



**ECONOMIC DEVELOPMENT AUTHORITY
MEETING AGENDA
MONDAY, MARCH 19, 2018 @ 5:00 P.M.
Arlington Community Center - Council Chambers**

1. Call to Order
2. Pledge of Allegiance
3. Approval of Agenda
4. Approval of Minutes
 - A. February 12, 2018
5. Approval of Financial Reports
 - A. February 2018
6. New Business
 - A. Discussion on programs/fund balances
 - B. Potential business/zoning concerns at 608 West Main
 - C. Consider Child Care forgivable loan & approve/deny Resolution #2018-2
 - D. Discussion on selling PID's 31.0884.000, 31.0880.000, and 31.0874.000
7. Old Business
 - A. Approve/deny Resolution #2018-1 JB Services Façade loan
 - B. Consider SAC and WAC policies
 - C. Consider restarting the lot acquisition program
 - D. Housing Study update
 - E. Marketing Hometown America kick off meeting
 - F. Consider expanding area of Façade Loan Program
 - G. Sibley County Business and Community Expo
 - H. Municipalities Meeting
8. Board Announcements
9. Adjourn

**A QUORUM OF THE CITY COUNCIL MAY BE PRESENT AT THIS MEETING.
NO OFFICIAL ACTION BY THE CITY COUNCIL SHALL OCCUR AT THIS MEETING**

**ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
MARCH 19, 2018 @ 5:00 P.M.**

The meeting was called to order by President Dean Bergersen at 5:00 p.m.

Members Present: President Dean Bergersen, Larry Sorenson, Richard Thomes, Kurt Menk, Councilmember Tom Hatlestad, & Council Member Michelle Battcher.

Members Absent: Tim Kloeckl

Also Present: Director Amy Newsom, City Administrator Pat Melvin, Mayor Richard Nagel, Mike Westphalen & Dan Woehler.

Director Newsom told the Committee that they will get through as much of the agenda as they can, but there is a City Council meeting scheduled at 6:30 p.m., so they need to be done by 6:15 p.m. Guests wishing to comment or speak to the committee must keep conversations to a five minute maximum.

Motion by Battcher, 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 February 12, 2018 meeting as presented.

Motion by Thomes, seconded by Sorenson and passed by unanimous vote to approve the February 2018 financial report as presented.

Thomes suggested moving ahead in the agenda to let the guests in attendance speak so as to not keep them waiting. The rest of the committee agreed.

Dan Woehler, business owner at 608 West Main Street addressed the committee. Mr. Woehler and his brother, and more recently his niece and nephew, have been the business owners at the property since the mid-80s. The business originally started out as storage garages, but later apartments were added to the building. A potential new business tenant is wanting to lease space from Mr. Woehler, to have a vehicle repair shop located within one of his rental garages. This new potential tenant was notified by City Staff that this building is zoned as R-3 residential multi-unit and that a vehicle repair shop cannot be included in this property. Mr. Woehler, after some research, found out about 10 years ago his building was rezoned from light industrial to R-3 without his knowledge. He would like his building re-zoned back to light industrial, so this new tenant can lease space from him.

Motion by Thomes, seconded by Menk and passed by unanimous vote to recommend to the City Council to amend the zoning at 608 West Main Street to suit Mr. Dan Woehler's needs.

Councilmember Hatlestad gave an update on the SAC & WAC fees and why it has been brought back to the EDA. A resident/past Mayor came to the City Council meeting, not happy about the waving of the WAC & SAC fees. Hatlestad suggested sending it back to the EDA to redefine the rules so that it wouldn't ultimately get turned down at the City Council meeting. In the new policy it would waive the WAC & SAC fees for up to three new residential construction units. The funds to cover the WAC & SAC fees for those three properties would come from the EDA #410 fund. The SAC & WAC waivers will come at a first come first serve basis. Realtor Mike Westphalen addressed the committee, he is in strong favor of this program. Mr. Westphalen felt this would be a great program for the City of Arlington, and that it would bring at least 3 new construction properties to the City. There was much discussion on the new policy.

Councilmember Hatlestad introduced the following resolution and moved for its adoption:

EDA RESOLUTION NO. 2018-3

A RESOLUTION APPROVING WAIVING THE SAC/WAC FEES FOR RESIDENTIAL CONSTRUCTION

WHEREAS, the Arlington EDA strives to promote growth in the community, and

WHEREAS, a recommendation was made to the EDA to consider waiving SAC/WAC connection fees, and

WHEREAS, the EDA has thoroughly researched and investigated the financial impact of waiving SAC/WAC fees, and

WHEREAS, the proposed SAC/WAC waiver program will be paid for by an EDA fund,

NOW, THEREFORE, BE IT RESOLVED by the Arlington EDA,

1. That the SAC/WAC fees will be waived for up to 3 residential SAC/WAC connection fees for new construction following the effective date of this Resolution through December 31, 2018.
2. The waiver will only be available for new residential unit construction that meets a minimum valuation of \$195,000.
3. The SAC/WAC fee waiver will be available on a first come, first served basis to the first 3 applicants that meet the qualifications.
4. The waiver program will be paid for by EDA fund #410.

The motion for the adoption of the foregoing resolution was duly seconded by Sorenson and upon poll being taken thereon the following voted in favor thereof: Bergersen, Thomes, Menk, Sorenson, Councilmember Hatlestad, Councilmember Battcher; and the following voted against the same: None; and the following abstained from voting: None; and the following were absent: Kloeckl.

Adopted by the Economic Development Authority of the City of Arlington this 19th day of March, 2018.

Signed: /s/ Dean Bergersen
Dean Bergersen, President

Attest: /s/ Amy Newsom
Amy Newsom, EDA Director

Whereupon the resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator.

The committee during discussion decided against restarting the lot acquisition program at this time. The committee agreed this could be brought up at a future meeting.

Director Newsom gave an update on the EDA's programs and overview of the EDA's funds. There is \$2,800 in the lot acquisition's program, something should happen with that fund as it hasn't had any movement in quite some time. The RRR Loan program has \$131,000 in that fund, the EDA could pull money from that fund for other projects. The Façade loan fund has \$25,000, after the JB Services grant loan is removed. The EDA should be promoting the RRR Loan and the Façade improvement programs more. The property development fund is the money that comes in from the EDA's farm land rent. The Revolving loan fund has just over \$100,000, this program has conflicting dollar amounts in the program details. The program details will be brought to the next meeting to be discussed.

Director Newsom met with the Sibley County daycare licensure to help come up with the Arlington Child Care loan program. There was much discussion on the listing of approved items that would be eligible for repayment. It was decided within discussion that the loan program will only be for new daycare providers.

Thomes introduced the following resolution and moved for its adoption, with the addition of the wording “for New Child Care Businesses Only”:

EDA RESOLUTION NO. 2018-2

A RESOLUTION APPROVING THE CREATION OF THE ARLINGTON CHILD CARE LOAN PROGRAM

WHEREAS, both the City of Arlington and the Arlington EDA have adopted 2018 goals to take steps to improve business retention and attraction, and

WHEREAS, the City of Arlington views child care as a vital component to business retention, and

WHEREAS, Arlington has been identified as having a large child care slot gap and,

WHEREAS, the Board of Commissioners for the Arlington EDA has drafted a forgivable loan program for actual expenses relating to the cost of opening a new child care business in the City of Arlington, up to \$1,000 per child care provider, and

WHEREAS, the applications for the program will be reviewed by the Arlington EDA Director and Sibley County Licensor prior to coming before the EDA Board, and

WHEREAS, funds for the child care program will come from EDA special funds #204.

NOW, THEREFORE, BE IT RESOLVED, that the Arlington Economic Development Authority hereby approves creating child care forgivable loan program.

BE IT FURTHER RESOLVED, that funding for the program is hereby authorized and established in the amount of \$5,000 and the program will run until the funds are extinguished or December 31, 2019, whichever occurs first.

The motion for the adoption of the foregoing resolution was duly seconded by Sorenson and upon poll being taken thereon the following voted in favor thereof: Bergersen, Thomes, Menk, Sorenson, Councilmember Hatlestad, Councilmember Battcher; and the following voted against the same: None; and the following abstained from voting: None; and the following were absent: Kloeckl.

Adopted by the Economic Development Authority of the City of Arlington this 19th day of March, 2018.

Signed: /s/ Dean Bergersen _____
Dean Bergersen, President

Attest: /s/ Amy Newsom _____
Amy Newsom, EDA Director

Whereupon the resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator.

Discussion was had on the status of the future Industrial Park land. There is a DEED grant that the City could acquire for help funding an access road to the industrial park. There was much discussion on the access to this property and whether or not the City should just sell the property. As the land sits currently, it will cost upwards of \$2.3 million to get an access road and utilities to those lots.

Motion by Thomes, seconded by Hatlestad and passed by unanimous vote to recommend to the City Council to sell the current EDA owned Industrial Park PID 31.0880.000.

Councilmember Battcher introduced the following resolution and moved for its adoption

EDA RESOLUTION NO. 2018-1

A RESOLUTION APPROVING TERMS OF A LOAN TO JB SERVICE FROM THE ARLINGTON EDA FAÇADE IMPROVEMENT LOAN PROGRAM FOR A PROJECT AT 304 WEST ALDEN STREET

WHEREAS, Roberta Zaske, d.b.a. JB Services, has applied for a Façade Improvement Loan available through the EDA; and

WHEREAS, the Applicant requests a forgivable loan in the amount of \$2,500 or fifty (50) percent of the actual project cost, whichever is less; and

WHEREAS, the purpose of the loan is to add concrete or pavers between the sidewalk and the building to eliminate weeds, add a new front using lumber, and paint the other three sides of the building at 304 West Alden Street in the Central Business District; and,

WHEREAS, the EDA has reviewed the loan application to determine compliance with loan policies and procedures.

NOW, THEREFORE, BE IT RESOLVED, that the Arlington Economic Development Authority hereby approves a façade improvement loan in the amount of \$2,500 to JB Services as follows:

1. The City and the EDA previously approved the EDA's Façade Improvement Loan Program which is administered by the Arlington EDA.
2. Roberta Zaske, d.b.a. JB Services (the "Borrower") have submitted an official application form requesting financial assistance from the EDA Façade Improvement Loan Program (the "Loan") in the amount of \$2,500 or fifty (50) percent of the project cost, whichever is less in order to finance concrete or pavers between the sidewalk and the building to eliminate weeds, add a new front using lumber, and paint the other three sides of the building (the "Project") at 304 West Alden Street (the "Property").
3. The Loan is to be made from the EDA Façade Improvement Loan Program and will be forgiven provided the Borrower remains in business on the Property for at least one year following the disbursement of the Loan and the Project is substantially completed within a reasonable period of time defined as one hundred eighty (180) days.
4. The Board hereby approves the Loan proposed to be provided to the Borrower contingent on:
 - a. Execution of a Promissory Note by the Property Owner.
 - b. Submittal of valid invoices from a licensed contractor relating to the window replacement, residing, and awning placement.
5. The Board has had an opportunity to review the Note to be executed by the Borrower. The Board hereby approves the form of Note.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Hatlestad and upon poll being taken thereon the following voted in favor thereof: Bergersen, Thomes, Menk, Sorenson, Councilmember Hatlestad, Councilmember Battcher; and the following voted against the same: None; and the following abstained from voting: None; and the following were absent: Kloeckl.

Adopted by the Economic Development Authority of the City of Arlington this 19th day of March, 2018.

Signed: /s/ Dean Bergersen
Dean Bergersen, President

Attest: /s/ Amy Newsom
Amy Newsom, EDA Director

Whereupon the resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator.

Newsom provided an update on the Housing Study. She had sent in the application to Compeer financial for a grant for the housing study and a \$2,500 grant was approved. The City is going to work with Bob Streeter but we are waiting for a scope of the project and a joint agreement in place before moving ahead with the project.

The kickoff meeting for Marketing Hometown America will be March 29th at 7:15 p.m. at the Arlington Community Center. Thomes mentioned that that day is Holy Thursday, so that date may need to be changed.

Newsom asked for a motion to table considering expanding the area of the Façade Loan Program, because there isn't enough time to discuss it properly.

Motion by Hatlestad, seconded by Battcher, and passed by unanimous vote to table expanding the area of the Façade Loan Program until a future meeting.

Newsom reminded all that the Sibley County Business Expo is coming up on Thursday, April 19th, at the Arlington Community Center. Arlington Police Chief John Petterson will be doing a K-9 demonstration, with his K-9 Kash, two times throughout the evening.

The Sibley County Municipalities Meeting is Thursday, April 19th. Administrator Melvin wants to know if any member of the EDA is interested in attending that evening. No one was interested at this time.

Motion by Battcher, seconded by Thomes, and passed by unanimous vote to adjourn the meeting at 6:16 p.m.

EDA Director Amy Newsom

EDA President Dean Bergersen