



Regular Meeting
Agenda

- Regular meeting in Council Chambers
-

1. CALL MEETING TO ORDER

2. PLEDGE OF ALLEGIANCE

3. CONSIDER AGENDA

4. CONSENT AGENDA

Considered to be routine and noncontroversial and will be approved by one motion. There will be no separate discussion of these items unless there is a request to remove the item from the consent agenda to the regular agenda.

4.1 Draft EDA Minutes from October 21, 2024, Regular; November 4, 2024, Closed; November 4, 2024, Special

4.2 Check Register

4.3 Balance Sheet

4.4 Revenue/Expenditure Reports

5. OPEN FORUM

An opportunity to provide comments and feedback regarding items not on the agenda. Information provided in Open Forum will not be discussed at this meeting; rather, the information will be referred to staff and/or scheduled for discussion at a future meeting.

6. PUBLIC HEARINGS

An opportunity for the public to express their opinions and raise questions pertaining to the agenda item. All comments become part of the official public record. For this reason, all comments must be made at the podium so they can be heard and recorded. Comments may also be provided in writing. There will not be deliberations, discussions, or answers to questions until the hearing is closed. It is important to be courteous and allow each presenter to comment before adding additional testimony.

7. GENERAL BUSINESS

Items in which the information is presented by city staff or consultants, then deliberation and action occur. General Business items are not opportunities to receive or provide public input. However, the presiding officer may, at its sole discretion, solicit public feedback.

7.1 Beautification Award Recommendation

7.2 Public Art Funding

7.3 Committee Updates

7.4 General Updates

8. MOTION TO ADJOURN REGULAR MEETING

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity





**Meeting of the Economic Development
Authority
Held at the Elk River City Hall
Monday, October 21, 2024**

Members Present: Chair Dan Tveite, Commissioners Cory Grupa, Matt Westgaard, Jeff Hartwig, Mike Beyer, Jennifer Wagner, and Charlie Blesener

Members Absent: None

Staff Present: Economic Development Brent O'Neil, Economic Development Specialist Joshua Mollan, and Recording Secretary Katie Porath

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 5:30 PM.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. CONSIDER AGENDA

Moved by Commissioner Jennifer Wagner and seconded by Commissioner Matt Westgaard to approve the agenda. Motion Carried 7-0.

4. CONSENT AGENDA

Moved by Commissioner Cory Grupa and seconded by Commissioner Jeff Hartwig to approve the following consent items as outlined in their respective staff reports. Motion Carried 7-0.

4.1 Draft EDA Minutes - August 19, 2024 and September 16, 2024

4.2 Check Register

4.3 Balance Sheet

4.4 Revenue/Expenditure Reports

5. OPEN FORUM

No one appeared for Open Forum.

6. PUBLIC HEARINGS

There were no public hearings.

7. GENERAL BUSINESS

7.1 Loan Extension Request - Hemmer Companies

Mr. Mollan presented the staff report.

Moved by Commissioner Matt Westgaard and seconded by Commissioner Mike Beyer to adopt Resolution 24-06 approving the loan extension for Hemmer Companies (Distinctive Iron) and authorization to execute the amended loan documents as outlined in the staff report. Motion Carried 7-0.

7.2 Loan Request - Modern Construction of MN

Mr. O'Neil gave an update on the downtown development of Topsy Chicken. Owner Jesse Hartung has requested a Downtown Incentive program loan from the EDA but has not met some of the requirements. The program requires a 10% commitment from the owner, therefore, the amount of the recommended loan was reduced from \$75,000 to \$51,499. There are also requirements that the project does not begin before the loan is awarded and some work has been started.

Commissioner Grupa asked about the city's interest rate being at 3% whereas loan rates are currently around 11%.

Mr. O'Neil commented that it could be changed and the Joint Finance Committee has talked about recommending changes to the rate structure.

Commissioner Blesener stated that the purpose of the funds is to encourage small businesses and keeping the interest rate low would be more appealing. The EDA is not a bank, but the funds have been underutilized thus far.

Commissioner Beyer asked if Mr. Hartung had been informed of the change in the loan amount. Mr. O'Neil stated he had been informed.

Commissioner Wagner commented that the packet Staff Report stated the outlay would need to be repaid by December 31, 2023 and that should be corrected to 2029.

Moved by Commissioner Charlie Blesener and seconded by Commissioner Jeff Hartwig to adopt Resolution 24-07 approving a business microloan to Modern Construction of Minnesota in the amount of \$51,499 with a change to outlay repayment date from 2023 to 2029 as outlined in the staff report. Motion Carried 7-0.

7.3 General Updates

Mr. Mollan gave an update on the of the Beautification Award, with the committee recommending Wayne Swart State Farm Insurance Agency. A "Development Minute" segment was filmed at Thunderstruck Exteriors. The public art reveal at the Furniture and Things Community Event Center is currently scheduled for November 25, 2024 at 2:00 p.m.

Mr. O'Neil gave an update that staff is working on the closing of the Foxhaven property on 185th Street. Kwik Trip is looking at late 2025/2026 construction. He asked if the EDA may be available for a special EDA meeting on November 4, 2024 if needed to discuss the project. Mr. Mollan and Mr. O'Neil will be attending the Minnesota Commercial Association of Real Estate/Realtors (MNCAR) event where they have a booth and meet with area brokers about available properties in Elk River. They are also helping with the Chamber of Commerce "cool jobs tour".

8. MOTION TO ADJOURN REGULAR MEETING

Moved by Commissioner Jennifer Wagner and seconded by Commissioner Cory Grupa to adjourn the meeting. Motion Carried 7-0.

The meeting adjourned at 5:50 PM

Minutes prepared by Katie Porath.

Dan Tveite, EDA President

Tina Allard, City Clerk



**Meeting of the Economic Development
Authority
Held at the Elk River City Hall
Monday, November 4, 2024**

Members Present: Councilmember Mike Beyer, Councilmember Cory Grupa, Councilmember Jennifer Wagner, Councilmember Matt Westgaard, Commissioner Charlie Blesener, Commissioner Jeff Hartwig, Commissioner Dan Tveite

Members Absent: None

Staff Present: Economic Development Brent O'Neil and Economic Development Specialist Joshua Mollan

Others Present: Ryan Hardin, Hardin Companies

I. CALL MEETING TO ORDER

I.1 Closed EDA Meeting Notice for November 4, 2024

Pursuant to due call and notice thereof, the meeting was called to order at 06:00 PM.

2. DISCUSS OFFERS/COUNTEROFFERS FOR REAL PROPERTY AT 13530 AND 13566 185TH AVENUE NW

The purpose of the meeting was to consider offers/counteroffers for real property at 13530 and 13566 185th Avenue NW, Elk River, MN, pursuant to MN Statute Section §13D.05, Subd. 3(c)(3).

3. MOTION TO ADJOURN

Moved by Commissioner Blesener and seconded by Commissioner Wagner to adjourn the meeting. Motion Carried 7-0.

The meeting adjourned at 06:11 PM

Minutes prepared by Joshua Mollan.

Dan Tveite, EDA President

Tina Allard, City Clerk



**Meeting of the Economic Development
Authority
Held at the Elk River City Hall
Monday, November 4, 2024**

Members Present: Councilmember Mike Beyer, Councilmember Cory Grupa, Councilmember Jennifer Wagner, Councilmember Matt Westgaard, Commissioner Charlie Blesener, Commissioner Jeff Hartwig, Commissioner Dan Tveite

Members Absent: None

Staff Present: Economic Development Brent O'Neil, Economic Development Specialist Joshua Mollan, and Recording Secretary Jennifer Green

I. CALL MEETING TO ORDER

I.1 Special EDA Meeting Notice for November 4, 2024

Pursuant to due call and notice thereof, the meeting was called to order at 6:13 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. GENERAL BUSINESS

3.1 Resolution Amending Purchase Agreement of the Fox Haven Site to Java Companies

Mr. O'Neil presented the staff report and noted they are very close to closing on the sale of the Fox Haven properties to Java Companies. He reviewed details of the staff report regarding the possession being taken by an affiliated company which requires EDA consent. He then outlined the reversion clause details by modifying the size of the footprint to 4,500 square feet, and a two-tier requirement on performance with site work including clearing vegetation occurring in the first year and delivering the project in full by the end of the the second year. The buyer is offering to increase the purchase price by \$10,000.

Commissioner Westgaard noted it was a reasonable request and nice to see the increase of the offer with the concessions on timeline and reversion clause and was in support of the modifications.

Moved by Commissioner Westgaard and seconded by Commissioner Hartwig to approve Resolution 24-08 amending terms of the purchase agreement at 13566 and 13530 185th Street NW to Java Companies as outlined in the staff report.

Motion Carried 7-0.

4. MOTION TO ADJOURN

Moved by Commissioner Beyer and seconded by Commissioner Wagner to adjourn the meeting.

Motion Carried 7-0.

The meeting adjourned at 06:17 p.m.

Minutes prepared by Jennifer Green.

Dan Tveite, EDA President

Tina Allard, City Clerk

DRAFT

Report Criteria:

Detail report.

Invoices with totals above \$0.00 included.

Paid and unpaid invoices included.

Invoice Detail.GL account =

"920462104212","920462104331","920462104349","920462104304","920462104440","920462104510","920462104359","920462104404"

Description	FUND	DEPARTMENT	Net Invoice Amount
ADVERSIGN LLC			
ADVERTISING SVCS 9/5-11/1	EDA	ECONOMIC D	298.00
Total ADVERSIGN LLC:			298.00
E C M PUBLISHERS INC			
MFG WEEK ADS	EDA	ECONOMIC D	795.00
Total E C M PUBLISHERS INC:			795.00
JOSHUA MOLLAN			
REIMB MILEAGE & PARKING 10/	EDA	ECONOMIC D	45.39
Total JOSHUA MOLLAN:			45.39
KENNEDY & GRAVEN CHARTERE			
LEGAL SVCS - DISTINCTIVE IR	EDA	ECONOMIC D	817.00
Total KENNEDY & GRAVEN CHARTERE:			817.00
STAR BANNERS			
BANNERS	EDA	ECONOMIC D	126.00
Total STAR BANNERS:			126.00
UNIVERSITY OF MISSOURI			
SOURCELINK SUBSCRIPTION	EDA	ECONOMIC D	1,500.00
Total UNIVERSITY OF MISSOURI:			1,500.00
ELK RIVER PRINTING & VENTURE			
FLYERS - EDA	EDA	ECONOMIC D	59.23
Total ELK RIVER PRINTING & VENTURE:			59.23
Grand Totals:			3,640.62

CITY OF ELK RIVERBALANCE SHEET
OCTOBER 31, 2024

FUND 920 - EDA

<u>ASSETS</u>		
920-1010	CASH - EDA	1,940,855.02
920-1610	LAND HELD FOR RESALE	175,000.00
TOTAL ASSETS		2,115,855.02
<u>LIABILITIES AND EQUITY</u>		
<u>FUND EQUITY</u>		
920-2400	FUND BALANCE	1,867,515.88
	REVENUES OVER EXPENDITURES - YTD	248,339.14
TOTAL FUND EQUITY		2,115,855.02
TOTAL LIABILITIES & EQUITY		2,115,855.02

CITY OF ELK RIVER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING OCTOBER 31, 2024

EDA

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
DEPARTMENT 0000					
920-3-0000-3111 PROPERTY TAXES	.00	222,467.50	415,950.00	193,482.50	53.5
920-3-0000-3322 MV CREDIT	101.72	101.72	.00	(101.72)	.0
920-3-0000-3621 INTEREST INCOME	.00	57,910.52	15,000.00	(42,910.52)	386.1
920-3-0000-3626 CONTRIBUTIONS	.00	6,400.00	.00	(6,400.00)	.0
920-3-0000-3910 SALE OF ASSETS	.00	187,267.35	.00	(187,267.35)	.0
920-3-0000-3949 TRANSFER-HRA	.00	.00	4,000.00	4,000.00	.0
TOTAL DEPARTMENT 0000	101.72	474,147.09	434,950.00	(39,197.09)	109.0
TOTAL FUND REVENUE	101.72	474,147.09	434,950.00	(39,197.09)	109.0

CITY OF ELK RIVER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 10 MONTHS ENDING OCTOBER 31, 2024

EDA

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ECONOMIC DEVELOPMENT</u>					
920-4-6210-4101 REGULAR PAY	.00	80,675.36	123,900.00	43,224.64	65.1
920-4-6210-4103 PART-TIME PAY	.00	8,400.00	12,600.00	4,200.00	66.7
920-4-6210-4104 PERA	.00	6,110.67	9,500.00	3,389.33	64.3
920-4-6210-4105 FICA	.00	5,023.81	8,350.00	3,326.19	60.2
920-4-6210-4107 MEDICARE	.00	1,192.33	2,000.00	807.67	59.6
920-4-6210-4108 INSURANCE	.00	19,137.60	24,300.00	5,162.40	78.8
920-4-6210-4109 WORKERS COMP	.00	509.57	550.00	40.43	92.7
920-4-6210-4201 OFFICE SUPPLIES	153.22	313.81	2,500.00	2,186.19	12.6
920-4-6210-4212 FUELS & LUBES	.00	5.58	50.00	44.42	11.2
920-4-6210-4304 LEGAL FEES	702.00	3,478.75	10,000.00	6,521.25	34.8
920-4-6210-4319 PROFESSIONAL SERVICES	.00	.00	27,000.00	27,000.00	.0
920-4-6210-4321 TELEPHONE	.00	.00	400.00	400.00	.0
920-4-6210-4322 POSTAGE	.00	.00	200.00	200.00	.0
920-4-6210-4331 TRAVEL, CONFERENCES & SCHOOLS	15.48	3,203.27	10,450.00	7,246.73	30.7
920-4-6210-4349 ADVERTISING/MARKETING	4,099.00	18,931.50	67,200.00	48,268.50	28.2
920-4-6210-4359 PUBLISHING	.00	318.20	350.00	31.80	90.9
920-4-6210-4361 INSURANCE	.00	104.00	250.00	146.00	41.6
920-4-6210-4404 SOFTWARE SERVICES	.00	14,598.40	11,100.00	(3,498.40)	131.5
920-4-6210-4433 DUES & SUBSCRIPTIONS	590.00	6,765.00	4,750.00	(2,015.00)	142.4
920-4-6210-4440 MISCELLANEOUS	.00	11,040.10	73,500.00	62,459.90	15.0
920-4-6210-4721 TRANSFER-GENERAL FUND	.00	46,000.00	46,000.00	.00	100.0
TOTAL ECONOMIC DEVELOPMENT	5,559.70	225,807.95	434,950.00	209,142.05	51.9
TOTAL FUND EXPENDITURES	5,559.70	225,807.95	434,950.00	209,142.05	51.9
NET REVENUE OVER EXPENDITURES	(5,457.98)	248,339.14	.00	(248,339.14)	.0



Request for Action

To
Economic Development Authority

Item Number
7.1

Meeting Date
November 18, 2024

Prepared By
Joshua Mollan, Economic Development Specialist

Item Description
Beautification Award Recommendation

Reviewed by
Brent O'Neil
Cal Portner

Action Requested

Approve, by motion, Wayne Swart State Farm Agency as the 2024 Beautification Award winner as recommended by the Beautification and Public Art Committee.

Background/Discussion

The Beautification and Public Art Committee marketed and accepted applications for the Beautification Award from May through September. We received and reviewed six nominees: Professional Karate Studios, Wayne Swart State Farm, Allison's Addicts Boutique, Well Read Books, Cinema Professional Building, and Eclectic Boutique.

The nominees were reviewed and scored during the October 21 Beautification and Public Art Committee meeting. Wayne Swart State Farm received the highest score, 13.2/15 points, and was unanimously approved to be recommended to the EDA for the 2024 Beautification Award for the exterior and interior remodel of its property at 817 Main Street in Downtown Elk River. It should be noted that Wayne Swart State Farm was also the only nominee with two independent nominations.

If approved, we will invite Wayne Swart State Farm to be recognized and accept the award at the December 16 EDA meeting. As part of the awarding process, staff will work with the awardee to place a fixture or furnishing (garden bench) on the site with an engraving highlighting the EDA's recognition of the business.

Financial Impact

The cost of a fixture or furnishing is estimated at \$500 to \$750.

Mission/Policy/Goal

The City Beautification Award recognizes business owners whose efforts to clean, repair, improve, and enhance the overall esthetics of either the interior or exterior of the business, property and/or space thereby maintaining the beauty of their neighborhood and surroundings. It is presented to encourage community improvements and enhance our city's image and economic vitality.

Attachments

- I. Wayne Swart State Farm Photos
- The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity



Wayne Swart State Farm | 817 Main

- New drop ceiling, paint, trim, and flooring
- Replaced interior doors
- New furniture
- Updated light fixtures
- Replaced sewer line
- New fire escape
- Removed dead trees
- New landscaping
- Installed irrigation system
- Upgraded front of building with new shutters, light fixtures, and canned lights
- Painted exterior
- New signage

Before









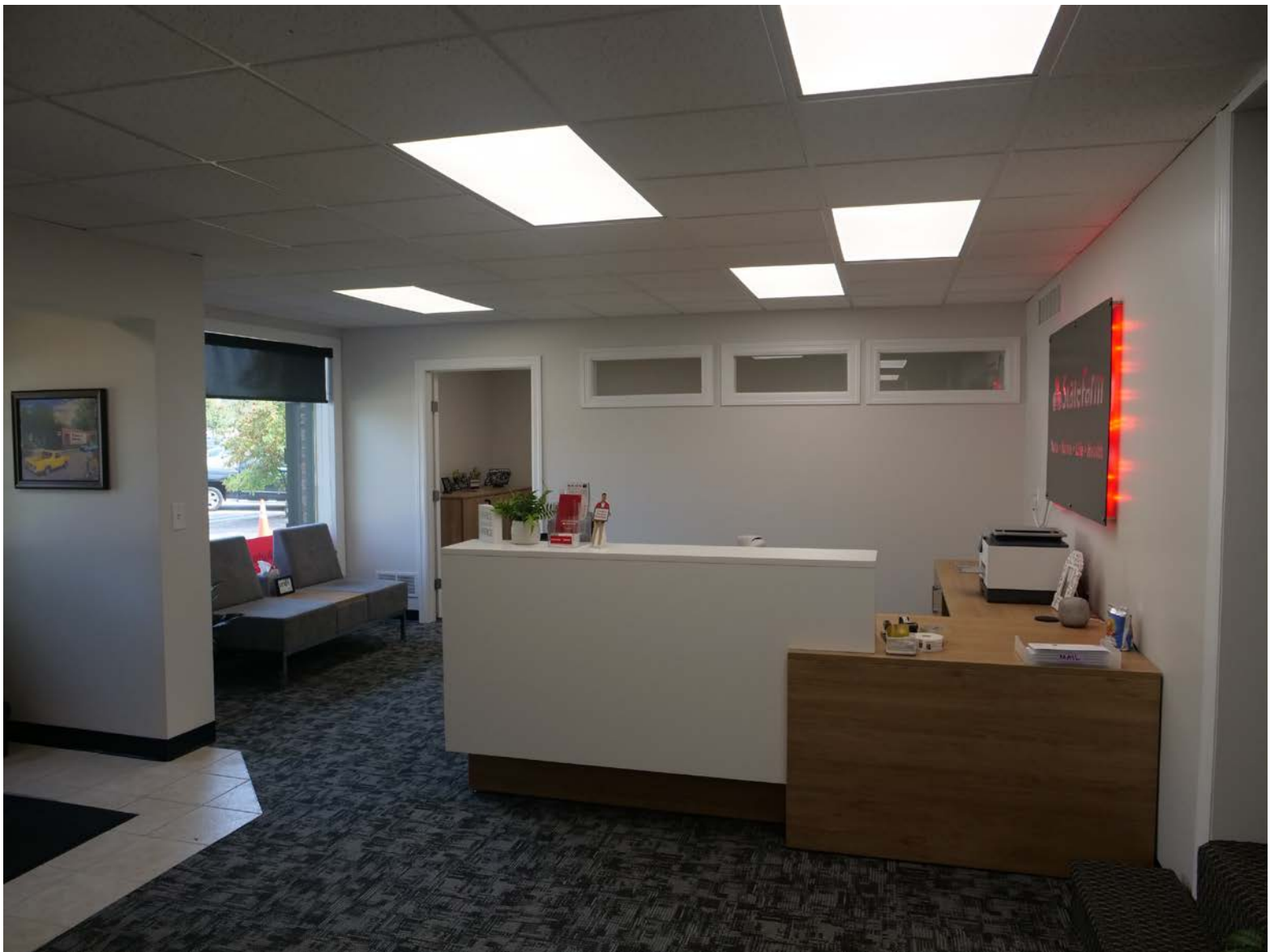
After















Request for Action

To
Economic Development Authority

Item Number
7.2

Meeting Date
November 18, 2024

Prepared By
Joshua Mollan, Economic Development Specialist

Item Description
Public Art Funding

Reviewed by
Brent O'Neil
Cal Portner

Action Requested

Approve, by motion, an additional financial contribution of \$2,000 to support the curation of Carey Dean's *Where Energy Flows*.

Background/Discussion

At its March meeting, the EDA approved a \$10,000 contribution to the proposed *Where Energy Flows* mosaic by Carey Dean. The piece was awarded based on a \$20,000 budget which was supplemented by a Central Minnesota Arts Board (CMAB) grant for \$8,000, of which \$6,400 has been paid to the EDA. The remaining \$1,600 will be paid to the EDA after completion and acceptance of the final report which will be submitted by staff following installation of the piece. The original budget and EDA contribution contemplated an opportunity for a private sponsor of the piece for \$2,000. At this time, the remaining \$2,000 has not been fulfilled by a private contribution. This additional funding from the EDA ensures the project is fully funded.

If approved, the EDA and CMAB would be the only two entities recognized on marketing materials and the accompanying plaque. The piece is planned to be revealed on November 25.

Financial Impact

\$2,000 in new funding from EDA funds. \$10,000 was previously authorized.

Mission/Policy/Goal

Support Elk River's existing businesses through relationship building, programmatic offerings, and high quality city services.

Attachments

None

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Request for Action

To
Economic Development Authority

Item Number
7.3

Meeting Date
November 18, 2024

Prepared By
Joshua Mollan, Economic Development Specialist

Item Description
Committee Updates

Reviewed by
Brent O'Neil
Cal Portner

Action Requested
This item is presented for information and discussion purposes.

Background/Discussion
Staff will provide updates on activities of the Together Elk River Committee and the Beautification and Public Art Committee.

Financial Impact
N/A

Mission/Policy/Goal
Attract new business development to Elk River to build the city's economic vibrancy, job offerings and tax base.
Support the curation of public art in the community.

Attachments
None

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Request for Action

To
Economic Development Authority

Item Number
7.4

Meeting Date
November 18, 2024

Prepared By
Brent O'Neil, Economic Development Director

Item Description
General Updates

Reviewed by
Cal Portner

Action Requested
This item is presented for information and discussion purposes.

Background/Discussion
This item is an opportunity to discuss relevant topics and other non-action items of the board.

Financial Impact
N/A

Mission/Policy/Goal
Support the growth and development of the community.

Attachments
None

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