

Jackson Economic Development Authority
June Meeting Minutes
Thursday, June 6th, 2019, 12:00 p.m., Jackson City Hall

Voting Members: _X_ Kent Bargfrede PN_Brandon Finck _X_ Dennis Frodermann
 X Tim Olson, Vice Chair _X_ Rocky Sieler, Chair _X_ Arlene Vee, Sec./Treas.
 PN_Mayor Wayne Walter

Staff: _X_ Thomas Nelson _A_ Matt Skaret

1. Call to order

Meeting was called to order by Chairman Sieler at 12:05 p.m.

2. Agenda Changes

- a.
- b.

3. Consent Agenda

- i. May 9th, 2019 Minutes
- ii. Facade Improvement program
 - 1. American Legion - Liberty Post 130
 - 2. Costello, Carlson, Butzon and Schmit
 - 3. Virginia & Company

American Legion forgivable of \$3,195; the Law office is \$3,000 forgivable; and Virginia & Company forgivable of \$5,000. With those three recommendation there is a remainder of \$4,408 left.

Bargfrede moved to approve the Consent Agenda; seconded by Frodermann. Motion passed unanimously.

Other Business

b. Jackson Splash Pad - Request for funds - due to guests here to present to the Board, this was moved to the top of the meeting. Jen Tewes and Sharon Henning came to give an update and share where they are at. They have raised close to \$300,000, which was their initial goal from a quote they received two years ago when the project was started. They have gone from being part of the Memorial Park project to breaking off by their own, due to new numbers and the flooding. In the last few weeks they have met with City Council and they are entering into a letter of intent with the school to be located on school property and that the City would still carry the costs of maintaining the splash pad as agreed at the beginning of this project. Then they went to the School Board and they agreed to accept the City's letter of intent to work with the City. The Splash Pad Committee is made up of Jen Tewes, Sharon Henning, Jacqueline Knips, Kristy Thurmer, Chelsea Honnette and Luke Ewald. They recently got a hard quote from the vendor, who is building a splash pad in Estherville and Worthington. They are requesting some funding or potential support as prices have gone up. They can build the splash pad right now but at this point it would be ground sprays only, with no toys. Henning shared the original picture of what was initially planned with 10 vertical toys and 12 to 15 ground sprays. She passed around the photo as well as a sheet with a picture of each toy and the cost associated with it. They are looking to find an additional \$50,000 for a total of \$350,000. The increase is due to changing to use the construction company that is building the Estherville and Worthington splash pads and the toys have increased in price. They feel that

this will be a draw for people to want to move to Jackson, it's an amenity that might determine if they want to live here compared to Fairmont or Worthington. If we can offer our residents the same fun things that they can find in other communities they will choose to live here too. Henning has also counted the number of ground sprays and vertical toys in Spirit Lake, which is a larger splash pad and she feels that right now we have too many so she wants to cut down the number. One option for the pool is to replace four parking spaces by the pool to create an aquatic center with a party room being added inside. It was discovered that there is a water main and storm sewer that goes right under the parking lot they would have to be rerouted. Other options would be to have it across the street or down by the softball fields. They are having a meeting on Tuesday with Tony, Jeremy, Greg from Bolton & Menk, Phil. Skaret asked to be at the meeting and they are also trying to get Mark Steffen from the school to so that they can get everybody on the same page to determine the best place. If it is by the softball field or across the street, then they have to raise \$20,000 to pay for the housing of the pumps and tanks for the chlorine. But if it is by the school then they can use the maintenance room that the pool is already using and share the chlorine tank and the acid tank. It would cost about \$20,000 to reroute all the utilities as well. Some things to consider: do we want kids crossing the street and we have to access to ADA accessible bathrooms as initially promised in grants that were applied for. They do have some time restrictions due to some of the donations that they were received. The current game plan is to purchase the toys and mechanicals by next week to be put on the schedule for the construction company. There is a 12 week lead time for the toys so they won't be ready until the second week in September. They could potentially start prepping the area this fall but won't be open until the spring of 2020. They do have a few businesses that they still want to talk to, but they have exhausted their options for grants as they have written about 3 dozen grants. They will continue to work on fundraising. Nelson will reach out to the CEDA grant department to see if they have anything else in their database. It was asked if they could put in the cement slab and add the toys in later as funds come in. Henning explained that it is possible with a space/swap system in the location that you want toys added, however each space/swap is \$1,500 and that doesn't seem cost effective. The splash pad will be free to the public, open from Memorial Day to Labor Day. Like the Spirit Lake splash pad the water will turn on 10:00 am and turn off at 8:00 pm. It was asked how it was going to work to distinguish the splash pad kids from the pool kids as the pool costs money, that has to be set up yet but an option could be to band the pool kids to know who has paid and who hasn't. After no further questions, Henning and Tewes left for the Board to consider their request. The 616 Fund could be used for a consideration like this and is sitting at \$257,822.55, subtraction of \$25,000 for the Facade Improvement program and \$10,000 committed for the Business Challenge which have not yet been withdrawn. This is the project funds which paid for the Housing Study and the sale of the twin homes were deposited into. There is no current commitment from the City, the original arrangement is that it would be 100% private fundraised and once it's built and constructed the City would take over ownership and operation of it for at least 10 years. City will carry the Liability Insurance, utilities, water, electricity hoping being able to utilize the existing pool staff with the certifications already to daily water testing and maintenance and reimburse the school for those expenses. Since it will be another amenity that will attract more people to town the Board will consider making a recommendation to the Council to have the infrastructure paid for by the EDA budget up to \$22,000.

Bargfrede moved to approve the recommendation to the Council to have up to \$22,000 of the EDA Budget paid to have the infrastructure relocated for the Splash Pad; seconded by Frodermann. Motion passed unanimously.

4. Reports

- a. EDC Report: The Spec Building is a priority as it is sitting empty. The gentleman that was interested in the laundromat is trying to finish up some other projects so it is on hold. The

Business Challenge has been decided however we are waiting for them to verify a building that they will be in before we announce. The JBDC is waiting for the building to be located. Nelson is working with her to locate a building. The JBDC has been promoting the Facade Upgrade program and they have been very open with business that applications need to be turned in and are being processed as a first come first served basis and they are to improve the facade and the JBDC are making sure they are meeting the requirements of the program. One application has been tabled to get more information from them as no pictures were submitted with the application from American Family as they are requesting funds for windows. There are more businesses that are waiting to get numbers from contractors with quotes to be able to submit applications but the funds are nearly depleted. Been working with Sacred Heart redevelopment for student housing but running into issues with changing the use of the building, talking with Harry. The biggest thing to change the use they will need to put in a fire suppression system and a fire alarm system. They are looking at renegotiating price to see if that might work but their interest is dwindling. Perhaps we need to try to come up with an option for the gap financing to try to help incentivize the project. They are looking at doing 20 beds and fill the need of overflow from Worthington. Some of the students are living in Worthington so then Worthington is short housing. Now that the school is opening a power line program in Granite Falls, that is going to pull students from Jackson. The next step for the Housing Study is to set a date for the Board presentation. Hotel leads - there are four developers that have the study, one is preparing drawings right now and two are talking to investors and the last Nelson does not have an update if they've read through the whole study yet or not. Working with a developer with GrandStay, Cobblestone and contacts through a Super 8.

Prior meetings attended: JBDC meeting in May, Housing Study presentation, EDA meeting, JEDC meeting, 60/90 meeting, Connect Business magazine is doing an article on the JEDC, Kiwanis presentation, rental properties presentation to update the current rental properties list, City Council update and JBDC meeting. Upcoming events/meetings: Nelson will be out of the office the 10th-14th for Boys State, Habitat for Humanity coming on the 19th they are very interested in the opportunities in the community, hosting on the 21st for the South West Business Development Network the speaker will be the new Commissioner for DEED, Live 60/90 meeting, the Fair Board has asked Nelson to present and he will promote Live 60/90 with them to assist in getting their promotion of events out, and finishing with more meetings.

- b. SCDP Report - Added in another property in the waiting list but also completed a couple more properties. There has been increased traffic since we did the mailer. Two loans have gone through for the loan assistance program as well. Due to contractors being backed up we have had calls with concerns about losing the opportunity for time constraints, but funds are available into next year and Jeff Buizing works with trying to assist applicants through this process. Nelson would like to do another flyer in the mailers in mid July.
- c. Financial Report - EDA Fund - 616 Fund, general funds, \$222,822.55, with the current commitments taken out and \$200k with the new commitment taken out, Income YTD

\$268.31, expenses of \$8,753.75. Revolving Loan Fund - 801 Fund - \$470,554.34 available, income YTD \$32,099, expenses \$21,800, 12 loans total with the outstanding balance of \$356,633. For the SCDP Income - 802 Fund - currently at \$24,830, YTD Income so far is \$5,361, this is before the approximately \$15,000 Virginia & Company loan waiting on contractors, with outstanding \$35,788. Housing Program Fund - 804 Fund - cash available at \$51,580, YTD income is \$6,741, expenses being \$0.00, we do have a couple loans going out for the Fix-up program, with another homeownership loan expected soon, outstanding loans at 19 with three paid off and two new ones, and outstanding is \$43,076. One loan payment did come back on the 1st of the month, Kristy Herring, Deb talked to her and it should have payment coming in this Friday.

5. EDA Owned Properties

- a. Sunset View Phase 1 - nothing to report
- b. Sunset View Phase 2 - There is an interested party, however she needs to sell her existing property to build, she has to find intermediary housing while the house is built, the biggest problem is that she has pets and we have been working to assist her in finding a landlord that will take her pets. She has a three bedroom so the one and two bedroom apartments are not big enough for her stuff. Nelson will call her back to work with her in perhaps finding storage. Fairmont contractor is interested in starting work in the fall. Nelson called one of the Facebook leads, contractor VanGogh and he is interested but busy right now but is interested in building at least two houses or twin home.
- c. Westview Ridge - nothing to report

6. Other Business

- a. Bidne swing set - they built a house there in the last couple years, the Street Department that does the mowing out there brought it to our attention that their swing set is on the lot. It makes it hard to mow around, plus potential liability concerns if kids get hurt as it's on City property. Skaret called Bidne's not knowing that an agreement had been made before he came into office, during the transition period waiting for the grass to be complete.

Frodermann moved to give them to July 1st to move the swing set; seconded by Olson. Motion passed unanimously.

- b. JBDC is requesting funds for the 2020 Business Facade Improvement Program funding. The funds are about out with a number of projects going in and has been very successful with a lot of good projects improving the outlook. Good feedback from the businesses. It's been out there for about 2 ½ months now, with Justin having it in the paper every single week so we have made everyone aware of it. The JBDC is requesting that the EDA funds it again next year with the mindset of promoting it this fall so that they are ready to get their quotes ready so then January 1st accepting applications so that businesses can get on the contractor's schedule right away. Jackson has a healthy budget, some communities, such as Spencer, get donations from local banks or electric utilities so there are options that we could check into. It was asked if there is a limit on the number of times a business can request funds. At this time there is not, but if a business is taking on two different projects to improve the facade that should be something for the JBDC to decide on as the business owner is actively investing to improve their building.

Vee moved to approve make a recommendation to the City Council for \$25,000 to next year's Business Facade Improvement fund; seconded by Bargfrede. Motion passed unanimously.

- c. Housing Study Presentation date - Nelson got a list of dates that the housing study could be presented to the Board. It was discussed what date would work best. With those present the 27th works the best, Nelson will reach out to those not here and then will send out an email.

7. New Business

- a.

8. Adjourn

Chairman Sieler adjourned the meeting at 1:14 pm.