Sorenson, seconded by Thomes and passed by unanimous vote to approve a recommendation to the Council to hire Amy Newsom, Sibley County Community Development Program Manager as the new EDA director.

Director Kreft felt that some of the 2017 EDA goals should be discussed in conjunction with the discussions for the new EDA Director. She felt the 2017 goals should be discussed to move forward with the 2018 goals:

- Create a quarterly newsletter to send to businesses – done jointly with Chamber or standalone. If the City moves forward with The County, they already provide a quarterly newsletter.
- Business Spotlights – currently Director Kreft handles all collecting and coordinating with Enterprise, this would need to be part of the new director’s job description.
- Cemstone Property – City was not successful in obtaining a grant through SMIF, so the EDA needs to look in to potentially taking this on without grant funds.
- The potential need to list the former TSE Building with a realtor.

Discussion was had on the goals and the group felt as though a full discussion should be had at the November meeting. These goals along with some new ones should be added to the list for 2018.

Director Kreft provided an update on the Workforce Housing Team (WHT). The Housing Team met on October 16th to review the two proposals received as part of the re-released request for proposals. The team discussed the pros and cons of each of the proposals. The consensus of the group was to recommend AdMark, a consulting firm based in Sartell at a cost of \$18,000. They also recently completed a housing study for the City of Glencoe. The other proposal was received from Community Partners research and at a cost of \$24,900. The WHT learned today that they did receive the AgStar grant, which will help off-set some of the associated costs. Previously, the EDA and Council had agreed to put \$3,000 towards this project. With the new proposals and the grant it looks like that amount will now need to be closer to \$3,600. This doesn’t need to be voted on at this meeting but will be on a future agenda. Discussion was had on what information the housing study will provide.

Discussion was had on the status of the Medical School. Kloeckl will try to get more information and provide an update at the November meeting.

Director Kreft gave an update on the SMIF Small Town Grant. As noted earlier the City did not receive the SMIF Small Town Grant. There were 10 recipients whom were not named yet. Sibley County was also not chosen for the SMIF REV grant. The EDA will continue to apply for grants as they become readily available.

Director Kreft thanked the members who had attended the Pilot DEF plant ribbon cutting that took place earlier this month.

Thomes talked to the owner of Northland Drying recently, he stated that he was eager to open and is looking to be open by the first of the year.

Motion by Hatlestad, seconded by Sorenson, and passed by unanimous vote to adjourn the meeting at 6:57 p.m.

EDA Director Holly Kreft

EDA President Dean Bergersen