

**Sleepy Eye EDA Board Meeting Minutes
(Annual Planning Meeting 2024)
January 17, 2024 – 3:00PM – Dawg Haus**

Mission Statement: The mission of the Sleepy Eye Economic Development Authority is to maintain and improve the community through the retention and growth of business, industry, and services.

Present: Kathy Haala, Joann Schmidt, Gary Windschitl, Casey Coulson, Mark Kober, Mike Carr, Toby Arneson, Wayne Pelzel, Bob Elston, Christina Andres, Kurk Kramer

Absent: None

- A. Call to Order & Approval of Agenda:** The meeting was called to order by Chairman, Kathy Haala, at 3:01PM. M/S/C – Casey, Gary
- B. Election of Officers for 2024:** M/S/C – Mark, Gary
- | | |
|-------------------------|-----------------|
| 1. Chairman: | Kathy Haala |
| 2. Vice-Chair: | Mike Carr |
| 3. Secretary/Treasurer: | Gary Windschitl |
- C. Approval of December 2023, EDA Board Meeting Minutes:** M/S/C – Mike, Toby
- D. Financial Reports Approved as Printed:** M/S/C –Mike, Casey
- E. Approval of Bills:**
1. None
- F. City Manager, Bob Elston Explains 2024 EDA Budget:** Bob presented the EDA Budget Report with all of the line items for the Budget Years 2022, 2023, and 2024 explaining each section of line items. He clarified how the EDA finances are used in the programs that the EDA awards financial assistance to applicants. The Board members felt that this clarification helped them to understand the annual budgeted money for the EDA to use. There was also discussion on considering no financial support from the EDA to the Chamber beginning in 2025 due to no services being provided any longer, and that the history behind the financial support was to enable the chamber to function due to lack of funds. The Board felt that at this time the Chamber has revenue generated and the financial support from the EDA is not necessary. More discussion on this topic will be done beginning in July of 2024 when budget considerations for 2025 begin.
- G. EDA Coordinator Report:** Included in the meeting packet.
- H. Old Business:**
1. **Little Sprouts Learning Center Update From LSLC Board Chair:** “We were able to get a 2024 lease signed with TVOC with acceptable terms for both parties. For a modest increase in rent, we were able to get an indoor play area as well as a larger classroom. We are starting the process of getting our license updated. Our hope is to increase the number of infants we are licensed to enroll. Enrollment has maintained at 90% of our current capacity. At this time, we continue to only have

spots for the preschool room, but no space for infants or toddlers. First Children's Finance has a new Rural ChildCare Innovation Program with a webinar next week. I intend to attend. There continues to be news of various funds and grants being made available for childcare, and we continue to explore those opportunities".

2. **Downtown Business District Rehab/Empty Buildings:** This topic was one of the planning topics discussed.
3. **Snow Second Addition/Sleepy Hollow Property:** This topic was one of the planning topics discussed. Joint efforts with the EDA and HRA to explore the possibilities of a spec home/duplex/other.

I. New Business:

1. **EDA Sign & Awning Program:** The finance committee recommended to the full EDA Board to discontinue the Sign and Awning Program as an individual program and have it be included in the Business Assistance Program Applications. M/S/C –Mark, Casey
2. **The Business Assistance Program:** The Business Assistance Program will remain the same in 2024. The finance committee will use a points system as a guide to evaluate applications in an objective and fair manner.
3. **Business Succession/Transition Survey:** The Board received a first reading of a business succession/transition survey that Kurk presented. The Board will consider how this survey might be used in the future.
4. **Annual Planning Meeting:** There was discussion on changing the planning meeting from January to November in order to have any changes or revisions to EDA programs and any other EDA related topics ready prior to the new year. The Board agreed to making this change.
5. **Patti Armstrong, My Hometown:** Kurk shared some introductory information on this and will be keeping the Board advised as to how things progress with the CVB, Chamber, City and EDA for this program.
6. **2024 Goals:** After discussing the aforementioned topics in Old Business and New Business, the EDA Board Set the following goals for 2024:
 - a. Concentrate on the rehab and development of three of the downtown buildings partnering with private interest to accomplish the plans. 108 W. Main, old Cleaners Building, and old Minnegasco Building.
 - b. Continue to pursue a childcare center resolution with the possibility of considering the community center as the location.
 - c. Consider community housing partnering with the HRA.
 - d. Develop a long-range plan for generating revenue for the EDA.

J. Adjourn: Chairman, Kathy Haala, adjourned the meeting at 4:45PM.

The next EDA Board Meeting is scheduled for Tuesday, February 27, 2024, at Noon.

EDA Chairman, Kathy Haala

EDA Secretary/Treasurer, Gary Windschitl

Sleepy Eye EDA Board Meeting Minutes
February 27, 2024 – Noon – Council Chambers

Mission Statement: The mission of the Sleepy Eye Economic Development Authority is to maintain and improve the community through the retention and growth of business, industry, and services.

Present: Kathy Haala, Joann Schmidt, Gary Windschitl, Casey Coulson, Mark Kober, Mike Carr, Wayne Pelzel, Bob Elston, Christina Andres, Kurk Kramer

Absent: Toby Arneson,

- A. Call to Order & Approval of Agenda:** The meeting was called to order by Chairman, Kathy Haala, at 12:01PM. M/S/C – Casey, Gary

- B. Approval of January 2024, EDA Board Meeting Minutes:** M/S/C – Joann, Mike

- C. Financial Reports Approved as Printed:** M/S/C –Mark, Casey

- D. Approval of Bills:**
 - 1. None

- E. Ice Arena Board Update:** Terry Heiderscheidt presented an update on the ice arena including the challenges the Arena Board was having with representatives from New Ulm in getting a new contract for ice usage agreed upon. Terry summarized the situation and informed the EDA Board that there was still going to be a meeting to address the contract negotiations. He will keep the EDA Board informed on the situation but did say there may need to be some alternate plans made to fill the ice usage at the arena.

- F. EDA Coordinator Report:** Included in the meeting packet.

- G. Old Business:**
 - 1. **Little Sprouts Learning Center Update:** There was no update on the current status of the center. Kurk presented some possible scenarios to rework the two EDA Notes that LSLC currently holds. These were preliminary and will be discussed at the March EDA Board meeting after the Board has had time to review the possible proposals.
 - 2. **Former Minnegasco Building:** The Finance Committee reported that they had met with Chuck Hauser and began the discussion for joint efforts on getting the old Minnegasco building rehabbed. We will continue to work together in the coming weeks and months to continue to progress to completion. Some of the EDA Board members would like to walk through the building again. Kurk will continue to stay in contact with Chuck in regards to possible interested tenants and working to get the building rehabbed including the apartments on the second floor. The EDA Board would like to work with the HRA Board to use possible housing money to go towards getting the apartments remodeled and ready for use. Kurk will contact Phil Siefkes to see if we can begin this cooperative effort.

H. New Business:

- 1. The EDA Finance Committee Recommendation:** The EDA Finance Committee reviewed the Business Assistance Application from Trevor Wittwer for the Anytime Fitness building at 128 Main Street East. The committee recommended to the full EDA Board to award \$17,500.00 towards the application to be used for a new roof on the building. **M/S/C –Mark, Mike**
- 2. Discussion on Long Range Revenue Plans:** The Board discussed the opportunity for the EDA to look into building some type of a duplex, or speck home for resale. They directed Kurk to set up a meeting with Dennis Fromm to discuss his interest in doing another, or if the EDA would do a project like that if he was not interested, or whether or not it made sense to look at a possible cooperative effort between parties. Kurk will set up a meeting date and time.

I. Adjourn: Chairman, Kathy Haala, adjourned the meeting at 12:58PM.

The next EDA Board Meeting is Tuesday, March 26, 2024, at Noon – Council Chambers.

EDA Chairman, Kathy Haala

EDA Secretary/Treasurer, Gary Windschitl

Sleepy Eye EDA Board Meeting Minutes
March 26, 2024 – Noon – Council Chambers

Mission Statement: The mission of the Sleepy Eye Economic Development Authority is to maintain and improve the community through the retention and growth of business, industry, and services.

Present: Kathy Haala, Joann Schmidt, Toby Arneson, Gary Windschitl, Mike Carr, Wayne Pelzel, Bob Elston, Kurk Kramer

Absent: Casey Coulson, Mark Kober, Christina Andres

A. Call to Order & Approval of Agenda: The meeting was called to order by Chair, Kathy Haala, at 12:05PM. **M/S/C – Joann, Gary**

B. Approval of February 2024, EDA Board Meeting Minutes: **M/S/C – Mike, Gary**

C. Financial Reports Approved as Printed: **M/S/C –Mike, Toby**

D. Approval of Bills:

1. None

E. EDA Coordinator Report: Included in the meeting packet.

F. Chamber Director Report: Included in the meeting packet.

G. Old Business:

1. Little Sprouts Learning Center Update:

- a. There was a written report included in the meeting packet from LSLC Board of Director’s Chair, Cody Groen.
- b. Kurk presented some possible scenarios to rework the two EDA Notes that LSLC currently holds. These scenarios showed three different note lengths and two different interest rates with the notes:
 - aa. 2% for 20 years or 3% for 20 years
 - bb. 2% for 25 years or 3% for 25 years
 - cc. 2% for 30 years or 3% for 30 years

The EDA Board directed Kurk to present this to the LSLC Board for their consideration and response, or if they had a different idea regarding this.

2. Former Minnegasco Building: The EDA is waiting to hear from Chuck Hauser to set up a walk through in the building. Kurk has a few interested in possibly looking at the building as a business location. We will continue to work together in the coming weeks and months to continue to progress to completion. The EDA Board would like to work with the HRA Board to use possible housing money to go towards getting the apartments remodeled and ready for use. Kurk will contact Phil Siefkes to see if we can begin this cooperative effort.

3. 108 West Main Building: Nothing new to report as it continues to be evaluated and preliminary plans are being made with architects planning.

4. Old Cleaners Building: no new information or details to report.

5. **The Berg Hotel:** a brief discussion was held regarding the continued inactivity and lack of rehab action being done by the current owner, Catherine Haala. The Board asked Kurk to contact her once again and see if there was any update on work to be done on the building and if it was going to take place soon.
6. **Sleepy Hollow Addition:** Kurk reported that he and Bob Elston had met with the Fromm's from Town's Edge Lumber and discussed the possibility of having another duplex and/or town home done on the Sleepy Hollow Addition. They did voice an interest and will submit a proposal for another building project.
7. **Long Range Planning for Generating EDA Revenue:** The Board requested that Kurk get in contact with Phil Siefkes to determine if a meeting could be set up between HRA and EDA Board Members to discuss a partnership that could access HRA monies to be used in the rehab work of downtown buildings second floor apartments. They also directed Kurk to contact Stimpert Enterprises to see if they had an interest in a building project. Possibly on the Snow Second Addition.

H. New Business:

1. **Southern Minnesota Initiative Foundation (SMIF) & Otto Bremer Trust (OBT) Community Responsive Grant:** Kurk presented the information including the guidelines and procedures for this one-year capacity building grant opportunity. The Board discussed the criteria guidelines and what projects were eligible and ineligible. They suggested Kurk look at the application process and determine whether this was something to pursue or not within the allotted time guidelines.

I. Adjourn: Chair, Kathy Haala, adjourned the meeting at 12:51PM.

The next EDA Board Meeting is Tuesday, April 23, 2024, at Noon – Council Chambers.

EDA Chairman, Kathy Haala

EDA Secretary/Treasurer, Gary Windschitl

Sleepy Eye EDA Board Meeting Minutes
April 23, 2024 – Noon – Council Chambers

Mission Statement: The mission of the Sleepy Eye Economic Development Authority is to maintain and improve the community through the retention and growth of business, industry, and services.

Present: Kathy Haala, Joann Schmidt, Toby Arneson, Casey Coulson, Gary Windschitl, Mike Carr, Wayne Pelzel, Bob Elston, Kurk Kramer, Christina Andres

Absent: Mark Kober

A. Call to Order & Approval of Agenda: The meeting was called to order by Chair, Kathy Haala, at 12:01PM. **M/S/C – Joann, Gary**

B. Approval of March 2024, EDA Board Meeting Minutes: **M/S/C – Mike, Joann**

C. Financial Reports Approved as Printed: **M/S/C –Mike, Gary**

D. Approval of Bills:
1. None

E. EDA Coordinator Report: Included in the meeting packet.

F. Chamber Director Report:

G. Old Business:

1. Little Sprouts Learning Center Update:

a. Kurk reported that LSLC Board of Director's Chair, Cody Groen, called him and updated him on the status of the center. He reported that they were about at capacity and things were running smoothly. LSLC is still awaiting the final results of the lawsuit that it is involved in. Cody also stated that the LSLC Board was willing to have their EDA loan note restructured at 2% for 30 years. They (LSLC) also requested no prepay penalty, and the EDA Board agreed to no early/prepay penalty. **M/S/C –Mike, Gary**

2. Former Minnegasco Building: The EDA is waiting to hear from Chuck Hauser to set up a walk through in the building. After the EDA Board Meeting Toby reported that he had set up the walk through of the building with Chuck to take place after the EDA Board Meeting on May 28, at 1:00PM.

3. 108 West Main Building: Kurk informed the Board that he currently has three different parties interested in the building. He has been in contact with all of them and will give a building tour on Monday, April 29, with one of the couples. The Board approved running a newspaper ad detailing the sale of the property which includes information on accepting proposals until June 7, 2024, and then choosing the winning proposal at the June 25, EDA Board Meeting.

4. Old Cleaners Building: no new information or details to report.

5. **The Berg Hotel:** The Board asked Kurk last month to contact Catherine again and see if there was any update on work to be done on the building and if it was going to take place soon. He sent her an email and has not received a response.

H. New Business:

1. **Discussion on Community Housing.** Kurk presented floor plans on four different prefab homes from Nordass American Homes, Schult Homes, Western Housing, and Design Homes. There were no specific prices on these plans and the estimate of costs were at \$225 per square foot. This may not be an accurate estimate for a prefab home. Kathy was going to check with her contact at Schult Homes for a possible more accurate price. The Board also discussed the possibility of moving the house next to the fire department and look into costs of moving, relocation, rehab work, H Vac, electric, plumbing, and the addition on both sides of the duplex with a utility room and garage.
2. **China 14 Building:** Kurk shared the inspection report from Cornerstone Home Inspection Services that were from the tests at Grizzly Canyon Antiques and Anytime Fitness. The reports showed that there were levels of mold in both buildings but not at elevated levels even though both buildings showed no moisture content that would prove mold was not coming from those buildings. It is believed by the inspector that the mold counts were coming from the building between the two that were tested. Kurk will contact Z to inform him that EDA is looking into the cause of the mold, and that they are considering pursuing some type of action to alleviate the problem. Bob will contact the County to find out what action might be taken.
3. **Subordination Request from SouthPoint Federal Credit Union:** The Board approved the subordination request from SouthPoint Federal Credit Union for the two mortgage notes for Schroepfer Properties LLC. **M/S/C –Casey, Mike**
4. **136 Main St. W. Building:** Kurk presented the General Business Plan that was submitted to the EDA by the buyers of this property in November of 2020. None of the stated plans in the timeline were followed by the buyers after nearly four years. The EDA will pursue possible actions to be taken regarding this.

- I. **Adjourn:** Chair, Kathy Haala, adjourned the meeting at 12:45PM.

The next EDA Board Meeting is Tuesday, May 28, 2024, at Noon – Council Chambers.

EDA Chairman, Kathy Haala

EDA Secretary/Treasurer, Gary Windschitl

**Sleepy Eye EDA Board Meeting Minutes
May 28, 2024 – Noon – Council Chambers**

Mission Statement: The mission of the Sleepy Eye Economic Development Authority is to maintain and improve the community through the retention and growth of business, industry, and services.

Present: Kathy Haala, Joann Schmidt, Toby Arneson, Gary Windschitl, Mike Carr, Wayne Pelzel, Kurk Kramer

Absent: Casey Coulson, Mark Kober, Bob Elston, Christina Andres

A. Call to Order & Approval of Agenda: The meeting was called to order by Chair, Kathy Haala, at 12:07PM. **M/S/C – Mike, Toby**

B. Approval of April 2024, EDA Board Meeting Minutes: **M/S/C – Mike, Toby**

C. Financial Reports Approved as Printed: **M/S/C –Mike, Joann**

D. Approval of Bills:

1. None

E. EDA Coordinator Report: Included in the meeting packet.

1. Kurk also gave some updated information on the Dawg Haus and Lindsay Henn.

Chamber Report: Included in the meeting packet.

F. Old Business:

1. **Little Sprouts Learning Center Update:**

a. LSLC is still awaiting the results of the lawsuit that it is involved in. The EDA Board will continue to hold off restructuring the EDA Loan at 2% for 30 years, with no prepay penalty until they see what the results of the lawsuit are.

2. **Former Minnegasco Building:** The EDA will walk through the building with Chuck Hauser after this meeting.

3. **108 West Main Building:** The previously approved newspaper ad detailing the sale of the property which includes information on accepting proposals will continue to run until June 7, 2024, and then the winning proposal will be chosen at the June 25, EDA Board Meeting. The EDA Board has directed Kurk to contact Brown County Sentence To Serve to see if they can line up some workers to clean out the inside of the building.

4. **The Discussion on Community Housing.** Kurk is continuing to research different companies, floor plans, square footage costs and other details on housing. Kathy also is continuing to research this information with her Schult Homes representative for more accurate prices. The Board also discussed the possibility of moving the house next to the fire department and look into costs of moving, relocation, rehab work, H Vac, electric, plumbing, and the addition on both sides of the duplex with a utility room and garage. This will be put on hold until July when the tenants are out of the house.

5. **China 14 Building:** Thursday, May 9, 2024 - The EDA Finance Committee met and discussed the China Restaurant buildings and brought a recommendation to the full EDA Board at this May 28 meeting. The Finance Committee recommends that if “Z” does not give permission to go in the building and have it tested for mold content, that the EDA would request to have the city attorney obtain a warrant to enable the building inspector into the property to test for mold.

M/S/C – Joann, Mike

G. New Business:

1. **No New Business**

H. Adjourn:

1. Chair, Kathy Haala, adjourned the meeting at 12:43PM.

The next EDA Board Meeting is Tuesday, June 25, 2024, at Noon – Council Chambers.

EDA Chairman, Kathy Haala

EDA Secretary/Treasurer, Gary Windschitl

**Sleepy Eye EDA Board Meeting Minutes
June 25, 2024 – Noon – Council Chambers**

Mission Statement: The mission of the Sleepy Eye Economic Development Authority is to maintain and improve the community through the retention and growth of business, industry, and services.

Present: Kathy Haala, Joann Schmidt, Gary Windschitl, Mike Carr, Casey Coulson, Wayne Pelzel, Bob Elston, Christina Andres, Kurk Kramer

Absent: Toby Arneson, Mark Kober

A. Call to Order & Approval of Agenda: The meeting was called to order by Chair, Kathy Haala, at 12:00PM. **M/S/C – Casey, Joann**

B. Approval of May 2024, EDA Board Meeting Minutes: **M/S/C – Joann, Mike**

C. Financial Reports Approved as Printed: **M/S/C –Mike, Casey**

D. Approval of Bills:
1. Small Business Development Center (SBDC) Annual Contribution - \$1000.00 **M/S/C –Casey, Mike**

E. EDA Coordinator Report: Included in the meeting packet.
Chamber Report: Emailed to Board

F. Old Business:

1. **Little Sprouts Learning Center Update:** None
2. **108 West Main Building:** Kurk reported on the walk-throughs with interested parties and the current work that is being done with other interested parties. He hopes to have more details and concrete information at the July meeting. Kurk has arranged with Brown County on getting the Sentence to Serve groups to clean the building out after the 4th of July week.
3. **The Discussion on Community Housing.** Information was shared on details, designs, blueprints, and pricing from three different modular home companies that the finance committee looked at along with considering the house next to the fire department. They had decided to focus on moving the house next to the fire department for starters. However, it was learned the day before this meeting that the leases had been extended from July 2024 to August 2025, so the committee is going to meet again to reconsider the direction to take with the homes and also the location of lots to put them on. There was mention that the HRA might be looking for a duplex to put on their property by Ross Park.
4. **Former China 14 Building:** Kurk shared the update from Alissa on the process of obtaining a warrant for inspection and will hopefully have more information on the status of getting this accomplished at the July meeting.
5. **Former Minnegasco Building:** Kurk had a discussion with Chuck Hauser regarding the building and he stated he wanted to begin rehab work on the roof

and second floor apartments. He wanted to know if there was any available EDA funding to apply for. Kurk asked the EDA Finance Committee to meet to discuss prior to the full June EDA Board Meeting which they did. The Finance Committee met and discussed this project. They recommended to the full EDA Board that they would accept a completed EDA Business Assistance Application and all the required documents that go with it, from Chuck, and would award an EDA loan as described in the Business Assistance Application in the amount of \$25,000.00 yet in 2024. **M/S/C – Joann, Mike**

- 6. Former Cleaners Building:** Kurk shared with the Board that the building had been purchased by Elizabeth Kolbe and that she was working on getting it repaired and that she was going to use it for her business which she currently has open in the former Haas Bakery Building.

G. New Business:

- 1. Update on the DQ and New Owner, Darrell Kral:** Kurk informed the Board that he was still waiting for the remainder of the financial documents from Darrell Kral that needed to be submitted and accompany his EDA Business Assistance Application.
- 2. 2025 EDA Budget Information:** There was nothing to report at this time as the City Council has yet to meet to go over the preliminary numbers of the 2025 Budget.

H. Adjourn:

- 1.** Chair, Kathy Haala, adjourned the meeting at 1:10PM.

The next EDA Board Meeting is Tuesday, July 23, 2024, at Noon in the Council Chambers.

**Sleepy Eye EDA Board Meeting Minutes
July 23, 2024 – Noon – Council Chambers**

Mission Statement: The mission of the Sleepy Eye Economic Development Authority is to maintain and improve the community through the retention and growth of business, industry, and services.

Present: Kathy Haala, Joann Schmidt, Gary Windschitl, Toby Arneson, Mark Kober, Wayne Pelzel, Bob Elston, Christina Andres, Kurk Kramer

Absent: Mike Carr, Casey Coulson

A. Call to Order & Approval of Agenda: The meeting was called to order by Chair, Kathy Haala, at 12:02PM. **M/S/C – Gary, Joann**

B. Approval of June 2024, EDA Board Meeting Minutes: **M/S/C – Gary, Toby**

C. Financial Reports Approved as Printed: **M/S/C –Joann, Mark**

D. Approval of Bills:
1. None

E. Reports: **EDA Coordinator:** As Printed in Meeting Packet
 Chamber Director Report: As Printed in Meeting Packet

F. Old Business:

1. **108 West Main Building:** Kurk has arranged with the Brown County Sentence to Serve group to clean the building out beginning the last week of July. They will get rid of all the old furniture, insulation, ceiling tiles and rails, carpeting, and the contents of the basement.
2. **Former China 14 Building:** Kurk shared a copy of the update from Alissa on the process of obtaining a warrant for an interior inspection of the building. The request for a warrant has been submitted.
3. **EDA 2025 Budget Discussion:** A brief summary was given by City Manager Bob Elston. He will provide a written report to the EDA Board at the August Meeting.
4. **The Discussion on Community Housing.**
 - a) **Excelsior Homes:** Kurk shared with the Board the meeting that the EDA Finance Committee had with Beau Munsell from Excelsior Homes and the information that was discussed regarding a modular home that could also have a garage added to the floor plan. Beau was going to have a revised floor plan, specific costs of the project, and all of the needed information to move forward with the housing project ready for Kurk to present to the Board at this July meeting. However, nothing was received prior to the meeting so this has been tabled for discussion and review at the August EDA Board Meeting.

- b) **Lot Location – Snow 2nd Addition:** The Board discussed the available lots on the Snow 2nd Addition and has determined that the first or second lots north along 6th Avenue would be the best location. However, due to not having the floor plan yet, the Board decided to wait to make a final decision until they have the house floor plan to look at setbacks and positioning of the house on the lot to see which of the two lots would be the best choice.
- c) **Lot, Home Price, and Project Plans:** Tabled to August Meeting, waiting for plans and other information from Excelsior Homes.

G. New Business:

- 1. **Northfield Housing Visit:** Joann and Kurk spent a day in Northfield meeting with Steve Schmidt, a local developer, and Melissa Hanson, Housing Coordinator. We met for over two hours talking about the work they have done with housing and their housing programs. We were then able to tour some of the housing developments as well as numerous downtown businesses. Joann explained to the Board in more details some of the resources, contacts, and program information that Melissa presented to us. The plan is to use these things to assist the EDA and HRA as we continue to address local housing issues. It was also mentioned that the local HRA was beginning to plan on obtaining the house next to the fire station from the city and move it to the HRA property for a housing option.
- 2. **Community Center Office Space Request:** Kurk shared with the Board that he has been in contact and discussions with Suzanne Kral as she has interest in renting an available office space in the community center. This is something that will be arranged within the next two weeks as she would like to begin using the office space on August 1. Kurk has talked with City Attorney Alissa Groen about formulating the lease and getting it ready to be able to have Suzanne sign it prior to August 1, 2024. The rent will be \$350.00 per month with a \$350.00 damage deposit required, and stipulations in the lease on the use of the office space being limited during elections. This lease will be similar to the one signed by Rachel Albrecht of Insight Counseling for her office space.

H. Adjourn:

- 1. Chair, Kathy Haala, adjourned the meeting at 1:02PM.

The next EDA Board Meeting is Tuesday, August 27, 2024, at Noon in the Council Chambers.

EDA Chairman, Kathy Haala

EDA Secretary/Treasurer, Gary Windschitl

Sleepy Eye EDA Board Meeting Minutes
August 27, 2024 – Noon – Council Chambers

Mission Statement: The mission of the Sleepy Eye Economic Development Authority is to maintain and improve the community through the retention and growth of business, industry, and services.

Present: Kathy Haala, Joann Schmidt, Gary Windschitl, Toby Arneson, Mark Kober, Wayne Pelzel, Mike Carr, Casey Coulson, Christina Andres, Kurk Kramer

Absent: Bob Elston

A. Call to Order & Approval of Agenda: The meeting was called to order by Chair, Kathy Haala, at 12:00PM. **M/S/C – Gary, Joann**

B. Approval of July 2024, EDA Board Meeting Minutes: **M/S/C – Joann, Mike**

C. Financial Reports Approved as Printed: **M/S/C –Mike, Toby**

D. Approval of Bills:
1. None

E. Reports: **EDA Coordinator:** As Printed in Meeting Packet
 Chamber Director Report: Summerfest Recap

F. Old Business:

1. **108 West Main Building:** The Brown County Sentence to Serve group has been in the building clearing out the unwanted items and cleaning it up. They will continue to work on this until they have completed the requested tasks.
2. **Former China 14 Building:** Kurk requested an update from Alissa on the status of obtaining a warrant for an interior inspection of the building. No update was available.
3. **EDA 2025 Budget Discussion:** Gary gave a brief summary regarding the City Council's work on the 2025 budget numbers. Bob Elston will provide an EDA Budget Report to the EDA Board at the September Meeting.
4. **The Discussion on Housing.**
 - a) **Excelsior Homes:** Kurk informed the Board that there has been no information submitted by Beau Munsell from Excelsior Homes regarding a modular home floor plan with a garage. Beau was going to have a revised floor plan, specific costs of the project, and all the needed information to move forward with the housing project ready for Kurk to present to the Board at this August meeting. However, nothing was received prior to the meeting.
 - b) **EDA Finance Committee Meeting with Stimpert Reps:** Joann, Kathy, Mike, and Kurk met with Al Windschitl and Scott Krzmarzick to discuss a cooperative housing project to be built on a lot on the Snow Second Addition. They are going to revise a floor plan that they showed the

group and come back with the revisions and some financial numbers regarding what it would cost to build. The hope is that we can move forward with this project and get something started this fall.

- e) **Lot Location – Snow 2nd Addition:** The Board discussed the available lots on the Snow 2nd Addition and determined that the lot furthest south (lot #12) on 6th Avenue would make the most sense to build on.

G. New Business:

- 1. **Upcoming Arena Plans:** This was tabled to the September EDA Board Meeting due to not having all the plans submitted to the EDA by the Arena Board.

H. Adjourn:

- 1. Chair, Kathy Haala, adjourned the meeting at 12:40PM.

Next EDA Board Meeting is Tuesday, September 17, 2024, at Noon in the Council Chambers.

EDA Chairman, Kathy Haala

EDA Secretary/Treasurer, Gary Windschitl

**Sleepy Eye EDA Board Meeting Minutes
October 22, 2024 – Noon – Council Chambers**

Mission Statement: The mission of the Sleepy Eye Economic Development Authority is to maintain and improve the community through the retention and growth of business, industry, and services.

Present: Kathy Haala, Mark Kober, Joann Schmidt, Gary Windschitl, Toby Arneson, Casey Coulson, Bob Elston, Kurk Kramer **Guest:** Kyle Esser, Esser Brothers Construction

Absent: Wayne Pelzel, Mike Carr, Christina Andres

A. Call to Order & Approval of Agenda: The meeting was called to order by Chair, Kathy Haala, at 12:05PM. **M/S/C – Joann, Casey**

B. Approval of September 2024, EDA Board Meeting Minutes:
M/S/C – Joann, Gary

C. Financial Reports Approved as Printed: **M/S/C –Joann, Mark**

D. Approval of Bills: 2025 Annual Contribution to SMIF - \$1000.00
M/S/C – Joann, Casey

E. Reports: **EDA Coordinator:** As Printed in Meeting Packet
 Chamber Director Report: No Report

F. Old Business:

- 1. Housing Discussion:** The October EDA Board Meeting was closed by Chair Kathy Haala who made this announcement: *"I hereby close this portion of the regular meeting of the Sleepy Eye EDA. The meeting is being closed to discuss the sale of real property pursuant to Minnesota Statute Section 13D.05, subdivision 3(c). The properties involved are Lots 1, 7, 8, 11, and 12 of the Snow Second Addition."* The meeting was closed from 12:10pm – 12:48pm. Present during the closed session were Kathy Haala, Mark Kober, Joann Schmidt, Gary Windschitl, Toby Arneson, Casey Coulson, Bob Elston, Kurk Kramer, and Kyle Esser.
- 2. 108 West Main Building:** The Brown County Sentence to Serve completed their services of cleaning it up. Kurk showed building to reps of HOMEcare LLC.
- 3. Former China 14 Building:** Kurk received an update from City Attorney, Alissa Fischer Groen hours prior to the meeting stating the following: *Kurk – sounds like Randy King intends to drop off the signed warrant application at my office this afternoon. We will then proceed with filing with the court for approval. Alissa*
- 4. 201 West Main Street Building:** Since there has been some interest shown from the general public in this building, the EDA Board has decided not to pursue any action regarding this property.

G. New Business:

- 1. Insight Counseling Lease Agreement Renewal:** Rachel Albrecht requested a possible revision to her lease agreement for the coming year. She would like a month-by-

month provision due to her pregnancy, and not knowing what the frequency of the office usage might be. The EDA Board was fine with this, and suggested that Aliss put a 60-day provision for renewal in the lease for the coming year.

- 2. Upcoming Arena Plans:** The Arena Board submitted a formal request for EDA assistance. There were no specific costs listed with the request, so the EDA Board requested a list to consider with the request for financial assistance.
- 3. Rebound Partners & Community Real Estate Fund:** Kurk briefly mentioned to the EDA Board that this was a program for consideration by the EDA Board and the City of Sleepy Eye. More details and information will be presented at the Annual EDA Board Planning Meeting which will be held in November.
- 4. 2025 Planning Meeting:** The EDA Board was encouraged to brainstorm ideas for November Planning Meeting.

H. Adjourn: Chair, Kathy Haala, adjourned the meeting at 1:02PM.

Next EDA Board Meeting is Tuesday, November 26, 2024, at 4:00PM, at the Event Center

EDA Chairman, Kathy Haala

EDA Secretary/Treasurer, Gary Windschitl

**Sleepy Eye EDA Board Annual Planning Meeting Minutes
November 26, 2024 – 3:00PM – Event Center**

Mission Statement: The mission of the Sleepy Eye Economic Development Authority is to maintain and improve the community through the retention and growth of business, industry, and services.

Present: Kathy Haala, Mark Kober, Joann Schmidt, Gary Windschitl, Toby Arneson, Mike Carr, Bob Elston, Wayne Pelzel, Christina Andres, Kurk Kramer

Absent: Casey Coulson

A. Call to Order & Approval of Agenda: The meeting was called to order by Chair, Kathy Haala, at 3:02PM. **M/S/C – Mike, Gary**

B. Approval of October 2024, EDA Board Meeting Minutes:
M/S/C – Joann, Mark

C. Financial Reports Approved as Printed: **M/S/C –Mike, Joann**

D. Approval of Bills: Brown County Probation Department - \$555.00
M/S/C – Joann, Mike

E. Reports: **EDA Coordinator:** As Printed in Meeting Packet
 Chamber Director Report: As Printed in Meeting Packet

F. Old Business:

1. Downtown Business District Rehab/Blight/Empty Buildings Discussion
 - a. **120 Main Street East Building:** Former Minnegasco Building, owned by Chuck Hauser. Kurk updated the Board on the status of this building and that Chuck was in the process of completing the EDA Business Assistance Application and submitting all of the required documents. The EDA Finance Committee reviewed the application and recommended approval to the Board upon the completion and receiving all of the required documents.
 - b. **108 West Main Building:** The Brown County Sentence to Serve completed their services of cleaning it up. Kurk presented the cleaning bill for payment approval. The Board discussed the sale of the building and that this might become an EDA project for rehab and future leasing and/or apartment rental as a future revenue source for the EDA. The Board approved making this one of the 2025 EDA Goals and will begin determining the costs for renovations.
 - c. **132 Main Street East:** Former China 14 Building, owned by Yi Xiang Zhou. Kurk reported to the Board that he had received notification from City Attorney, Alissa Fischer Groen, on November 1, that the status of the search warrant had been approved and signed by the judge and was in the hands of the building inspector, Randy King. However, at the time of this meeting the warrant has still not been posted nor any action taken by the building inspector. City Manager, Bob Elston, stated he would contact Randy regarding this matter.

2. **Community Early Childcare Center:** There was nothing new to report, nor any updates regarding the current status of LSLC. The Board suggested that Kurk contact Cody Groen and request an update for the January EDA Board Meeting.
3. **Snow 2nd Addition Duplex:** Kurk reported to the Board that he had talked with Kyle Esser about the plans for the building project and that they were still putting together all of the bid numbers for completing the project, but they didn't have anything ready to share at this time. Their interest in this project was still high.
4. **Snow 2nd Addition Block 1, Lots #2, 3, 4, 5, 6, 9, 10 Purchase Agreement:** The purchase agreement was being reviewed and some points revised between the city, the city attorney, and the purchaser.
5. **Sleepy Eye Arena Financial Request:** The Board reviewed the request from the Sleepy Eye Hockey Arena Association on an extension on their interest free loan for financial assistance from the city in the amount of \$200,000.00 which would come out of the general fund and would be distributed and run through the EDA Revolving Loan Fund as was done in previous years. They also reviewed two attached invoices, one from Heartland Security (\$7940.00) for the purchase and installation of a new security system for the arena, and one from Malterer Mechanical (\$180,800.00) for the purchase and installation of a new dehumidification system for the arena. The EDA Board made a recommendation for approval to the City Council. City Manager Bob Elston will have this request as an agenda item on an upcoming City Council Agenda. City Council members Gary Windschitl and Christina Andres were present at this meeting.
6. **Former Shane's Tire Property & Delinquent EDA Loan Status:** Kurk reported to the Board that there have been seven "insufficient funds" notices from First Security Bank on the repayment of this loan by Shane Heiderscheidt since July of 2024. This missing of payments on the loan has been an ongoing problem since November of 2007. Kurk asked the Board what they would like to do about the situation. The Board voiced their disapproval of this continued problem, and Chairman Kathy Haala said that she would have a talk with Shane to try and get a resolution to the situation.

G. New Business:

1. **Information Presented to Board:** Kurk presented to the Board for their information the following items.
 - a. A possible addition to the EDA Mission Statement (tabled until January)
 - b. A table comparison from 2015 and 2024 representing the Taxable Market Value of 28 different EDA building rehab loans and the noticeable increase in the building values due in part to the EDA's financial support.
 - c. Information on a City Levy of Taxes for EDA Activities (no action taken)
 - d. The Goal Setting History of the EDA from 2010 to 2024
2. **2025 Planning Meeting Topics:** The Board began discussion on ideas for the 2025 goals for the EDA which included the following:

- a. Continued focus on the Downtown District with a few specific buildings to possibly concentrate on
- b. Rebound Partners & A Community Real Estate Fund – This particular topic was tabled to the January Meeting
- c. Use of 2025 EDA Finances, EDA Business Assistance Program and/or Housing Focus
- d. Continued Early Childcare Resolution

H. Goal Setting for 2025:

- a) Goal #1 – Begin Rehabilitation/Renovation of the 108 West Main Street Building
- b) Goal #2 – Researching and Implementing a Program with Rebound Partners & a Community Real Estate Fund
- c) Goal #3 – Continue to Address the Housing Needs in Sleepy Eye
- d) Goal #4 – Continue Early Childcare Resolution in Sleepy Eye

I. Adjourn: Chair, Kathy Haala, adjourned the meeting at 4:36PM.

Next EDA Board Meeting is Tuesday, January 28, 2025, at Noon, in the Council Chambers

EDA Chairman, Kathy Haala

EDA Secretary/Treasurer, Gary Windschitl