

**Jackson Economic Development Authority**  
**March Meeting Minutes**  
**Tuesday, March 10<sup>th</sup>, 2020, 12:00 p.m., Jackson City Hall**

**Voting Members:**     \_X\_ Kent Bargfrede           \_X\_ Brandon Finck           \_X\_ Dennis Frodermann  
                          \_X\_ Tim Olson, Vice Chair   \_X\_ Rocky Sieler, Chair     PN\_Arlene Vee, Sec./Treas.  
                          \_X\_ Mayor Wayne Walter

**Staff:**                   \_X\_ Thomas Nelson           \_X\_ Matt Skaret

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**1. Call to order**

**Meeting was called to order by Chair Rocky Sieler at 12:00 p.m.**

**2. Agenda Changes**

- a.
- b.

**3. Consent Agenda**

- i. January 14th, 2020 Minutes
- ii. Housing Fix-Up Fund Application - Nicole Hall

**Mayor Walter moved to approve the Consent Agenda; seconded by Bargfrede. Motion passed unanimously.**

**4. Reports**

- a. EDC Report: Nelson reviewed his Economic Development Coordinator's Report - see the report: Jackson Business Challenge winner-The R.E.S.T. Stop, Tom and Heidi Turner, opening up a sauna and smoothie bar concept across the street from Anytime Fitness, next to Pillars and where Dawn's Dance will be located. JEDA and the Council approved a 2nd place prize package, ½ the monetary value. The judges felt that Plaza Jalisco, the Mexican restaurant from Windom, had a very good business prospect and wanted to show the community support of having them in the community. They still have to find a location, so their prize is contingent on them finding a location in 6 months and opening in 12 month. We created some posts and had announcements in the paper and there has been a lot of excitement over the successful project. Plus we are still working with some of the other 7 applicants. Retiree housing list - we are making phone calls from the list to get a good number of emails to get a good turn out for the meeting. Ametek sewer issue - the JEDC has been working with a sewer issue with one of their tenants so unfortunately this has taken up quite a bit of time. Commercial Property lead - Nelson has been talking with a potential lead out of Spencer who has expressed interest in some of the JEDC lots but at this point Nelson does not know what kind of business wants to bring to town. Nelson met with a potential entrepreneur for a Brewery. Nelson has conducted a few office visits for business professionals to determine if they need any potential business succession plans put in place. Student Housing meeting with AGCO, Minnesota West and the property developer of the former Sacred Heart Clinic building - he is working on having about 15-16 units in there for Minnesota West, which they will help to fill them plus manage them with an RA position; plus in the summer to have half of them available for interns up at AGCO so they can have access to the other half for maintenance. AGCO

will also help to direct students to work with MN West and the developer to have those units filled with a deadline around mid-March. A great project to have 16 units to fill and to keep these students in town and in the community. Ametek business visit went well-they are insulated from a lot, such as wage cost as they have positioned themselves as a development for the processes. They have a lot of engineers here on the line that work to refine the process of making their products so they can continue to drop the cost in creating them and then at that point then they transfer to production of the product to Mexico, Taiwan and Shanghai where the other plants are. They have about 145 employees there with the potential of adding a couple more through temp agency starting wage of \$12.50. Average wage is \$19 with average tenure of 13.5 years. T4 Solutions meeting with Sunshine Foods, AGCO and T4 Solutions- T4 Solutions has the temperature-controlled locker system, they are currently working on a feasibility study to see if it truly would help Sunshine Foods which is the goal of this project. Edward Jones office visit-the office has been filled as of two weeks ago, she has been hired since October but is now in the office. Her husband has the Edward Jones office in Fairmont and they have a young son so they will be around for a while. JBDC only had one facade improvement application which they turned down as it was more of a maintenance and not an aesthetic look of the front of the building. However, it does point to a need of funds for maintenance of properties in the future. State Farm business visit conducted. Of all the visits Nelson has had so far, they are all about 5 years or more out from retirement but have had great conversations about the process of backfilling their businesses or if nothing else on what to do to make their buildings more attractive for future sales. South Central Business Development meeting, this is put on by DEED, they have a new individual at the Small Business Development Center in Mankato that will be focusing on financing, he has a lot of experience with Venture Capital and Angel Funds, he went through and discussed the process and some of the funds to help us gain and to know where to go and the right processes for that. The Greater Minnesota Partnership Legislative Action Day is tomorrow, Nelson and Skaret will be meeting with a SW group that meets with the legislatures from southwest Minnesota; plus Nelson has some meetings set up with the group from Greater Minnesota Partnership to talk specifically about housing and childcare. Also at 3:00 tomorrow Nelson will be testifying at the Senate related to two of those items. The three items they are focusing on this year is the Greater Minnesota Fixup Fund, this would allocate \$5M of State funding to provide grants up to \$200k to assist cities with rehabilitative dilapidated housing with a maximum of \$50k per project. The second one is the Greater Minnesota Housing Public Infrastructure grant program, this takes the same structure as the BDPI grant program, this helps to pay for single and multi family infrastructure. This program has one of the least amount of red tape. Lastly, the Greater Minnesota Workforce Housing Development Fund, they are looking to change this from being able to fund up to 25% of a project to up to 50% of a project. The topics on childcare are looking for funds from the Initiative Foundations who are looking for technical assistance and also grants to help new childcare centers get started.

- b. Financial Report - EDA Fund sitting at \$267,224, with some money earmarked \$25,000, \$10,000 for Jackson Business Challenge winner, approximately \$12,000 remaining from last year's facade projects, YTD income \$116 with zero expenses; Revolving Loan Fund has \$534,398, TYD income \$14,757, 10 loans out with Outstanding Principal Balance of \$322,954, Nelson has a potential JEDC project that could use some of these funds and

also a possible business transition that could use some gap funds; SCDP Income has \$16,460, YTD Income of \$1,362 with 5 outstanding loans of \$37,377; Housing Programs has \$38,352 with YTD Income of \$2,479 and YTD Expenses of \$100, 16 loans with outstanding Balance of \$44,320, there was a payoff in December, January and February.

- c. SCDP Report - \$215,000 available with 22 projects going through, Jeff Buising is feeling pretty good at where we are at. We are still looking for two to four projects. They are working on a possible current project, not sure yet if it will go through but there are a couple applications in the process. We will do another mailer to get more leads. We need to inform the public that they will help you get bids, as this is an issue that most people feel is hard, especially the elder who don't like that process. This is the last year that the funds are available and at the end of the year we have to give back any unused funds back to the State, which can be a negative for us for future funds.

## **5. Other Business**

- a. Countywide Abatement Program-together with the City Administrator of Lakefield and the Mayor of Heron Lake a potential countywide abatement program similar to Rock/Pipestone/ Nobles/Cottonwood Counties abatement, they are looking at putting a 3 year window on it with a 5 to 7 year abatement. Cottonwood has shown a 1.2% increase in houses per year since starting this. It takes the City, County and school board to commit to saying that this is in place. Nelson is looking for direction from this group in order to take that to the City Council and then we can use it as a marketing tool to encourage more building. The group stated that they would be supportive of this if the other communities, county and schools decide to move forward and that Nelson should continue working forward on it with the other communities and present it to the City Council.
- b. Market-Rate Rental Project - Site Comparison - Nelson went over potential sites for market rate development for either apartment or townhomes. Sites compared are the riverfront, the JEDC land near Eagle Ridge, the EDA owned land west of the nursing home and Sunset View. He ran through the potential numbers that it would take to get the land ready to develop. It was decided that a future meeting will be held to go specifically over this information in detail.
- c. Sunset View Phase II Marketing - not discussed due to time constraints to be moved to a future meeting

## **New Business**

- a. Dennis Frodermann announced at the beginning of the meeting that due to his health he has asked Mayor Walter to resign from the Board and with the Mayor's approval he has made a replacement name, Mike Brinkman, to take his place. Mike Brinkman agreed to being on the Board. Frodermann expressed his appreciation for the years of being on the Board and his commitment for his years was greatly appreciated. The Mayor will bring Brinkman's name up to the Council at the next meeting to get him approved but due to the current tax time Brinkman might not be able to make the next meeting.

- b. Nikki Benda called and they are looking at the last remaining lot in Sunset View Phase I, the southernmost lot on the inside loop. They asked if they can buy another lot next to it in order to fit a house on it. They are looking at a full lot and a half lot. It was mentioned that the 2nd lot should be at full

price. The reason they are asking is due to setback or needing a variance and wanting an entrance from the side.

**Finck moved to approve the potential sale of two lots; seconded by Bargfrede. Motion passed with two against.**

## **6. Adjourn**

**Chair Sieler adjourned the meeting at 1:12 pm**