

**AGENDA**  
**ECONOMIC DEVELOPMENT AUTHORITY MEETING**  
**WEDNESDAY, JANUARY 10, 2018**  
**12:00 NOON**  
**CITY COUNCIL CHAMBERS**

1. Call to Order/Roll Call
2. Approval of Agenda
3. Public Comment
4. Requests and Presentations
  - A. Junior Achievement
5. Consent Agenda
  - A. December 15, 2017 Minutes
  - B. December 20, 2017 Work Session Minutes
  - C. Approval of Expenditures
6. Action Agenda
7. Reports
  - A. B.E.S.T.
  - B. Visioning
8. Next Meeting Date
  - A. February 14, 2018
9. Adjournment

*Upon request, accommodations will be provided for individuals with disabilities wishing to participate*

## MINUTES

**ECONOMIC DEVELOPMENT AUTHORITY  
DECEMBER 15, 2017  
7:00 AM  
CITY COUNCIL CHAMBERS – CITY HALL**

### **I. Call to Order/Roll Call**

The meeting was called to order at 7:00 a.m. by President Dave Dunn.

Members Present: Marty Armstrong  
Dave Dunn  
Ann Fitch  
Blain Nelson  
Larry Thompson  
Russ Weir

Members Absent: Roy Srp

Staff Present: Gary Sandholm, Economic Development Coordinator  
Daniel Lenz, City Manager  
Ranae Schult, Community Development Assistant

### **II. Approval of Agenda**

Staff requested the addition of agenda Item VI.E., Resolution 17-03, to the agenda.

It was moved by Thompson, seconded by Armstrong, to approve the agenda as amended; the motion carried 6-0.

### **III. Consent Agenda**

**A. November 17, 2017 Economic Development Authority Meeting Minutes**

**B. Approval of Expenditures**

It was moved by Fitch, seconded by Weir, to approve the Consent Agenda as presented; the motion carried 6-0.

### **IV. Public Comment**

No public comments were made.

### **V. Old Business**

No Old Business was presented.

### **VI. New Business**

**A. EDA Assistance for Site Development**

Gary Sandholm, Economic Development Director, stated the amount of land ready for building construction in present and potential industrial areas is very limited.

However, among the amount of land available, virtually none is ready for construction due to preliminary work not having been performed.

Mr. Sandholm stated that when a company looks for a site or a new project, they want to be able to make the acquisition very quickly when the decision is made to move forward. Timing can be very important to take advantage of these opportunities.

Mr. Sandholm provided the EDA with typical information that companies look for in site development. Mr. Sandholm stated that approximately \$20,000 or more may be incurred depending on the amount of work needed to develop specific information.

The EDA was asked to discuss offering financial assistance to developers for environmental studies, soil borings, ect.

Board member Weir inquired EDA available dollars. Danny Lenz, City Manager, stated there is approximately \$550,000 in the EDA fund balance. Mr. Lenz stated the need to identify the exact fund balance at the upcoming EDA work session.

It was moved by Weir, seconded by Nelson, to proceed in establishing parameters for establishing EDA assistance for site development; the motion carried 6-0.

**B. Hotel Recruitment**

In the spring of 2017, a hotel feasibility study was authorized by the EDA for the City of Waseca. The results of the study indicated good potential for an upper-mid level hotel that would fill a niche above existing Waseca hotels. The study has been shared with developers who do have interest in working with Waseca. However, a specific site has not been selected. The study indicates hotels are not good pioneers and a restaurant or convenience store is needed nearby; and an investor group has not been formed.

Discussion was held regarding the need to attract a local investor group, and the need for the EDA to take the lead on forming the group.

Board member Armstrong stated he feels there is a need to send the Feasibility Study out to as many developers as possible.

**Kim Foels, Director, Waseca Area Chamber of Commerce**, stated there was a foundation in Rochester who formed a large investor group, which SMIF contributed a large pot of money. She would be able to supply City Staff with more information. The City Manager stated he would appreciate receiving this summary.

**C. Resolution No. 17-02; Chamber Membership**

While the City of Waseca is not eligible to become members of the Waseca Area Chamber of Commerce, it is felt it would be beneficial for the Waseca Economic Development Authority to participate in membership.

It was moved by Armstrong, seconded by Fitch, to adopt Economic Development Authority Resolution No.17-02, authorizing membership in the Waseca Area Chamber of Commerce at a cost of \$153.00; the motion carried 6-0.

**D. Set 2018 Meeting Dates**

It was moved by Fitch, seconded by Weir, to establish the second Wednesday of each month, beginning at 12:00 noon in the City Council Chambers, for the 2018 Economic Development Authority meetings; the motion carried 6-0.

**E. Resolution No. 17-03; Decertification of TIF District #26**

In 2008, the Waseca City Council created a 25 year Tax Increment Financing (TIF) District #26 for Generations 3 of Waseca (a warehouse expansion project) with a not to exceed amount of \$70,037. The City has met the pay as you go note requirements with the developer.

Staff will provide the EDA with an overview of TIF Districts in the City of Waseca and a summary of uses for discussion at a future meeting or work session.

It was moved by Thompson, seconded by Fitch, to adopt Economic Development Authority Resolution No. 17-03, requesting the termination of collection of tax increments from Tax Increment Financing District No. 26; the motion carried 6-0.

**VII. Other**

**A. Work Session Date/time**

An Economic Development Authority work session is scheduled for Wednesday, December 20, 2017, from 4:00 pm – 6:00 pm at the Public Works Center.

**VIII. Updates**

**A. Boards & Commissions**

• **B.E.S.T. of Waseca County**

➤ December 11, 2017 Board of Directors Meeting

- Jim Gibson, Past President, B.E.S.T. Board of Directors, stated the Vision 2030 project is moving along at a very positive and enthusiastic rate.
- The 2018 officers include: President, Jill Stagman  
Vice-President, Chas Benson  
Secretary, Lauri Redmond  
Treasurer, Gregg Johnson (3 year term)

New members of the Board of Directors consist of representatives from Janesville, Waldorf and New Richland.

**B. Elm Avenue Project**

The City Manager stated the Elm Avenue project has wrapped up for the season, and experienced more progress than expected. A brief discussion was held regarding plans for the coming year. The project is hoped to be completed by August 2018.

**C. Visioning**

No update was provided.

**D. Business Support/Recruitment**

The Economic Development Coordinator provided information regarding the purchase of the Park Theater building, and the owners opening a shared space area. The grand opening is scheduled for January 2018.

**E. U of M Extension Economic Impact Study**

The Economic Development Coordinator stated an Impact Study regarding Quad Graphics on a community Waseca's size is a valuable background document.

Board member Thompson requested a copy of this document.

City Staff thanked Kim Foels for bringing this free service to the City's attention.

**F. CVN – December 8**

The Economic Development Coordinator stated there were a few items at the December 8<sup>th</sup> CVN meeting that could be of interest to Waseca.

**IX. Next Meeting Date**

The next Economic Development Authority is scheduled for Wednesday, January 10, 2018.

**X. Adjournment**

It was moved by Thompson, seconded by Fitch, to adjourn the meeting at 7:58 a.m.; the motion carried 6-0.

Ranae Schult  
Community Development Assistant

## MINUTES

### ECONOMIC DEVELOPMENT AUTHORITY WORK SESSION DECEMBER 20, 2017 4:00 PM PUBLIC SAFETY CENTER

The Economic Development Authority work session began at 4:00 p.m.

Members Present: Marty Armstrong  
Dave Dunn  
Ann Fitch  
Roy Srp  
Larry Thompson  
Russ Weir

Members Absent: Blain Nelson

Staff Present: Danny Lenz, City Manager  
Gary Sandholm, Economic Development Coordinator  
Ranae Schult, Community Development Assistant

- **EDA Responsibility/Commitment**

Past EDA discussions have been held regarding the need to clearly state the responsibility of the EDA. The need was stated for the City Council to support the EDA to do the work this separate government entity is authorized to undertake, if they are to be effective. The City Council stated they do not want to take over the EDA role, if the EDA is willing to take over the work.

Following are the three major areas of responsibility/commitment outlined by City Staff:

- Lead the planning and execution of economic development initiatives;
- Advisory work/work sessions regarding the Vision 2030 project;
- Possible major initiatives:
  - Lower Property Master Plan
  - Agriculture Economic Development
  - Recreation & Tourism Development
  - Downtown Revitalization

Board member Weir inquired who would be in charge of getting the various organizations together. The City Manager stated B.E.S.T. would bring together the applicable entities for economic development collaboration.

Board member Armstrong inquired as to the EDA's role in putting together a plat for the 62 acre (Lewer) property. The City Manager stated the EDA's focus role would be on the policy level. The goal is to get people excited to do the work.

- **Formal Meeting Process**

Following are the changes in the formal meeting process of the EDA:

- Shifting meeting date to 12:00 noon on the 2<sup>nd</sup> Wednesday of the month
- Agenda focused on routine approvals
- Move discussions and in-depth to more work sessions
- Simplify the agenda format

- **Composition of EDA**

The current composition of the EDA is seven members consisting of two City Council members, one Chamber or Development Corporation representative, one HRA representative and three at large members.

The City Manager stated that if the EDA chooses to change the membership, they would need to change their by-laws.

Board member Fitch stated she would like to see that a required position would be a financial position. Board member Fitch also inquired if members of the EDA need to be a City resident. The City Manager stated that according to State Statute, the members need to live within the City limits.

Discussion was held regarding the possibility of removing membership requirements other than the two Council representatives, in order get the right skill set on the EDA. The City Manager commented that relationships with specific organizations move these organizations to find enthused members to participate on the EDA.

Staff was directed to adjust the By-Laws and bring back to the EDA for further review.

- **Compensation**

Following were discussion point regarding EDA compensation:

- Discussion of whether EDA members should receive compensation
  - Council indicated willingness for additional work sessions
- Limited examples of EDA's receiving compensation
  - Many communities our size the EDA is the City Council
- Is compensation needed?
- If so, what is appropriate?

Discussion was held regarding the necessity of compensation for the EDA, if additional work sessions are scheduled, i.e., \$50/diem or additional meetings. Comments varied from thoughts that extra work should be paid, concern of how the EDA receiving compensation and other board not receiving any, no pay for regular meetings, but if attend extra work sessions, etc. compensation for those meetings.

Comments were made that the County Planning & Zoning Board, as well as the County EDA are compensated.

Board member Thompson stated he doesn't believe compensation is the issue, but the need for individuals to be excited about the work. While he doesn't think compensation is necessary, it does create motivation.

Staff was directed to revisit the compensation issues within the next six months.

- **Fund Balance Use**

Staff provided the Economic Development Authority members with the following fund balance breakdown:

- Current balance is approximate \$550,000:
  - \$50,000: Recommended operating reserve
  - \$75,000: Internal Revolving Loan Fund
  - \$100,000: Grant & Loan Matches
  - \$225,000: Bond Security/Purchase Equipment
  - \$100,000: Waseca Vision 2030 Planning & Seed Funding

Discussion was held regarding possibly scenarios for projects utilizing EDA dollars.

It was the consensus of the EDA that for the time being to leave the fund balance breakdown as presented.

The work session ended at 5:45 p.m.

Ranae Schult  
Community Development Assistant



LIST OF EXPENDITURES

January 10, 2018

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Econ Development	<u>2,275.87</u>	
Total Gross Payroll	2,275.87	
*Less- Payroll Deductions	<u>1,596.25</u>	
Net Payroll Cost		\$ 3,872.12

\*These costs are included in Accounts Payable totals below

Accounts Payable

Expenditures dated:  
December 12, 2017-January 8, 2018

Bank ACH Withdrawals.....	<u>1,120.00</u>	
GRAND TOTAL EXPENDITURES		<u>\$ 4,992.12</u>