

Jackson Economic Development Authority
June Meeting Minutes
Thursday, June 21st, 2018, 12:00 p.m., Jackson City Hall

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

Staff: _X_ Thomas Nelson _X_ Matt Skaret

1. Call to order

Meeting was called to order by Chairman Sieler at 12:07 p.m.

2. Agenda Changes

- a. Addition of item “b” under “other business”

3. Reports

- a. EDC Report:

Nelson gave an overview of his report his report. Nelson mentioned that two major items he had been working on were a HOME loan and finding a location for Palmer Bus Services. Nelson mentioned that he had been attending a lot of meeting since get back from his two weeks of annual training. Nelson talked about the State of Manufacturing event that he attending in Redwood. Nelson mentioned that some of the Board Members and himself had visited AGCO. He highlighted that they mentioned that they were willing to help with housing and community development projects.

- b. Financials Report:

Nelson gave an overview of the financials report that was sent out in the agenda packet. He reported that the 616 fund had \$93,225.46, the 801 fund at \$336,611.72 which had brought in \$38,129.16 so far this year with both principal and interest with \$1,800 going out for the Ashley Estates Bond He reported that the 802 fund has \$13,467.36 with \$4,096.35 coming in and \$8,000 going out for the remainder Porter loan. Nelson said that the 804 Housing Fund has \$59,556.64. Sieler asked where the funds would be going from the sale of the EDA Twin Home. Nelson said that those funds would be going into the 616 Fund.

- c. SCDP Report:

Nelson reported that only 5 applications have gotten to UCAP. Nelson reported that he has continued to market the program in a number of ways. He also said that he has had numerous people stop by his office, call him on the phone, and email him about the program. Nelson said that he doesn't know where the disconnect is between his office and the UCAP office. Nelson clarified that this program was only for housing fix up and not for commercial properties.

4. EDA Owned Properties

- a. North Pond Drive Twin Home Project Review

Nelson gave an overview of the net loss on the Twin Home properties. He explained that with the approximate combined sales price of 256,000 minus closing cost the net sale came to approximately \$244,000. He said that with expenses over the years totaling \$379,772.49 and total income at \$83,399.96 the net loss on the property is \$51,457.30. He said that with the lot price being considered as well the loss would be \$64,357.30. Nelson did mentioned that the taxes on both properties are approximately \$2,000 per year. Sieler mentioned that they had thought they were on the right track with the property. He said that if they designed the property better or had a basement they may have told better. Nelson mentioned that everywhere in Minnesota towns are finding it hard to build low cost housing due to high cost of

construction. Skaret also agreed that many towns are having a problem building houses. Vee mentioned that Worthington was having success building new houses. Nelson commented that the housing projects in Worthington were taking numerous entities to get done and after talking to people at Southwest Minnesota Housing Partnership they still may be losing money on the deal. Vee said that she was talking about the high end twin homes in Worthington. She didn't know how much they were selling for but mentioned they would only do presale projects. Vee mentioned that if that type of building can happen it will open up cheaper stock. Nelson questioned though if the people that would be moving into the twin homes have expensive homes already which would defeat the purpose of gaining medium income housing.

b. Sunset View Phase 1- nothing to report

c. Sunset View Phase 2- nothing to report

Tim asked what type of restrictions there were for building in Sunset View Phase 2. Sieler said that homes had to be 1,200 sq/ft and have a two stall garage. Nelson also reported that there is 34 open lots in Sunset View Phase 2.

d. Westview Ridge- nothing to report

5. Other Business

a. Jim Johnson (Housing Developer) Meeting

Olson told the group that Nelson and him gave Johnson a 30 minute tour around town. Vee asked where the developer was from and Olson told the group that he is from South Dakota but have done a number of projects in Storm Lake, IA. Olson said that while the EDA is interested in the "Active Living" plan Johnson recognized the need for workforce housing and primarily focuses on those types of projects. Olson mentioned that he was interested in working with Jackson.

Nelson talked about the type of projects that Johnson works on in other towns. He mentioned that he generally works on a minimal of 4 units in any one city. Olson said that he liked the fact that the lot was already at \$5,000. Nelson said that we would have to work with a private investor because Johnson doesn't put money upfront.

b. Sam Espey - RLF Application

The group talked about Sam Espey's request for funds to help with his roof. The group talked about the fact that the RLF is generally used for gap financing and not usually used for finance an entire project.

6. New Business

a.

b.

7. Adjourn

Chairman Sieler adjourned the meeting at 1: 27pm.

Respectfully Submitted by Thomas. J. Nelson