

Jackson Economic Development Authority
May Meeting Minutes
Tuesday, May 12th, 2020, 12:00 p.m., Jackson City Hall

Voting Members: ___ Kent Bargfrede Brandon Finck Mike Brinkman
 Tim Olson, ViceChair Rocky Sieler, Chair ___ Arlene Vee, Sec./Treas.
 Mayor Wayne Walter

Staff: Thomas Nelson Matt Skaret

1. Call to order (12:00 p.m.) **Rocky**

2. Agenda Changes

a. b.

3. Consent Agenda

a. April 14th Minutes
b.

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

4. Reports

a. EDC Report - COVID-19 loan update - 21 loans have been approved so far through the SBA and the funds that we agreed to utilize for this has been used. Sacred Heart redevelopment update - Nelson spoke with Jordan recently, the building is currently under construction and being repurposed into 16 student housing units and will be used during the summer for AGCO interns and is on schedule to be available by the end of July for incoming students to Minnesota West for this fall. Since the report was put out we have been contacted by Frederico, the Puerto Rican recruiting agency, they are in need of additional housing for incoming workers and have asked for our help with locating some units. Usually they provide 2 weeks housing for new workers but due to them having to have 2 weeks quarantined they are providing 5 weeks of housing. The plan is to try to house them in our community and then bus them to neighboring communities for work. We are putting a little bit of time into this to assist locating possible rentals. We had a meeting with Jorge at APX Construction to discuss the retiree housing and multi-family housing projects. It looks like it is going to be really tough to get a larger project done this year as the timetable has been pushed back to have meetings as the plan was to have some pre-sold properties. The Blue Earth project is going to start on building in three days and we were hoping to get started around the same time to help save on costs. We are sending out a survey to try to determine those individuals looking for an immediate time frame for single level housing to connect them with Jorge. Regarding the multi-family project on Riverfront, one of the two property owners has been in contact with us, waiting to hear from the other in order to get permission to do the environmental study. Berkner currently has three tenants in his building as is relying on the income from his property so a purchase from him is not looking good. However, his property is the smaller portion. Nelson is working to get a site survey on the other property to APX to see if the lot size will work for a project then Jorge will work with their engineers to see if they have any current templates to get some preliminary numbers for feasibility in the community. We can then send out a request for proposal to see if any other developers have interest in the project. April 30th had a meeting with Rebuild Together, they are looking to find some leaders to start putting together projects so that once things open up again work can begin. Upcoming event - May 21st is the CEDA Annual Meeting which will be a virtual

meeting, Nelson encouraged members to attend as they have a good speaker and also highlight what other communities are doing.

- b. Finance Report - The EDA Fund (616) cash balance of \$269,988 with YTD Income of \$4,139, YTD Expenses of \$955. There are still three projects from last year's Facade Improvement to be paid out, one is close to be complete, Virginia & Co. The Back 40 Wireless and the American Legion have reported that their construction should be starting soon. This year's commitments are \$10,000 for the prize winner of the Jackson Business Challenge scheduled to open still in September and the Facade Improvement for the same business. Some funds to be paid out but still looking very healthy. Revolving Loan Fund (801) cash availability prior to paying out the new loans is \$583,767, YTD Income is \$52,876 there are 9 loans which will be spiking up to 30 once we reflect the new loans, outstanding is \$285,107. SCDP Income (802) \$18,456 available currently, YTD Income of \$2,725, with 5 outstanding loans (one of these loans accepted the 60 day deferment also) outstanding principal is \$36,166. Nelson has had two inquiries for assistance for roofs and this is the fund that we have used for this in the past. Corinne, with Classic Hair and Extreme Beat Dance are both looking for assistance. Housing Programs (804) cash availability of roughly \$43,515, YTD Income of \$7,642, YTD Expenses of \$100, 15 loans one recently paid off and outstanding principal of \$40,215.
- c. SCDP Report - There are about two to three projects left, Nelson has helped get a couple more applications turned in since the last EDA meeting, it was useful adding the information that UCAP would help get bids. On the report it shows that there is an available balance of \$192,821 which includes some projects yet to be completed. Nelson would like to have one more mailer go out before the end of the summer as this is the last year to spend the money.

5. EDA Owned Properties

- a. Sunset View Phase 1 - Benda PA
- b. Sunset View Phase 2 - Benda PA

The Board reviewed the Purchase Agreement from Scott and Niki Benda for lots in Sunset View Phase 1 and 2. As discussed and voted on in the last in-person meeting the Board went over the request from the Benda's to be able to purchase two lots next to each other in order to build a house. The motion last time was to allow them to purchase both lots with the price of \$11,000 for the Phase 2 lot. The size of the house along with the setbacks was looked at, part of the garage will be sitting on part of that lot and not used just for setbacks. Looking at the Purchase Agreement that has been submitted, they are offering \$5,500 for the 2nd lot and \$8,550 for Phase 1 lot. There is a closing contingency on them selling their current property which they do have an offer on it and waiting on it to close. It was discussed that in the past, if someone approached to purchase a second lot that it would be available at full price and to accept this would change the precedent. It was asked if their house would fit on another lot without the need of purchasing two lots, Nelson said that with the current layout of the house there is not another lot that it would fit on.

Mayor Walter moved to authorize Sieler or Nelson to accept a purchase agreement from Benda's that reflects a purchase price of \$11,000 for Phase 2 lot; seconded by Finck. Motion passed unanimously.

6. Other Business

- a. Matt Romo SCDP app/loan - usually on these loans we have a \$5,000 max however, Jeff from UCAP has asked us to approve a \$9,000 loan on this project. It is a sizable project with a total project amount of \$32,262 and if we don't approve the increased loan amount that the project won't happen. It was asked if the repayment program would have the same amortization as the normal amount, that is correct and it would come from the 804

which currently has \$43,000. Initially \$5,000 was set up to pair with the small cities program and most of the projects were at that amount, most were at \$25,000 and this can only cover 80% of the project, that's where \$5,000 came from. It's also a two-pronged goal, number of projects and amounts met. It was asked what Nelson's recommendation was for this request, he stated that since we are towards the end of the project and know roughly how many projects we have left that should be okay to approve.

Mayor Walter moved to approve the Matt Romo SCDP loan at \$9,00.00; seconded by Olson. Motion passed unanimously.

b.

7. New Business

a. **Frodermann plaque** - Mayor Walter let the group know that last week he took a plaque to Dennis Frodermann to thank him for his 28 ½ years of service on this Board and a picture was taken.

b.

8. Adjourn

Chair Sieler adjourned the meeting at 12:40 pm