

Sleepy Eye EDA Meeting Minutes

February 25, 2020

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.

Board Members Present: Gary Windschitl, Kathy Haala, Mike Carr, Dan Schmid, Mark Kober, Joann Schmidt

Advisory Board Members Present: Kurk Kramer, Christina Andres, Bob Elston, Wayne Pelzel

Absent: Casey Coulson

- A. Call to Order:** The meeting was called to order by President Kathy Haala at 12:04PM on February 25, 2020.
- B. Approval of Agenda w/additions:** M/C/S Joann, Dan
- C. Approval & Signing of January Minutes:** M/S/C Joann, Mike
- D. Accept Financial Reports:** M/S/C Mark, Gary
- 1. RLF Report:** As Written
 - 2. Revolving Loan Fund Accounts Due:** \$148,863.57
 - 3. RLF Checking Account Balance:** \$19,360.49
 - 4. DRIP Fund Accounts Due:** \$171,642.53
 - 5. EDA Funding Structure:** Bob reported that presently the EDA has \$140K available for use with an additional \$500K from carryover of past allocations is available on paper in the budget. Mark gave a brief recap on how those monies exist.
- E. Approval of Bills:** None
- F. Reports**
- 1. EDA Coordinator's Report:** As Written
 - 2. Chamber Director Report:** As Written
 - 3. LSLC Update (Brad Devos submitted):** Little Sprouts Learning Center is requesting \$7K to cover salaries for March. This additional funding can be added to the current loan note without the need for creating a new note (per Alissa). Joann informed the EDA Board that looking ahead to the end of 2020, additional funding will be needed. Approve \$7K for LSLC salaries for March and then decide at next meeting about full funding request. M/S/C Mark, Joann
- G. Old Business**
- 1. Cemetary Update:** See attached map and email. Kurk informed the group that there was a plotting oversight by the County in SD; showing that the land we owned was not one parcel but two. The error was on them and we will not be taxed for it, this just means a correction in paperwork before the final transfer can occur.
 - 2. Orchid Inn/Discussion/Project Plan:** Kurk reiterated that we have to devise a plan for the space before we can apply for any DEED Redevelopment grants. He did toss out the idea of do we try to fashion a trades workshop out of the space, using some of the existing structure. He's looking for ideas and thoughts to be brought to next meeting.
 - 3. Shane's Tire Update:** Kurk received an email from New Ulm Attorney, Tom Borgan, stating that there was still a \$130K lean on the property from years ago. The EDA Board did not recall any records stating or supporting this statement. Kurk informed the Board that Shane did make a \$500.00 payment in the last month. Regarding this property, Christina said she spoke with Senator Bill Weber regarding the possible pilot program for cleaning up tax-forfeited properties. She will keep the EDA updated.
 - 4. Hwy 4 & 14 Pocket Park:** Kurk reached out to Michael Sprenger about how soon they could get things moving this Spring. Michael said as soon as the ground is thawed and we can get to things, construction can begin. Kurk did bring the notion of the front signage feature. Based on the snow we received so far

this winter, the current height of our Sleepy Eye letters would get covered. So the Board will revisit the signage look for the corner property but it was agreed that a digital sign was not the preferred.

H. New Business

1. **DRIP Loan Application:** Recommendation from EDA Finance Committee to approve a \$50K DRIP loan application (application process began in December of 2019) from Ferdinand Properties LLC.
M/S/C Joann, Gary
2. **Downtown Discussion:**
 - a) **Submitted Proposal** – Kurk stated that he had conversations with Nick & Wayne Novotny about the possibility of doing some renovations on their building. They also talked about the vacant space next door (former Prairie Pizza/Schutz Cafe). Kurk also had discussions with Larry Krenz about his space and he too inquired about the possibilities of the vacant build next door. The Board talked about what the removal of some of the terribly deteriorated buildings would look like and could they justify the removals. The Board will continue discussion in upcoming Board meetings.
 - b) **Professional Building Possibilities:** tabled
 - c) **Berg Hotel:** Kurk had a conversation with Catherine Haala last week and she informed him that this summer (2020) work would begin on the Berg Hotel. She is very aware of the south wall issue and that will be one of the first things addressed. She stated to Kurk that she is looking to create workspace on the main levels and VRBO type living on the upper floors.
3. **Chamber of Commerce – State of the City Address:** Christina stated that the Chamber will hold at State of the City luncheon on March 25th at the Event Center. Speakers for the day: City Manager, PUC Director, EDA Coordinator, and Chief of Police.
4. **Eugene Sellner:** A request from Titan Machinery for “Release of Collateral” on a skid loader trade regarding Eugene Sellner. Per the current DRIP agreement the EDA is notified when a trade involves items that are part of the security agreement. The Board approved this release request.

Adjourned: Kathy at 1:17PM

Next EDA Board Meeting meeting will be Tuesday, March 24, 2020 @ The Railway

EDA President Kathy Haala

EDA Sec/Treas. Gary Windschitl