



**ECONOMIC DEVELOPMENT AUTHORITY  
SPECIAL MEETING AGENDA  
MONDAY, AUGUST 10 @ 5:30 P.M.  
Arlington Community Center - Council Chambers**

1. Call to Order
2. Pledge of Allegiance
3. Approval of Agenda
4. Bid Opening
  - A. Nickel Property
  - B. Swenson Property
5. Approval of Minutes
  - A. July 13, 2020
  - B. July 27, 2020
6. Approval of Financial Reports  
July 2020
7. New Business
  - A. SMIF Budget request
8. Old Business
  - A. Discussion on possible sale of Nickel Property- Brent Allen/Tony Hoff
  - B. Marketing Ideas
9. Planning and Zoning update – Tim Scanlon-Johnson
10. EDA Director update on businesses and housing
11. Director and Board Comments
12. Adjourn



**ARLINGTON ECONOMIC DEVELOPMENT ASSOCIATION  
SPECIAL MEETING MINUTES  
JULY 27<sup>th</sup> 2020 AT 5:30PM  
COMMUNITY CENTER  
COUNCIL CHAMBERS**

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1. **Call meeting to order and roll call**

**PRESIDENT BERGERSEN called the meeting to order at 5:30pm on July 27<sup>th</sup> 2020**

2. **Roll call**

**EDA MEMBERS:**

DEAN BERGERSEN  
HOWARD BRINKMAN  
LAURA BRINKMAN  
TIM KLOECKL  
KURT MENK  
MATT SCHARPE  
LARRY SORENSON

**STAFF:**

AMY NEWSOM, CITY ADMINISTRATOR  
TIMOTHY SCANLON-JOHNSON, PLANNING & ZONING ADMIN.

**GUESTS:**

MAYOR RICHARD NAGEL

3. **Discussion about the CARES Act Grant Applications**

- a. City Administrator Newsom updated the EDA
- b. MENK stated that he sees the City as a business ... City expenses related to COVID-19 include Fire, Ambulance etc. as well as staff time to handle the CARES money
- c. The application was discussed and the dollar amount
- d. A resolution will be passed designating the dollar amount after the applications come in
- e. The money will move to the County if we don't use it all
- f. We have lots of businesses who will qualify for this money
- g. November 15<sup>th</sup> will be the date by which the businesses must use all of the money they are awarded, and it must be put toward COVID-19 related expenses

4. Resolution 9-2020

A Resolution Amending the Creation of the Arlington EDA COVID-19 Grant Program

MOTION by MENK to APPROVE RESOLUTION 9-2020  
SECOND by BRINKMAN

INTRODUCED by BATTCHER to ACCEPT 39-2020 \$150 TO FD  
SECOND by SHARPE

BERGERSEN	IN FAVOR
BRINKMAN	IN FAVOR
BRINKMAN	IN FAVOR
KLOECKL	IN FAVOR
MENK	IN FAVOR
SCHARPE	IN FAVOR
SORENSEN	IN FAVOR

NONE ABSENT

7 VOTES IN FAVOR

RESOLUTION ADOPTED

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5. Adjournment

MOTION by SCHARPE to ADJURN  
SECOND by KLOECKL  
5 VOTES IN FAVOR  
MOTION CARRIED

SPECIAL MEETING ADJOURNED at 5:44pm, July 27<sup>th</sup>, 2020

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X \_\_\_\_\_

City Administrator, Amy Newsom

X \_\_\_\_\_

Mayor, Richard Nagel

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**ECONOMIC DEVELOPMENT AUTHORITY  
SPECIAL MEETING MINUTES  
MONDAY, JULY 13 @ 5:30 P.M.  
Arlington Community Center - Council Chambers**

1. Call to Order

Meeting was called to order at 5:30 pm by President Dean Bergersen.

Board Members Present: Kurt Menk, Larry Sorenson, Dean Bergersen, Matt Scharpe, Tim Kloeckl, Howard Brinkman, Laura Gilman – via telephone

Board Members Absent: None

Staff Present: EDA Director Amy Newsom, P&Z Administrator Tim Scanlon-Johnson

Guests Present: Mayor Rich Nagel, Terry Klages

2. Pledge of Allegiance

All stood for the Pledge of Allegiance.

3. Approval of Agenda

Motion by Kloeckl to approve the agenda, second by Sorenson. Motion carried.

4. Approval of Minutes

A. June 2, 2020

B. June 8, 2020

C. June 16, 2020

Motion by Bergersen to approve the minutes, second by Sorenson. Motion carried.

5. Approval of Financial Reports

June 2020

Discussion on EDA finances. Motion by Brinkman to accept June 2020 Financial Report, second by Kloeckl. Motion carried.

6. New Business

A. SBDC 2021 Budget Request

Motion by Sorenson to approve \$500 appropriation to SBDC, second by Menk. Motion carried.

B. CARES ACT Funding

Discussion on how to use the Federal CARES Funds awarded to the City. Newsom presented a draft program and resolution. Menk questioned if there should be some way to rank applicants depending if they have closed or laid off employees during COVID-19.

Motion by Sorenson to approve Resolution 08-2020 A Resolution Approving the Creation of the Arlington EDA COVID-19 Grant Program and Allocating \$60,000 of CARES ACT Funding to Such Program with the change of **up to \$5,000** in funds will be available, second by Brinkman. Motion carried.

C. Consider updating the Commercial Lots Policy

Request by Menk for businesses to provide some proof of financial ability before their request to purchase land comes to the EDA. Suggestion by the Board that businesses provide of copy of a business plan, P&L, balance sheet to EDA before EDA considers selling property.

Motion by Sorenson to require businesses to provide a businesses plan with the added statement that the EDA may require additional financial statements including a credit check, second by Kloeckl. Motion carried.

7. Old Business

A. Nickel Property – rented out to Alex Fredin

Newsom reported that she did not receive the required balance sheet from Horstman so the EDA motion to approve any purchase agreement or development agree is now null and void. Newsom stated that Fredin asked about the City putting the land out for bids in August. Consensus of the Board is to go ahead and put it out for bids in August as long as it is approved by City Attorney Arneson.

B. Marketing Ideas

Board member Gilman provided a news articles from the *New York Times* highlighting minority business owners that have moved from the metro area to rural areas with their businesses. New P&Z Administrator Tim Scanlon-Johnson spoke of some of the Hispanic businesses in the Minneapolis Lake Street area that may be looking to move out of the metro area. Menk reported that Choose Arlington has placed some ads in the western metro newspapers. Newsom stated that Choose Arlington also plans some videos of Arlington. Brainstorming for businesses needs in the City the EDA stated they would like to focus on recruiting a butcher to the City. Some other businesses needed in the area include: a brewery, sandwich shop, floral shop, and a coffee shop. Brinkman asked if someone would meet with Charlie Novosad to do something with his property across from Gustafson Dental office. Scanlon-Johnson will meet with Novosad to work on a plan. Newsom also reported that Arlington will still be hosting 1 Million Cups on October 14 if it is an in-person event.

8. Planning and Zoning update – Tim Scanlon-Johnson

Scanlon-Johnson introduced himself to the EDA Board stating a bit about his background experience.

9. EDA Director update on businesses and housing

Newsom reported that Siwek plans take advantage of the EDA incentives and to move ahead with 8 new villa homes near the racetrack.

10. Director and Board Comments

Newsom asked if Matt Sharpe plans to take over Hatlestad's spot as Vice President of the EDA. Motion by Brinkman to nominate Scharpe as Vice President, second by Sorenson. Motion carried.

11. Adjourn

Motion by Kloeckl to adjourn at 6:41 pm, second by Brinkman. Motion carried.

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EDA Director Amy Newsom

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President Dean Bergersen

ARLINGTON ECONOMIC DEVELOPMENT AUTHORITY

Financial Report

As of July 31, 2020

<b>General Fund:</b>	<b>Annual</b>	<b>Expenses for</b>	<b>YTD Exp. as</b>	<b>Budget</b>	
<b>Econ. Develop. Dept.</b>	<b>Budget</b>	<b>July</b>	<b>of July 31</b>	<b>Balance</b>	<b>%</b>
Other Pay (Per Diems)	1,250.00	0.00	0.00	1,250.00	0.0%
Wages & Benefits	27,275.00	2,788.16	15,077.84	12,197.16	55.3%
Prof. Services	0.00	0.00	0.00	0.00	0.0%
Legal	500.00	0.00	30.00	470.00	6.0%
Postage/Printing/Advertising	1,900.00	0.00	0.00	1,900.00	0.0%
Other/Office/Phone	1,000.00	0.00	60.00	940.00	6.0%
Reimbursible Exp.	<u>100.00</u>	<u>0.00</u>	<u>0.00</u>	<u>100.00</u>	<u>0.0%</u>
<b>Econ. Dev. Dept. Total:</b>	<b>\$32,025.00</b>	<b>\$2,788.16</b>	<b>\$15,167.84</b>	<b>\$16,857.16</b>	<b>47.4%</b>

**Capital Equipment Fund #401**

Capital Outlay - EDA	\$0.00	\$0.00	\$0.00	0.00
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**EDA Fund #410**

Beginning Balance	January 1, 2020	4,336.34
+ Interest		103.12
- WAC/SAC Waivers		<u>0.00</u>
<b>Ending Balance</b>	<b>July 31, 2020</b>	<b>\$4,439.46</b>

	<u>Allocation</u>	<u>Loans</u>		<u>YTD Loan</u>	<u>YTD Fund</u>	<u>Actual Fund</u>
		<u>Outstanding</u>	<u>Balance</u>	<u>Interest Received</u>	<u>Interest Earned</u>	<u>Balance</u>
<b>Special EDA Funds #204</b>						
RRR Loan & Subsidy (See below)	\$151,873.05	\$40,000.00	\$111,873.05	0.00	\$1,157.37	\$113,030.42
Facade & Sign Imp.Loans (See below)	\$23,387.75	\$1,987.72	\$21,400.03	0.00	\$222.29	\$21,622.32
Child Care Loans (See below)	\$3,148.14	\$0.00	\$3,148.14	0.00	\$30.23	\$3,178.37
Property Development Fund	\$12,449.41		\$3,861.56	0.00	\$83.36	\$3,944.92
+ Land Rent	\$1,025.50					
+ Land sale	\$1.00					
- Land Refund	-\$5,000.00					
- Professional Services	-\$3,301.15					
- Property Taxes	-\$1,158.00					
- Land advertising	-\$155.20					
<b>Totals:</b>	<b>\$190,858.35</b>	<b>\$41,987.72</b>	<b>\$140,282.78</b>	<b>\$0.00</b>	<b>\$1,493.25</b>	<b>\$141,776.03</b>

<b>Revolving Loan Fund #205</b>	\$169,721.81	\$76,761.51	\$92,960.30	\$517.28	\$1,165.03	\$94,642.61
( see detail below)						

<u>Individual Loan Detail</u>	<u>Original Loan</u>	<u>Outstanding</u>	
	<u>Amount</u>	<u>Principal Amount</u>	
<b>#204 Special EDA Funds Detail</b>			
<u>R-R-R Loan Program:</u>			
	<u>\$0.00</u>	<u>\$0.00</u>	
<u>Business Subsidy</u>			
Scott Equipment Co.	\$40,000.00	\$40,000.00	
Forgivable after 5 years	Mar-20		
	<u>\$40,000.00</u>	<u>\$40,000.00</u>	
<u>Facade Improvements:</u>			
R&R Auto	\$2,500.00	\$0.00	Forgiven 2/10/20
Forgivable after 1 year	Dec-18		
Hip Hop Shop (Allison)	\$909.45	\$0.00	Forgiven 6/8/20
Forgivable after 1 year	May-19		
	<u>\$3,409.45</u>	<u>\$0.00</u>	
<u>Sign Loan Program:</u>			
Fredin Construction	\$150.22	\$150.22	
Forgivable after 3 years	May-20		
Arlington Animal Clinic	\$1,000.00	\$1,000.00	
Forgivable after 3 years	Jun-20		
Lindsay Sjostrom	\$837.50	\$837.50	
Forgivable after 3 years	Jul-20		
	<u>\$1,987.72</u>	<u>\$1,987.72</u>	
<u>Child Care Providers:</u>			
	<u>\$0.00</u>	<u>\$0.00</u>	

**#205 Revolving Loan Fund Detail**

Arlington Auto & Farm Supply	\$40,000.00	\$16,761.51
5%-15 Years	Jul-10	
Bullert Hospitality Group	\$60,000.00	\$60,000.00
4.75 %-10 Years	Apr-20	
<b>TOTAL</b>	<b>\$100,000.00</b>	<b>\$76,761.51</b>

**From:** Brett Allen  
**Sent:** Monday, July 20, 2020 3:32 PM  
**To:** Mike Kedrowski; Amy Newsom  
**Subject:** Re: Un plotted land

I see the property is available again. Is this something the city will consider selling for me to build a house on or are you strictly wanting a business now?

I would be interested in the non tilable section.

Would the property be required to get hooked to city utilities or could a well and septic be put in.

Let me know

thank you

On Mon, Feb 3, 2020, 9:04 AM Mike Kedrowski <[mkedrowski@arlingtonmn.com](mailto:mkedrowski@arlingtonmn.com)> wrote:

Not a problem, I will look into those questions for you and get back as soon as I can.

Thank you,

*Michael Kedrowski*

Planning and Zoning/Administrative Coordinator



204 Shamrock Drive

Arlington, MN 55307

Office: ~~507-964-2378~~ ex:250

Cell: ~~952-847-3740~~

Email: [mkedrowski@arlingtonmn.com](mailto:mkedrowski@arlingtonmn.com)

[www.arlingtonmn.com](http://www.arlingtonmn.com)

**From:** Brett Allen <[brettjallen00@gmail.com](mailto:brettjallen00@gmail.com)>  
**Sent:** Monday, February 3, 2020 9:01 AM



**To:** Mike Kedrowski <[mkedrowski@arlingtonmn.com](mailto:mkedrowski@arlingtonmn.com)>

**Subject:** Re: Un plotted land

Thank you for the information.

I would be interested in the 8 Acre section on the west side of the property.

My questions would be about utilities.

Would this property be on city water and sewer or could a well and septic system be brought to the property?

It's my understanding that both would be options?

If city water and sewer would be chosen what would be an estimated cost to get hooked up?

If the 8 acres were purchased would a city street be added thru the property still dividing the lot?

Thank you for your time and information it will help in my decision making.

Brett Allen

On Wed, Jan 29, 2020, 2:59 PM Mike Kedrowski <[mkedrowski@arlingtonmn.com](mailto:mkedrowski@arlingtonmn.com)> wrote:

Good afternoon,

Your information was forwarded to myself as I am the Planning and Zoning Administrator for Arlington.

Attached is a map of the property/parcel that I believe you are talking about. The land has some tillable acreage and on average it goes for around \$7,254 per acre, those are however, for 2019 and the county has not yet assessed the values for 2020 yet. I am sure we could ask for the land to be parceled or plotted if needed.

Let me know if there is any more information I can help provide.

*Michael Kedrowski*

Planning and Zoning/Administrative Coordinator

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**From:** Brett Allen <[brettjallen00@gmail.com](mailto:brettjallen00@gmail.com)>  
**Sent:** Wednesday, January 29, 2020 11:07 AM  
**To:** Amy Newsom <[anewsom@arlingtonmn.com](mailto:anewsom@arlingtonmn.com)>  
**Subject:** Un plotted land

Hello Amy,

I am interested in the land next to the fairgrounds that the city is trying to sell.

What kind of dollar amount is it going for per acre?

Also I saw it advertised as 2 parcels would the city sell the west half? I would want to purchase this to build a future home and continue to let the fairgrounds use part of the land for event parking.

If you could let me know thank you.



SOUTHERN MINNESOTA  
INITIATIVE FOUNDATION

July 2020

525 Florence Avenue · PO Box 695 · Owatonna, MN 55060-0695  
PH 507.455.3215 · FAX 507.455.2098 · [smifoundation.org](http://smifoundation.org)

Pat Melvin  
City of Arlington  
204 Shamrock Dr W  
Arlington, MN 55307

Dear Mr. Melvin and City Council,

At Southern Minnesota Initiative Foundation (SMIF), we are proud of our ability to adapt and address the needs in our region and at this time in our history it has never been more needed. In 1986, a farming crisis overtook the Midwest. Out of this economic crisis, the Minnesota Initiative Foundations were created to support greater Minnesota and its vitality. As we face another economic struggle in our nation and world, Southern Minnesota Initiative Foundation is committed to collaborating for regional vitality and rising to the challenge to support the place we call home in any way we can.



Below you will find important resources and information on how we are helping our **businesses, early childhood providers, community foundations** and other partners in our region during this difficult time. Donors like you have made this work possible through your continued support.

Here are just a few of the programs we are supporting during this COVID-19 crisis:

- SMIF was chosen as one of nearly two dozen statewide organizations to accept Small Business Emergency Loan applications. To date we have received more than 400 applications. We will continue to access and direct dollars to support our regional economy.
- SMIF created an Emergency Child Care Grant Program to provide immediate financial support to licensed child care providers in Greater Minnesota in response to the COVID-19 crisis. We received over 500 applications and will continue to look for ways to support our providers moving forward.
- SMIF is raising dollars to support a grant program for our 30 community foundations in our region so they are better equipped to address the specific needs of their community.



We have been supporting our communities prior to the pandemic and will continue to do so into the future. We know there is no one-size-fits-all solution to this recent crisis affecting our region, so we will continue to do what we know by supporting economic development, early childhood and community vitality efforts. Please see the enclosed factsheet for local examples of the work we have done in your county.

Last year we launched our “Love Where You Live” campaign to raise \$3.5 million to support our three endowment funds. Now more than ever in order to strengthen SMIF’s long-term impact we need your support to have an even greater impact on the place we call home. We need to continue to respond to the needs of southern Minnesota while also ensuring the longevity and stability of our organization and region.

Thank you for your generous donation of \$500 on 11/22/2019. **Will you consider giving again in your 2020 and 2021 budget to support southern Minnesota’s future?**

With gratitude,

Tim Penny  
President & CEO



Collaborating for Regional Vitality