



## ECONOMIC DEVELOPMENT AUTHORITY AGENDA

PUBLIC MEETING ROOM

THURSDAY, MARCH 16, 2023

7:00 AM

1. Call to Order
2. Approval of the Minutes
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
4. Public Hearings
5. Items for Discussion
  - A. Economic Development Incentive Fund Program
  - B. Xcel Energy Corporate Economic Grant Program
  - C. Resolution Designating EDA Depository Account
6. Project Updates
7. Adjournment



## ECONOMIC DEVELOPMENT AUTHORITY MINUTES

PUBLIC MEETING ROOM

THURSDAY, FEBRUARY 16,  
2023

7:00 AM

### Meeting Items

1. Call to Order

The regular meeting of the Economic Development Authority was called to Order by Chair Gramse at 7:001a.m. Heather Sletchta administered the Oath of Office to returning member, A.J. Smith and to the new Council Member, Tom Spooner. Present were David Campbell, A.J. Smith, Tom Spooner, Mayor Kevin Voracek and Chair Gramse. Will Fort was absent during this meeting. Also in attendance were Tim Murray, City Administrator, Stephanie Aman, Economic Development Coordinator, David Wanberg, Director of Community and Economic Development and Kari Casper, Administrative Assistant II. Chair Gramse asked if anyone had any additions or corrections to the agenda; no one had any.

2. Approval of the Minutes

Motion by Dave Campbell, seconded by Kevin Voracek to Approve. The motion passed on a 5/0 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

Motion by Dave Campbell, seconded by AJ Smith to receive and file the Routine Business as presented. The motion passed on a 5/0 vote.

4. Public Hearings

None.

5. Items for Discussion

A. Election of Officers

Motion by Kevin Voracek seconded by AJ Smith to Approve Rod Gramse as Chair, Kevin Voracek as Vice Chair and A.J. Smith as Secretary Treasurer. The motion passed on a 5/0 vote.

B. EDA Open Seat

Aman requested directions about who the board would like to see fill the open seat. After some discussion, it was recommended that they reach out to the financial institutions to see if anyone of them would be interested. No action taken on this item.

C. Annual Review of Enabling Resolution

Aman asked if there were any questions regarding this or any changes going forward.

None being said, Chair Gramse stated that we'd leave that as is and move on. No action was taken on this item.

D. First Amended and Restated Contract for Private Development - Riverchase

Aman stated that the change to this First Amended and Restated Contract will reflect the 3% inflation from \$700,000 to \$750,000. Voracek noted that on page 2 a correction needed to be made from \$750,000 to \$700,000. Motion by Kevin Voracek to approve the contract with the noted change on page 2 to reflect the corrected dollar amount, seconded by AJ Smith. The motion passed on a 5/0 vote.

6. Project Updates

Aman noted that there is a lot of activity. Sage announced an expansion. There are some little things happening as well. It's been busy and we are hoping there are some projects that we can name when they come forward. Voracek asked about any that are coming north of County Road 9? Gramse asked about Sage and space? Aman stated that she met with Xcel Energy and there is some conversation around grant funding available for us to look at some master planning potentially on Highway 60. There is a possibility of revitalizing some of those plans. They also have another program for ready buildings. It's out there and we are going to work with them to see what kind of program we can work with. Voracek asked about concept drawings for the west end development? Aman stated that they are old. Voracek stated that a telecom provider was interested in getting cable around there. Gramse asked about Twisted Chidken starting this spring. Aman stated that they are just waiting for construction. Voracek identified that it would be in the old Styles on 4th building.

7. Adjournment

Motion by Kevin Voracek to adjourn at 7:17 a.m., seconded by Tom Spooner. The motion passed on a 5/0 vote.



## Request for Action

**TO:** Faribault Economic Development Authority  
**FROM:** Stephanie Aman, Economic Development Coordinator  
**MEETING DATE:** March 16, 2023  
**SUBJECT:** Monthly Loan Status Report

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### **BACKGROUND:**

The Economic Development Authority (EDA) has the authority to provide financial incentives to businesses growing and/or relocating to the City. The various different loan funds in the EDA's portfolio are made up of local, state, and federal dollars – all with their own set of criteria associated with each type of funding source.

Staff continually review loan files to ensure that loan obligations have been met and loans are closed out as appropriate. The historical loan information is valuable in understanding how the EDA has assisted projects in the past, and what kinds of loans have been beneficial/impactful. This information can inform various EDA decisions as it relates to developing new loan programs and retooling existing loan programs. Cataloguing which businesses have utilized the various different programs over time is also an important data set that can be used for other purposes, such as identifying tiers of businesses to visit as part of a business retention and expansion (BRE) program.

The attached is a summary of the various City and EDA loan programs and their current available balances as of February 28, 2023.

### **REQUESTED ACTION:**

No action required.

### **ATTACHMENTS:**

1. 3A - Loan Status Reports - February 23



## Agenda Item: 3A

| Fund                                  | Program Name                                             | Available Balance                            | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------------|----------------------------------------------------------|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Fund 249                              | Minnesota Investment Fund (MIF)                          | \$13,453.94                                  | 2018 MN Legislature authorized one-time exception to “cash out” MN MIF funds. The cashed out funds are now part of the EDA’s program budget. Available MIF balance must follow re-use guidelines.                                                                                                                                                                                                                                                           |
| Fund 292                              | EDA Revolving Loan                                       | \$436,147.34                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                       | - Commercial Development Loan Program (and Grant)        | (\$336,147.34)                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                       | - Façade Improvement Micro Loan                          |                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                       | - EDIF - Economic Development Incentive Program          |                                              | New program in 2021 – dedicated \$200,000 of loan balance. Two loans approved:<br>\$100,000 for Trystar;<br>\$100,000 for Tru Vue<br>(not reflected in available balance; is reflected in yellow)                                                                                                                                                                                                                                                           |
| Fund 243                              | Industrial Development Loan                              | \$293,538.69                                 | Last activity was loan for Cry Baby Craig’s                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>TOTAL EDA LOAN FUNDS AVAILABLE</b> |                                                          | <b>\$743,139.97</b><br><b>(\$643,139.97)</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Fund 290                              | EDA Operating Fund/Fund Balance                          | \$1,610,349.61                               | Authorized \$150,000 forgivable loan for Daikin                                                                                                                                                                                                                                                                                                                                                                                                             |
|                                       |                                                          |                                              | December 2022 - \$250,000 for Downtown Revitalization Program.                                                                                                                                                                                                                                                                                                                                                                                              |
|                                       |                                                          |                                              | Includes EDA Program Funds                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                       |                                                          |                                              | Includes Fund 245                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                       |                                                          |                                              | (See below for fund 245)                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Fund 245                              | Downtown Commercial Rehab & Exterior Improvement Program | \$61,068.84                                  | Allocated Funds<br>2016 - \$300,000 from City Council<br>2018 - \$200,000 from City Council<br>2019 - \$200,000 from EDA<br>2020 - \$100,000 from EDA (total of \$200,000 identified in budget, only \$100,000 transferred)<br>2021 - \$0 (total of \$200,000 identified in budget, no funds transferred due to lack of program activity)<br>2022 – TBD (total of \$200,000 identified in budget for “downtown”)<br>2022 – July: Repayment of \$60,000 loan |
| Fund 248                              | Federal MIF Loan                                         | \$599,921.52                                 | Funds are difficult to spend. Uses must meet a national (federal) objective, public benefit standard, environmental review, Davis-Bacon, and extra business reporting requirements.<br><br>The City Council may request that funds are transferred into the Small Cities Development Program (same federal objectives). This required spending plan and DEED/HUD approval                                                                                   |



## Request for Action

**TO:** Faribault Economic Development Authority  
**FROM:** Stephanie Aman, Economic Development Coordinator  
**MEETING DATE:** March 16, 2023  
**SUBJECT:** Permit Activity Update Report

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### **BACKGROUND:**

Permit activity (building permits, etc.) is a reflection on the status of the economy. Over the last few years, the City of Faribault has seen an increase in permit activity – which translates into investment in our community. To track and follow trends, monthly permit activity reports are prepared.

This information is shared on a monthly basis with the Economic Development Authority (EDA) to ensure the EDA has a pulse on the development activity occurring in the community. Trend information will also be one resource that the EDA can utilize to develop annual work plans and develop/modify programs to respond to and address business needs.

Because the EDA did not meet in January, attached is the final report from December, so the EDA has a year-end capture. Not unexpectedly, the winter season brings challenges to larger projects and construction and permit activity for February is reflective of that.

### **REQUESTED ACTION:**

No action required.

### **ATTACHMENTS:**

1. Memo Monthly Permit Activity Report - Feb 23

## Agenda Item: 3B

The following summarizes building permit activity:

|                                 | January         | February       | March     | April   | May      | June     |
|---------------------------------|-----------------|----------------|-----------|---------|----------|----------|
| Total Building Permits          | 30              | 17             |           |         |          |          |
| Total Valuation                 | \$37,506,137.05 | \$1,896,894.00 |           |         |          |          |
| Total ALL Permits*              | 84              | 50             |           |         |          |          |
| Total ALL Permits Valuation     | \$38,646,615.29 | \$2,241,426.00 |           |         |          |          |
|                                 | July            | August         | September | October | November | December |
| Total Building Permits          |                 |                |           |         |          |          |
| Total Valuation                 |                 |                |           |         |          |          |
| YTD Building Permits**          |                 |                |           |         |          |          |
| YTD Total Valuation**           |                 |                |           |         |          |          |
| Total ALL Permits*              |                 |                |           |         |          |          |
| Total ALL Permits Valuation     |                 |                |           |         |          |          |
| Total YTD ALL Permits**         |                 |                |           |         |          |          |
| Total YTD Valuation ALL Permits |                 |                |           |         |          |          |

\*Total ALL Permit activity includes plumbing, heating, signs, electrical, etc.

\*\*YTD includes all activity through 2/28/2023



## Request for Action

**TO:** Faribault Economic Development Authority  
**FROM:** Stephanie Aman, Economic Development Coordinator  
**MEETING DATE:** March 16, 2023  
**SUBJECT:** Budget Status Report

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### **BACKGROUND:**

The Economic Development Authority (EDA) approved a 2023 budget, levy request, and work plan. The budget is divided into "operating expenses" and "program funds." The Program Funds budget is made up of fund balances and various different one-time lump funds. These funds are targeted for specific projects based on the approved Work Plan in the categories of: Available Land, Gateways, Regionalism, Workforce/Data Analysis, and Ongoing Operations.

Attached is the Budget Status report for Fund 290 (Economic Development Authority). This information is being provided for informational purposes.

### **REQUESTED ACTION:**

No action required.

### **ATTACHMENTS:**

1. Budget Status - Feb 23

# General Ledger

## Budget Status

User: saman@ci.faribault.mn.us  
 Printed: 3/8/2023 - 9:10 AM  
 Period: 2, 2023



| Account Number      | Description                    | Budget Amount | Period Amount | YTD Amount | YTD Var    | Encumbered Amount | Available  | % Available |
|---------------------|--------------------------------|---------------|---------------|------------|------------|-------------------|------------|-------------|
| Fund 290            | Economic Development Authority |               |               |            |            |                   |            |             |
| Dept 290-00000      |                                |               |               |            |            |                   |            |             |
| R01                 | Taxes                          |               |               |            |            |                   |            |             |
| 290-00000-462-31010 | Current Ad Valorem Taxes       | 322,273.00    | 0.00          | 0.00       | 322,273.00 | 0.00              | 322,273.00 | 100.00      |
| 290-00000-462-31020 | Delinquent Ad Valorem Taxes    | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
| 290-00000-462-31030 | Mobile Home Taxes              | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
| 290-00000-462-31035 | Delinquent Mobile Home Taxes   | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
| 290-00000-462-31040 | Excess Tax Increment           | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
| 290-00000-462-31500 | PILOT                          | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
| 290-00000-462-31550 | Green Acres                    | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
|                     | R01 Sub Totals:                | 322,273.00    | 0.00          | 0.00       | 322,273.00 | 0.00              | 322,273.00 | 100.00      |
| R02                 | Permit & Licenses              |               |               |            |            |                   |            |             |
| 290-00000-462-36215 | Loan Interest                  | 383.00        | 27.32         | 54.91      | 328.09     | 0.00              | 328.09     | 85.66       |
|                     | R02 Sub Totals:                | 383.00        | 27.32         | 54.91      | 328.09     | 0.00              | 328.09     | 85.66       |
| R03                 | Intergovernmental Revenue      |               |               |            |            |                   |            |             |
| 290-00000-462-33402 | Market Value Homestead Credit  | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
| 290-00000-462-33422 | Other State Grants & Aids      | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
|                     | R03 Sub Totals:                | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
| R04                 | Charges for Services           |               |               |            |            |                   |            |             |
| 290-00000-462-34108 | Administrative Fees            | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
| 290-00000-462-34700 | Application Fees               | 2,500.00      | 0.00          | 0.00       | 2,500.00   | 0.00              | 2,500.00   | 100.00      |
|                     | R04 Sub Totals:                | 2,500.00      | 0.00          | 0.00       | 2,500.00   | 0.00              | 2,500.00   | 100.00      |
| R06                 | Miscellaneous Revenue          |               |               |            |            |                   |            |             |
| 290-00000-462-36200 | Other Miscellaneous Revenue    | 500.00        | 0.00          | 0.00       | 500.00     | 0.00              | 500.00     | 100.00      |
| 290-00000-462-36210 | Interest on Investments        | 6,600.00      | 0.00          | 1,752.35   | 4,847.65   | 0.00              | 4,847.65   | 73.45       |
| 290-00000-462-36211 | Interest Market Value          | 0.00          | 0.00          | 11,929.54  | -11,929.54 | 0.00              | -11,929.54 | 0.00        |
| 290-00000-462-36240 | Refunds & Reimbursements       | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
| 290-00000-462-36400 | Loan Principal                 | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
|                     | R06 Sub Totals:                | 7,100.00      | 0.00          | 13,681.89  | -6,581.89  | 0.00              | -6,581.89  | 0.00        |

| Account Number      | Description                    | Budget Amount | Period Amount | YTD Amount | YTD Var     | Encumbered Amount | Available  | % Available |
|---------------------|--------------------------------|---------------|---------------|------------|-------------|-------------------|------------|-------------|
| R07                 | Other Sources                  |               |               |            |             |                   |            |             |
| 290-00000-462-39100 | Sale of Land                   | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
| 290-00000-462-39200 | Transfer In                    | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
|                     |                                |               |               |            |             |                   |            |             |
|                     | R07 Sub Totals:                | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
|                     |                                |               |               |            |             |                   |            |             |
|                     | Revenue Sub Totals:            | 332,256.00    | 27.32         | 13,736.80  | 318,519.20  | 0.00              | 318,519.20 | 95.87       |
|                     |                                |               |               |            |             |                   |            |             |
|                     | Dept 00000 Sub Totals:         | -332,256.00   | -27.32        | -13,736.80 | -318,519.20 | 0.00              |            |             |
| Dept 290-46500      | Economic Development           |               |               |            |             |                   |            |             |
| E02                 | Supplies                       |               |               |            |             |                   |            |             |
| 290-46500-462-42110 | General Supplies               | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
| 290-46500-462-42115 | Meeting                        | 250.00        | 0.00          | 0.00       | 250.00      | 0.00              | 250.00     | 100.00      |
| 290-46500-462-42420 | Minor Computer Equipment       | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
|                     |                                |               |               |            |             |                   |            |             |
|                     | E02 Sub Totals:                | 250.00        | 0.00          | 0.00       | 250.00      | 0.00              | 250.00     | 100.00      |
| E03                 | Other Services & Charges       |               |               |            |             |                   |            |             |
| 290-46500-462-43030 | Engineering Fees               | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
| 290-46500-462-43040 | Legal Fees - Civil Process     | 20,000.00     | 64.95         | 64.95      | 19,935.05   | 0.00              | 19,935.05  | 99.68       |
| 290-46500-462-43080 | Indirect Cost Allocation       | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
| 290-46500-462-43090 | Expert & Professional Services | 75,000.00     | 810.00        | 810.00     | 74,190.00   | 0.00              | 74,190.00  | 98.92       |
| 290-46500-462-43095 | Software Maintenance & Support | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
| 290-46500-462-43130 | EDA Program Budget             | 650,000.00    | 0.00          | 0.00       | 650,000.00  | 0.00              | 650,000.00 | 100.00      |
| 290-46500-462-43140 | Training & Education           | 3,500.00      | 0.00          | 0.00       | 3,500.00    | 0.00              | 3,500.00   | 100.00      |
| 290-46500-462-43220 | Postage                        | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
| 290-46500-462-43250 | Other Communications           | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
| 290-46500-462-43310 | Travel Expense                 | 4,500.00      | 0.00          | 0.00       | 4,500.00    | 0.00              | 4,500.00   | 100.00      |
| 290-46500-462-43430 | Advertising - Other            | 45,000.00     | 0.00          | 10,000.00  | 35,000.00   | 0.00              | 35,000.00  | 77.78       |
| 290-46500-462-43510 | Legal Notices Publishing       | 500.00        | 0.00          | 0.00       | 500.00      | 0.00              | 500.00     | 100.00      |
| 290-46500-462-43520 | Recording Fees                 | 1,000.00      | 345.00        | 345.00     | 655.00      | 0.00              | 655.00     | 65.50       |
| 290-46500-462-43610 | Insurance & Bonds              | 1,951.00      | 1,640.00      | 1,640.00   | 311.00      | 0.00              | 311.00     | 15.94       |
| 290-46500-462-43810 | Electric Utilities             | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
| 290-46500-462-43860 | Storm Water Utilities          | 40.00         | 0.00          | 0.00       | 40.00       | 0.00              | 40.00      | 100.00      |
| 290-46500-462-44330 | Dues & Subscriptions           | 24,000.00     | 0.00          | 705.00     | 23,295.00   | 0.00              | 23,295.00  | 97.06       |
| 290-46500-462-44370 | Miscellaneous Charges          | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
| 290-46500-462-44390 | Taxes & Licenses               | 50.00         | 0.00          | 0.00       | 50.00       | 0.00              | 50.00      | 100.00      |
| 290-46500-462-44600 | Loans & Grants                 | 345,000.00    | 275,573.92    | 275,573.92 | 69,426.08   | 0.00              | 69,426.08  | 20.12       |
|                     |                                |               |               |            |             |                   |            |             |
|                     | E03 Sub Totals:                | 1,170,541.00  | 278,433.87    | 289,138.87 | 881,402.13  | 0.00              | 881,402.13 | 75.30       |
| E04                 | Capital Outlay                 |               |               |            |             |                   |            |             |
| 290-46500-462-44160 | Rents & Leases                 | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |
| 290-46500-462-45100 | Land                           | 0.00          | 0.00          | 0.00       | 0.00        | 0.00              | 0.00       | 0.00        |

| Account Number             | Description              | Budget Amount | Period Amount | YTD Amount | YTD Var    | Encumbered Amount | Available  | % Available |
|----------------------------|--------------------------|---------------|---------------|------------|------------|-------------------|------------|-------------|
| E06<br>290-46500-462-47200 | E04 Sub Totals:          | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
|                            | Other Uses               |               |               |            |            |                   |            |             |
|                            | Transfer Out             | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
|                            | E06 Sub Totals:          | 0.00          | 0.00          | 0.00       | 0.00       | 0.00              | 0.00       | 0.00        |
|                            | Expense Sub Totals:      | 1,170,791.00  | 278,433.87    | 289,138.87 | 881,652.13 | 0.00              | 881,652.13 | 75.30       |
|                            | Dept 46500 Sub Totals:   | 1,170,791.00  | 278,433.87    | 289,138.87 | 881,652.13 | 0.00              |            |             |
|                            | Fund Revenue Sub Totals: | 332,256.00    | 27.32         | 13,736.80  | 318,519.20 | 0.00              | 318,519.20 | 95.87       |
|                            | Fund Expense Sub Totals: | 1,170,791.00  | 278,433.87    | 289,138.87 | 881,652.13 | 0.00              | 881,652.13 | 75.30       |
|                            | Fund 290 Sub Totals:     | 838,535.00    | 278,406.55    | 275,402.07 | 563,132.93 | 0.00              |            |             |
|                            | Revenue Totals:          | 332,256.00    | 27.32         | 13,736.80  | 318,519.20 | 0.00              | 318,519.20 | 95.87       |
|                            | Expense Totals:          | 1,170,791.00  | 278,433.87    | 289,138.87 | 881,652.13 | 0.00              | 881,652.13 | 75.30       |
|                            | Report Totals:           | 838,535.00    | 278,406.55    | 275,402.07 | 563,132.93 | 0.00              |            |             |



## Request for Action

**TO:** Faribault Economic Development Authority  
**FROM:** Stephanie Aman, Economic Development Coordinator  
**MEETING DATE:** March 16, 2023  
**SUBJECT:** Economic Development Incentive Fund Program

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### BACKGROUND:

In May 2021, the Faribault EDA approved and adopted Resolution 2021-04 which created the Economic Development Incentive Fund (EDIF) and funded it at \$200,000 from fund 292. Since the inception of EDIF, two local companies have been granted awards from the EDIF program, which has allowed the businesses to stay in Faribault, and continue to solidify their commitment to this community. The two companies, Tru-View and Trystar, were awarded \$100,000 each, which leaves the fund at a \$0 balance.

Recently, staff have been in several conversations with local and prospective businesses and know that this fund plays an important role, as a tool, in economic development. Currently, fund 292 has a balance of \$336,147.34. Staff are asking the EDA to, once again, consider earmarking \$200,000 for the EDIF program.

### REQUESTED ACTION:

Staff request that the EDA review the EDIF guidelines.  
Staff request that the EDA approve Resolution 2023-2, authorizing \$200,000 from Fund 292 to be earmarked for the EDIF Program.

### ATTACHMENTS:

1. Res 2023-02 Approving Funding for the EDIF Program
2. 2023 Program Guidelines
3. 2021-04 Resolution Approving The 2021 Economic Development Incentive Fund Program Guidelines



**Resolution 2023-02**

**APPROVING FUNDING FOR THE  
ECONOMIC DEVELOPMENT INCENTIVE FUND PROGRAM**

WHEREAS, the Economic Development Authority for the City of Faribault serves as the development arm for the City of Faribault; and

WHEREAS, “thriving economic development” is a strategic priority for the City of Faribault as identified in the vision – with the specific goal of developing a comprehensive business incentive package to attract, retain, and grow quality businesses and industries; and

WHEREAS, the Economic Development Authority for the City of Faribault recognizes that some projects require incentives outside of traditional revolving loans in order to move forward; and

WHEREAS, the Economic Development Authority for the City of Faribault desires to continue funding of the Economic Development Incentive Fund (EDIF) as a flexible program that supplements the existing tools and resources available to cultivate business growth and investment and support and encourage projects that bring quality development and quality jobs to the community; and

WHEREAS, \$200,000 of the Economic Development Revolving Loan Funds (Fund 292) will be earmarked for the EDIF in 2023; and

NOW, THEREFORE, BE IT RESOLVED, by the Economic Development Authority for the City of Faribault, Minnesota that the recitals and exhibits set forth in this Resolution are incorporated into and made a part of this Resolution.

BE IT FINALLY RESOLVED, by the Economic Development Authority for the City of Faribault, Minnesota that the Community and Economic Development staff and consultants are hereby authorized and directed to take all additional steps and actions necessary or convenient in order to accomplish the intent of this Resolution.

**ADOPTED: March 16, 2023**

ATTEST:

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Rodney Gramse, President

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AJ Smith, Secretary



## FARIBAULT ECONOMIC DEVELOPMENT AUTHORITY ECONOMIC DEVELOPMENT INCENTIVE FUND (EDIF) – POLICY & GUIDELINES

### PROGRAM DESCRIPTION

The purpose of the Faribault EDA Economic Development Incentive Fund (EDIF) is to provide flexible incentives to encourage projects that bring quality development and quality jobs to the community, furthering the mission of the Faribault EDA. The Faribault EDA recognizes that sometimes projects require incentives outside of traditional revolving loans in order to move forward. The EDIF is intended to add an additional resource to the EDA's program portfolio – for project that are focused on recruiting and retaining targeted industries. The EDIF will support projects that create or retain jobs in Faribault, include high levels of private investment, *and* have a positive impact on the City's tax base. The EDIF will provide forgivable loans and/or revolving loans as a means to increase and enhance quality economic development activity in the community.

All projects will be evaluated based on their own merit. Maximum award amounts will be determined based on a formula that takes into account specific industries, number of quality jobs created, anticipated level of private investment, total project costs, and increased taxes. The Faribault EDA has the authority to approve, deny, and/or modify any proposed incentive amount. The goal of the EDIF is to supplement traditional programs provided through the Faribault EDA, the City of Faribault, and local economic development partners to cultivate and support business growth and investment.

| ECONOMIC DEVELOPMENT INCENTIVE FUND (EDIF)                                                                                                                  |                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The EDA will make <b>\$200,000</b> available for direct business incentives<br><i>from the existing Economic Development Revolving Loan Fund (Fund 292)</i> |                                                                                                                                                                                    |
| Maximum Incentive Award:                                                                                                                                    | \$100,000 – forgivable loan, revolving loan, and/or combination                                                                                                                    |
| Targeted Industries:                                                                                                                                        | Advanced Manufacturing, Food Processing, Warehousing & Distribution, Avionics                                                                                                      |
| Formula for Award Determination:                                                                                                                            | Up to 1.5-percent of total project cost/investment<br>\$2,500 per job created with a minimum wage of \$16/hour plus benefits<br>Return on Investment based on increased city taxes |

### ELIGIBILITY

To be eligible, a business must be a targeted industry that is currently located in Faribault and is seeking to expand, or is a new business seeking to relocate to the City of Faribault. Eligible businesses must be within the targeted industries of:

- Advanced Manufacturing
- Food Processing
- Warehousing & Distribution
- Avionics

Applicant must also be in compliance with relevant city ordinances and be current on property taxes (if applicable).

### DETERMINATION OF AMOUNT OF EDIF AWARD

The amount of the EDIF for business recruitment or retention/expansion will be based on a determination of need for financial incentives. Applicants must demonstrate that EDIF is essential to the project moving forward in Faribault. Staff will conduct an analysis of each project to evaluate the total benefit of the project and the financial gap. Staff will involve other economic development partners and programs as appropriate and applicable to address the overall

financial need, and encourage the use of other Faribault EDA programs as part of the review. The amount of the EDIF award recommendation will be based on the following parameters:

**1. Total Project Investment**

*Award will be up to 1.5-percent of estimated project costs/investment to include facility expansion costs, capital expenditures for building, capital expenditures for equipment, costs associated with relocation (moving, recertification, etc.).*

**2. Job Creation**

*\$2,500 per job. Jobs must pay a minimum of \$16.00 per hour plus a full benefit package. If the project is a retention project – existing jobs that will be retained will be included in the calculation.*

**3. Increased Tax Base**

*Increased tax base will be used to determine the Return on Investment (ROI). Increase in city taxes will be used to calculate how long it would take to “pay back” the EDA’s investment into the project. The ROI should be 5 years or less.*

The Faribault EDA may also take additional factors into consideration when determining the final EDIF award, such as fiscal and economic impact of the project, available funding, the threat of losing quality jobs, the level of new investment proposed, how the project enhances the current industry mix, wages greater than \$16 per hour, involvement of other economic development agencies and partners, and any other factors deemed appropriate. Each project will be evaluated on its own merit.

## **INTENDED USE OF EDIF**

Projects must demonstrate that EDIF assistance is essential to the project moving forward in Faribault. EDIF awards may be used to offset overall project costs, which may include the following:

- Real and personal property acquisition and site development
- Company relocation expenses for moving operations to Faribault, MN
- Facility construction and/or real property improvements
- Equipment

## **APPLICATION PROCESS**

Applicants must meet with Staff prior to completing and submitting an application with supporting documentation. Applications will be received on a year-round basis *while funding is available*. The application process will include the following steps:

**1. Meet with Staff to review project.**

Projects requesting EDIF will have been working with Staff prior to applying for funds. Staff and the applicant/business will have reviewed all available programs available through the city/EDA and programs available through economic development partners. The EDIF is intended to supplement other economic development programs and incentives – and should not be considered a sole-funding source.

**2. Fill out application and include supporting documentation.**

All of the following must be included with the application – Project Narrative that describes why the EDIF assistance is essential, project scope, cost/investment information, proposed timeline, summary of all financial incentives.

Completed Application with supporting documentation (and any additional document as requested) must be returned to:

City of Faribault  
Attn: Community and Economic Development Director  
208 1<sup>st</sup> Ave NW Faribault, MN 55021

Email: [dwanberg@ci.faribault.mn.us](mailto:dwanberg@ci.faribault.mn.us)

3. Staff will screen all submitted applications for eligibility and conduct an analysis to determine the total maximum EDIF award that the project would qualify for. The analysis and recommendation will be forwarded to the EDA for consideration at their next regularly scheduled meeting.
4. The EDA will consider EDIF requests on an ongoing basis.  
The applicant is required to attend the meeting to present the project, discuss project benefits, and address need for funding. The EDA has the authority to approve, deny, and/or modify any EDIF requests and recommendations. All awards will be authorized via an approving resolution.
5. If an award is approved, the applicant will be required to enter into a Repayment Agreement.  
The Repayment Agreement will identify the conditions of the award (job creation, investment, etc.). A Repayment Agreement and a Promissory Note will be executed and recorded. Once executed and recorded, funds will be dispersed.
6. All EDIF awards will be due and payable if the terms of the Repayment Agreement are not met.
7. Applicants/businesses may only apply for EDIF once.

## **QUESTIONS AND REQUESTS FOR FURTHER INFORMATION**

Please direct all EDIF questions to:

David Wanberg, Community & Economic Development Director  
507.333.0350  
[dwanberg@ci.faribault.mn.us](mailto:dwanberg@ci.faribault.mn.us)

## **Resolution 2021-04**

### **APPROVING THE 2021 ECONOMIC DEVELOPMENT INCENTIVE FUND PROGRAM GUIDELINES**

WHEREAS, the Economic Development Authority for the City of Faribault serves as the development arm for the City of Faribault; and

WHEREAS, “thriving economic development” is a strategic priority for the City of Faribault as identified in the vision – with the specific goal of developing a comprehensive business incentive package to attract, retain, and grow quality businesses and industries; and

WHEREAS, the Economic Development Authority for the City of Faribault recognizes that some projects require incentives outside of traditional revolving loans in order to move forward; and

WHEREAS, the Economic Development Authority for the City of Faribault desires to create the Economic Development Incentive Fund (EDIF) as a flexible program that supplements the existing tools and resources available to cultivate business growth and investment and support and encourage projects that bring quality development and quality jobs to the community; and

WHEREAS, \$200,000 of the Economic Development Revolving Loan Funds (Fund 292) will be earmarked for the EDIF in 2021; and

WHEREAS, the Economic Development Authority for the City of Faribault has reviewed the following Economic Development Incentive Fund (EDIF) Program Policy and Guidelines as set forth in Exhibit “A” and desires to adopt such policy.

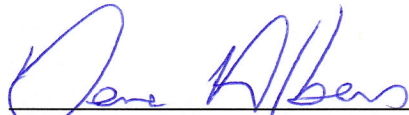
NOW, THEREFORE, BE IT RESOLVED, by the Economic Development Authority for the City of Faribault, Minnesota that the recitals and exhibits set forth in this Resolution are incorporated into and made a part of this Resolution.

BE IT FURTHER RESOLVED, by the Economic Development Authority for the City of Faribault, Minnesota that the Economic Development Authority adopts the following Economic Development Incentive Fund Policy and Guidelines, as essentially set forth and attached in Exhibit “A”.

BE IT FINALLY RESOLVED, by the Economic Development Authority for the City of Faribault, Minnesota that the Community and Economic Development staff and consultants are hereby authorized and directed to take all additional steps and actions necessary or convenient in order to accomplish the intent of this Resolution.

**ADOPTED: May 20, 2021**

**ATTEST:**



Dave Albers, Secretary



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Rodney Gramse, President



## EXHIBIT A



### FARIBAULT ECONOMIC DEVELOPMENT AUTHORITY ECONOMIC DEVELOPMENT INCENTIVE FUND (EDIF) – POLICY & GUIDELINES

#### PROGRAM DESCRIPTION

The purpose of the Faribault EDA Economic Development Incentive Fund (EDIF) is to provide flexible incentives to encourage projects that bring quality development and quality jobs to the community, furthering the mission of the Faribault EDA. The Faribault EDA recognizes that sometimes projects require incentives outside of traditional revolving loans in order to move forward. The EDIF is intended to add an additional resource to the EDA's program portfolio – for project that are focused on recruiting and retaining targeted industries. The EDIF will support projects that create or retain jobs in Faribault, include high levels of private investment, *and* have a positive impact on the City's tax base. The EDIF will provide forgivable loans and/or revolving loans as a means to increase and enhance quality economic development activity in the community.

All projects will be evaluated based on their own merit. Maximum award amounts will be determined based on a formula that takes into account specific industries, number of quality jobs created, anticipated level of private investment, total project costs, and increased taxes. The Faribault EDA has the authority to approve, deny, and/or modify any proposed incentive amount. The goal of the EDIF is to supplement traditional programs provided through the Faribault EDA, the City of Faribault, and local economic development partners to cultivate and support business growth and investment.

| ECONOMIC DEVELOPMENT INCENTIVE FUND (EDIF)                                                                                                               |                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The EDA will make <b>\$200,000</b> available for direct business incentives from the existing <i>Economic Development Revolving Loan Fund (Fund 292)</i> |                                                                                                                                                                                    |
| Maximum Incentive Award:                                                                                                                                 | \$100,000 – forgivable loan, revolving loan, and/or combination                                                                                                                    |
| Targeted Industries:                                                                                                                                     | Advanced Manufacturing, Food Processing, Warehousing & Distribution, Avionics                                                                                                      |
| Formula for Award Determination:                                                                                                                         | Up to 1.5-percent of total project cost/investment<br>\$2,500 per job created with a minimum wage of \$16/hour plus benefits<br>Return on Investment based on increased city taxes |

#### ELIGIBILITY

To be eligible, a business must be a targeted industry that is currently located in Faribault and is seeking to expand, or is a new business seeking to relocate to the City of Faribault. Eligible businesses must be within the targeted industries of:

- Advanced Manufacturing
- Food Processing
- Warehousing & Distribution
- Avionics



Applicant must also be in compliance with relevant city ordinances and be current on property taxes (if applicable).

## **DETERMINATION OF AMOUNT OF EDIF AWARD**

The amount of the EDIF for business recruitment or retention/expansion will be based on a determination of need for financial incentives. Applicants must demonstrate that EDIF is essential to the project moving forward in Faribault. Staff will conduct an analysis of each project to evaluate the total benefit of the project and the financial gap. Staff will involve other economic development partners and programs as appropriate and applicable to address the overall financial need, and encourage the use of other Faribault EDA programs as part of the review. The amount of the EDIF award recommendation will be based on the following parameters:

### **1. Total Project Investment**

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The Faribault EDA may also take additional factors into consideration when determining the final EDIF award, such as fiscal and economic impact of the project, available funding, the threat of losing quality jobs, the level of new investment proposed, how the project enhances the current industry mix, wages greater than \$16 per hour, involvement of other economic development agencies and partners, and any other factors deemed appropriate. Each project will be evaluated on its own merit.

## **INTENDED USE OF EDIF**

Projects must demonstrate that EDIF assistance is essential to the project moving forward in Faribault. EDIF awards may be used to offset overall project costs, which may include the following:

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- Facility construction and/or real property improvements
- Equipment



## APPLICATION PROCESS

Applicants must meet with Staff prior to completing and submitting an application with supporting documentation. Applications will be received on a year-round basis *while funding is available*. The application process will include the following steps:

1. Meet with Staff to review project.

Projects requesting EDIF will have been working with Staff prior to applying for funds. Staff and the applicant/business will have reviewed all available programs available through the city/EDA and programs available through economic development partners. The EDIF is intended to supplement other economic development programs and incentives – and should not be considered a sole-funding source.

2. Fill out application and include supporting documentation.

All of the following must be Included with the application – Project Narrative that describes why the EDIF assistance is essential, project scope, cost/investment information, proposed timeline, summary of all financial incentives.

Completed Application with supporting documentation (and any additional document as requested) must be returned to:

City of Faribault

Attn: Community and Economic Development Director

208 1<sup>st</sup> Ave NW Faribault, MN 55021

Email: [dkuennen@ci.faribault.mn.us](mailto:dkuennen@ci.faribault.mn.us)

3. Staff will screen all submitted applications for eligibility and conduct an analysis to determine the total maximum EDIF award that the project would qualify for. The analysis and recommendation will be forwarded to the EDA for consideration at their next regularly scheduled meeting.
4. The EDA will consider EDIF requests on an ongoing basis.  
The applicant is required to attend the meeting to present the project, discuss project benefits, and address need for funding. The EDA has the authority to approve, deny, and/or modify any EDIF requests and recommendations. All awards will be authorized via an approving resolution.
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The Repayment Agreement will identify the conditions of the award (job creation, investment, etc.). A Repayment Agreement and a Promissory Note will be executed and recorded. Once executed and recorded, funds will be dispersed.
6. All EDIF awards will be due and payable if the terms of the Repayment Agreement are not met.
7. Applicants/businesses may only apply for EDIF once.

## **QUESTIONS AND REQUESTS FOR FURTHER INFORMATION**

Please direct all EDIF questions to:  
Deanna Kuennen, Community & Economic Development Director  
507.333.0376  
dkuennen@ci.faribault.mn.us



## Request for Action

**TO:** Faribault Economic Development Authority  
**FROM:** Stephanie Aman, Economic Development Coordinator  
**MEETING DATE:** March 16, 2023  
**SUBJECT:** Xcel Energy Corporate Economic Grant Program

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### BACKGROUND:

In January 2022, staff revitalized a conversation regarding Highway 60 master planning. Highway 60 is a key corridor to the City and staff recognize the importance of having a vibrant and welcoming entrance into the City. Recently, staff met with representatives from Xcel Energy and learned that Xcel has a Corporate Economic Development Grant newly created program that cities may apply for that would help with activities like site master planning, feasibility studies, traffic impact studies and other approved uses.

In the EDA's 2023 budget, there is a total of \$75,000 allocated for professional services which could include master planning projects. Staff would like permission to earmark up to \$25,000 in funds to be used as match to Xcel Energy's grant, if chosen as a recipient. The funds would be used to employ the services of a firm to update master plans for the City that would provide valuable direction for the City as well as Xcel Energy in serving the area.

### REQUESTED ACTION:

Staff request direction from EDA to utilize this funding source, up to \$25,000 as the applicant match for the Xcel Corporate Economic Development Authority Grant for master planning of the Highway 60 corridor.

### ATTACHMENTS:

1. CED Grant Program-Pre-Application
2. Hwy 60 West - 1-10-22 Powerpoint



## **Corporate Economic Development Grant Program Pre-Application**

All applicants must complete and email a pre-application to [XEED@xcelenergy.com](mailto:XEED@xcelenergy.com). We will review the pre-application, and, if approved, email you the full application form.

### **APPLICANT INFORMATION**

Applicant Organization: Click or tap here to enter text.

Applicant Contact: Click or tap here to enter text. Title: Click or tap here to enter text.

Applicant Mailing Address: Click or tap here to enter text.

Phone: Click or tap here to enter text.

Email: Click or tap here to enter text.

### **SITE INFORMATION**

Site Name: Click or tap here to enter text.

Site Address: Click or tap here to enter text.

Current Site Ownership: Click or tap here to enter text.

Contiguous Developable Acreage: Click or tap here to enter text.

### **PROJECT DESCRIPTION**

Briefly describe your project and why you feel it is a fit for the Xcel Energy Corporate Economic Development matching grant. List the benefits you anticipate this project will bring to your organization/community.

Click or tap here to enter text.

### **PROJECT FUNDING**

Estimated total project cost: Click or tap here to enter text.

Basis for total project cost estimate: (e.g., professional estimate) Click or tap here to enter text.

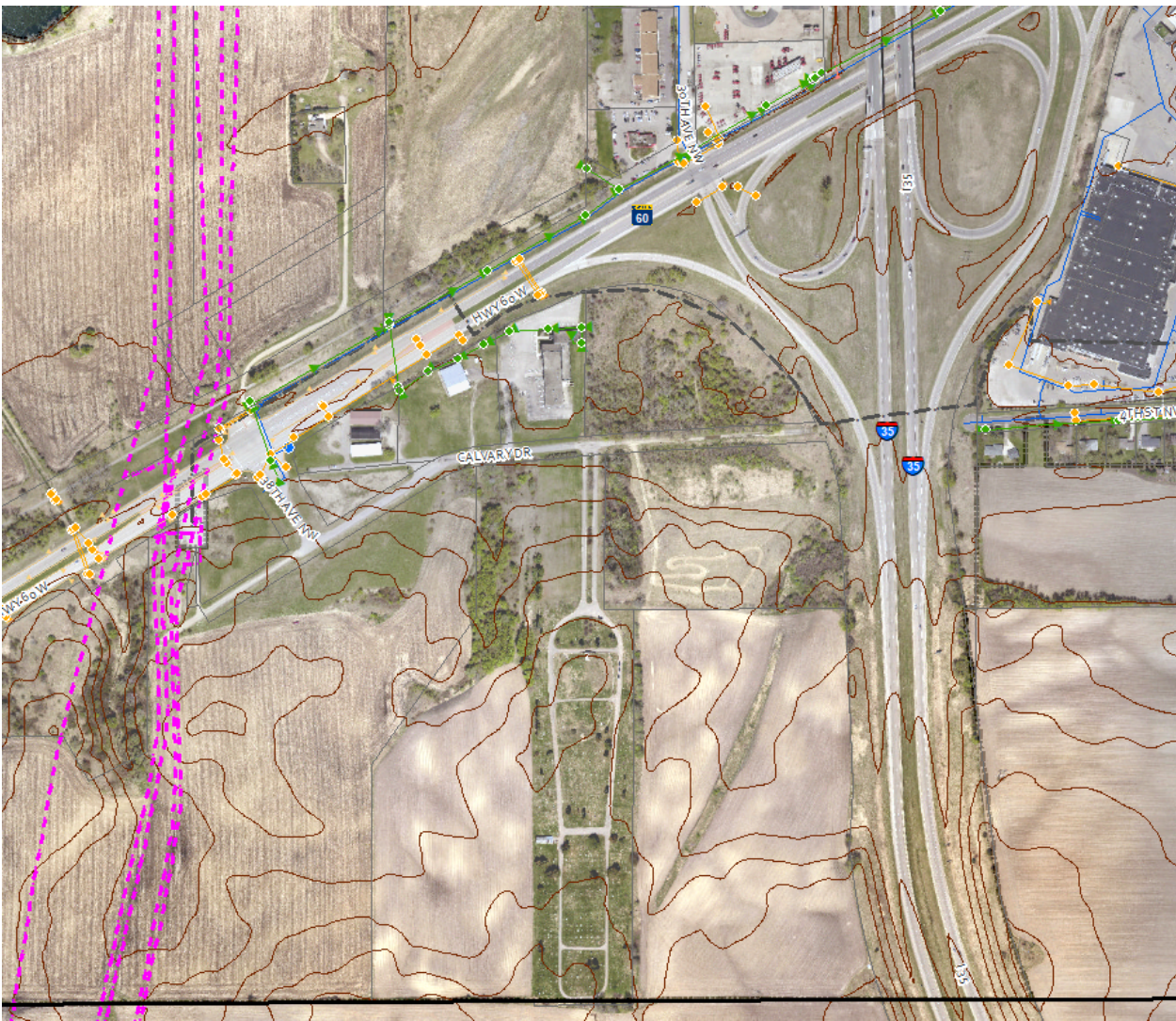
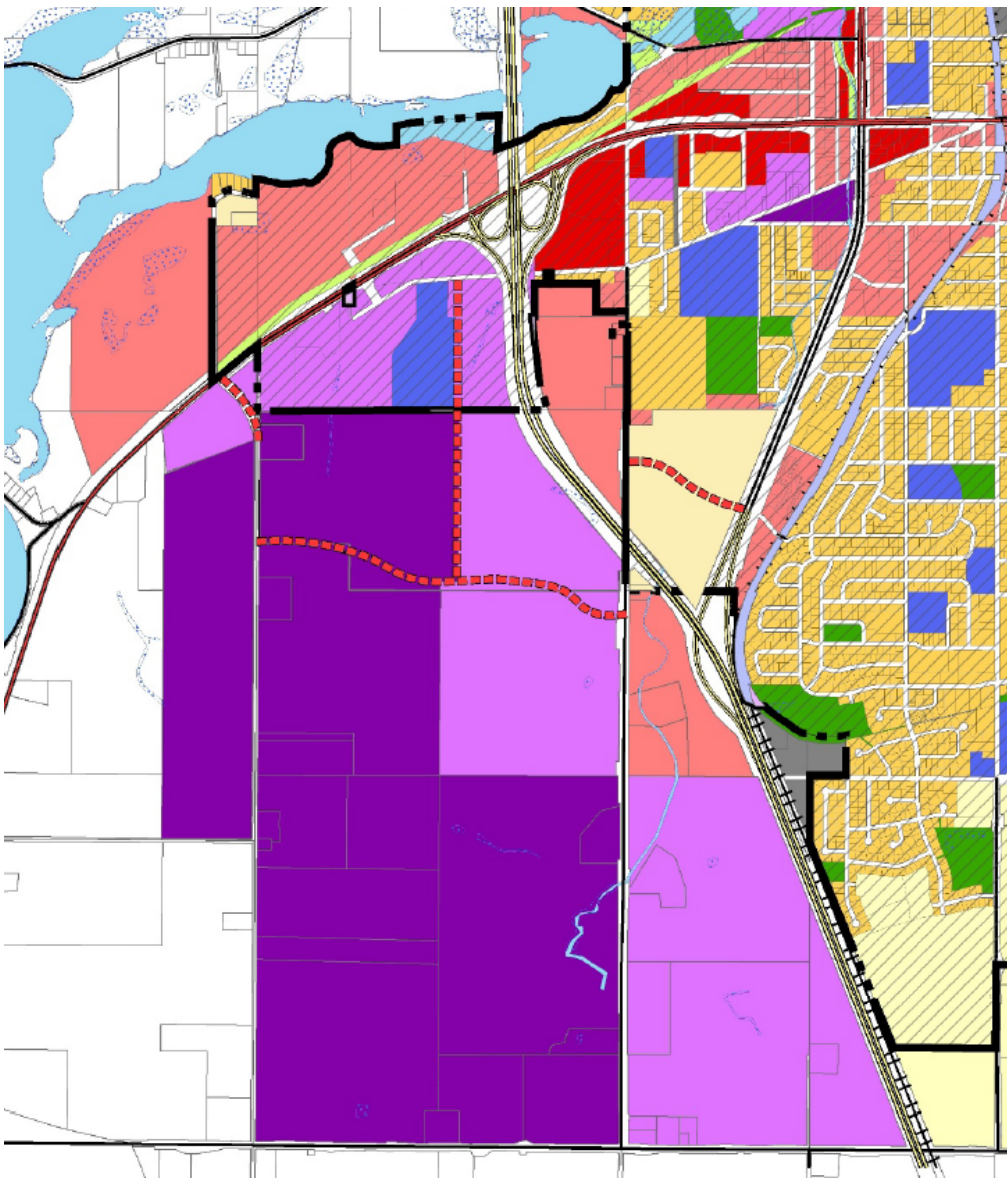
Requested program funding: Click or tap here to enter text.

Source of matching funds: Click or tap here to enter text.

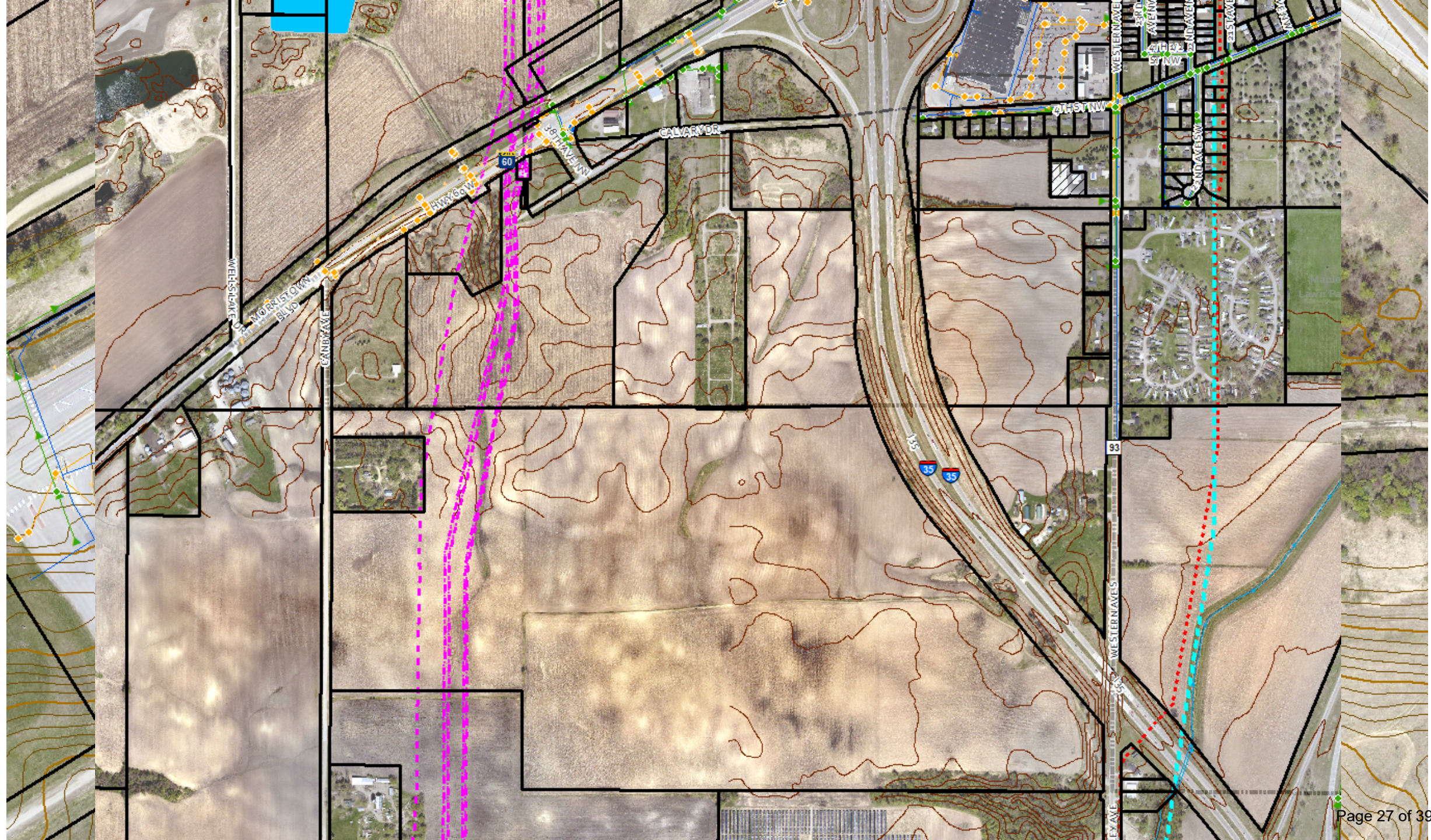
# Hwy 60 West – Master Planning

January 10, 2022

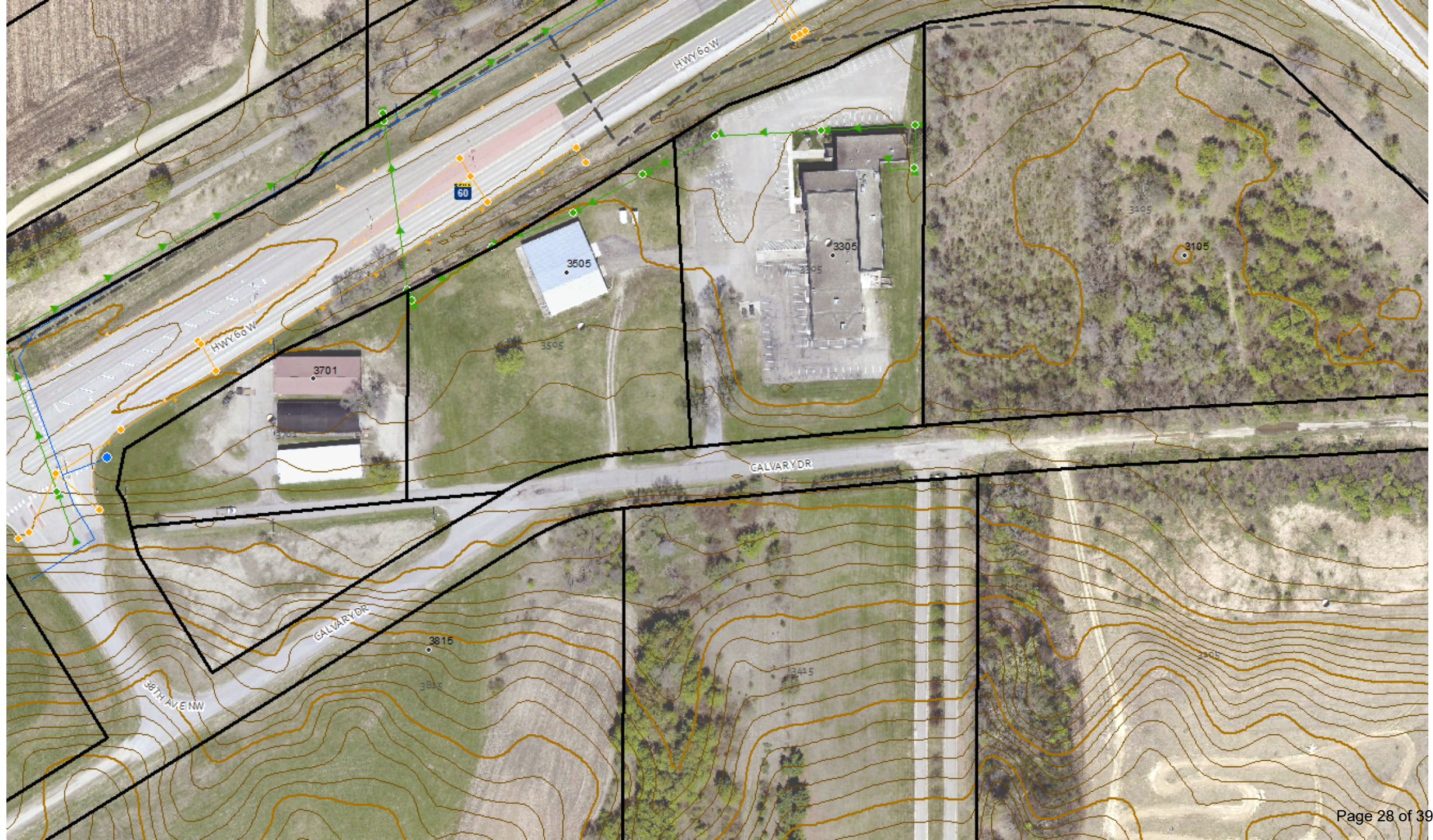






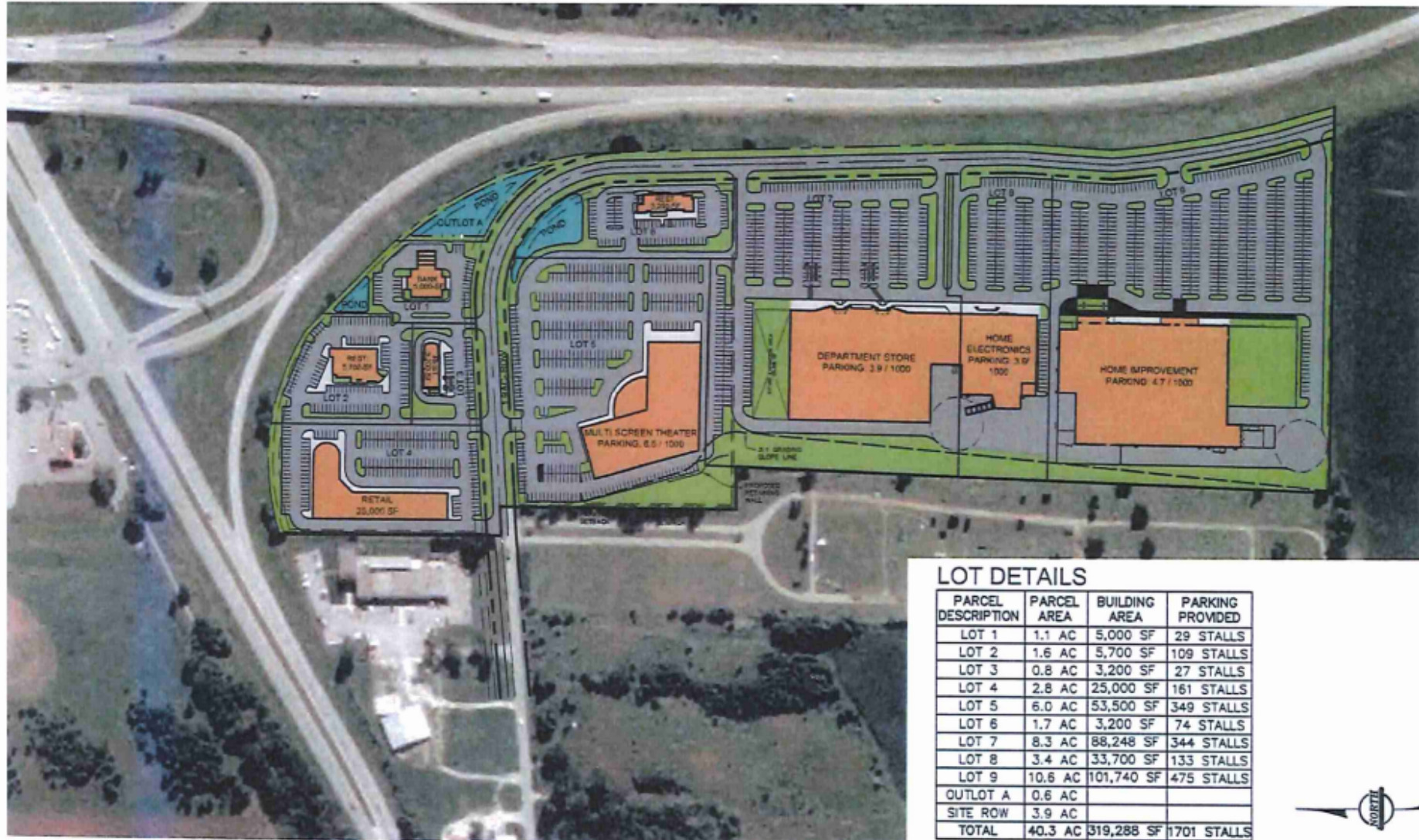








# SAMPLE PROPOSED DEVELOPMENT



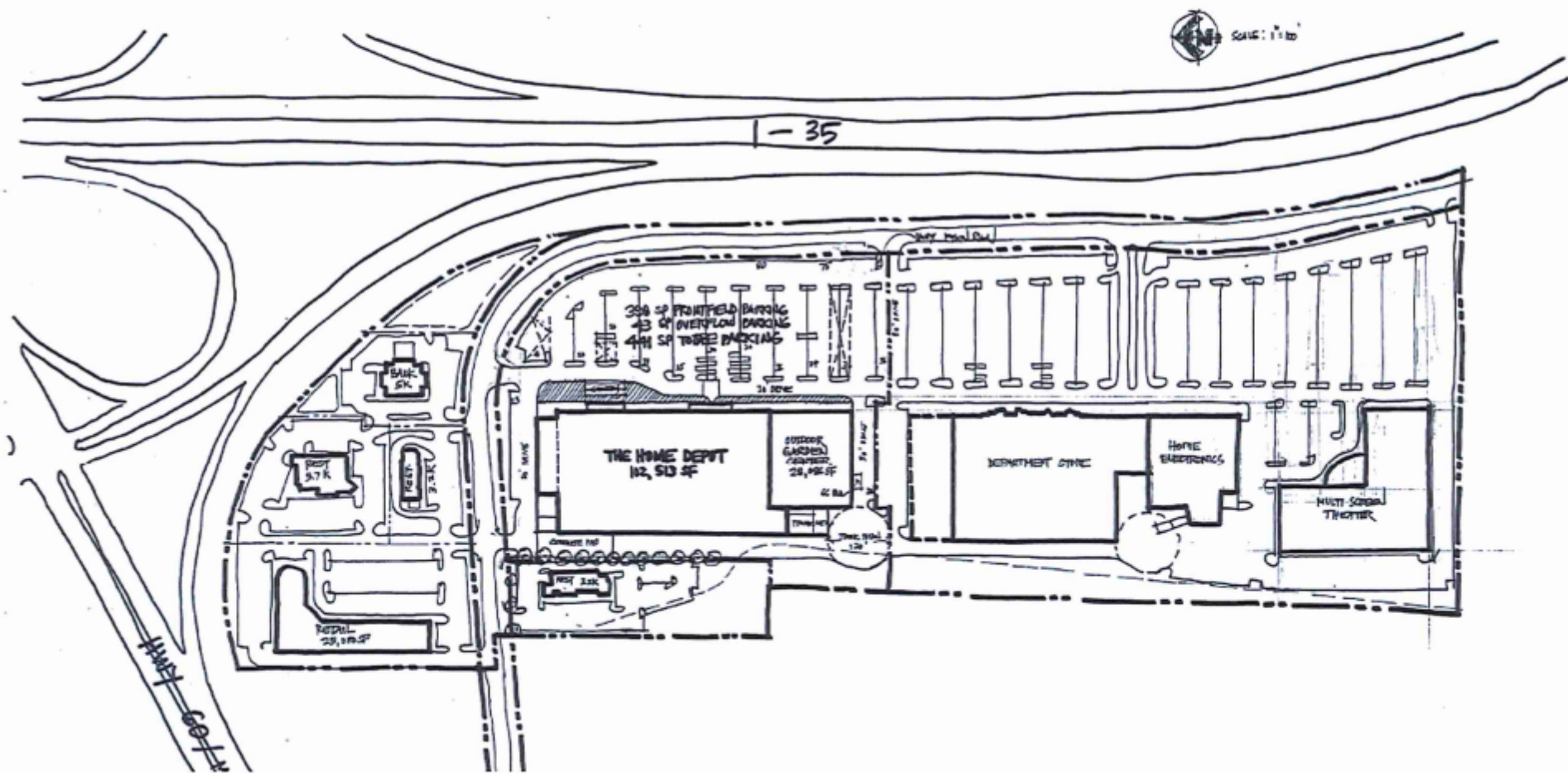
## LOT DETAILS

| PARCEL DESCRIPTION | PARCEL AREA | BUILDING AREA | PARKING PROVIDED |
|--------------------|-------------|---------------|------------------|
| LOT 1              | 1.1 AC      | 5,000 SF      | 29 STALLS        |
| LOT 2              | 1.6 AC      | 5,700 SF      | 109 STALLS       |
| LOT 3              | 0.8 AC      | 3,200 SF      | 27 STALLS        |
| LOT 4              | 2.8 AC      | 25,000 SF     | 161 STALLS       |
| LOT 5              | 6.0 AC      | 53,500 SF     | 349 STALLS       |
| LOT 6              | 1.7 AC      | 3,200 SF      | 74 STALLS        |
| LOT 7              | 8.3 AC      | 88,248 SF     | 344 STALLS       |
| LOT 8              | 3.4 AC      | 33,700 SF     | 133 STALLS       |
| LOT 9              | 10.6 AC     | 101,740 SF    | 475 STALLS       |
| OUTLOT A           | 0.6 AC      |               |                  |
| SITE ROW           | 3.9 AC      |               |                  |
| TOTAL              | 40.3 AC     | 319,288 SF    | 1701 STALLS      |



0 200  
SCALE IN FEET

# SAMPLE – PROPOSED DEVELOPMENT

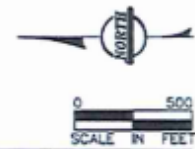




# SAMPLE SKETCH – PROXIMITY TO FARIBAULT



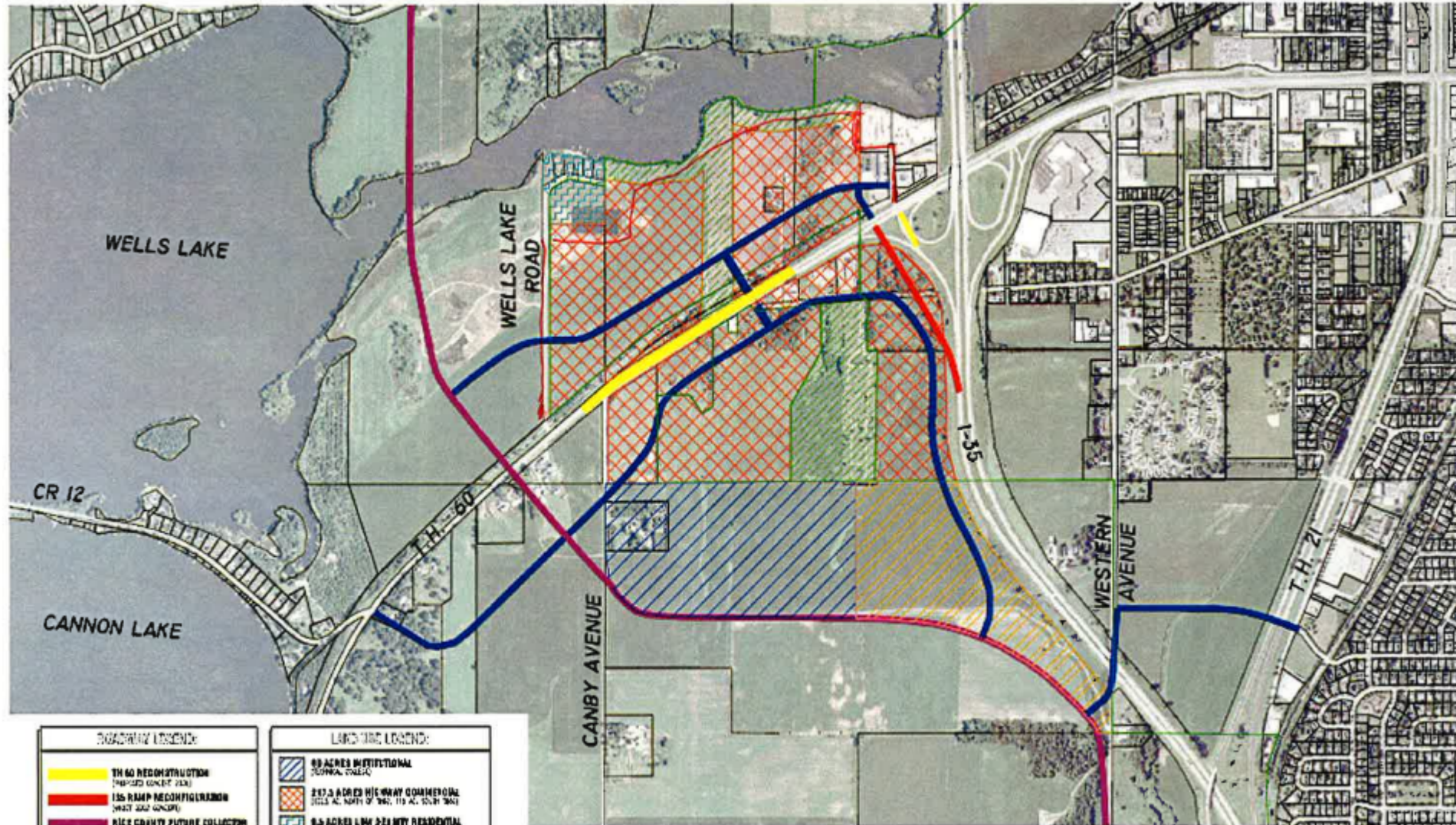
Faribault Commercial - Sketch Plan 3





# TH60 COMMERCIAL DEVELOPMENT AREA

FARIBAULT, MINNESOTA



| ROADWAY LEGEND:                       |                                                    |
|---------------------------------------|----------------------------------------------------|
| <span style="color: yellow;">—</span> | TH 60 RECONSTRUCTION<br>(PAVED CONC. 24')          |
| <span style="color: red;">—</span>    | 135 RAMP RECONFIGURATION<br>(PAVED CONC. 24')      |
| <span style="color: purple;">—</span> | RICE COUNTY FUTURE COLLECTION<br>(PAVED CONC. 24') |
| <span style="color: blue;">—</span>   | COMMERCIAL ROAD NETWORK<br>(PAVED CONC. 24')       |

| LAND USE LEGEND:                                                                                                            |                                                          |
|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|
| <span style="background-color: #ccccff; border: 1px solid black; display: inline-block; width: 20px; height: 10px;"></span> | 89 ACRES INSTITUTIONAL<br>(PAVED CONC. 24')              |
| <span style="background-color: #ffcc99; border: 1px solid black; display: inline-block; width: 20px; height: 10px;"></span> | 237.5 ACRES HIGHWAY COMMERCIAL<br>(PAVED CONC. 24')      |
| <span style="background-color: #ccffcc; border: 1px solid black; display: inline-block; width: 20px; height: 10px;"></span> | 9.5 ACRES LOW DENSITY RESIDENTIAL<br>(PAVED CONC. 24')   |
| <span style="background-color: #ffcc99; border: 1px solid black; display: inline-block; width: 20px; height: 10px;"></span> | 48 ACRES MEDIUM DENSITY RESIDENTIAL<br>(PAVED CONC. 24') |
| <span style="background-color: #ccffcc; border: 1px solid black; display: inline-block; width: 20px; height: 10px;"></span> | 25 ACRES PARK/OPEN SPACE<br>(PAVED CONC. 24')            |

PREPARED BY:



I&S Engineers & Architects, Inc.  
One firm - many to finish

Scale:  
0 500 1000

PLOT DATE:  
9/15/06







| DEVELOPMENT BREAKDOWN |                |                      |                         |                 |
|-----------------------|----------------|----------------------|-------------------------|-----------------|
| LOT #                 | LOT AREA (AC.) | BUILDING AREA (S.F.) | PARKING STALLS (19'x9') | POND AREA (AC.) |
| 1                     | 10.70          | 150,000              | 538                     | -               |
| 2                     | 10.21          | 130,000              | 513                     | -               |
| 3                     | 4.23           | 26,300               | 258                     | -               |
| 4                     | 3.39           | 35,000               | 177                     | -               |
| 5                     | 3.01           | 24,000               | 172                     | -               |
| 6                     | 4.41           | 16,000               | 98                      | -               |
| OUTLOT A              | 2.85           | -                    | -                       | 1.96            |
| OUTLOT B              | 0.84           | -                    | -                       | -               |
| OUTLOT C              | 2.87           | -                    | -                       | 0.83            |
| STREET R/W            | 3.44           | -                    | -                       | -               |
| TOTALS                | 45.55          | 382,300              | 1754                    | 2.79            |



| LEGEND                                 |                                                                                   |
|----------------------------------------|-----------------------------------------------------------------------------------|
| Proposed Trail ROW- DNR                |  |
| Proposed Trail ROW - City of Faribault |  |
| Greenspace/Open Area                   |  |
| Outlots & Stormwater Facilities        |  |
| Commercial                             |  |
| Single-Family Residential              |  |

| LOT NUMBER    | BUILDING ID | LOT SIZE (ACRES) | BUILDING SIZE (SQ. FT.) |
|---------------|-------------|------------------|-------------------------|
| BLOCK 3 LOT 1 | A           | 11.49            | 90,000                  |
|               | B           | -                | 7,000                   |
|               | C           | -                | 7,000                   |
| BLOCK 3 LOT 2 | D           | 31.47            | 187,000                 |
|               | E           | -                | 131,000                 |
| BLOCK 4 LOT 1 | F           | 3.21             | 8,000                   |
|               | G           | -                | 8,000                   |
| BLOCK 4 LOT 2 | H           | 1.63             | 9,000                   |
| BLOCK 4 LOT 3 | I           | 1.58             | 8,000                   |
| BLOCK 4 LOT 4 | J           | 1.14             | 9,000                   |
| BLOCK 4 LOT 5 | K           | 1.04             | 9,000                   |
| BLOCK 4 LOT 6 | L           | 1.03             | 8,000                   |
| BLOCK 4 LOT 7 | M           | 1.08             | 12,000                  |
| BLOCK 5 LOT 1 | N           | 2.46             | 20,000                  |
| BLOCK 5 LOT 2 | O           | 1.26             | 7,000                   |
| BLOCK 6 LOT 1 | P           | 18.36            | 40,000                  |
| BLOCK 1 LOT 1 | Q           | 1.00             | 7,000                   |
|               | R           | 1.77             | 7,000                   |
|               | S           | 2.37             | 20,000                  |
| BLOCK 2 LOT 1 | T           | 3.30             | 40,000                  |
| BLOCK 2 LOT 2 | U           | 3.82             | 88,000                  |
| BLOCK 3 LOT 1 | V           | 1.22             | 10,000                  |
| TOTAL         |             | 88.22            | 731,000                 |







## Request for Action

**TO:** Faribault Economic Development Authority  
**FROM:** Stephanie Aman, Economic Development Coordinator  
**MEETING DATE:** March 16, 2023  
**SUBJECT:** Resolution Designating EDA Depository Account

---

### **BACKGROUND:**

The EDA may be asked to take up this item at the March 16 meeting, pending City Attorney's direction.

### **REQUESTED ACTION:**

### **ATTACHMENTS:**



## Request for Action

**TO:** Faribault Economic Development Authority  
**FROM:** Stephanie Aman, Economic Development Coordinator  
**MEETING DATE:** March 16, 2023  
**SUBJECT:** Project Updates

---

**BACKGROUND:**

Project information and updates are attached.

**REQUESTED ACTION:**

No action required.

**ATTACHMENTS:**

1. 6 - Project Updates - March 23



## Project Updates

### Active Prospects/Business Updates:

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Twisted Chicken</b>             | <p>Staff was provided a lead summer 2021 for a local food production/restaurant that may be interested in opening a brick and mortar facility to Faribault</p> <p>Construction is slated to begin in February, 2023 with a goal of being open by April/May.</p>                                                                                                                                                                                                                                                                                              |
| <b>Project Rock – Tru Vue</b>      | <p>Staff continue to work with TruVue and the consultants on funding and incentives to ensure that their 70,000 square foot expansion and the automation of manufacturing process continue to move forward.</p> <p>Final paperwork for EDIF and the tax abatement has been executed.</p>                                                                                                                                                                                                                                                                     |
| <b>Food Manufacturing Business</b> | <p>This food manufacturer is a revived project and they have decided on Faribault as their preferred location. Staff have set a meeting with this business for Friday, January 20 to determine next steps in moving forward.</p> <p>A public hearing will be held on March 28 asking Council for approval to submit a MIF application.</p>                                                                                                                                                                                                                   |
| <b>Food Manufacturing Business</b> | <p>Staff attended a presentation from a food manufacturer at the August CVN meeting and have presented possible properties for consideration. Staff will provide support to this business as they look to expand their current Minnesota operations to a larger facility for their own manufacturing. They seek space to provide value-added services to other food manufacturers.</p> <p>The Owner is interested in property in the downtown area. Recent conversations centered around a 'right fit and right time'. Staff continue the conversations.</p> |
| <b>Restaurant</b>                  | <p>Staff met with a broker who is looking for a parcel of land for a client. Staff is following up with land owners to determine if the parcels they are interested in would work for the client and the land owner.</p> <p>Staff are working with the broker to attempt to find the right fit for the client. Conversations are ongoing.</p>                                                                                                                                                                                                                |
| <b>Residential Property</b>        | <p>Staff were made aware of property that will be available for possible residential building opportunities. Conversations continue.</p>                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Aviation</b>                    | <p>Staff participated in a conversation with a regionally based avionics-based industry that is looking to potentially locate in Faribault.</p>                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Manufacturing</b>               | <p>Staff met with a local company regarding expansion. Staff are connecting the proper team and resources to ensure that they have what they need.</p>                                                                                                                                                                                                                                                                                                                                                                                                       |



### Warm Prospects/Business Updates:

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| <b>Light Manufacturing</b> | Staff were given an opportunity to submit information to a State RFI for an international company seeking a United States presence. Faribault was selected as a possible site and staff toured a site with the client and Minnesota Trade Office. If not this property, other options were given to the client that might be possible. Staff will continue conversations with the MTO. |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### Inactive Prospects/Business Updates:

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| <b>Project Wildflower</b>           | Staff were presented with a Request for Information for a food processing plant that requires up to 10 acres of property zoned industrial. Four parcels were submitted for consideration.                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Food Manufacturing Expansion</b> | <p>A local business contacted staff seeking help in finding property to expand and already successful food business. They seek space for automating their manufacturing process and staff prepared several sites that would meet their current needs and criteria. Business was happy with the sites presented and they are good options. They may have found a commercial kitchen that meets their needs.</p> <p style="background-color: yellow;">This business has simply been busy – they will stay on our list because staff know they still have expansion plans and Faribault is still a consideration.</p> |
| <b>Pet Grooming Business</b>        | Staff are working with a business that is looking for acreage/space to expand their business into the Faribault area. Staff are working with the owner to find a good fit.                                                                                                                                                                                                                                                                                                                                                                                                                                         |

### Other:

- Staff participated in several Business Retention and Expansion visits in February and will continue visits to other businesses in the coming months. Staff will continue follow up on current expansion efforts, as well as visit other businesses in the coming months.
- Staff visited Sage Glass to talk about the announced expansion. Staff are working with them to ensure that they have what they need for a successful expansion in Faribault.
- Staff are working with developer that holds interest in developing a relationship with the City to help determine best areas for net zero housing developments. Conversations are on-going with them.
- Staff attended the Ehlers winter finance conference. Staff had good conversations, made key connections, and attended informative sessions.
- Staff are working with several property owners interested in utilizing the EDA's Downtown Commercial Rehabilitation Loan program to beautify and restore the downtown.
- Staff are working to create a Development Handbook that will help businesses wishing to (re)locate to Faribault.

## Agenda Item: 6

- City and County staff resumed meeting in February. Good connections were made on projects and there are ongoing discussions regarding past and current projects.
- Staff attended the Southeast Minnesota Professionals meeting in Oronoco. The topic was using the small business development center and other resources for Economic Development Professionals when working with clients.
- Staff presented at a lunch and learn that a local realtor group was hosting.

### **City Wide Projects and Updates of interest:**

**CED Staff** are working with Xcel's Partners in Energy Group to refresh Faribault's energy action plan.

**Water tower** work is complete on the steel bowl for 2022. The worksite is in winter suspension when the painters can paint the steel bowl, then the bowl will be lifted into place the top of the bowl will be constructed.

### **Housing information:**

- Public housing currently has a 96% occupancy rate.
- Robinwood Manor has a 92% occupancy rate.
- Scattered Sites has a 100% occupancy rate.