City Of Faribault

Faribault Economic Development Authority
MEETING MINUTES

Thursday | April 21, 2022

Prior to the Meeting beginning, Administrator Murray swore in the new commission member, A.J. Smith.

1. Call to Order / Roll Call / Agenda Approval

Action: Chair Gramse called the meeting to order at 7:01 a.m.

Present: Campbell, Drevlow, Fort, Smith, Viscomi, Voracek, and Chair Gramse.

Absent: None.

Staff Present: Community & Economic Development Director Deanna Kuennen, Community Development Coordinator, Stephanie Aman and Recording Secretary, Kari Casper, and City Administrator, Tim Murray.

2. Approval Minutes

Action: Motion was made by Voracek and seconded by Campbell to approve the Minutes of March 17, 2022 presented. Motion carried on a 7/0 vote.

3. Routine Business: *Agenda items below are approved by one motion unless an EDA member requests separate action.*

A. Monthly Loan Status Report
B. Permit Activity Update Report
C. Budget Status Report

Kuennen stated that there was nothing new to add in any of the reports.

Motion was made by Campbell and seconded by Voracek to receive and file the monthly status reports as presented. Motion carried on a 7/0 vote.

4. Public Hearings

A. None.

5. Items for Discussion

A. Preliminary Agreement with the Downtown Investment Group (DIG Holdings, LLC)

Before the discussion began, it was noted that both Chair Gramse and Drevlow recused themselves of this discussion and Gramse handed the meeting over to Vice Chair Voracek to facilitate discussion and action related to this agenda item.

Kuennen explained that Staff worked with the City Attorney to prepare a preliminary agreement. She stated that the preliminary agreement outlines the rolls and responsibilities of the parties. The applicant hasn't closed yet on the deal and are still in the money raising phase. Discussion ensued as the EDA members expressed their support, agreeing that this is a good investment for the downtown. After some discussion, a motion was made by Smith, seconded by Viscomi. The vote carried unanimously.

B. Hwy 60 West - Gateway Improvements Discussion with Jeff Jandro

Kuennen began by presenting a bit of history on the Highway 60 West project in that it began back in 2008 where the utilities were brought to the area in anticipation of a big box retail development which did not happen. The area had been stagnant for some time. Jeff Jandro has recently purchased property in the area and is interested in working with the City to realize this area as a gateway to Faribault. He understands that this is a long-term vision, and in the interim he is willing to invest in the existing building to address codes, improve the parking lot, and complete some exterior remodel for all three existing buildings. Mr. Jando also acquired 42 acres which was formerly the Valley Mining property. He is in discussion with the city for future development of that site. Jandro stated that it would be about $45,000 to do the site improvements to "hold" the land until utilities are brought to the site and the whole area can be marketed for redevelopment. He requested EDA funding to offset some of these costs. The EDA asked questioned regarding previous programs to support investments. Staff provided different funding combinations that could be applied. At this time Drevlow stated that he must abstain from this discussion. The EDA continued discussion on the request and determined that the EDA should provide a 0-percent interest forgivable loan, in the amount of up to $22,500 (50-percent of the investment), forgivable after 5 years unless Mr. Jandro sells the property sooner. If it is sold before 5 years, the loan would be due and payable. Voracek brought a motion, seconded by Smith with the addition to allow staff to execute the agreement. The vote carried on 6/0 with Drevlow abstaining from the vote.

C. Funding Request for Downtown Entrepreneurial Video Project

Chair Gramse the turned the matter over to Kuennen for presentation who introduced Kelly Nygaard with the Chamber. Nygaard presented an outline for a downtown entrepreneurial video project that the EDA had requested. She explained that the project will highlight the business/entrepreneurs in the downtown, but will not be advertising for each business. Instead the video will tell the story of how each business was brought to the downtown and how they are doing. This video presentation will be highlighted on social media and the Chamber's web page as well as linked to the City's website. She anticipates eight interviews with snippets and scenes from the downtown area. There is room for other programs like to in the future with bringing this project. A motion was made by Voracek seconded by Viscomi to approve the budget of $10,000 for this project as presented. The motion carried unanimously.

D. Funding Request for 2022 MicroGrant Program

Nygaard also began this presentation with Voracek bringing the motion. Kuennen pointed out that the only enhancement to this program was that the applicants will be reviewed by City Staff before the awards are given. Drevlow seconded the motion and the motion carried unanimously.

Drevlow left at 7:56 a.m.

E. Downtown Placemaking Discussion

Kuennen turned this over to Aman for presentation. Aman stated that based on previous interest by the EDA to fund a downtown placemaking program, she has been working with the Julie Fakler at the Paradise Center for the Arts to prepare a program concept that would be similar to the Artist on Main program from a few years back. Much discussion ensued with the EDA commenting that the placemaking projects serve a purpose, and that there should be structure around what kinds of artist proposals that the program should fund. After more discussion, it was noted that City Staff will work with the Paradise on this placemaking program. Voracek brought a motion to approve a budget of $10,000 with the condition that the Paradise work with City Staff, seconded by Viscomi. Motion carried on a 6/0 vote.

F. 2022 Marketing - SelectUSA Participation Discussion

Kuennen represented that we have been a successful part of this participation in the past and would like to see the EDA support this participation for this year. Kuennen provided background on the relationships and benefits that have come from being part of Team Minnesota at SelectUSA, and this will be the first in-person event since COVID. SelectUSA is included in the budget, but Kuennen was seeking continued support for the City of Faribault's FDI marketing message and efforts. The EDA expressed their support to participate in SelectUSA. No action on this at this time.

G. Election of Officers

Kuennen explained that with the resignation of Grant Forsythe, the Secretary/Treasurer seat is vacant. Chair Gramse nominated Smith. After some discussion Smith accepted the nomination. The nomination carried on a 6/0 vote.

6. Updates/Project Reports

Kuennen did a quick overview of the upcoming projects highlighting all the upcoming housing projects in the works. She mentioned that there are some projects that still cannot be discussed but does try to keep everyone appraised of the upcoming developments. The Rice County Public Safety Center was briefly discussed and mentioned that there will be two parcels deeded back to the City and Administrator Murray commented that those parcels could be given to the EDA for redevelopment purposes or sold in the future. The parcels are in a Light Industrial/Commercial zone. Kuennen mentioned that the Microsummit is next week that the EDA is hosting.

7. Adjourn

A motion was made by Voracek and seconded by Campbell to adjourn at 8:25 a.m.

Motion carried on a 6/0 vote.

Respectfully Submitted,

By:______________________________

Kari Casper, Recording Secretary