



ECONOMIC DEVELOPMENT AUTHORITY AGENDA

PUBLIC MEETING ROOM

THURSDAY, MARCH 17, 2022

7:00 AM

1. Call to Order
2. Approval of the Minutes
3. Routine Business: *Agenda items below are approved by one motion unless an EDA member requests separate action.*
 - A. Monthly Loan Status Report
 - B. Permit Activity Update Report
 - C. Budget Status Report
4. Public Hearings
5. Items for Discussion
 - A. Downtown Investment Group Project - Presentation
6. Project Updates
7. Adjournment



Faribault Economic Development Authority
MEETING MINUTES

Thursday | February 17, 2022

1. Call to Order / Roll Call / Agenda Approval

Action: Chair Gramse called the meeting to order at 7:03 a.m.

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

Absent: Forsythe and Campbell.

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

2. Approval Minutes

Action: Motion was made by Viscomi and seconded by Voracek to approve the Minutes of January 20, 2022 presented. Motion carried on a 4/0 vote.

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

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

Kuennen gave an overview of the reports.

Drevlow arrived at 7:05 a.m.

Motion was made by Viscomi and seconded by Drevlow to receive and file the monthly status reports as presented. Motion carried on a 5/0 vote.

4. Public Hearings

- A. None.

5. Items for Discussion

- A. Election of Officers**

Kuennen reviewed the EDA composition, terms, and offices. The EDA is a seven (7) member board originally established in May 1986 pursuant to Minnesota Statutes. Per the enabling resolution, EDA members may serve a maximum of two (2) consecutive terms (full or partial) and all terms shall expire at the first City Council meeting of January. Commissioners may re-apply for additional terms after a one (1) year absence from the EDA.

The EDA officer positions include President, Vice President, Secretary, Treasurer, and Assistant Treasurer. Annually, the EDA must elect officers for the positions of President and Treasurer/Secretary – and traditionally the EDA has also elected Vice President on an annual basis.

2021 EDA Officers:

President - Rod Gramse

Kevin Voracek - Vice President

Dave Albers - Secretary/Treasurer

A motion was made by Viscomi and seconded by Drevlow to appoint Rod Gramse as Chair, Kevin Voracek as Vice Chair and Grant Forsythe as Secretary. Motion carried unanimously.

B. Annual Review of Enabling Resolution

Kuennen provided a brief overview of the Minnesota Statutes that govern the EDA. Annually the EDA must submit to the City Council a report each year stating whether the enabling resolution needs to be modified or updated. After conferring with the attorneys, no issues or concerns have been identified in the current resolution and no changes or modifications are recommended at this time.

A motion was made by Voracek and seconded by Viscomi to approve accept the Enabling Resolution in its current form, and make no recommendations for modifications. Motion carried unanimously.

C. Review & Discussion - Downtown Commercial Rehabilitation and Exterior Improvement Program

Staff provided an overview of the existing Downtown Commercial Rehabilitation and Exterior Improvement Program application and guidelines. The purpose of the discussion was to determine if the EDA wanted to continue the program or make any changes.

Discussion followed regarding whether the term of the loans (holding the building for five (5) years before forgiveness) may be excessive, whether tenants could be applicants, and adding disclosures about pending litigation. It was concluded that the EDA wants to continue with the program with some potential modifications. In the future an analysis of other programs in other communities will be provided to the EDA, but for now the

program will continue with the addition of disclosure language and reducing the term before the loans are forgiven.

D. Notification of SMIF Loan to Cry Baby Craig's, LLC

Staff reported that Southern Minnesota Initiative Foundation (SMIF) and the Economic Development Authority (EDA) of the City of Faribault entered into a Shared Collateral Agreement in October of 2019 for Cry Baby Craig's. Both entities have co-equal shares in the collateral that was available at that time to secure loans that were provided by each entity. SMIF notified the EDA that they approved a loan for additional dollars to Cry Baby Craig's in the amount of \$60,000. The notification provided to the EDA is a requirement of the loan agreement. Staff noted that as indicated by SMIF, the new loan is secured with separate collateral.

No action taken or required.

E. MREJ Faribault MicroSummit 2022

Staff reported that they met with the MREJ Team to review program ideas, develop a proposed agenda, and work through the requirements of the event to ensure that the content qualifies for continuing educational credits in order to boost attendance. Based on that discussion, Staff presented a proposed agenda. Upon acceptance by the EDA, MREJ will begin a marketing blitz for the event and Staff will share with our own network of brokers.

The board reviewed the proposed agenda. It was suggested to incorporate what the high school is doing as a career bridge. The board like that agenda and staff will move forward with the proposed date.

6. Updates/Project Reports

Kuennen started off by stating that there is a developer that went before City Council on a housing project for 200 to 250 units on the south side of town at the corners of Willow and 17th Street. She is very hopeful this will go forward.

Kuennen also mentioned that Mr. Fort will end his term on the board in April as he is retiring from Daikin. Staff and the EDA are asked to recruit additional EDA candidates.

7. Adjourn

Action: Motion was made by Viscomi and seconded by Fort to adjourn at 8:00 a.m.

Motion carried on a 5/0 vote.

Respectfully Submitted,

By: _____
Kari Casper, Recording Secretary



Request for Action

TO: Faribault Economic Development Authority
FROM: Stephanie Aman, Economic Development Coordinator
MEETING DATE: March 17, 2022
SUBJECT: Monthly Loan Status Report

BACKGROUND:

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

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

The attached is a summary of the various City and EDA loan programs and their current available balances as of March 1, 2022.

REQUESTED ACTION:

No action required.

ATTACHMENTS:

1. 3A - Loan Status Reports

Agenda Item: 3A

Fund	Program Name	Available Balance	Notes
Fund 249	Minnesota Investment Fund (MIF)	\$14,132.21	2018 MN Legislature authorized one-time exception to “cash out” MN MIF funds. The cashed out funds are now part of the EDA’s program budget. Available MIF balance must follow re-use guidelines.
Fund 292	EDA Revolving Loan	\$389,155.93	
	- Commercial Development Loan Program (and Grant)	(\$289,155.93)	
	- Façade Improvement Micro Loan		
	- EDIF - Economic Development Incentive Program		New program in 2021 – dedicated \$200,000 of loan balance. One loan approved – \$100,000 for Try Star (not reflected in available balance)
Fund 243	Industrial Development Loan	\$250,971.66	Last activity was loan for Cry Baby Craig’s
TOTAL EDA LOAN FUNDS AVAILABLE		\$654,259.80 (\$554,259.80)	
Fund 290	EDA Operating Fund/Fund Balance	\$1,225,023.10	Includes one-time transfer of \$249,175 from 2002 land sale
			12/20/2017 – Authorized \$100,000 for the airport building demo/site prep (paid 12/2019) to support commercial development at airport
			Authorized \$150,000 forgivable loan for Daikin
			Does not include EDA Program Funds
Fund 245	Downtown Commercial Rehab & Exterior Improvement Program	\$33,549.34	Allocated Funds 2016 - \$300,000 from City Council 2018 - \$200,000 from City Council 2019 - \$200,000 from EDA 2020 - \$100,000 from EDA (total of \$200,000 identified in budget, only \$100,000 transferred) 2021 - \$0 (total of \$200,000 identified in budget, no funds transferred due to lack of program activity) 2022 – TBD (total of \$200,000 identified in budget for “downtown”)
Fund 248	Federal MIF Loan	\$628,901.19	Funds are difficult to spend. Uses must meet a national (federal) objective, public benefit standard, environmental review, Davis-Bacon, and extra business reporting requirements. The City Council may request that funds are transferred into the Small Cities Development Program (same federal objectives). This required spending plan and DEED/HUD approval

Agenda Item: 3A



Request for Action

TO: Faribault EDA
FROM: Deanna Kuennen,
 Community and Economic Development Director
MEETING DATE: March 17, 2022
SUBJECT: Permit Activity 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. *However, COVID-19 is likely to have an impact on investment and construction activity moving forward, along with material cost increases and shortages.*

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.

The following summarizes building permit activity:

	January	February	March	April	May	June
Total Building Permits	15	19				
Total Valuation	\$1,411,787.89	\$4,585,039.62				
Total ALL Permits*	52	70				
Total ALL Permits Valuation	\$1,492,107.89	\$6,021,764.62				
	July	August	September	October	November	December
Total Building Permits						
Total Valuation						
Total ALL Permits*						
Total ALL Permits Valuation						

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



Request for Action

TO: Faribault Economic Development Authority
FROM: Deanna Kuennen, Community & Economic Development Director
MEETING DATE: March 17, 2022
SUBJECT: Budget Status Report

BACKGROUND:

The Economic Development Authority (EDA) approved a 2022 budget, levy request, and work plan. The budget is divided into "operating expenses" and "program funds." The Program Funds budget is made up of fund balance and various different one-time lump funds. These funds are targeted for specific projects based on the approved Work Plan in the categories of: Available Land, Gateways, Regionalism, Workforce/Data Analysis, and Ongoing Operations.

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

REQUESTED ACTION:

No action required.

ATTACHMENTS:

1. February 2022 Budget Status Report

General Ledger

Budget Status

User: kcasper
 Printed: 3/1/2022 - 3:27 PM
 Period: 2, 2022



Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
Fund 290	Economic Development Authority							
Dept 290-00000								
R01	Taxes							
290-00000-462-31010	Current Ad Valorem Taxes	303,623.00	0.00	0.00	303,623.00	0.00	303,623.00	100.00
290-00000-462-31020	Delinquent Ad Valorem Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-31030	Mobile Home Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-31035	Delinquent Mobile Home Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-31500	PILOT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-31550	Green Acres	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	R01 Sub Totals:	303,623.00	0.00	0.00	303,623.00	0.00	303,623.00	100.00
R02	Permit & Licenses							
290-00000-462-36215	Loan Interest	383.00	30.56	61.38	321.62	0.00	321.62	83.97
	R02 Sub Totals:	383.00	30.56	61.38	321.62	0.00	321.62	83.97
R03	Intergovernmental Revenue							
290-00000-462-33402	Market Value Homestead Credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	R03 Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R04	Charges for Services							
290-00000-462-34108	Administrative Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-34700	Application Fees	2,500.00	0.00	640.00	1,860.00	0.00	1,860.00	74.40
	R04 Sub Totals:	2,500.00	0.00	640.00	1,860.00	0.00	1,860.00	74.40
R06	Miscellaneous Revenue							
290-00000-462-36200	Other Miscellaneous Revenue	500.00	0.00	0.00	500.00	0.00	500.00	100.00
290-00000-462-36210	Interest on Investments	5,200.00	0.00	329.37	4,870.63	0.00	4,870.63	93.67
290-00000-462-36211	Interest Market Value	0.00	0.00	-5,253.02	5,253.02	0.00	5,253.02	0.00
290-00000-462-36240	Refunds & Reimbursements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	R06 Sub Totals:	5,700.00	0.00	-4,923.65	10,623.65	0.00	10,623.65	186.38
R07	Other Sources							
290-00000-462-39100	Sale of Land	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-00000-462-39200	Transfer In	0.00	0.00	466,660.04	-466,660.04	0.00	-466,660.04	0.00

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
	R07 Sub Totals:	0.00	0.00	466,660.04	-466,660.04	0.00	-466,660.04	0.00
	Revenue Sub Totals:	312,206.00	30.56	462,437.77	-150,231.77	0.00	-150,231.77	0.00
	Dept 00000 Sub Totals:	-312,206.00	-30.56	-462,437.77	150,231.77	0.00		
Dept 290-46500	Economic Development							
E02	Supplies							
290-46500-462-42110	General Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-42115	Meeting	250.00	0.00	0.00	250.00	0.00	250.00	100.00
290-46500-462-42420	Minor Computer Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E02 Sub Totals:	250.00	0.00	0.00	250.00	0.00	250.00	100.00
E03	Other Services & Charges							
290-46500-462-43030	Engineering Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43040	Legal Fees - Civil Process	25,000.00	420.00	420.00	24,580.00	0.00	24,580.00	98.32
290-46500-462-43080	Indirect Cost Allocation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43090	Expert & Professional Services	50,000.00	517.50	517.50	49,482.50	0.00	49,482.50	98.97
290-46500-462-43095	Software Maintenance & Support	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43130	EDA Program Budget	1,000,000.00	0.00	0.00	1,000,000.00	0.00	1,000,000.00	100.00
290-46500-462-43140	Training & Education	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43220	Postage	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43250	Other Communications	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43310	Travel Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43430	Advertising - Other	50,000.00	0.00	10,000.00	40,000.00	0.00	40,000.00	80.00
290-46500-462-43510	Legal Notices Publishing	500.00	0.00	0.00	500.00	0.00	500.00	100.00
290-46500-462-43520	Recording Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43610	Insurance & Bonds	1,889.00	0.00	0.00	1,889.00	0.00	1,889.00	100.00
290-46500-462-43810	Electric Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-43860	Storm Water Utilities	40.00	0.00	0.00	40.00	0.00	40.00	100.00
290-46500-462-44330	Dues & Subscriptions	24,000.00	0.00	4,495.00	19,505.00	0.00	19,505.00	81.27
290-46500-462-44370	Miscellaneous Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-44390	Taxes & Licenses	50.00	0.00	0.00	50.00	0.00	50.00	100.00
290-46500-462-44600	Loans & Grants	75,000.00	0.00	0.00	75,000.00	0.00	75,000.00	100.00
	E03 Sub Totals:	1,226,479.00	937.50	15,432.50	1,211,046.50	0.00	1,211,046.50	98.74
E04	Capital Outlay							
290-46500-462-44160	Rents & Leases	0.00	0.00	0.00	0.00	0.00	0.00	0.00
290-46500-462-45100	Land	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E04 Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E06	Other Uses							

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
290-46500-462-47200	Transfer Out	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E06 Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Expense Sub Totals:	1,226,729.00	937.50	15,432.50	1,211,296.50	0.00	1,211,296.50	98.74
	Dept 46500 Sub Totals:	1,226,729.00	937.50	15,432.50	1,211,296.50	0.00		
	Fund Revenue Sub Totals:	312,206.00	30.56	462,437.77	-150,231.77	0.00	-150,231.77	0.00
	Fund Expense Sub Totals:	1,226,729.00	937.50	15,432.50	1,211,296.50	0.00	1,211,296.50	98.74
	Fund 290 Sub Totals:	914,523.00	906.94	-447,005.27	1,361,528.27	0.00		
	Revenue Totals:	312,206.00	30.56	462,437.77	-150,231.77	0.00	-150,231.77	0.00
	Expense Totals:	1,226,729.00	937.50	15,432.50	1,211,296.50	0.00	1,211,296.50	98.74
	Report Totals:	914,523.00	906.94	-447,005.27	1,361,528.27	0.00		



Request for Action

TO: Faribault Economic Development Authority
FROM: Deanna Kuennen, Community & Economic Development Director
MEETING DATE: March 17, 2022
SUBJECT: Downtown Investment Group Project - Presentation

BACKGROUND:

The Faribault Industrial Corporation and Rebound Partners have created a "Community Investment Fund" focusing on real estate opportunities in Faribault. They have identified their initial project in historic downtown, which involves pursuing the acquisition and redevelopment of 13 buildings.

On behalf of the Downtown Investment Group project, Nort Johnson will attend the EDA meeting to share details about the project and start exploring ways that the EDA can support the redevelopment and investment initiative. While no specific request will be before the EDA at this meeting, this will be an opportunity for the EDA to learn more about the project scope, ask questions, and start formulating how the EDA could potentially be involved in the project. Any specific funding/financing requests will be brought to the EDA for consideration at a future meeting.

Scott Riggs will also be at the meeting, to help the EDA understand state statutes pertaining to potential roles and participation that the EDA may consider - and to address other issues such as conflict of interest.

REQUESTED ACTION:

No action at this time. This is for informational purposes only.

ATTACHMENTS:

1. Community Investment Fund - letter of introduction

**Memorandum from
the desk of
Nort Johnson**

Faribault Area
CHAMBER OF COMMERCE
and Tourism

Memo: Downtown Investment Group project
To; Faribault HRA, Faribault EDA

3/8/2021

Faribault Partners,

The Faribault Industrial Corporation and Rebound Partners have been working diligently to create a *Community Investment Fund* focusing on real estate opportunities. Proposed projects for the fund are both community minded and expected to have some return on the investments. Our initial proposed projects are focusing on the historic downtown with both housing and commercial/retail redevelopment. While we've explored 5 different scenarios, we have opted to pursue the acquisition and redevelopment of a portfolio consisting of 13 buildings under 3 ownership groups.

We have executed the purchase agreements with the following key dates.

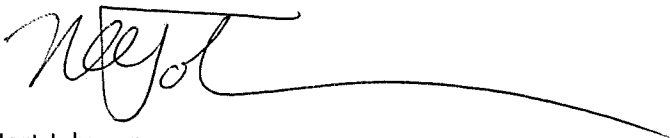
- Effective Date = 3/1/2022
- Due Diligence expiration = 4/29/2022 (this is a Friday)
- Closing = 6/28/2022 (this is a Tuesday)

Redevelopment points of interest.

- 57,994 above ground square footage
- 29 renovated 1- and 2-bedroom apartments
- 30,000 + retail and storage square feet

During our 60-day due diligence period we want to find out how we can best partner with the HRA and EDA to make the project a "go". As you all know, assistance is critical for historical redevelopment to happen. Financial proformas are complicated when renovating and preserving but once the work is done the community benefits are well worth it. We want to discuss availability of funds in the form of grants, forgivable loans, and other options to provide you with the best value and best outcomes for Faribault. We're looking forward sharing our project proposal with you and working out the most productive partnership we can.

Thanks so much,



Nort Johnson

Cc: FIC, Rebound Partners, Chamber Board, DIG Holdings



Request for Action

TO: Faribault Economic Development Authority
FROM: Stephanie Aman, Economic Development Coordinator
MEETING DATE: March 17, 2022
SUBJECT: Project Updates

BACKGROUND:

Project updates are attached.

REQUESTED ACTION:

No action required.

ATTACHMENTS:

1. 6 - Project Updates



Discussion Items

TO: Faribault EDA
FROM: Stephanie Aman, Economic Development Coordinator
THROUGH: Deanna Kuennen, Community & Econ Dev Director
MEETING DATE: March 17, 2022
SUBJECT: Updates/Project Reports

UPDATES

Prospects/Business Updates:

Faribault Woolen Mill	Staff has kept in contact with the Faribault Woolen Mill as they pursue the implementation of their strategic plan, which includes numerous capital investments. At this time they are not in need of EDA financing, but may pursue EDA programs as they work through implementation of their plans.
Specialized Automotive Restoration / Service Project	Staff have been working with a new specialized automotive restoration/service business to connect them to possible funding sources. Improvements to the property they acquired are underway.
Food Producer	In the spring, Staff had been in contact with a food producer regarding possible expansion in Faribault. Staff prepared a proposal of possible land and financing options and will continue to stay in touch with them as they make decisions on their next steps and finalize their location. Staff and our Economic Development partners met with them to discuss incentives and financing; staff toured possible sites with them and they recently decided on a Faribault site and a purchase agreement is now in place. Staff are meeting with the prospective owners to go over site plan information as well as their build out plans to ensure a smooth transition. Staff and economic development partners will meet soon to determine incentive considerations. City staff completed a tour with the prospective business. An Economic Development partner meeting is scheduled to determine incentives available as they complete due diligence of the purchase.
Food Producer/CVN Prospect	September: Staff connected with a food producer prospect at CVN and prepared a very high level informational response; including two different sites that fit their criteria.

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	Faribault originally made the short list of places to be considered, but other areas (states) were able to offer lower taxes and more incentives. Staff recently learned that there has been some reconsideration for Faribault and is in touch with this company.
Project Singularity	A RFI came through from DEED for a project with a manufacturing company. While the preference is for an already built building, the company/site selection is open to greenfield locations if they are unable to find a suitable/desirable spec building. Staff submitted information for consideration.
Potential Food Manufacturer	Staff is working with an existing Minnesota food manufacturing company that is looking to expand their product line, and have identified a possible site for this part of their business to expand into. Staff participated in a virtual meeting with the company and partners to explore funding and incentives for the expansion. Staff continues to follow up with the company while they make a decision on the location for their project.
Potential Food Manufacturer	Staff was made aware of a regional food manufacturer that is looking to expand their product offering and had identified a possible site for their business to expand into. Staff met with company leaders to discuss location options and possible funding incentive. Staff were made aware of a potential location for lease, and have followed up with this option. Staff will continue to stay in touch with the company leaders as they decide on the location for their project.
Potential Transportation Terminal	Staff was contacted about interest in possible properties along the I-35 corridor with easy access and good visibility, to locate a transportation style business. Land owners were contacted and the business and property owners were connected. Staff will stay in touch with the business to support and assist as needed.
Potential Food Production/Restaurant Business	Staff was provided a lead for a local food production/restaurant that may be interested in opening a bricks and mortar facility to Faribault. Staff has identified possible sites for this company and the owners are exploring the sites. Staff continue to stay in touch and follow up to ensure that this business is supported and will arrange a meeting with economic development partners when the timing is right. Business owner is in conversation with the potential site and are working through logistics of a build out. Staff continue to stay in touch with the business owner. The cost of building out a commercial kitchen as well as improvements to the space is of concern to the client. Staff has identified potential resources to assist in financing capital improvement. Staff toured another site with the business owner. Owner is completing due diligence on sites and ensuring a good fit for them and Faribault.
Potential Light Manufacturing Business	Staff attended the December CVN meeting and met with the Business Development Manager of a Minnesota based light manufacturing company that is looking to relocate their operations. A response was prepared with

Agenda Item: 6

	possible sites for this company. Staff will continue to follow up with them as they make decisions on their new location. The business is completing a campaign to raise funds, and will be making decisions on site tours in the next couple of months.
Potential Food Manufacturer	Staff responded for a request for information from CVN for a Minnesota based food manufacturer looking to expand operations. Staff met the president of the company at the CVN event, and followed up with their operations manager. Faribault is being considered and the company is looking at a possible site visit in the very near future. The site that was submitted to this company recently sold and Faribault does not have a building that meets the business needs. Staff has reached out to this business with a lease space that could meet their needs.
HWY 60 Project(s)	Staff has participated in a number of different meetings regarding potential development/redevelopment along the Hwy 60 W corridor. Staff will continue to be an active participant in development/redevelopment opportunities, and will bring potential projects/requests to the EDA as appropriate. October: Land has been purchased along the south side of Hwy 60 and staff has been in contact with the new owner regarding development possibilities. Conversations are ongoing.
International Manufacturer	Staff were contacted by an international manufacturing company looking for space in Faribault. Staff are working to ensure that the proper infrastructure is in place to meet their needs. The company has identified the property they think would be a good fit. Staff is providing requested information to the company, specifically regarding electrical capacity and loading dock feasibility.
Rail Property	Staff were contacted by a company seeking rail accessible property to build a facility. Information regarding accessible property and city infrastructure was provided. Staff continue to follow up to ensure the company has the information they need to determine a best fit for their business.
Truck Driving School/Station	Staff were contacted about possible property that would be a good fit for a training course for truck drivers. Staff provided information and have followed up with the owner.
MISC.	1. Staff has been made aware that there are possibly two (2) distribution type of businesses seeking a location along the I-35 corridor. Currently the site selector is looking at locations further north than Faribault – but Staff has provided information on possible Faribault locations for consideration.

	2. Staff has provided available land information to a Twin Cities broker working with various warehouse/distribution type businesses. Through conversations with the broker it was confirmed that there is growing demand for land outside of the metro area, and he was collecting information proactively for potential clients. Staff will continue conversations with the broker on demand and movement.
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Other:

- A number of projects have been “paused” due to material costs and timelines (Example – in 2020 the lead time for a “butler building” was 16 weeks, currently the lead time is 50+ weeks.) Staff has continued to stay in contact with these developers/prospects – and will provide updates as appropriate.
- Staff participated in several Business Retention and Expansion visits in February, and were pleased to hear about potential expansion efforts as well as successful expansion. Staff will continue follow up on those expansion efforts, as well as visit other businesses in the coming months. COVID19 restrictions have made this a more difficult task.
- Staff are participating in discussions and keeping abreast of the federal funding that is being made available to businesses and communities including for downtowns and small businesses.
- Staff participated in Ehler’s 2022 Minnesota Public Finance Seminar to learn more about tax abatement and TIF and to understand fully any new reporting requirements, as well as hear how other communities are using those tools to leverage development.
- Staff was asked by GreenSeams to gather a panel of ag focused panel of business owners. The panel met on Monday, February 14 via zoom with 4 industry leaders participating. A comprehensive report will be made available in the coming months from meetings held in the GreenSeam region.
- Staff participated in the Southeast Minnesota Economic Development meeting the state presented updates on Job Creation Fund and Minnesota Investment Fund programs.
- At their Winter, 2022 conference, the Economic Development Association of Minnesota (EDAM) named Deanna Kuennen the Economic Developer of the year.

Other Projects/Initiatives:

- **BDPI Grant Application – NW Water Tower**
 - Staff, in coordination with the City Engineer, submitted a \$2M grant application to help fund the construction of a water tower and associated mains, located in the Met Con Business Park. The grant has been funded. Construction will begin later this summer, with an anticipated completion date of 12/2023. The water tower project is important because it has been identified by multiple industries in this area that water flow rates are inadequate. The project will improve flow rates for existing business, and position the city to continue to attract additional industries to this area.
- **C-Alan Homes/Thompson James Group South Division/ Old Mayor Clinic Site**
 - Staff has been working with a luxury custom home builder from the Twin Cities on a proposed attached 34-unit townhome rental development on the old Mayo Clinic site (924 First Street NE). After a supportive neighborhood meeting in February, the company engaged ISG Engineering and submitted all necessary planning and zoning applications.

The project has successfully completed the planning and zoning approval process, and is now preparing final drawing and finalizing funding. It is anticipated that the site improvements associated with the project will begin later this year.

Marketing:

Minnesota Real Estate Journal

- MREJ staff have suggested that we postpone the Micro Summit from this fall/winter to spring 2022. Staff have been given the date of April 28 to host the Micro Summit. Hosting the Micro Summit in the spring will provide the City with the best opportunity to attract more attendees. Based on a meeting with MREJ staff, they suggested we focus on 2-3 panels of businesses that highlight some unique attributes to Faribault that others may not know and would be interesting to businesses looking to expand or move here.
- Staff met with staff from MREJ to determine how to best leverage the budget that is allocated to this marketing effort. Staff plan to implement some of the suggestions within the next few months.
- Staff have presented an agenda to MREJ for approval.
- Staff submitted advertising material for MREJ e-blasts and will continue to utilize e-blast marketing through MREJ as a tool for outreach.

• Minnesota Marketing Partnership

- Faribault continues to be active participants in the Minnesota Marketing Partnership (MMP). Last year Faribault elected to participate in the MMP digital marketing campaign, and now has access to all of the video and social medial materials. In addition – Staff was selected to help represent the State of MN – specifically Faribault/SE MN, with DEED and others, at the Site Selector Guild table talks. This has generated additional connections with the site selector community.
- Staff presented to the Site Selector Guild in November, as part of the MMP Leadership. Staff will highlight recent successes in Faribault, and provide an overview of the SE MN region. Staff has also been invited to participate in the December Site Selector Guild Table Talks, to discuss development opportunities in Faribault and in the region.