



ECONOMIC DEVELOPMENT AUTHORITY MINUTES

PUBLIC MEETING ROOM

THURSDAY, JANUARY 18, 2024

7:00 AM

Meeting Items

1. Call to Order

Chair Gramse called the regular meeting of the Economic Development Authority to order at 7:00 a.m. Commissioners David Campbell, Chris Jeanes, Tom Spooner, Will Fort, Kevin Voracek, and Chair Rod Gramse attended the meeting. David Wanberg (Community and Economic Development Director), Kari Casper (Administrative Assistant), and Tim Murray (City Administrator) attended the meeting in their City Staff roles. Nort Johnson also attended the meeting related to Items for Discussion.

2. Approval of the Minutes

Chair Gramse requested a motion on the minutes. A motion was made by Kevin Voracek, seconded by Christina Jeanes. The motion passed unanimously.

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

Wanberg presented the monthly loan status report, the permit activity update, and the budget status report. Wanberg stated that the monthly loan status report had been modified to reflect the fund balances. Chair Gramse asked that staff put the date on the notes when the fund was last used. Wanberg stated that the format is still being modified, and we can make those adjustments accordingly—A motion by David Campbell to receive and file the reports was seconded by Kevin Voracek. The motion passed unanimously.

A. Monthly Loan Status Report

B. Permit Activity Update Report

C. Budget Status Report

4. Items for Discussion

A. Resolution 2024-01 Authorize City Staff to Closeout Phase 1 of Downtown Revitalization Program Funding for Faribo Downtown Central LLC

Wanberg stated that this is to document and close out Phase I. Fort asked about the two properties that were taken out and if that was in the original plan. Wanberg stated that yes, the \$250,000 was for the 8 properties. Wanberg responded by stating that this was all looked in the very beginning and the first thing we needed to get done was to get the buildings cleaned and dry. The roofs needed to be done, and it did go through the proper process to stabilize the buildings. The attorneys are working on a subordination

agreement for 225 Central as well. Mayor Voracek commended the project.

A motion was made by Kevin Voracek, seconded by Tom Spooner to approve Resolution 2024-01 Authorizing City Staff to Closeout Phase I of Downtown Revitalization Program Funding for Faribo Downtown Central LLC as presented. The motion passed unanimously.

B. Resolution 2024-02 Authorize the Release of Phase 2 Downtown Revitalization Program Funding for Faribo Downtown Central LLC

Wanberg stated that this resolution would allow us to release the funds for Phase II. We are moving forward to getting the paperwork through. The attorneys are working on the agreements, and they will need to be separate due to the building subsidy, which is no more than \$150,000 for a building without a public hearing. There is also a loan that the City Council has approved that makes us have to modify the agreements to include that funding as well. We may need a special meeting to get these agreements approved by the EDA. FDC is anxious to move forward, and we are trying to get this done as quickly as we can. Chair Gramse stated that \$211,000 of those dollars are in excess of Phase I. Wanberg confirmed. Fort asked why they would be giving any money for 225 Central, which has been sold. Wanberg stated that we have a draft subordination agreement that our attorneys are reviewing for that. Fort stated it was strange to him to pay for repairs to a building that was being sold. Mayor Voracek stated that all the repairs were approved before the building was sold. Norm Johnson confirmed. Johnson stated that the funding was part of the sales agreement. The purchase price was not raised to reflect the improvements and the loan is attached to the building requiring the need for the subordination agreement. Campbell added that additional buildings will probably be sold as well. A motion was made by Christine Jeanes, seconded by Dave Campbell to approve Resolution 2024-02 Authorizing the Release of Phase 2 Downtown Revitalization Program Funding for Faribo Downtown Central LLC. The motion passed unanimously.

C. Preliminary Discussion of the 2024/25 EDA Work Plan and Budget

Wanberg began to discuss the work plan and was looking for feedback. He started with Available Land and used a prescriptive model to be more interactive. He also mentioned the railroad, and we need to actively promote rail access; should we look at orderly annexations to build off rail access? Right now we just show a property -- we could do something more to try to sell the properties. Mayor Voracek suggested using a color code to show "shove-ready" and maybe another color for "water/sewer". We need to show why the developers would want to be here. Regarding infill, we need to work on that as well. We are working on workforce housing with such things as zero lot lines. Concerning regionalism, Chair Gramse mentioned that we should look at it with the idea of not just competing with the County and surrounding communities but complementing each community and working together to see where the best place for a new development might go. Wanberg mentioned that the Knight Foundation Study to send this to the EDA members. We are coordinating with others on the Daycare issue. We have small programs that take a lot of time and money. We need to collaborate with others to help facilitate those programs. The microgrant program -- we give money to others to do those. We need to set a minimum on some programs. Mayor Voracek suggested making a form online with a checklist, and it doesn't get submitted to staff until all the boxes are checked. Wanberg brought a number of communities where the EDA and HRA are the same. He asked if they would think about having the EDA and HRA together -- this is a broader discussion in terms of ongoing operations and how to be the most efficient as we can be.

5. Project Updates - Verbal Update Only

Wanberg talked about the Highway 60 Master Plan being wrapped up soon and having some joint meetings. One request was for a Hotel Feasibility Study, and he would like to have a discussion about this in the future. There have been conversations with Kwik

Trip about a possible travel center. Another National Chain Store is looking for 3 to 5 acres. The Bowling Center was presented with a similar loan as FDC and hasn't heard from them to date. Faribault Mill has not signed the MIF agreement. Forest to Fork has not signed their MIF agreement and has been moving forward with their construction and if they move forward, they cannot use that money. CAC received a grant for emergency shelter funding. We talked with them about sites in the city and will have a meeting on February 6th. In terms of daycare, the Sustainable Industries Cohort fizzled out from COVID and has been approached to pull it together again. Enterprise Car Rental has a program called Commute to vanpool for the workforce.

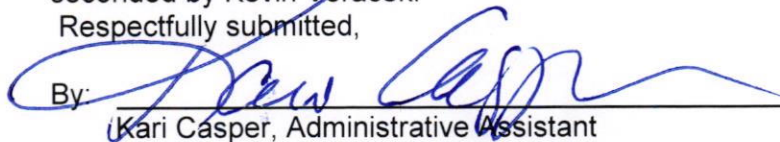
Johnson stated the bowling center program is still live with a \$100,000 loan and \$40,000 from the Industrial Corporation. Tomorrow there is a meeting with Faribault's Cares program. He is meeting with RETHOS today. The Chamber Trust earned a \$40,000 grant for workforce development -- we would be able to pay for an internship with the school district on that. He has 13 applications for small business development. Forest to Fork is going into the old Faribault Foods plant. Johnson gave an update on the daycare center that is being proposed in Town Square. Wanberg stated that he was trying to get Ehlers here for the next meeting. Mayor Voracek then commended Wanberg and Casper for all the work being done.

6. Adjournment

Chair Gramse adjourned the meeting at 8:15 a.m. on a motion brought by Tom Spooner, seconded by Kevin Voracek.

Respectfully submitted,

By:



Kari Casper, Administrative Assistant