



ECONOMIC DEVELOPMENT AUTHORITY AGENDA

THIRD FLOOR
CONFERENCE ROOM

THURSDAY, APRIL 17, 2025

7:00 AM

1. Call to Order/ Approve Agenda
2. Approval of the Minutes
3. Routine Business: *Agenda items below are approved by one motion unless an EDA member requests separate action.*
 - A. Permit Activity Update Report
4. Items for Discussion
 - A. Economic Impact Analysis of Data Centers
 - B. Faribault Chamber request for funding
 - C. Review EDA Enabling Resolution
 - D. Resolution 2025-06: Amend and Adopt EDA Bylaws
 - E. Resolution 2025-07: Approve Downtown Exterior Rehab Grant Application (230 Central)
 - F. Marketing: CED Folder Project budget
 - G. Rethos letter of support
5. Announcements and Updates
6. Adjournment



ECONOMIC DEVELOPMENT AUTHORITY MINUTES

3RD FLOOR
CONFERENCE ROOM

THURSDAY, FEBRUARY 20,
2025

7:00 AM

Meeting Items

1. Oath of Office - Thomas Spooner, Kevin Voracek, Adama Youhn Doumbouya, and Teri Menard
City Administrator Jessica Kinser conducted the Oaths of Office for the new and returning members, Thomas Spooner, Kevin Voracek, and Teri Menard.
2. Call to Order/ Approve Agenda
Directly following the oaths, the regular meeting of the Economic Development Authority was called to order at 7:00 a.m. by Secretary A.J. Smith. Commissioners present were Thomas Spooner, Vice Chair Kevin Voracek, Teri Menard, and Christine Jeanes, as well as Secretary A.J. Smith. Others present were Robert Harris, III, Economic Development Coordinator, and Jessica Kinser, City Administrator. Spooner motioned to approve the agenda, seconded by Voracek, unanimously approved.
3. Election of Officers
Kevin Voracek was nominated to be the Chair. A motion was made by Thomas Spooner, seconded by Christine Jeanes to elect Kevin Voracek as the Chair. The next motion that was made by Teri Menard, seconded by Thomas Spooner was for A.J. Smith to become the Vice Chair and for Christine Jeanes to act as the Secretary/Treasurer. The combined motion passed unanimously.
4. Approval of the Minutes
Thomas Spooner made a motion, seconded by Christine Jeanes to accept the meeting minutes as presented. The motion passed unanimously.
5. Routine Business: *Agenda items below are approved by one motion unless an EDA member requests separate action.*
Christine Jeanes made a motion, seconded by A.J. Smith to receive and file the Routine Business reports as presented. The motion passed unanimously.
 - A. Monthly Loan Status Report
 - B. Permit Activity Update Report
 - C. Budget Status Report
6. Items for Discussion
 - A. Main Street Program Annual Report

Nort Johnson gave a presentation for the Main Street Program's annual report.

No action was taken at this time.

B. Review EDA enabling resolution

Staff was directed to remove excess detail from the Enabling Resolution and move that information to the EDA bylaws. An updated draft will be brought to the March EDA meeting.

No action was taken at this time.

C. Review EDA policies

1 Conflict of Interest

Robert Harris presented the state statute outlining conflicts of interest for EDA commissioners. Commissioners must alert staff and the board as soon as they are aware of a conflict of interest.

No action was taken at this time.

2 Social Media

Brad Phenow gave a presentation on the City's updated Social Media Policies. Commissioners are expected to follow the policy.

No action was taken at this time.

D. DIC Holdings Loan Extension

After much discussion, staff was directed to assist the applicant in refinancing the existing loan for 10 years as requested at the 2.5% interest rate. The loan will move from Fund 242 to Fund 251.

E. Hotel Market Study proposals

A motion was made by A.J. Smith, seconded by Thomas Spooner to move forward with selecting HVS to complete the Hotel Market Study. The motion passed unanimously.

F. Voluntary Tree Removal Program

Harris gave an update on the city's Voluntary Tree Removal program. The board discussed opportunities to partner with the city on the program. No action was taken at this time.

G. Resolution 2025-05: Adopt Grant Management Policy

A motion was made by A.J. Smith, seconded by Thomas Spooner to pass Resolution 2025-05: Adopt Grant Management Police as presented. The motion passed unanimously.

H. Resolution 2025-04 Reject Compeer Financial Rural Feasibility Grant

A motion was made by A.J. Smith, seconded by Teri Menard to pass Resolution 2025-04: Reject Compeer Financial Rural Feasibility Grant as presented. The motion passed unanimously.

7. Announcements and Updates

A. Strategic Planning

Harris gave a brief update on strategic planning efforts. A review of program awards from the past 5 years was conducted. Staff will be making recommendations for program revisions based on this data to be brought forward at a future meeting.

B. Staff updates - Verbal report

Harris gave a verbal report on economic development projects in progress.

8. Adjournment

A motion was made by Thomas Spooner, seconded by A.J. Smith to adjourn the meeting at 7:59 a.m. The motion passed unanimously.

By: _____
Robert Harris, III



Request for Action

TO: Faribault Economic Development Authority
FROM: Robert Harris III, Economic Development Coordinator
THROUGH: David Wanberg, CED Director
MEETING DATE: April 17, 2025
SUBJECT: Permit Activity Update Report

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.

REQUESTED ACTION:

Receive and file as presented

ATTACHMENTS:

1. 2025-3 EDA - Permit Activity Report

Permit Activity Report 2025				Permit Activity Report 2024			
	Valuation	# of Permits	Permit Fees	Valuation	# of Permits	Permit Fees	
January	\$ 2,544,403.90	103	\$ 46,047.78	\$ 1,028,550.52	81	\$ 21,977.30	
February	\$ 13,151,067.68	78	\$ 202,727.55	\$ 4,245,529.34	111	\$ 59,132.10	
March	\$ 4,219,883.13	101	\$ 89,621.51	\$ 3,652,527.64	120	\$ 64,002.34	
April				\$ 14,300,701.74	161	\$ 127,751.61	
May				\$ 4,384,481.00	149	\$ 79,092.05	
June				\$ 7,695,949.56	176	\$ 64,129.64	
July				\$ 19,668,944.00	221	\$ 166,673.70	
August				\$ 2,708,491.13	195	\$ 46,832.69	
September				\$ 4,984,079.97	197	\$ 86,106.03	
October				\$ 5,249,918.86	177	\$ 93,721.04	
November				\$ 2,554,150.46	126	\$ 39,827.00	
December				\$ 3,815,735.23	135	\$ 61,803.19	
Total:				\$ 74,289,059.45		\$ 911,048.69	
YTD Permits:		282			1849		
<i>*All Permits includes Building Permits in total (plumbing, heating, signs and electrical).</i>							



Request for Action

TO: Faribault Economic Development Authority
FROM: Robert Harris III, Economic Development Coordinator
THROUGH: David Wanberg, CED Director
MEETING DATE: April 17, 2025
SUBJECT: Economic Impact Analysis of Data Centers

BACKGROUND:

Aiden Opatz, Community Economics Educator with the University of Minnesota Extension, has prepared an Economic Impact Analysis for data center projects in Rice County.

This analysis provides a broad estimate of the potential economic impacts associated with data center developments and utilizes a variety of data sources. It is important to note that the report does not focus solely on the specific project currently under consideration in Faribault but rather offers a comprehensive assessment based on regional and industry-wide trends.

The report covers key economic indicators, including job creation, local business activity, and environmental implications, providing valuable context for discussions on the role of data centers in the county's economic landscape.

REQUESTED ACTION:

Receive presentation and discuss report.

ATTACHMENTS:

1. Summary of Economic Impact for Data Center Final Draft with Discussion Section v2-1



Economic impact of a data center: Rice County, Minnesota

Aiden Opatz, Extension Educator, March 2025

Introduction

In late 2024, the City of Faribault, Minnesota expressed interest in understanding the potential economic impacts of the construction and operation of a data center. The data center construction is estimated to have an impact of around 1,066 employees annually while the operation of the data center is estimated to impact around 144 jobs annually.

Local stakeholders are interested in understanding the economic impact of the construction and operation of the data center. They engaged University of Minnesota Extension to complete this basic economic contribution study. This analysis is a basic economic contribution study, as it is meant to provide leaders in Faribault with a starting place to discuss the economic impacts. Should city leaders pursue this economic development strategy, Extension strongly recommends a more in-depth study be conducted. The results of this analysis are specific to the economic situation in Rice County and should not be applied to other jurisdictions. The results of this study are based on an average data center in the county and are not specific to any particular company.

Economic impact includes direct, indirect, and induced effects. The direct effect is spending directly on the project or activity. In this analysis, it is the construction and operation of the data center. To quantify the

direct effects, Extension used the construction cost and operating income of the data center.

Economic impact terms

Direct effect: initial change

Indirect effect: business-to-business impacts

Induced effect: consumer-to-business impacts

Indirect and induced effects are also known as “ripple” effects. Spending on goods and services in the supply chain generates indirect effects. For example, construction companies purchase goods and services, such as sheet metal and concrete bricks. Spending by the construction company’s

employees — spurred by their paychecks — generates induced effects. Workers are paid and then purchase items, such as health care, housing, and groceries.

Extension used the input-output model IMPLAN to measure the economic impact of the data center’s construction and operation. Input-output models capture the flow of goods and services within an economy. Once the pattern is established, the model can show how a change in one area of the economy (say spending by the construction company) affects other parts of the economy (such as retail and health care).

Economic Contribution

As mentioned, the direct effect is employment during the construction of the data center and employment at the data center. In economic contribution analysis, construction and operations are presented separately. Construction has short-term impacts that last during the project period. Operations provide on-going economic activity, as long as the facility is operational at the anticipated levels.

It is estimated that the data center will employ around 775 employees for construction annually, and 54 for operations. The construction industry's average weekly wage in this region is \$1,339.¹ Based on that, the projected 775 jobs will pay an estimated \$1 million dollars in labor income annually for as long as construction lasts. Because of the unique input costs that construction of data centers has, such as roughly 80 percent of the estimated input costs going towards mechanical, electrical, and plumbing (MEP) specialists, the cost of construction can be highly variable. The baseline used in this analysis is for a 480,000 square foot data center using 120MW of electricity.

In total, the creation of the annual operations of the data center is estimated to impact 144 jobs in Rice County, Minnesota, although this may change depending on the viability of remote work and the type of data center constructed. The start of operations will also result in an increase of an estimated \$9.9 million in labor income for those workers. These numbers come from the IMPLAN Social Accounting Matrix.

Table 1: Economic impact of the construction of a data center on jobs in Rice County, Minnesota

	Employment	Labor Income
Direct	775	\$55,927,701
Indirect	139	\$8,445,837
Induced	152	\$6,742,419
Total	1,066	\$71,115,957

Source: University of Minnesota Extension estimates, labor income estimated using the IMPLAN model

Table 1.1: Economic impact of the construction of a data center on jobs in Rice County, Minnesota (with a 20% increase in the MEP budget)

	Employment	Labor Income
Direct	841	\$61,625,628
Indirect	162	\$9,837,538
Induced	168	\$7,436,910
Total	1,170	\$78,900,075

Source: University of Minnesota Extension estimates, labor income estimated using the IMPLAN model

Table 1.2: Economic impact of the construction of a data center on jobs in Rice County, Minnesota (with a 20% decrease in the MEP budget)

	Employment	Labor Income
Direct	709	\$50,229,775
Indirect	117	\$7,054,136
Induced	137	\$6,047,928
Total	962	\$63,331,839

Source: University of Minnesota Extension estimates, labor income estimated using the IMPLAN model

¹ From Department of Employment and Economic Development

Table 2: Economic impact of the operation of a data center on jobs in Rice County, Minnesota

	Employment	Labor Income
Direct	54	\$6,326,753
Indirect	71	\$2,694,557
Induced	19	\$889,777
Total	144	\$9,911,087

Source: University of Minnesota Extension estimates, labor income estimated using the IMPLAN and Lightcast models

Table 2.1: Economic impact of the operation of a data center on jobs in Rice County, Minnesota (25% Remote or 25% Fewer Total Employees)

	Employment	Labor Income
Direct	40	\$4,894,834
Indirect	55	\$2,085,422
Induced	15	\$688,472
Total	110	\$7,668,728

Source: University of Minnesota Extension estimates, labor income estimated using the IMPLAN and Lightcast models

Table 2.2: Economic impact of the operation of a data center on jobs in Rice County, Minnesota (50% Remote or 50% Fewer Total Employees)

	Employment	Labor Income
Direct	27	\$3,462,915
Indirect	39	\$1,476,287
Induced	10	\$487,168
Total	76	\$5,426,370

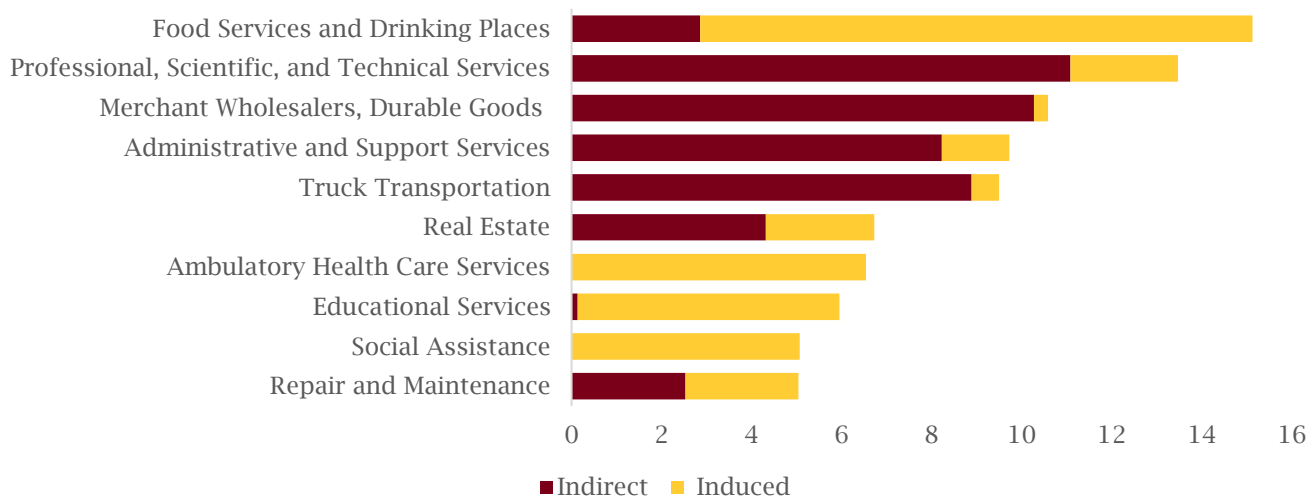
Source: University of Minnesota Extension estimates, labor income estimated using the IMPLAN and Lightcast models

Due to the necessity of employees who work directly with the data center hardware and infrastructure it is unlikely that the number of remote workers and/or actual total employees will fall below 50% of the estimated total number of employees. But unfortunately, there are no clear answers regarding the prevalence of remote workers until it is known what type of data center this will be and who will be leasing the space. And even then, the question of how many employees will telecommute, or even the total number hired, before the operations of the data center are underway can only be answered with high degrees of uncertainty. This is the same for the total number of workers required for operation. There are some patterns that can be seen, enterprise data centers tend to have higher staffing requirements while colocation (many independent companies all leasing from one data center), cloud computing, and data center leased by large internet companies tend to have lower staffing requirements and rely on more remote monitoring.² The tables above represent a likely scenario based on the data provided by the City of Faribault.

² Rhonda Ascierio, "Global Data Center Staffing Forecast 2021-2025," UI Intelligence report 43, January 1, 2021, https://uptimeinstitute.com/uptime_assets/f7fdc06fd6dd53d60f4b3a6ea2b75f5a4ab874d6e52bd727833b29426a245d3e-staffing-forecast-2021-2025.pdf?

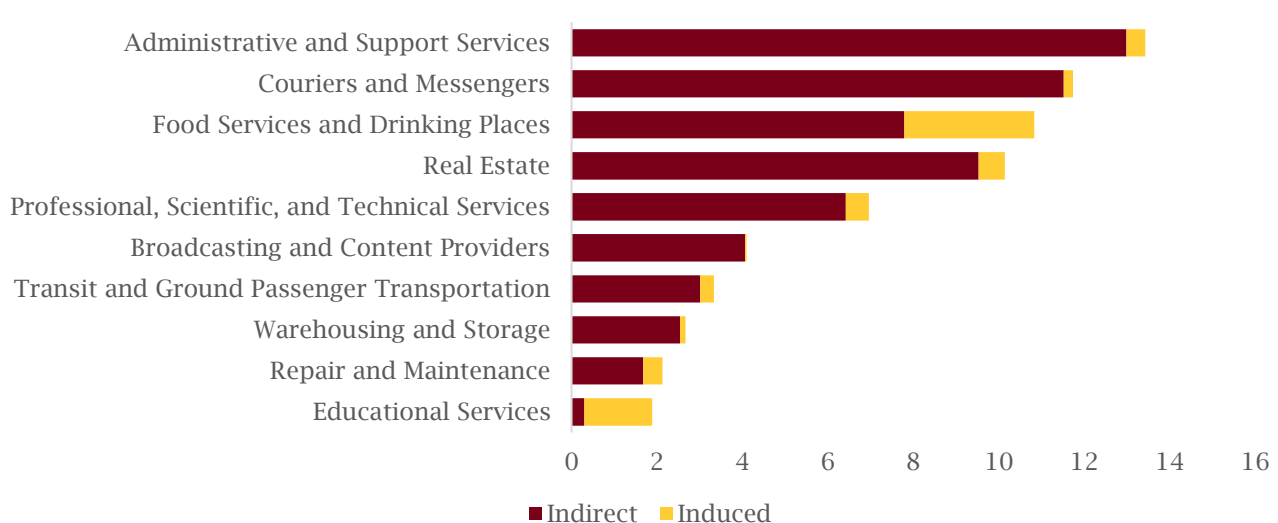
In addition to the 962 to 1,170 construction jobs impacted annually because of the data center, its construction is projected to support between 254 and 330 workers annually at businesses throughout the community for as long as the construction is happening, while the projected 54 jobs at the data center are projected to support 90 jobs. The types of businesses that are predicted to experience the largest indirect and induced impact of the construction of the data center include food service and drinking places, professional, scientific and technical services, and durable good wholesale (Chart 1).

Chart 2: Economic contribution of the construction of a data center: top industries affected sorted by employment Source: IMPLAN



While the types of businesses that are predicted to experience the largest indirect and induced impact of the operation of the data center include administrative and support services, couriers and messengers, food service and drinking places, and real estate (Chart 2).

Chart 2: Economic contribution of the operation of a data center: top industries affected sorted by employment Source: IMPLAN



Discussion and Considerations

Collocation

The unfortunate news is that there is not much data on what businesses collocate with data centers, so the best estimates for what may happen can be found in Chart 2 as these are the industries that are likely to see the greatest impact of data center operations in the city of Faribault.

Workforce

According to Lightcast, the industry standard for labor market analytics, the supply of jobs for this industry in Minnesota is lower than expected for a state of our size. This could mean that it will be relatively easy to hire people for the operation of the data center especially since the average length of a job posting in this industry is shorter than the length of the average job posting in Minnesota. As for other factors relating to the workforce, 56% of job postings require at least a bachelor's degree and 31% require a minimum of 4 to 6 years of experience.

Entrepreneurship

There is little information on the entrepreneurial impacts of data centers, but it does appear that the only type of data center that will directly host entrepreneurs is the "Colocation" data center type³, as that is only type that is designed to host more than one business on its servers.

Notes on this Analysis

This analysis relies on output and wage data from an average data center, as well as general construction data the company provided. MEP numbers were based on an aggregation of 35 different standard MEP industries' production functions and are purely estimates based on that aggregation. Data with greater specificity will be needed to create a more accurate estimate.

This analysis uses the 2023 IMPLAN data and 2024-2025 Lightcast data.

Learn more about University of Minnesota's Department of Community Development:
extension.umn.edu/community-development

³ Rhonda Ascierio



Request for Action

TO: Faribault Economic Development Authority
FROM: Robert Harris III, Economic Development Coordinator
THROUGH: David Wanberg, CED Director
MEETING DATE: April 17, 2025
SUBJECT: Faribault Chamber request for funding

BACKGROUND:

In February, Nort Johnson, President of the Faribault Area Chamber of Commerce, presented an overview of the Main Street Program and its impact on downtown revitalization. Additionally, he introduced a proposal requesting an increase in the EDA's financial commitment to the program. Currently, the EDA contributes \$17,000 annually, and the proposal seeks to raise this commitment to \$50,000 per year for a three-year period.

Faribault recently transitioned from an Accredited Main Street status to a Network Community due to staffing limitations that made it difficult to meet the program's reporting and meeting requirements. With the proposed funding increase, the Chamber would be able to hire a full-time staff member dedicated to the Main Street Program. This would allow the Chamber to appoint a full-time Main Street Director and pursue a return to Accredited status.

After discussing this approach with Nort Johnson, he is supportive of the strategy. This investment would strengthen the Main Street Program's effectiveness and ensure long-term sustainability for downtown revitalization efforts.

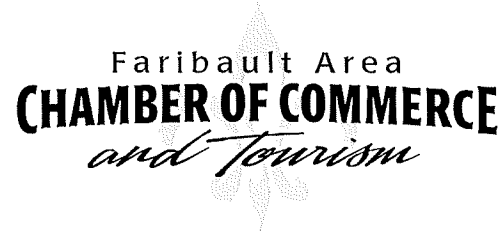
REQUESTED ACTION:

Approve the additional \$33,000 investment in the Main Street program with a three-year commitment. These funds would come out of the Expert and Professional Services line item. \$87,000 is currently budgeted in this category and currently \$12,000 has been committed to the Hotel Feasibility Study.

ATTACHMENTS:

1. Letter to EDA
2. 2024 Main Street Agreement_FaribaultChamber

**Memorandum
from the desk of
Nort Johnson**



Memo: SBDC and Downtown Faribault Agreement
To; Robert Harris III, Dave Wanberg, Jessica Kinser, Faribault EDA

1/28/2025

EDA Board,

Thank you so much for your support in our efforts to lift Downtown Faribault, and for contributing to our SBDC counseling activities.

We appreciate the \$17,000 in funding and do our best to deliver both tangible and subtle improvements with Events, Promotions, Economic Restructuring in our Historic Downtown as well as business assistance across Rice County.

We'd like to open a conversation about a funding level in line with some of our nearby communities for similar activities. Our goal is to add another Director level position in our office to elevate our capacity for enhanced outcomes in Downtown efforts, Business/Economic Development and of course our Workforce Development focusing on local education.

Thanks in advance for your consideration. We propose moving to a \$50,000 commitment per year over the next 3 years. Our scope of work under the Visionary Priorities will continue to impact the most important factors supporting our invaluable human capital. Please consider this advanced partnership proposal as a strategic investment moving Visionary Priorities forward for Faribault.

My Team would work out an expanded reporting process with City Staff to keep the EDA regularly informed on a broader base of activities supporting Economic and Community Development here in Faribault.

Thanks so much,

A handwritten signature in black ink, appearing to read "Nort Johnson", with a long, sweeping horizontal line extending to the right.

Nort Johnson

Cc; file, Chamber Board

SERVICE AGREEMENT

This Service Agreement (the "Agreement") is made this 19th day of September, 2024, by and between the Faribault Economic Development Authority, a public body politic and corporate (the "EDA"), and the Faribault Area Chamber of Commerce and Tourism, Inc., a Minnesota nonprofit corporation (the "Chamber"). The EDA and the Chamber are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, supporting downtown revitalization and business development are core functions of the EDA; and

WHEREAS, the EDA and the Chamber previously entered into an agreement to support Main Street programming, which has since been evaluated for noncompliance; and

WHEREAS, the EDA and the Chamber agree that the prior agreement should be terminated to establish a new, broader partnership supporting downtown programming and small business development; and

WHEREAS, the EDA desires to engage the Chamber to provide services under this new Agreement, with expanded responsibilities including event support, management of the Small Business Development Center (SBDC) office, business coaching, operation of the Launchpad Incubator space, and small business outreach; and

WHEREAS, the Chamber is willing to provide these services as described in this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the Parties hereto, each of them does hereby covenant and agree with the other as follows:

AGREEMENT

1. **Services Provided.** The Chamber agrees to provide comprehensive support for downtown programming and business development, including but not limited to the following:
 - a. Organizing and executing downtown events to promote community engagement and economic activity;

- b. Managing the SBDC office, including coordinating programming and providing business coaching services;
- c. Operating the Launchpad Incubator space to support new and emerging businesses in Faribault;
- d. Conducting outreach to small businesses, offering coaching, support, and resources to enhance growth and sustainability; and
- e. Providing semi-annual written and verbal reports to the EDA detailing program activities, fund usage, and outcomes, with a final annual report also required.

All services and obligations required by this Agreement shall be provided in a manner consistent with the level of care and skill ordinarily exercised by professionals currently providing similar services.

As the compensation received from the EDA by the Chamber provided for in paragraph 3 below may vary, the scope of the services provided by the Chamber may vary accordingly.

2. **Term.** The term of this Agreement shall begin on the date of execution and shall end on December 31, 2024. The date of execution is the date on which the second party executes the Agreement.
3. **Compensation.** In consideration for the Chamber's services, the EDA agrees to provide annual compensation to the Chamber in the following manner:
 - a. For calendar year 2024, the EDA agrees to remit \$17,000.00 to the Chamber on or before November 30, 2024.
 - b. No compensation for any calendar year shall be distributed to the Chamber until the Chamber's budget for that year has been reviewed by the EDA.
4. **Termination.** Notwithstanding any other provision hereof to the contrary, this Agreement may be terminated as follows:
 - a. The Parties, by mutual written agreement, may terminate this Agreement at any time.

- b. The Chamber may terminate this Agreement in the event of a breach of the Agreement by the EDA upon providing sixty (60) days written notice to the EDA.
- c. The EDA may immediately terminate this Agreement at any time for any cause upon written notice to the Chamber, or for no reason or cause upon sixty (60) days written notice to the Chamber.
- d. The EDA may also terminate this Agreement immediately upon the Chamber's failure to have in force any insurance required by this Agreement.

In the event of any termination, the EDA shall only be obligated to compensate the Chamber for its services in a prorated manner based upon the annual amount for the year of termination and the date of termination.

- 5. **Remedies.** In the event of a termination of this Agreement, the Parties shall each be entitled to any and all legal or equitable remedies available by law.
- 6. **Records/Inspection.** This Agreement is subject to the requirements of Minnesota Statutes, Section 16C.05, subd. 5. The Chamber agrees that the EDA or any authorized representative may have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, or other materials during normal business hours and as often as deemed necessary. The Chamber agrees to maintain these materials, records, and documents for six years from the date of the termination of this Agreement.
- 7. **Liaisons.** Each party shall designate a representative to serve as its liaison with respect to the obligations set forth in this Agreement. Each representative, or their designee, shall serve as the primary contact for the other party and shall have the authority to instruct, interpret, and define their respective entity's policies in regards to the obligations set forth in this Agreement.
- 8. **Annual Report.** No later than January 31st, 2025, the Chamber shall submit an annual report to the EDA ("Annual Report"). Each Annual Report shall include the following:
 - a. Detailed summaries of the Chamber's downtown goals and initiatives, including the goals for any downtown or main street

focused committees;

- b. Detailed summaries of the Chamber's downtown and main street accomplishments from the year;
- c. Detailed report of both SBDC and Launchpad Incubator activities; and from the year; and
- d. An explanation of how the funds were used to support the aforementioned downtown and main street programming and SBDC activities.

9. **Additional Support.** Nothing in this Agreement shall prohibit or prevent the Chamber or the FMS Program from seeking additional funding or support from the EDA for projects or initiatives that are not specifically covered herein. Such requests and any additional funding or support shall be deemed outside the scope of this Agreement.

10. **Indemnification.** To the fullest extent permitted by law, the Chamber, and the Chamber's successors or assigns, agree to protect, defend, save, and hold harmless the EDA, its officers, agents, and employees from all claims, suits, or actions of any kind, nature, or character, and the costs, disbursements, and expenses of defending the same, including but not limited to, attorneys' fees, consulting marketing and promotion services, and other technical, administrative or professional assistance resulting from or arising out of the negligence, breach of contract or willful misconduct of the Chamber or its subcontractors, agents, or employees under this Agreement. Nothing in this Agreement shall constitute a waiver or limitation of any immunity or limitation on liability to which the EDA is otherwise entitled.

11. **Insurance and Bonds.** The Chamber will maintain at the Chamber's sole expense, insurance coverage for itself, including the following: Workers Compensation, General Liability, and Directors and Officers Liability in an amount of not less than \$1 million per occurrence (except only statutory limits for workers compensation coverage) and at least \$2 million aggregate coverage and an umbrella policy with limits of at least \$1 million, and will provide information as to specific limits upon receipt of signed Agreement. Such insurance must cover all losses related to this Agreement. If requested by the EDA, the Chamber shall provide the EDA with current certificate(s) of liability insurance for all insurance coverage referenced above. Such certificate(s) of General Liability insurance shall list the EDA as an additional insured and all

certificate(s) of liability insurance shall contain a statement that such policies of insurance shall not be canceled or amended unless sixty (60) days written notice is provided to the EDA (ten (10) days written notice in the event of non-payment of premium). Acceptance of a certificate of insurance that does not comply with these requirements does not operate as a waiver of the Chamber's or any other party's obligations hereunder. In addition, the Chamber shall cause all vendors and participants to maintain insurance coverage for all vendors and participants at tourism-related events conducted pursuant to this Agreement.

In addition to the insurance requirements set forth above, the Chamber shall obtain a fidelity bond in the minimum amount of \$100,000 covering the person or persons on a position or name-scheduled basis that handles any money pursuant to this Agreement. The amount of such bond shall be reviewed annually and modified, if necessary, based on the compensation paid to the Chamber pursuant to this Agreement.

12. **Subcontracting; Assignment.** The Chamber shall not subcontract or assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that may become due or moneys that are due) in the Agreement without the prior written consent of the EDA. Any assignment in violation of this provision is null and void. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
13. **Independent Contractor.** The Chamber shall be deemed an independent contractor. The Chamber's duties will be performed with the understanding that the Chamber has special expertise as to the services which the Chamber is to perform and is customarily engaged in the independent performance of the same or similar services for others. The manner in which the services are performed shall be controlled by the Chamber. The Chamber is not to be deemed an employee or agent of the EDA and has no authority to make any binding commitments or obligations on behalf of the EDA except to the extent expressly provided herein. All services provided by the Chamber pursuant to this Agreement shall be provided by the Chamber as an independent contractor and not as an employee of the EDA for any purpose, including but not limited to: income tax withholding, workers compensation, unemployment compensation, FICA taxes, liability for torts and eligibility for employee benefits.

14. **Compliance with Laws.** The Chamber shall exercise due professional care to comply with applicable federal, state and local laws, rules, ordinances and regulations.

15. **Notices.** Any notices permitted or required by this Agreement shall be deemed given when personally delivered or upon deposit in the United States mail, postage fully prepaid, certified, return receipt requested, addressed to:

Chamber: Faribault Area Chamber of Commerce and Tourism,
Inc.
530 Wilson Avenue
Faribault, MN 55021
Attn: Nort Johnson, President/CEO

EDA: Faribault Economic Development Authority
208 1st Avenue NW
Faribault, MN 55021
Attn: David Wanberg, CED Director

Or such other address as either party may provide to the other by notice given in accordance with this provision.

16. **Attorneys' Fees.** In the event of any action to enforce or interpret this Agreement, the prevailing party shall be entitled to recover from the losing party reasonable attorneys' fees incurred in the proceeding, as set by the court, at trial, on appeal or upon review.

17. **Entire Agreement; Amendments.** This Agreement shall constitute the entire agreement between the Parties and supersedes any other written or oral agreements between the Parties. This Agreement can only be modified or amended in writing signed by both Parties.

18. **Third Party Rights.** The parties to this Agreement do not intend to confer on any third party any rights under this Agreement.

19. **Choice of Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

20. **Conflict of Interest.** In the execution of the services outlined in this Agreement, the Chamber shall use reasonable care to avoid conflicts of interest and appearances of impropriety in providing its services. In the event of a conflict of interest, the Chamber shall advise the EDA and either secure a waiver of the conflict or advise the EDA that it will be unable to provide requested services.
21. **Data Practices Act Compliance.** Any and all data provided to the Chamber, received from the Chamber, created, collected, received, stored, used, maintained, or disseminated by the Chamber pursuant to this Agreement shall be administered in accordance with, and is subject to the requirements of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13. This paragraph does not create a duty on the part of the Chamber to provide access to public data to the public if the public data are available from the EDA, except as required by the terms of this Agreement.
22. **No Discrimination.** The Chamber agrees not to discriminate in providing products and services under this Agreement on the basis of race, color, sex, creed, national origin, disability, age, sexual orientation, status with regard to public assistance, or religion. Violation of any part of this provision may lead to immediate termination of this Agreement.
23. **Survivability.** All covenants, indemnities, guarantees, releases, representations, and warranties of one or both Parties and any undischarged obligations of the parties arising prior to the expiration or termination of this Agreement, shall survive such expiration or termination.
24. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Agreement to the extent of its invalidity or unenforceability, and this Agreement shall be construed and enforced as if the Agreement did not contain that particular provision to the extent of its invalidity or unenforceability.

[The rest of this page was left blank intentionally.]

IN WITNESS WHEREOF, the Parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement as of the day and year first written above.

**FARIBAULT ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____
Rodney Gramse
Its: President

By: _____
David Wanberg
Its: CED Director

**FARIBAULT AREA CHAMBER OF
COMMERCE AND TOURISM, INC.**

By:  _____
Samanta Pirkel
Its: Chair of the Board

By:  _____
Nort Johnson
Its: President/CEO



Request for Action

TO: Faribault Economic Development Authority
FROM: Robert Harris III, Economic Development Coordinator
THROUGH: David Wanberg, CED Director
MEETING DATE: April 17, 2025
SUBJECT: Review EDA Enabling Resolution

BACKGROUND:

Section 469.092, Subdivision 3 of Minnesota Statutes requires the EDA to "submit to the City Council a report each year stating whether and how the enabling resolution should be modified." Under the Statute, the City Council has 30 days after receipt of the recommendation to review the enabling resolution, consider the recommendations of the EDA, and make any appropriate amendments. Any amendment must be made per the procedural requirements of Section 469.093.

*Subd. 3. **Report on resolution.** Without limiting the right of the authority to petition the city council at any time, each year, within 60 days of the anniversary date of the first adoption of the enabling resolution, the authority shall submit to the city council a report stating whether and how the enabling resolution should be modified. Within 30 days of receipt of the recommendation, the city council shall review the enabling resolution, consider the recommendations of the authority, and make any modification it considers appropriate. Modifications must be made in accordance with the procedural requirements of section [469.093](#).*

Occasionally, the EDA recommends updates to its enabling resolution. Most updates ensure the enabling resolution is consistent with state statutes. The most recent recommendations included clarifications to term limits and modifications to the EDA composition to be consistent with state statutes and provide the City Council with flexibility when making future appointments (see the attached City Council Resolution #2021-082). No issues or concerns have been identified with the current language in the enabling resolution.

REQUESTED ACTION:

Review the attached enabling resolution last updated via City Council Resolution #2021-082. Identify recommended amendments (if any) to the enabling resolution.

ATTACHMENTS:

1. 2021-082 - Amending and Restating the Enabling Resolution Establishing an Economic Development Authority for the City of Faribault-1

CITY OF FARIBAULT

RESOLUTION #2021-082

AMENDING AND RESTATING THE ENABLING RESOLUTION ESTABLISHING AN ECONOMIC DEVELOPMENT AUTHORITY FOR THE CITY OF FARIBAULT

WHEREAS, the City is authorized by Minnesota Statutes, Chapter 469 (the "Act") and specifically Section 469.091, to establish an Economic Development Authority (hereinafter the "EDA") to coordinate and administer economic development and redevelopment plans and programs of the City of Faribault; and

WHEREAS, an Economic Development Authority would facilitate and assist economic development in the City of Faribault by directly involving certain groups and agencies in the process; and

WHEREAS, such an Authority will increase the overall efficiency of business recruitment, to the greatest benefit of the entire community; and,

WHEREAS, a public hearing was held for the establishment of an Economic Development Authority pursuant to Minnesota Statutes prior to the adoption of Resolution 86-77, the initial enabling resolution originally adopted May 27, 1986, for the EDA and Resolution 86-77 was amended and restated on January 22, 2008, following a public hearing by Resolution No. 2008-015, and was again amended and restated on June 22, 2010, following a public hearing by Resolution No. 2010-092, and amended and restated again on June 10, 2014, following a public hearing by Resolution No. 2014-097; and

WHEREAS, the City desires to amend the enabling resolution for the EDA, as hereinafter set forth, pursuant to Minnesota Statutes Section 469.093; and

WHEREAS, a public hearing has been held for this amendment to the enabling resolution of the EDA pursuant to Minnesota Statutes Section 469.093.

NOW, THEREFORE, THE CITY OF FARIBAULT RESOLVES:

SECTION 1. APPOINTMENT OF AN ECONOMIC DEVELOPMENT AUTHORITY FOR THE CITY OF FARIBAULT, MINNESOTA

Section 1.1. Economic Development Authority Established. The Economic Development Authority for the City of Faribault, Minnesota (hereinafter the "EDA") is hereby established. The EDA shall have all the powers, duties and responsibilities set forth in Sections 469.090 to 469.108 of the Act and as said Act may be amended from time to time and all other applicable laws, except as limited by this Resolution.

Section 1.2. Purpose. The appointment of an EDA, pursuant to the provisions, restrictions and regulations contained herein, is intended to provide the City with a board comprised of representatives from both city government and private enterprise, capable of administering business incentives and other economic development measures. The EDA shall be the chief economic development agency for the City, and shall be under the authority of the City Council.

Section 1.3. Definition. An EDA is a public body corporate and politic and a political subdivision of the state with the right to sue and be sued in its own name. An EDA carries out an essential governmental function when it exercises its power, but the EDA is not immune from liability because of this.

Section 1.4. Responsibility. The EDA shall have primary responsibility for commercial and industrial development and redevelopment and the Housing and Redevelopment Authority in and for the City of Faribault shall have primary responsibility for residential development and redevelopment.

SECTION 2. COMPOSITION OF THE EDA

Section 2.1. Composition. The seven commissioners of the EDA shall be selected or appointed as follows:

- a. Two City Council members shall be appointed as commissioners by the City Council.
- b. The City Council may appoint the remaining commissioners to serve at large or from organizations which may have a role in economic development. An appointment could be from such organizations as City Commissions, the Faribault Industrial

Corporation, the School District, County, Community Board or Chamber of Commerce.

Section 2.2. Terms. Initial appointees receive terms of 1, 2, 3, 4, 5, 6 and 6 years; thereafter all terms are for six years, except as hereinafter provided. The City Council shall set the term of the commissioners who are members of the City Council to coincide with their term of office as members of the City Council. All terms shall expire at the City Council meeting at which the EDA appointments are made. Commissioners may serve no more than a maximum of two (2) consecutive terms (full or partial) and no more than a total of twelve (12) consecutive years. Commissioners may re-apply for additional terms after a one (1) year absence from the EDA.

Section 2.3. Compensation and Reimbursement. EDA members shall be reimbursed for actual expenses as determined by the City Council.

Section 2.4. Vacancies. A vacancy is created in the membership of the EDA when a City Council member of the EDA ends Council membership. A vacancy for this or another reason must be filled for the balance of the unexpired term, in the manner in which the original appointment was made.

Section 2.5. Conflict of Interest. Except as authorized in Minnesota Statutes Section 471.88, a commissioner, officer, or employee of the EDA must not acquire any financial interest, direct or indirect, in any project or in any property included or planned to be included in any project, nor shall the person have any financial interest, direct or indirect, in any contract or proposed contract for materials or service to be furnished or used in connection with any project.

Section 2.6. Removal for Cause. An EDA commissioner may be removed by the City Council as provided in Minnesota Statutes Section 469.095, subd. 5.

SECTION 3. TRANSFER OF TAX INCREMENT AUTHORITY

Section 3.1. The City shall transfer the control, authority and operation of its tax increment development plans pursuant to Chapter 462, implemented by Resolutions 85-151, 85-140, 85-22, 85-21, 85-20, 81-168, 81-5, and pursuant to Chapter 472A, implemented by Resolutions 85-141 and 83-58, located within the City, from the governmental agency or subdivision that established the project to the EDA. The City Council requires acceptance of control, authority, and operation of the tax

increment development plans by the EDA. The EDA may exercise all of the powers that the governmental unit establishing the project could exercise with respect to the project.

When a project or program is transferred to the EDA, it shall covenant and pledge to perform the terms, conditions, and covenants of the bond indenture or other agreements executed for the security of any bonds issued by the governmental subdivision that initiated the project or program. The EDA may exercise all of the powers necessary to perform the terms, conditions, and covenants of any indenture or other agreements executed for the security of the bonds when the project or program is transferred.

SECTION 4. ORGANIZATIONAL MATTERS

Section 4.1. Staffing. All required EDA staffing will be appointed by the City Administrator from the City of Faribault staff, for purposes of technical assistance, accounting, purchasing supplies, etc., as needed for the operation of the EDA.

Section 4.2. By-Laws. The EDA may adopt by-laws and rules of procedure and shall adopt an official seal.

Section 4.3. Officers. The EDA shall elect a president, a vice president, a treasurer, a secretary, and an assistant treasurer. The EDA shall elect the president, treasurer and secretary annually. A commissioner shall not serve as president and vice president at the same time. The other offices may be held by the same commissioner. The offices of secretary and assistant treasurer need not be held by a commissioner.

Section 4.4. Treasurer. The City of Faribault shall assist the official treasurer for the EDA in performing the statutory duties of the treasurer, with the City handling EDA funds and accounting through the City's financial management system.

Section 4.5. Public Money. EDA money is public money.

Section 4.6. Legal Services. The EDA shall use the services of the City Attorney for its legal needs. The City Attorney is its chief legal advisor.

Section 4.7. City Purchasing. The EDA may use the facilities of the City's purchasing department in connection with construction work and to purchase supplies, equipment or materials.

Section 4.8. Delegation Power. The EDA may delegate to one or more of its agents or employees powers or duties as it may deem proper.

SECTION 5. FINANCIAL MATTERS

Section 5.1. Budget to City. The EDA shall annually submit its budget to the City Council for approval. The budget must include a detailed written estimate of the amount of money that the EDA expects to need from the City to perform its business during the next fiscal year.

Section 5.2. Fiscal Year. The fiscal year for the EDA shall be the same as the City.

Section 5.3. Report to City. Annually, at a time and in a form fixed by the City Council, the EDA shall make a written report to the Council giving a detailed account of its activities and of its receipts and expenditures during the preceding calendar year, together with additional matters and recommendations it deems advisable for the economic development of the City.

Section 5.4. Financial Statement. The EDA's financial statement must show all receipts and disbursements, their nature, the money on hand, the purposes to which the money is to be applied, the EDA's credits and assets, and its outstanding liabilities, in a form required for the City's financial statements. The EDA shall examine the statement together with the treasurer's vouchers. If the EDA finds the vouchers are correct, it shall approve them by resolution and enter the resolution into its records.

Section 5.5. Audits. The financial statements of the EDA must be prepared, audited, filed and published or posted in a manner required for the financial statements of the City. The financial statements must permit comparison and reconciliation with the City's accounts and financial reports. The report must be filed with the state auditor by June 30 of each year. The auditor shall review the report and may accept it or, in the public interest, audit the books of the EDA.

SECTION 6. SCHEDULE OF POWERS

Section 6.1. Economic Development Districts. The EDA may establish and define the boundaries of economic development districts at any place and at any time within the City. The EDA must hold a public hearing on the matter, with notice published at least 10 days prior to the hearing in the official city newspaper. The establishment of an economic

development district must be approved by the City Council pursuant to Minnesota Statutes.

Section 6.2. Acquisition of Property. The EDA may acquire by lease, purchase, gift, devise or condemnation proceedings the needed right, title and interest in property to create economic development districts.

Section 6.3. Revolving Loan Fund. The EDA shall have the power to administer the Economic Development Revolving Loan Fund.

Section 6.4. Options. The EDA may sign options to purchase, sell or lease property.

Section 6.5. Eminent Domain. The EDA may use eminent domain under Chapter 117, or under the City Charter to acquire property it is authorized to acquire through condemnation.

Section 6.6. Contracts. The EDA may make contracts for the purposes of economic development within its granted powers. The EDA may arrange with the federal government, any of its agencies, with persons, public corporations, the state, or any of its political subdivisions, commissions or agencies, for separate or joint action, on any matter related to the EDA's powers or doing its duties. The EDA may contract to purchase and sell real and personal property. However, the EDA is not authorized to issue debt without prior Council approval.

Section 6.7. Limited Partner. The EDA may be a limited partner in a partnership whose purpose is consistent with the EDA's purpose.

Section 6.8. Rights and Easements. The EDA may acquire rights or easements for a term of years or perpetually for development of an economic development district.

Section 6.9. Receipt of Public Property. The EDA may accept land, money, or other assistance, whether by gift, loan or otherwise, in any form from the federal or state governments, or any political subdivisions or agencies thereof, to acquire and develop economic development districts.

Section 6.10. Development District Authority. The EDA may sell or lease land held by it for economic development in economic development districts.

Section 6.11. As Agent. The EDA may cooperate or act as an agent for the federal or state government, or a state public body, or an agency

or instrumentality of a government or public body, to carry out the EDA's duties, or any other related federal, state or local law in the area of economic development district improvement.

Section 6.12. Studies, Analysis and Research. The EDA may study and analyze economic development needs in the City, and ways to meet those needs.

Section 6.13. Public Relations. To further an authorized purpose, the EDA may: (1) join an official, industrial, commercial or trade association, or other organization concerned with the purpose; (2) have a reception of officials who may contribute to advancing the City and its economic development; and (3) carry out other public relations activities to promote the City and its economic development.

Section 6.14. Accept Public Land. The EDA may accept conveyances of land from all other public agencies, commissions, or other units of government, if the land can be properly used by the EDA in an economic development district.

Section 6.15. Economic Development. The EDA may carry out the law on economic development districts to develop and improve lands in an economic development district to make it suitable and available for its purposes.

SECTION 7. DEBT ISSUANCE.

Section 7.1. Debt Issuance. The EDA cannot issue debt obligations without the prior approval of the City Council.

Section 7.2. Bonds. General Obligation Bonds, Industrial Development Bonds, Tax Increment Bonds, and Revenue Bonds, whose proceeds are required for EDA approved projects, must be issued by the City Council pursuant to the City of Faribault Charter and applicable Minnesota Statutes.

Section 7.3. Pledge. All bonds issued by the City Council for the debt obligations of the EDA must be secured by the full faith, credit and resources of the City.

Section 7.4. Tax Levy. The tax levy must be certified by the City Council, and must be pledged back to the City.

Section 7.5. As Borrower and Lender. The EDA may borrow for its approved projects from the City; and, from its own proceeds, may make or purchase loans for economic development facilities which it believes requires financing.

SECTION 8. SALE OF PROPERTY

Section 8.1. Power. The EDA may sell and convey property owned by it within the city or an economic development district consistent with the requirements of Minnesota Statutes Section 469.105.

SECTION 9. ADVANCES BY EDA

Section 9.1. Advances by the EDA. The EDA may advance its general fund money or its credit, or both, without interest, for its objectives and purposes.

SECTION 10. DATE EFFECTIVE

Section 10.1. Adoption. This resolution shall be adopted upon affirmative vote of the majority of the City Council.

Section 10.2. Effect. This resolution shall be in full force upon its adoption and shall continue until such time as it may be amended or rescinded by the City Council.

Section 10.3. Conflicts. Any conflicts arising out of the conduct and operation of the EDA shall be resolved with reference to Minnesota statutes, and if there arises any conflict between this resolution and Minnesota statutes, Minnesota statutes shall prevail.

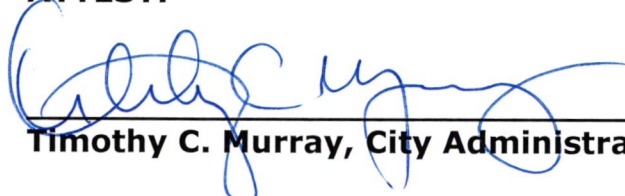
Date Adopted: April 27, 2021

Faribault City Council



Kevin F. Voracek, Mayor

ATTEST:



Timothy C. Murray, City Administrator



Request for Action

TO: Faribault Economic Development Authority
FROM: Robert Harris III, Economic Development Coordinator
THROUGH: David Wanberg, CED Director
MEETING DATE: April 17, 2025
SUBJECT: Resolution 2025-06: Amend and Adopt EDA Bylaws

BACKGROUND:

As part of our ongoing efforts to ensure the Economic Development Authority (EDA) operates effectively and in alignment with best practices, staff has conducted a review of the current EDA bylaws. Upon review, it has become evident that updates and amendments are necessary to reflect changes in governance, procedural improvements, and compliance with applicable statutes and regulations.

This resolution formally proposes the adoption of the amended bylaws and outlines the process for implementation. If approved, these amendments will move to City Council for final approval and adoption.

REQUESTED ACTION:

Adopt Resolution 2025-06.

ATTACHMENTS:

1. Resolution 2025-06 Amend and Adopt EDA Bylaws

ECONOMIC DEVELOPMENT AUTHORITY OF FARIBAULT, MINNESOTA

RESOLUTION #2025-06

AMEND AND ADOPT UPDATED EDA BYLAWS

WHEREAS, the Economic Development Authority (EDA) of the City of Faribault, Minnesota, is responsible for promoting economic growth and development within the City; and

WHEREAS, the EDA has reviewed and updated its bylaws to ensure they align with current goals, policies, and legal requirements; and

WHEREAS, the EDA finds that the adoption of the updated bylaws is necessary for the effective governance and operation of the Authority; and

NOW, THEREFORE, BE IT RESOLVED, by the Economic Development Authority of the City of Faribault, Minnesota:

1. That the EDA hereby approves and adopts the updated bylaws; and
2. That the EDA authorizes the implementation and enforcement of the bylaws as adopted.

ADOPTED: March 20, 2025

Kevin Voracek, President

ATTEST:

David Wanberg, CED Director

Economic Development Authority of Faribault
BYLAWS

ARTICLE I: ESTABLISHMENT AND PURPOSE

Section 1.1. Establishment. The Economic Development Authority of the City of Faribault, Minnesota (hereinafter the "EDA") is hereby established pursuant to Minnesota Statutes Sections 469.090 to 469.108, as amended. The EDA shall possess all powers, duties, and responsibilities provided by law, except as limited by these Bylaws and any applicable City Council resolutions.

Section 1.2. Purpose. The EDA is established to serve as the chief economic development agency for the City of Faribault, under the authority of the City Council. The EDA shall promote economic growth by administering business incentives, facilitating commercial and industrial development, and coordinating with public and private entities to support the local economy.

Section 1.3. Definition. The EDA is a public body corporate and politic and a political subdivision of the State of Minnesota. It has the authority to sue and be sued in its own name and performs essential governmental functions; however, it is not immune from liability.

Section 1.4. Responsibilities. The EDA shall have primary responsibility for commercial and industrial development and redevelopment, while the Housing and Redevelopment Authority (HRA) shall have primary responsibility for residential development and redevelopment.

ARTICLE II: COMPOSITION AND APPOINTMENT

Section 2.1. Composition. The EDA shall be governed by seven (7) commissioners appointed as follows:

(a) Two (2) City Council members shall be appointed by the City Council. (b) The City Council shall appoint the remaining five (5) commissioners, selecting individuals at large or from organizations involved in economic development, including but not limited to City Commissions, the Faribault Industrial Corporation, the School District, County, Community Board, or Chamber of Commerce.

Section 2.2. Terms. Initial appointees shall serve staggered terms of one (1) to six (6) years. Thereafter, all terms shall be for six (6) years, except for City Council-appointed commissioners, whose terms shall coincide with their elected office. No commissioner shall serve more than two (2) consecutive terms, or a total of twelve (12) consecutive years, without a one (1) year absence before reappointment.

Section 2.3. Compensation and Reimbursement. EDA commissioners shall serve without compensation but may be reimbursed for actual expenses as determined by the City Council.

Section 2.4. Vacancies. A vacancy occurs when a commissioner resigns, is removed, or, in the case of a City Council-appointed member, ends Council membership. Vacancies shall be filled for the unexpired term in the same manner as the original appointment.

Section 2.5. Conflict of Interest. Commissioners, officers, or employees shall not acquire any financial interest, direct or indirect, in any project, property, or contract involving the EDA, except as permitted under Minnesota Statutes Section 471.88.

Section 2.6. Removal for Cause. The City Council may remove an EDA commissioner for cause pursuant to Minnesota Statutes Section 469.095, Subd. 5.

ARTICLE III: AUTHORITY AND OPERATIONS

Section 3.1. Tax Increment Authority. The EDA shall assume control of tax increment development plans previously established by the City, as approved by the City Council.

Section 3.2. Organizational Matters. (a) **Staffing.** The City Administrator shall assign City staff to provide technical and administrative support to the EDA. (b) **Bylaws and Rules.** The EDA may adopt additional bylaws and procedural rules and shall maintain an official seal. (c) **Officers.** The EDA shall elect a President, Vice President, and Treasurer/Secretary annually. A commissioner shall not simultaneously serve as both President and Vice President. (d) **Treasurer.** The City of Faribault shall provide financial management support to the EDA Treasurer.

Section 3.3. Legal and Financial Services. (a) The City Attorney shall serve as legal counsel to the EDA. (b) The EDA shall use the City's purchasing department for procurement needs.

Section 3.4. Delegation of Authority. The EDA may delegate powers and duties to designated agents or employees as necessary for operations.

ARTICLE IV: FINANCIAL MATTERS

Section 4.1. Budget and Fiscal Year. The EDA shall submit an annual budget to the City Council for approval. The fiscal year shall coincide with that of the City.

Section 4.2. Reports and Audits. (a) The EDA shall submit an annual report detailing activities, expenditures, and recommendations to the City Council. (b) Financial statements shall be prepared, audited, and published in compliance with City and State requirements. The EDA's financial statements shall be filed with the State Auditor by June 30 of each year.

ARTICLE V: ECONOMIC DEVELOPMENT POWERS

Section 5.1. Economic Development Districts. The EDA may establish economic development districts within the City, subject to a public hearing and City Council approval.

Section 5.2. Property Acquisition. The EDA may acquire, lease, purchase, or condemn property for economic development purposes.

Section 5.3. Revolving Loan Fund. The EDA shall administer the Economic Development Revolving Loan Fund in accordance with established guidelines.

Section 5.4. Contracting Authority. The EDA may enter into contracts, agreements, and financial arrangements necessary to fulfill its mission, subject to applicable laws and City Council oversight.

ARTICLE VI: AMENDMENTS

Section 6.1. Amendments. These Bylaws may be amended by a majority vote of the EDA commissioners, subject to approval by the City Council.



Request for Action

TO: Faribault Economic Development Authority
FROM: Robert Harris III, Economic Development Coordinator
THROUGH: David Wanberg, CED Director
MEETING DATE: April 17, 2025
SUBJECT: Resolution 2025-07: Approve Downtown Exterior Rehab Grant Application (230 Central)

BACKGROUND:

On March 18, 2025, staff received an application from Todd Nelson requesting funding assistance through the EDA's Downtown Commercial Rehabilitation & Exterior Improvement Program for exterior improvements to the property located at 230 Central Avenue North, Unit 104.

The proposed project includes significant upgrades to the building's storefront in order to better match the appearance of adjacent storefronts. Specific improvements include:

- Demolition of the existing storefront
- Installation of new storefront glass
- Construction of a new knee wall
- Relocation of internal sprinkler lines to accommodate the new layout

Resolution 2025-07, scheduled for consideration at the April 17, 2025, EDA meeting, recommends approval of a \$10,146.57 deferred loan to support this project. The award is contingent upon approval by the Heritage Preservation Commission, if applicable, and is subject to all standard program terms and conditions.

REQUESTED ACTION:

Approve Resolution 2025-07.

ATTACHMENTS:

1. Resolution 2025-07 Approve Downtown Exterior Rehab Grant (230 Central)
2. Application_Nelson
3. Lowest bid

ECONOMIC DEVELOPMENT AUTHORITY OF FARIBAULT

Resolution 2025-07

APPROVING DOWNTOWN COMMERCIAL REHABILITATION & EXTERIOR IMPROVEMENT PROGRAM AWARD FOR 230 CENTRAL AVE N

WHEREAS, the City of Faribault is proud of its historic downtown and the community as a whole identified downtown as a priority through the Vision 2040 efforts; and

WHEREAS, Community Vision 2040 provides a framework to help ensure success of the community; and

WHEREAS, “a vibrant downtown” is one of the strategic priorities identified in the vision – with the specific goal of enhancing the appearance of downtown buildings and the streetscape; and

WHEREAS, the Economic Development Authority of the City of Faribault, Minnesota (EDA), earmarked \$150,000 from the 2025 Approved Program Budget, and there are funds remaining and available, to be dedicated to a program focused on downtown commercial building rehabilitation and exterior building improvements; and

WHEREAS, the EDA has received a request from Todd Nelson for program funds to assist in eligible exterior improvements at 230 Central Ave, Unit 104; and

WHEREAS, the EDA has reviewed said request and found it to be consistent with the goals and objectives of the Downtown Commercial Rehabilitation & Exterior Improvement Program and not subject to the Business Subsidy requirements set forth in state law.

NOW, THEREFORE, BE IT RESOLVED, by the Economic Development Authority for the City of Faribault, Minnesota:

Section 1: That a \$10,146.57 deferred loan is awarded to Todd Nelson for improvements at 230 Central Ave, Unit 104 in accordance with the terms and conditions set forth by the EDA for this program.

Section 2: That said award is contingent upon review and approval of the project by the Heritage Preservation Commission, if applicable.

Section 3: That the President and the CED Director are hereby authorized to execute on behalf of the EDA all required financial agreements in furtherance of the above approved project.

ADOPTED: April 17, 2025

ATTEST:

Kevin Voracek, President

David Wanberg, CED Director

Downtown Commercial Rehabilitation & Exterior Improvement Program – Application

Prior to submitting an application – applicants are encouraged to meet with Community & Economic
Development Staff to review the program guidelines and proposed project.

Please contact the Economic Development Coordinator at:
507.333.0388 or dwanberg@ci.faribault.mn.us

Application Information

Applications must be submitted by the property owner(s) of the building.

Name(s) of Property Owner/Applicant			
T. Nelson Properties			
Telephone Number:	507. 291- 0585		
Email Address:	dynamic@electriclquestadobe.net		
Mailing Address:	4563 Cedar Lake Blvd		
City:	State:	Zip:	
Faribault	MN	55021	

Property Information	
This Program is open to all commercial properties within the Central Business District and commercial addresses immediately adjacent the District – as shown on the attached map.	
Address(es) of Eligible Property:	230 central suit 104
Parcel ID (PID):	18.31.1.26.335
Original Year of Construction:	1900
Business/Occupant(s):	
Has this property previously received public financing?	☒ Yes ☐ No
Has the applicant defaulted on any public financing in the last two years?	☐ Yes ☒ No
Are there any liens or judgements on the property?	☐ Yes ☒ No
Are the property taxes paid/current?	☒ Yes ☐ No

Reimbursement Disbursement Schedule for Program Award*

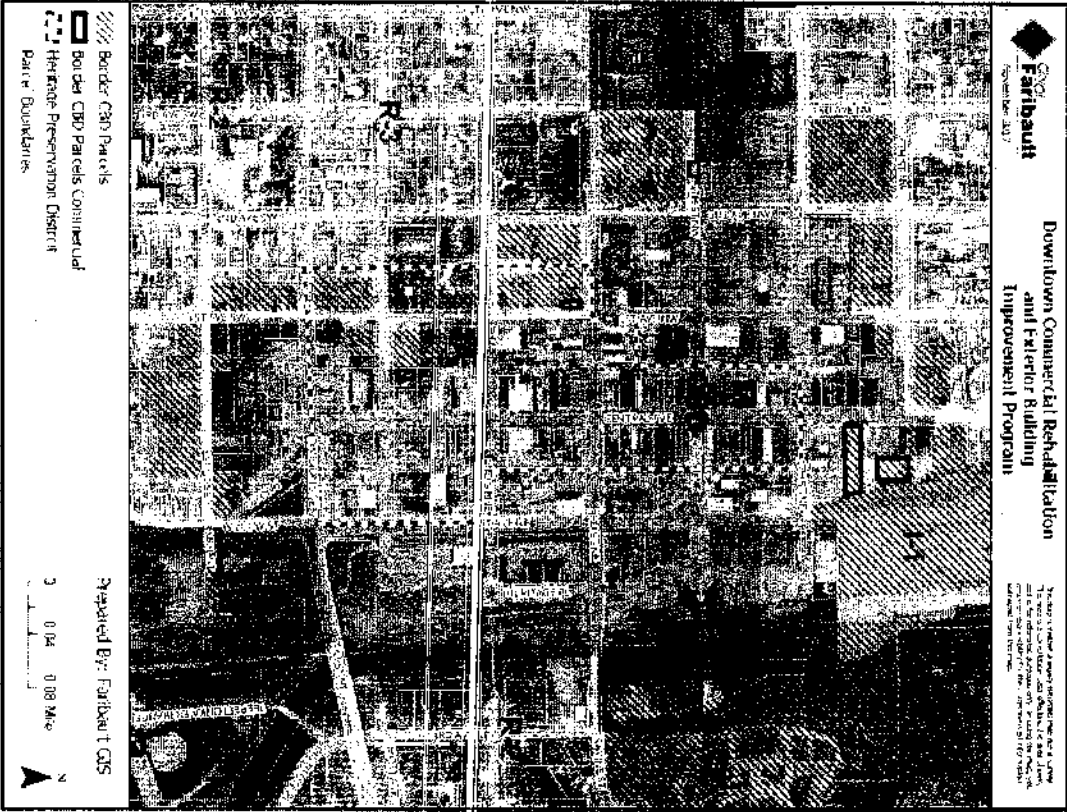
Provide Receipts for Full Project Costs (Equity + EDA Funds)	EDA Funds Paid in Full to Owner
Provide Receipts for Owner Equity + ½ EDA Funds	½ EDA Funds Paid to Owner
Provide Receipts for Owner Equity + Second ½ EDA Funds	Second ½ EDA Funds Paid to Owner

** Please note:*

- a) Funds will be disbursed on a reimbursement basis – based on submitted receipts.*
- b) Owners' equity must be the first funds used before EDA can release funds.*
- c) EDA funds will be disbursed incrementally (½) or in one-lump sum payment upon completion of project.*

Loan Repayment

Deferred loan will be immediately due and payable in the event that the owner sells or otherwise transfers all of his/her/their ownership interest in the property within three (3) years of the date of the Agreement.



Project Information

Eligible expenses are limited to:

*Permanent exterior improvements**Permanent facade improvements**Permanent interior improvements*Estimated Total Cost of proposed Rehabilitation and/or Facade Improvements:
(based on attached estimates)

\$22,950.17

Requested Loan Amount:
(based on Program scale)

Description of Proposed Improvements / Project

Remove existing single Pan store front and straighten new store front with knee wall Below To match suite 104

Relocate Fire sprinkler Drwn.

Justification / Impact of Project within Commercial Business District

Identify how the improvement is going to positively impact the Commercial Business District. Examples: Cleaning up facade disrepair, Preserving the building's structural integrity, Creating a positive visual impact to the Downtown, Code compliance work.

The new store front will Be energy efficient, and will match the other fronts on that side of Building. To give a more uniform look.

Data Practices Act

The information that you supply in your application to the City of Faribault/Faribault EDA ("City") will be used to assess you eligibility for financial assistance. The City will not be able to process your application without this information. The Minnesota Government Data Practices Act (Minnesota Statutes, Chapter 13) governs whether the information that you are providing to the City is public or private. If financial assistance is provided for the project, the information submitted in connection with your application will become public, except for those items protected under Minnesota Statutes, Section 13.59, Subdivision 3(b) or Section 13.591, Subdivision 2.

I/We have read the above statement and agree to supply the information to the City with full knowledge of the matters contained in this notice. I/We certify that the information submitted in conjunction with the application is true and accurate.

Property Owner/Applicant

TOOD NELSON

Date

Co-Property Owner/Applicant

Date

City Staff or other authorized representative of the City shall have the right to inspect the property to be improved at any time from the date of application upon giving notice to the owner and to occupants.

I/We certify that all statements on this application are true and correct to the best of my/our knowledge. I/We understand that any intentional misstatements will be grounds for disqualification.

I/We have read the City of Faribault's Downtown Commercial Rehabilitation and Exterior Improvement Program Policy and will abide by the rules and regulations set forth in the policy adopted on May, 21, 2020.

I/We authorize program representatives the right to access the property to be improved for the purposes of the deferred loan program and to take photographs of the structure before and after rehabilitation.

I/We understand that I/we are responsible for obtaining appropriate building permits and Certificate of Appropriateness. In the case of improvements that do not require a city-issued building permit, the applicant must submit the name and state license number of the contractor completing the work and agree to an inspection of the work by a city building official.

I/We further understand that I/we will make the final selection of the improvements to be made with the loan funds and that the contract for improvements will be solely between me and the contractor(s). The administering agency will not be liable for the inadequate performance of the contractor(s).

Property Owner/Applicant

TOOD NELSON

Date

Co-Property Owner/Applicant

Date

Acknowledgements

Please initial each to confirm that you have read and understand the program policy and guidelines.

TN	I/We understand that awards are based on eligibility, availability, and completeness of application – approval is at the sole discretion of the EDA.
TN	I/We understand that I/We can only receive one award at a time (only one project – building/PID at a time).
TN	I/We understand that I/we have one year from the date of the loan award to complete the project and request payment of loan funds.
TN	I/We understand that the loan award funds will be dispersed upon receipt of paid invoices for the project and proof of payment at the end of the project.
TN	I/We are the owner of the commercial property to be improved.
TN	I/We are current with mortgage, real estate taxes, and insurance payments.
TN	I/We understand that if we have defaulted on a publically funded program or have been delinquent on loan payments for a publically funded program within the last two years, I/we are not eligible for this program.
TN	I/We understand that the building must be free of all lien and judgments.
TN	I/We understand that if the building is located within the HPC district – the project must receive approval by the Heritage Preservation Commission prior to the start of work.
TN	I/We understand that an inspection of the property will be conducted to determine that the proposed improvements are necessary for the building to conform to current code and property maintenance ordinances.
TN	I/We understand that I/we will be required to sign loan documents upon award, including a Promissory Note and Repayment Agreement.
TN	I/We understand that the loan will be forgiven if I/we maintain ownership of the building for three (3) years.
TN	I/We understand that if I/we sell the building or otherwise transfer all ownership interest within three (3) years – the loan must be repaid in its entirety.

Property Owner/Applicant Todd Nelson Title owner Date 3-7-25

Co-Property Owner/Applicant _____ Title _____ Date _____

Estimate

for front store glass replacement and wall
at 230 central ave . 104

Owner T.Nelson Properties llc.

cost for demo of existing store front \$1,500

cost from new wall below glass and tile to match existing front\$9,865.00

cost for relocation of fire sprinkler lin \$850.00

cost of new glass quote from tom's pro glass \$10,735.17

total estimate \$22,950.17



Request for Action

TO: Faribault Economic Development Authority
FROM: Robert Harris III, Economic Development Coordinator
THROUGH: David Wanberg, CED Director
MEETING DATE: April 17, 2025
SUBJECT: Marketing: CED Folder Project budget

BACKGROUND:

Staff is currently undertaking an effort to update the Community and Economic Development (CED) Department's marketing materials to better reflect our current programs, services, and strategic direction. As part of this initiative, we have received a quote from Neuger Communications to redesign and print a refreshed folder, which serves as a key piece of collateral for the department.

The folder will be used across all CED divisions—including planning, economic development, and housing—and will serve as a shared marketing piece for external presentations, business recruitment efforts, development packets, and other key initiatives. We also anticipate the folder may be useful to external partners such as the Faribault Area Chamber of Commerce and Tourism, making it a broadly beneficial asset for the community's economic development efforts.

The estimated cost for the folder design and printing is between \$7,000 and \$8,000, depending on the final quantity ordered. A formal quote from Neuger Communications is attached for your review.

To support this shared collateral update, staff is requesting that the EDA commit to covering one-third of the total cost for this project. The remaining costs will be split between other CED divisions and potential outside partners, as appropriate.

REQUESTED ACTION:

Approve up to \$3000 towards the folder project from the advertising budget.

ATTACHMENTS:

1. Faribault EDA Collateral Proposal Proof_040225

PROPOSAL FOR

Economic Development Authority Collateral Brochure / Folder

Prepared for
City of Faribault EDA
April 3, 2025

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Thank You

Thank you for the opportunity to present our proposal to develop a reimagined City of Faribault Economic Development Authority's collateral project. We have appreciated our partnership with other municipalities in Southern Minnesota and we're eager to extend that partnership into Faribault. At Neuger, our business centers on communications, and at the heart of all communications is branding and messaging. We understand the importance of conveying a clear and concise message to all stakeholders. We bring a deep commitment to developing effective messaging and corresponding communications strategies that amplify your impact and connect with your target audiences.



Project Goals

- 1 Identify and articulate the objectives of the Economic Development Authority in Faribault.
- 2 Provide content (editorial and graphic) to communicate and effectively position the City of Faribault with key target audiences.
- 3 Design, layout and produce a cornerstone EDA brochure for the City of Faribault that attracts the types of organizations that will make the community as strong as it can be.

Neuger Hallmarks

Integrity, Excellence, Success

Founded in 2002, Neuger is a strategic communications agency specializing in integrated marketing. We help clients define their brands and amplify consistent messages across multiple channels including advertising, media, web, printed materials, social media and more. We utilize data to develop sound strategies and tailor our solutions to meet specific and measurable goals. We accomplish this all under the umbrella of our core values: *Integrity / Excellence / Success*.





Unmatched Responsiveness

Neuger is a highly responsive agency with the expertise to increase your reach and drive action. Responsiveness means not only do you get prompt, human responses, but you also benefit from our collective experience. We give proactive counsel based on expertise earned through work with clients across many industries. We tailor everything we do to your specific needs, challenges and opportunities.

WHAT YOU WON'T GET:

- Off-the-shelf "solutions"
- Copied and pasted strategies
- Generic tactics

Commitment to Diversity, Equity & Inclusion

Our commitment to advancing diversity, equity and inclusion is realized in our work by embracing a range of perspectives and experiences and incorporating them into our operations. Neuger is dedicated to taking action to improve our organization, industry and society to address the problem of racism and prejudicial barriers that impact the hiring, advancement and overall success of diverse groups. Not only is it the right thing to do, it is also the smart thing to do. By embracing an intercultural approach, Neuger provides each of its clients a breadth and depth of communications that leads to desired outcomes and ultimate success.



Scope of Work

Proposed Approach

1. GENERAL POSITIONING, PLANNING AND MESSAGING

- Understand overall EDA goals and objectives
- Outline S.M.A.R.T. objectives to guide strategies, tactics and implementation
- Identify and prioritize target audience segments
- Execute internal positioning sessions to refine messaging and ensure the essence of the brand is adequately captured and communicated
- Lead regular "client team" meetings to ensure effective collaboration

2. EDA COLLATERAL BROCHURE / FOLDER

- Design a collateral brochure / folder for the EDA to help recruit businesses to the area
- Develop a content outline for the project
- Write and edit content and complete revisions as necessary
- Schedule and shoot photography as needed
- Complete design layout for brochure / folder
- Coordinate design and delivery with printer

3. METRICS / ANALYTICS TRACKING AND REPORTING

- Provide an analytics report at the culmination of the campaign
- Make recommendations for next steps in the City of Faribault EDA communications initiative

Project Timeline

Responsiveness means our timeline is your timeline. We are committed to making this process as seamless, efficient and painless as possible. That being said, the following is our recommendation for ensuring a quality process and product:

MONTH 1:

- General positioning, planning and messaging
- S.M.A.R.T objectives developed
- Audiences identifications / prioritization completed
- Draft key messaging

MONTH 2:

- Write content as needed for the brochure / folder
- Craft design options for the project
- Make editorial and design revisions as needed
- Finalize the design and coordinate production schedule

MONTH 3:

- Deliver brochures / folders
- Make recommendations for next steps

Work Experience

We have deep experience in the areas of branding, design, strategic messaging and integrated communications. Find more case studies at neuger.com/work.



Our Team

Our team is high quality and high energy. For an engagement such as this, nearly every one of our staff members will share their expertise along the way. That work will be led and coordinated by a core leadership team, including:



Stephanie Jones

*Senior Communications
Counselor*

PROJECT ROLE

Project Client Lead

EXPERTISE

Integrated Marketing
Strategy, Advocacy,
Fundraising, Awareness,
Inclusive Communications,
Digital Advertising



Dave Neuger

Chief Executive Officer

PROJECT ROLE

Strategy and
Implementation Advisor

EXPERTISE

Media Relations, Integrated
Marketing Strategy,
Crisis Management and
Communications, Web
Communications



Jordan Taylor

*Art Director & Senior
Graphic Designer*

PROJECT ROLE

Art Direction / Graphic
Design Lead

EXPERTISE

Illustration, Print
Production, Branding,
Advertising, Brochures,
Newsletters, Animation

Budget

SERVICES	PROFESSIONAL FEES
Design and Production Coordination	\$5,400
Content Creation (if needed)	\$975
Photography (if needed)	\$2,535

PRINTING	ESTIMATES
Quantity: 500	\$1,670
Quantity: 700	\$1,990
Quantity: 1,000	\$2,450



A Full-service, Integrated Communications Agency

Contact

If you have any questions or require additional information, please contact us. We look forward to continuing our partnership with you.

David Neuger

Chief Executive Officer

507.664.0700 | daveneuger@neuger.com



Thank you



Request for Action

TO: Faribault Economic Development Authority
FROM: Robert Harris III, Economic Development Coordinator
THROUGH: David Wanberg, CED Director
MEETING DATE: April 17, 2025
SUBJECT: Rethos letter of support

BACKGROUND:

Staff received a request from Rethos: Places Reimagined for a letter of support regarding their current state budget request to expand funding for the Minnesota Main Streets program. On Thursday, March 13, companion bills **SF 2545** and **HF 2332** were introduced, which would appropriate **\$680,000 for fiscal years 2026–2027** to Rethos in support of this program.

Minnesota Main Streets supports the revitalization and economic vitality of historic downtown and commercial districts across the state, with a particular focus on small towns and cities. The proposed funding would allow Rethos to expand its reach and better serve communities like Faribault through technical assistance, training, and coordination resources that strengthen our local main street economy.

Given the alignment between Minnesota Main Streets and the EDA's ongoing efforts to support downtown Faribault, staff is recommending that the EDA provide a letter of support for Rethos' budget request.

REQUESTED ACTION:

Approve submission of letter of support

ATTACHMENTS:

1. Rethos LOS_House
2. Rethos LOS_Senate



April 17, 2025

Rep. Dave Baker, Co-Chair
Rep. Dave Pinto, Co-Chair
Labor and Workforce Development Finance and Policy Committee
Minnesota House of Representatives
Saint Paul, Minnesota

Re: Letter of Support – H.F. 2332
Appropriating Money for a Grant to Rethos: Funding for Minnesota Main Streets Program

Dear Co-Chair Baker, Co-Chair Pinto, and Members of the Committee:

On behalf of the Faribault Economic Development Authority (EDA), I am writing to express our strong support for HF 2332, which would appropriate \$680,000 for fiscal years 2026–2027 to Rethos in support of the Minnesota Main Streets program.

The Minnesota Main Streets program provides essential tools, technical assistance, and resources that support the revitalization of historic commercial districts across the state. As a community with a vibrant and historic downtown, Faribault recognizes the potential impact of joining the Minnesota Main Streets network. Increased funding through this legislation would make it more feasible for communities like ours to participate and benefit from the program's expertise and support.

Our historic downtown is home to many small businesses that serve as the backbone of our local economy. We believe that the Main Streets approach—with its emphasis on comprehensive, community-led revitalization—would strengthen our local efforts to enhance economic vitality, promote adaptive reuse of historic buildings, and build long-term resilience.

The Faribault EDA strongly encourages members of the Committee to support this legislation and help expand the reach of the Minnesota Main Streets program to more communities across the state.

Thank you for your consideration.

Sincerely,

Kevin Voracek
Chair, Faribault Economic Development Authority



April 17, 2025

Senator Bobby Joe Champion, Chair
Jobs and Economic Development Committee
Minnesota Senate
Saint Paul, Minnesota

Re: Letter of Support – S.F. 2545
Appropriating Money for a Grant to Rethos: Funding for Minnesota Main Streets
Program

Dear Chair Champion and Members of the Committee:

On behalf of the Faribault Economic Development Authority (EDA), I am writing to express our strong support for SF 2545, which would appropriate \$680,000 for fiscal years 2026–2027 to Rethos in support of the Minnesota Main Streets program.

Faribault’s historic downtown is a central part of our identity and an economic engine for our community. We recognize that the Minnesota Main Streets program has a long-standing record of success in helping small towns and cities across the state revitalize and reinvest in their commercial districts. This proposed funding would allow Rethos to expand its reach and provide more technical assistance, learning opportunities, and coordination resources to communities like ours.

As we continue to support small business growth, encourage the rehabilitation of historic buildings, and strengthen local resilience, the tools and guidance offered through Main Streets will be increasingly valuable. Expanded support for this program would remove key barriers for participation and enable greater impact statewide.

The Faribault EDA urges the Committee to support SF 2545 and help ensure that more Minnesota communities can benefit from this proven, community-driven approach to economic revitalization.

Thank you for your consideration.

Sincerely,

Kevin Voracek
Chair, Faribault Economic Development Authority