

Jackson Economic Development Authority
Meeting Minutes
Tuesday, April 11, 2023, 12:00 p.m., Jackson City Hall

Voting Members: Kent Bargfrede, Mike Brinkman, Barndon Finck, Tim Olson, Vice Chair;
Marcus Polz, Mayor

Via Zoom Rocky Sieler, Chair

Guests: Annie Nichols of CEDA and Darin Harries

Staff: Dave Schmidt and Matt Skaret

The meeting was called to order by Tim Olson at noon.

1. Agenda Changes

* Motion made by Kent Bargfrede, seconded by Mike Brinkman, to approve the agenda as presented. The motion passes unanimously.

2. Consent Agenda

- a. March 14 meeting minutes
- b. March 16 Special Session minutes
- c. March 30 Special Session minutes

* Motion made by Mike Brinkman, seconded by Brandon Finck, to approve all consent items. The motion passes unanimously.

3. Guests

- a. Annie Nichols - CEDA

Ms. Nichols, a regional director with CEDA, said she is here today to tell members about a new program called Rural Business Innovation Lab (RBIL).

Additional information on RBIL

The Rural Business Innovation Lab (RBIL) is a cohort-based, entrepreneurial development program aiming to redefine the false narrative of rural decline. RBIL will build a peer network dense with innovative ideas, professional expertise, and resources needed for underserved rural entrepreneurs to start and scale their businesses.

RBIL aims to harness the current moment of COVID-19 recovery and take what we have learned from previous cohort-based programming to expand our focus on rural innovation businesses in fields like

agriculture, ag tech, sustainability, construction, waste management, water reclamation, workforce development, and diversity, equity, and inclusion. Our current industry focus is on accelerating and building resilience within the natural resource and new climate economy value-chain. RBIL has four main objectives:

- Develop a learning network among innovative rural Minnesota and Wisconsin entrepreneurs
- Provide 1-on-1 consulting to cohort members, equipping them with free professional resources to help them scale (such as business planning, grant writing, marketing, and access to capital)
- Create an innovative finance pipeline for rural entrepreneurs
- Utilize robust storytelling methods to highlight these entrepreneurs and empower their communities, generating positive media within the Upper Midwest and beyond

What do you get for participating?

- 8 months of free one-on-one consulting with weekly meetings
- Engaging educational workshops with industry leaders
- A community of 8-12 entrepreneurial peers

Eligibility Criteria

The eligibility requirements may be waived for applicants that are mission aligned with advancing rural communities and the natural resources value-chain. Please contact Robert Harris, Lead Consultant if you don't fit these criteria but still wish to apply.

Are you an innovator looking to build the next big company based in rural America? We want to hear from you.

Must be a young and/or small business looking to grow.

We aim to work with companies that have anywhere from \$50,000 to \$5,000,000 in annual sales. These companies are typically too small for traditional investment banking but need that kind of financial technical assistance to raise equity and debt.

We understand that all great ideas have to start somewhere, so we have also reserved two cohort slots for companies that are in the early stage of business development (pre-revenue).

Business must be part of the natural resources value-chain. Are your products or services tangential to agriculture, sustainability, conservation, water, clean energy, waste management, etc? Is your business part of the Circular Economy or the New Climate Economy?

Each participating business must identify a business challenge to tackle for the 8 months of the program. This could be a single large challenge or multiple smaller challenges. Your challenge does not have to be defined to apply; although, having a clear goal articulated may give your application priority.

Website: <https://www.cedausa.com/ruralinnovation/>

b. Darin Harries - Ballard Avenue offer

Darin Harries said he and his wife want to purchase the Ballard Avenue property. He said they would like to build a garage as soon as possible. In the future, he plans on building a small home as finances permit. The property would require a lot of dirt work to prepare the land to build upon. He said his offer to the City of Jackson was 10K, with the property lines being clearly defined.

Dave said the City of Jackson does need access to the property to harvest clay and to store City equipment.

Dave confirmed that the property has utilities, water, and sewer.

The City Administrator inquired if the City's covenants would be applicable to the property. For example, The interior and exterior of all buildings or other structures, or additions thereto, must be completed within one (1) year from the date the buyer becomes the legal owner of said property, except where such completion would result in great hardship due to strikes, fires or national emergency. If not so completed, or construction ceases for a period of ninety (90) days without permission of the Approving Authority (EDA), the unfinished structure or unfinished portion thereof shall be deemed a nuisance and shall be removed at the cost of the Owner.

After a brief discussion, the members agreed that if Mr. Harries doesn't develop the land within one year but sells the property for a profit, that profit would need to return to the City of Jackson.

The Vice-Chair recommended that these details should be in the purchase agreement.

*** Motion made by Kent Bargfrede, seconded by Brandon Finck, to recommend the City Council accept the offer from Darin Harries. Pending property lines and covenants. The motion passes unanimously.**

4. Reports

- a. EDC Report (Attachement A)
SCDP

The City of Jackson was awarded 500K for single-family residential improvements and 400K for commercial projects. Twenty families would receive 25K to make home improvements. The ten commercial entities would be awarded 40K each.

Miscellaneous

- Cosmos and Clover Building have been sold. Dave said he would contact Lee Porter to inquire about the new buyer. A and B Laser Engraving / Photographer will be building a new store on the site.
 - The Almo building will be closing, and the building will be torn down soon. A and B Laser Engraving / Photographer will be building a new store on the site.
- b. Financial Report (Attachment B)

Coffee Nest has paid its COVID loan off.
 - c. City Loan Fund Report (Attachment C)

* Motion made by Mike Brinkman, seconded by Kent Bargfrede, to approve all reports. The motion passes unanimously.

5. Other Business

- a. Using leftover 2022 Facade Improvement funds for the City Welcome sign by the Chamber office.

Dave reported that Tony has all the electrical wiring ready to go.

Matt Skaret said the funds would come out of the 2023 budget. After discussion, the board will wait to review the Chamber's application and then take action.

- b. Kruppiak Land Development

Matt Skaret asked the board for input on phase I of the 35 acres of land. Do we want to create a master plan with a timeline for all the land? Should we start the process of platting the land and infrastructure?

- c. Workforce Housing Development name

Dave asked members what do we want to name the development project. DBS is currently naming it Prospect Heights. After discussion, the board agreed we should host a community naming contest for the project. The group agreed to table the topic until May's meeting.

6. Adjourn 12:56 p.m.

The next meeting is Tuesday, May 9, 2023, at 12 p.m.

Economic Development Coordinator's Report

Major Work Items

EDA

- **Workforce Housing** - Moving forward with DBS Group.
- **Single-Family Housing Land** - A purchase agreement for single-family land has been forwarded. Will review again with the seller in May.
- **SCDP** - Public meeting on Monday, April 24. Commercial at 5:15pm, Residential at 6:15.
- **UCAP Spec Homes** - Working on land transfer. Construction is expected to begin when the ground is ready

JEDC

- Family Dollar/Dollar Tree store open.
- Multi-Tenant Commercial Project
 - In discussion with a couple of potential tenants
- Reviewing potential road projects in DP4 and funding opportunities

JBDC

- Two finalists have been selected and will meet with the judging panel later this month.
- The group is reviewing their goals and direction while considering the possibility of being incorporated into a non-profit.

Miscellaneous.

- Shelley is working on updating our marketing materials.

↳ Cosmos Grove Building Sold

Meeting/Events Attended

- Mar 15-16th - City Strategic Planning Sessions
- Mar 16th - CEDA Virtual Training
- Mar 16th - EDA Special Meeting - DBS
- Mar 17th - CEDA Virtual Training
- Mar 21st - JEDC
- Mar 27th - Workforce Housing meeting
- Mar 28th - Workforce Housing meeting
- Mar 30th - Workforce Housing meeting
- Mar 31st - EDA Special Meeting-Workforce Housing
- Apr 3rd - Little Huskies public meeting
- Apr 4th - JEDC
- Apr 4th - City Council meeting
- Apr 6th - JBDC

Economic Development Coordinator's Report

- **Apr 7th - CEDA virtual training**
- **Apr 11th - Trails Committee**
- **Apr 11th - EDA**
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Upcoming Events/Meetings

- **Apr 12th - KKOJ Morning Juice**
- **Apr 12th - Rebuilding Together**
- **Apr 13th - Greenseam Creation & Attraction Committee**
- **Apr 18th - JEDC**
- **Apr 18th - Jackson Rebuilding Together Days**
- **Apr 19th - MDA Local Food Purchase Assistance Zoom**
- **Apr 24th - SCDP public meetings**
- **Apr 27-28th - Buildings on Main Street Conference (Rethos) - Winona**
- **May 2nd - JEDC**
- **May 3rd - MnDOT Alternate Fuels Corridor**
- **May 4th - JBDC**
- **May 5th - CVN - Lakeville**
- **May 9th - EDA**

EDA Financial Report

Financial Report - March 2023

<u>Name</u>	<u>Fund</u>	<u>Fund Balance</u>	<u>Committed Funds</u>	<u>Y-T-D Income</u>	<u>Y-T-D Expenditures</u>	<u># of Loans</u>	<u>Outstanding Principal</u>
EDA Fund	616	\$252,229.81	\$45,699.84	\$0.00	\$1,467.64	N/A	N/A
Revolving Loan Fund	801	\$350,403.40	\$0	\$19,789.38	\$0	10	\$732,627.09
SCDP Income	802	\$41,187.57	\$0	\$1,919.49	\$0	4	\$11,777.46
Housing Programs	804	\$96,962.15	\$0	\$18,266.99	\$0	19	\$47,878.63

Building Improvement Program 2023 \$25K

Facade 2022 - \$20,699.84

The Dental Office: \$5,000
 Cosmos & Clover: \$2,750

City Loan Program Summary

804-Fix Up Fund
Available Balance
Outstanding

\$96,962.15
\$47,878.63

COVID Loans
Available Balance
Outstanding

n/a
\$129,782.12

Name	Loan Amount	Monthly Pymt	Balance	Paid Off Date
Douglas & Steven Bass	\$5,000.00	\$92.08	\$1,345.09	7/1/24
Joseph Berens	\$6,000.00	\$50.00	\$4,100.00	9/1/31
Hannah Briner	\$4,141.00	\$76.26	\$2,104.75	9/1/25
Robert Dorschner	\$5,000.00	\$92.08	\$992.94	3/1/24
Leah Eckert	\$5,000.00	\$41.67	\$791.67	11/1/24
Troy & Misty Fisk	\$4,410.00	\$81.22	\$1,031.59	5/1/24
Carter Heinrichs	\$7,500.00	\$62.50	\$6,812.50	5/1/42
Kelvin King	\$4,000.00	\$33.33	\$2,633.47	11/15/29
Michael Moeller-St. Aman	\$5,000.00	\$41.67	Paid Off 3/8/2023	11/1/27
David Poritz	\$5,000.00	\$41.67	\$791.67	11/1/24
Kathleen Roberts	\$6,749.00	\$92.25	\$4,474.94	9/1/27
Matt Romo	\$9,000.00	\$99.37	\$6,584.43	7/1/29
Vikki Ruegge	\$4,391.00	\$80.87	\$2,158.39	8/1/25
Kristen Schulz	\$5,000.00	\$41.66	\$83.72	7/1/23
Nina Sengshan	\$5,000.00	\$92.08	\$1,432.40	8/1/24
Tristan Shover	\$5,000.00	\$41.67	\$2,342.36	12/1/22
Ashley Stammer	\$6,000.00	\$93.87	\$3,754.70	11/1/26
Moriah Moss	\$5,500.00	\$45.83	\$5,225.00	11/1/32
Corinne Vacek	\$4,847.00	\$89.26	\$1,219.01	6/1/24
19 Loans	\$102,538.00	\$1,289.34	\$47,878.63	

801 Revolving Loan Fund

Available Balance
Outstanding

\$350,403.40
\$732,627.09

Name	Loan Amount	Monthly Pymt	Balance	Paid Off Date
Erickson Trucks	\$86,696.00	\$877.75	\$34,348.13	10/1/26
JACKED Up Nutrition	\$30,000.00	\$325.58	\$28,665.21	9/1/32
Donnie Schoenrock-Kats	\$20,000.00	\$163.42	\$18,184.11	3/1/35
Mike Schwartz-1	\$10,823.84	\$195.70	\$4,173.91	1/1/25
Mike Schwartz-2	\$15,000.00	\$272.88	\$5,806.43	1/1/25
Corinne Vacek	\$5,000.00	\$36.98	\$1,589.80	8/1/25
Family Dollar/Dollar Tree	\$140,000.00	\$0.00	\$140,000.00	Forgiven in 2027
Donnie Schoenrock-Cabin Coffee	\$161,000.00	\$1,573.28	\$151,970.03	8/1/32
Donnie Schoenrock-CC #2	\$171,843.00	\$1,203.46	\$169,744.62	12/1/42
Nathan Pigman	\$180,000.00	\$1,342.03	\$178,144.85	11/1/42
JEDC*	\$1,415,000.00	\$0.00	\$838,921.95	11/17/32
10 Loans	\$2,235,362.84	\$5,991.08	\$732,627.09	

*to electric fund

Name	Loan Amount	Monthly Pymt	Balance	Paid Off Date
Anytime Fitness	\$6,701.73	\$27.92	\$6,366.68	3/1/42
Autos on 71	\$4,711.87	\$19.63	\$4,475.58	3/1/42
Bridget's Bucksnot Brew Ha-Ha	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Coffee Nest	\$8,294.28	\$34.56	\$0.00	3/1/42
Dr. David Kruse	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Deputy Registrar 50	\$4,552.11	\$19.39	\$4,174.38	3/1/42
Extreme Beat Dance Studio	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Eye Kandy Design Studio	\$4,686.00	\$19.53	\$4,451.64	3/1/42
Heser Auto	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Historic State Theatre	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Jackson Chiropractic	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Jackson Golf Club	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Kat's Hog Heaven	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Optimal Health & Chiropractic	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Pillars Pub Eatery	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Pizza Ranch	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Royal Treatment	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Santee Crossing	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Subway	\$8,294.28	\$34.56	\$7,879.56	3/1/42
Virginia & Co.	\$8,294.28	\$0.00	\$0.00	Paid Off
20 Loans	\$153,360.19	\$604.87	\$129,782.12	

802 Fund

Available Balance
Outstanding

\$41,187.57
\$11,777.46

Name	Loan Amount	Monthly Pymt	Balance	Paid Off Date
Kim & Steve Church	\$7,299.00	\$93.19	\$93.01	5/1/23
Livewire Printing	\$26,924.00	\$161.14	\$1,923.23	4/1/24
Brian & Melissa Nyborg	\$5,969.00	\$104.62	\$4,435.12	9/1/25
Porter Investments	\$22,000.00	\$280.88	\$4,431.10	8/1/24
4 Loans	\$62,192.00	\$639.83	\$10,882.46	