



BELLE PLAINE ECONOMIC DEVELOPMENT AUTHORITY
NOTICE OF REGULAR MEETING AND AGENDA
CITY HALL, 218 NORTH MERIDIAN STREET
PLEASE USE THE NORTH ENTRANCE

**MONDAY, JUNE 8, 2020
5:00 P.M.**

PLEDGE OF ALLEGIANCE.

5:00
P.M.

1. CALL TO ORDER. 1.1. Roll Call.

2. APPROVAL OF AGENDA.

3. APPROVAL OF MINUTES.

3.1. Regular Session Minutes of May 11, 2020.

4. TREASURERS REPORT.

4.1. Approval of Bills.

5. BUSINESS.

5.1. Resolution 20-04: Approving F\$1,000 Façade Loan Pankonin Enterprises

5.2. EDA Updates

6. ADMINISTRATIVE REPORTS.

6.1. Commissioner Comments.

6.2. Director's Update.

6.3. Upcoming Meetings.

1. Regular Session, 5:00 pm, **Monday, July 13, 2020.**

7. ADJOURNMENT OF REGULAR SESSION.

There may be a quorum of the Belle Plaine City Council present at the meeting.

**BELLE PLAINE ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING
MAY 11, 2020**

PLEDGE OF ALLEGIANCE.

Chair Krant led those present in the Pledge of Allegiance.

1. CALL TO ORDER. 1.1 ROLL CALL.

The Belle Plaine Economic Development Authority met in Regular Session at 5:02 PM on Monday, May 11, 2020 at City Hall, 218 North Meridian Street, Belle Plaine, MN. President Krant called the meeting to order with Commissioners Coop, Meyer, Doyle, Coleman and Fahey present. Commissioner Pankonin was not present.

Also present were Community Development Director Smith Strack and City Administrator Meyer

2. APPROVAL OF AGENDA.

MOTION by Commissioner Coop, second by Commissioner Fahey, to approve the agenda as presented. ALL VOTED AYE. MOTION CARRIED.

3. APPROVAL OF MINUTES.

3.1. Regular Session Minutes of March 9, 2020.

MOTION by Commissioner Meyer, second by Commissioner Coop, to approve the Regular Session Minutes of March 9, 2020. ALL VOTED AYE. MOTION CARRIED.

4. TREASURERS REPORT.

4.1. Approval of Bills.

MOTION by Commissioner Coleman, second by Commissioner Coop, to approve the Treasurer's Report. ALL VOTED AYE. MOTION CARRIED.

5. BUSINESS.

5.1. EDA/City Business Assistance COVID.

Community Development Director Smith Strack explained the current pandemic health crisis is also an economic crisis, especially for small businesses closed by executive order. Smith Strack explained staff are hearing from local businesses, especially in Downtown that are struggling with expenses and sales. Smith Strack presented a slideshow to review the potential tools for businesses. Smith Strack reviewed the Emergency Micro Loan, Business Counseling, Marketing Consultation – Online Presence, Website Updates and Recruitment of Entrepreneurs. Smith Strack explained the Program Budget of \$20,000.00, noting \$15,000.00 would be a direct spend down of from the revolving loan funds. Smith Strack explained staff has reached out to Angie Craig's Office for approval and if the Revolving Loan fund money is unable to be used the HRA fund can be utilized. Smith Strack requested questions on the concept of the programs.

Commissioner Coleman inquired if staff have received any inquires on the programs and if so would any of them qualify for these programs. Community Development Director Smith Strack confirmed she has fielded four inquires in the last two weeks and noted three of the four inquires would be eligible. Coleman questioned if that amount of money is enough to keep the business going one to two months or if the funds would be better spent in another benefit. Smith Strack explained the EDA currently has under \$200,000.00 revolving loan funds and noted St. Peter just approved no interest loans for businesses. Commissioner Meyer expressed concern over not being able to help all those in need and potential backlash from businesses who are ineligible or not approved due to lack of money. Smith Strack

explained the proposed criteria has been kept vague intentionally and will rely heavily on a four person review team.

Smith Strack explained the Emergency Loan Program funded by the Revolving Loan Fund would consist of a forgivable zero interest loan with a security note. Total funds used would be \$15,000.00 with max loans of \$1,000.00 and one loan per business for certain types of businesses including retail, bars, restaurants ect. Smith Stack noted additionally the business must have store front, and loans will be distributed on need and not credit worthiness. Smith Strack explained funds will be disturbed directly to the service provider. Smith Strack requested questions on the Emergency Loan Program.

Commissioner Meyer inquired if a brick and mortar building holds multiple companies will each company be eligible for the loan. Community Development Director Smith Strack confirmed each company would be eligible but for only one loan each. City Administrator Meyer inquired if Smith Strack's goal is to focus on the Central Business District. Smith Strack confirmed and noted over 15 businesses in the Downtown area not including out skirt businesses like Cindy's Kitchen, Emmas and the Bowling Alley. Smith Strack explained she is optimistic the City will receive the small cities funding which would aid the Central Business District in the future as well. Councilmember Coop voiced concern over the amount of money not being enough to help long term. Commissioner Meyer inquired if the money could be used in a different way citing payment for rent or leases only thus helping not only the tenant but potentially the building owner as well. Coop also offered up payments for water/sewer bills or liquor licenses to help keep money in house. Commissioner Fahey explained she favors the payments for leases/rentals, as owners still have to pay property taxes and if rental money is not coming in that puts an added strain on them. Commissioner Doyle inquired what the web presence entails. Smith Strack explained a free consultation of the business website and a combination depending on need of upgrades/widgets up to \$1500.00. Fahey noted an interest in the online presence program explaining the world is changing and becoming online based. Smith Strack explained consumer presence online for businesses could be the difference from continuing to struggle or no longer struggling. Commissioner Meyer suggested narrowing the emergency loan program down to mortgage/ rent noting one check to a building owner could potentially benefit multiple businesses. Coleman suggested increasing funds to \$2,000.00 to help stretch the rent out a little longer and noted the lack of requests for the revolving loan due to circumstances, citing the potential to spend down the budget for potential more issues this fall.

MOTION by Commissioner Meyer, second by Commissioner Fahey, for a rental/mortgage assistance program. Clarification by Commissioner Krant on one-time loans of \$1,000.00. ALL VOTED AYE. MOTION CARRIED.

MOTION by Commissioner Meyer, second by Commissioner Fahey, to approve the web presence initiative. ALL VOTED AYE. MOTION CARRIED.

Commissioner Fahey volunteered to be an applicant reviewer.

6. ADMINISTRATIVE REPORTS.

6.1. Commissioner Comments

Commissioner Meyer explained he's received many calls and emails regarding the Lakefield decision to not abide by the Governors order. Meyer explained the potential for loss of funding and insurance if the City would adopt such an order. City Administrator Meyer explained staff have reached out to the League of MN Cities for guidance. Meyer explained the City relies on State aid and if held by the State the tax burden would fall to the Citizens. Meyer noted all reports for violating the order should be reported to the State as the City is not making the directives. Meyer explained the Mayor and Acting Police Chief will be hosting a Facebook Live Question and Answer on Thursday with the Herald.

6.2. Directors Update.

Community Development Director Smith Strack highlighted her report.

6.3. Upcoming Meetings.

1. Regular Session, 5:00 PM, Monday, June 8, 2020.

Commissioners were reminded of the next schedule meeting.

7. ADJOURNMENT OF REGULAR SESSION.

MOTION by Commissioner Coop, second by Commissioner Meyer, to adjourn the meeting at 6:07 PM.
ALL VOTED AYE. MOTION CARRIED.

Respectfully Submitted,

Renee Eyrich
Recording Secretary



MEMORANDUM

DATE: June 8, 2020
TO: EDA President Krant, EDA Board Members, and Administrator Meyer
FROM: Cynthia Smith Strack, Community Development Director
RE: Item 4.1 Payment of Claims

REQUEST: Motion to Approve Payment of Claims

GENERAL INFORMATION

The EDA approves accounts payable for the HRA Fund (802) and EDA fund (801). Attached please find claims from May for your consideration.

CITY OF BELLE PLAINE
AP DEPARTMENT APPROVAL
MAY 2020

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Act Code	Check Name	Amount	Comments
FUND 801 ECONOMIC DEVELOPMENT AUTHORITY			
DEPT 460500 DEVELOPMENT			
801-460500-131000	PATRICIA KRINGS	\$12.00	RETIREE INSURANCE - EDA
801-460500-195000	ACME AWNING COMPANY	\$725.00	EDA - IMPRV GRANT - SALON 12
801-460500-575000	PC2 SOLUTIONS	\$57.50	EDA - COMPUTER EQUIP
DEPT 460500 DEVELOPMENT		<u>\$794.50</u>	
FUND 801 ECONOMIC DEVELOPMENT AUTHORITY		<u>\$794.50</u>	

CITY OF BELLE PLAINE
AP DEPARTMENT APPROVAL
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Act Code	Check Name	Amount	Comments
FUND 801 ECONOMIC DEVELOPMENT AUTHORITY			
DEPT 460500 DEVELOPMENT			
801-460500-321000	FRONTIER COMMUNICATIONS	\$115.35	EDA - PHONE
801-460500-322000	PURCHASE POWER	\$133.38	2020 2ND QTR POSTAGE - EDA
DEPT 460500 DEVELOPMENT		<u>\$248.73</u>	
FUND 801 ECONOMIC DEVELOPMENT AUTHORITY		<u>\$248.73</u>	



MEMORANDUM

DATE: June 8, 2020
TO: Chairperson Krant, Design Committee Members, and Administrator Meyer
FROM: Cynthia Smith Strack, Community Development Director
RE: Item 5.1 ROSE Loan – 104/106 Main Street East – Pankonin Enterprises

REQUEST: Approval of ROSE Loan

GENERAL INFORMATION

Pankonin Enterprises has applied for a ROSE loan to assist with repainting of the exterior façade at 104/106 Main Street East. The repainting will maintain the current paint color.

ROSE loan policy standards allow for a 20% match (\$5 owner/\$1 grant) for repainting of exterior facades. Please find a ROSE loan project match matrix attached. Project estimate is \$4,866.75. Requested grant amount is 973.35, suggested to be rounded up to \$1,000.

ACTION

The EDA is to consider the ROSE loan request. The EDA included \$10,000 for 2020 ROSE loan projects. A total of \$2,225 has been issued to date. A resolution approving/denying the requests is attached.

REPORT ATTACHMENTS

- Loan application, contractor estimate for repainting.
- ROSE Loan Matrix
- Sample Resolution EDA 20-003 Approving/Denying ROSE Loans

RESTORATION, OPPORTUNITY, SUSTAINABILITY & ENTERPRISE PROGRAM

Proposed Activity	Required Property Owner to Loan* Match	Investment Rationale
Building additions & new construction consistent with zoning code & approved by the DC	\$1:\$1	The City/EDA prioritizes projects which result in credible and lasting improvements visible from public streets and sidewalks. The City/EDA also prioritizes projects retaining and restoring important features of historic structures. As such projects involving these activities are of a higher priority for grant dollars. Larger projects resulting in increases in tax value are preferred.
New awnings	\$1:\$1	
Replacement awnings structural	\$1:\$1	
New or substantial improvement of building entrances, e.g. porticos or expanded windows	\$1:\$1	
Building adornment improvements reminiscent of historical building construction	\$1:\$1	
Building upgrades reminiscent of historical building construction	\$1:\$1	
Placement/Replacement high quality exterior building materials	\$1:\$1	
Repointing, structures of potential historical significance	\$1:\$1	
Brick repair, structures of potential historical significance	\$1:\$1	
Repair of stucco	\$1:\$1	
Replacement of stucco	\$1:\$1	
Expansion of street level building openings (i.e. windows, doors) in the CBD	\$1:\$1	
Re-roofing	\$5:\$1	The City/EDA recognizes building maintenance & beautification efforts are valuable. As such major maintenance & landscaping projects are eligible for program funds.
Painting	\$5:\$1	
Residing	\$5:\$1	
Replacement of existing windows and/or doors with new windows/doors in same openings	\$5:\$1	
Landscaping, including planters and baskets	\$5:\$1	
Changing of awnings due to tenant or occupancy change	May constitute ≤ 50% of local match	The City/EDA recognizes value in certain activates that, when paired with other eligible activities, increase the value of a particular project. Projects involving ancillary activities may constitute a portion of the required local property owner match but are not eligible for grant dollars.
Signage	May constitute ≤ 50% of local match	
Relocation of windows and/or doors	May constitute ≤ 50% of local match	
Interior physical improvements to the structure	May constitute ≤ 50% of local match	
HVAC, electrical, and mechanical upgrades	May constitute ≤ 50% of local match	
Building acquisition	May constitute ≤ 50% of local match	
Trash or mechanical enclosures	May constitute ≤ 50% of local match	
Access improvements required under the Americans with Disabilities Act	May constitute ≤ 50% of local match	
Sweat equity	Not eligible for program	The City/EDA finds these types of activities are not appropriate for investment under the restoration, opportunity, sustainability, and enterprise grant program.
Activities including a reduction in window/door openings in the Central Business District	Not eligible for program	
Activities not consistent with City and/or Building Code	Not eligible for program	
Activities proposed by applicants not in good standing with the City	Not eligible for program	
Activities on property owned by persons not in good standing with the City	Not eligible for program	

* Maximum loan typically \$1,500

**BELLE PLAINE ECONOMIC DEVELOPMENT AUTHORITY
RESOLUTION NO. 20-003**

**RESOLUTION APPROVING TERMS OF A ROSE PROGRAM LOAN TO PANKONIN ENTERPRISES LLC
104/106 MAIN STREET EAST**

BE IT RESOLVED BY the Board of Commissioners (the "Board") of the Belle Plaine Economic Development Authority (the "Authority"), as follows:

1. Façade Improvement Loan Program. The City and the Belle Plaine Economic Development Authority (the "EDA") previously approved the EDA's Restoration, Opportunity, Sustainability, and Enterprise (ROSE) Program which provides financial support for improvements to commercial properties in our community, and which is administered by the EDA.

2. Request for Loan. Ashton Pankonin, Pankonin Enterprises LLC (Property Owner) the "Applicant" has requested a 2020 ROSE loan in the amount of one thousand dollars (the "Loan") in order to finance façade improvements at 129 Meridian Street North (the "Property") consisting of repainting of an exterior façade.

3. Proposed Terms of Loan. The Loan is to be made from the EDA's Façade Improvement Loan Program in the amount of \$1,000.00 for calendar year 2020. Said loan shall be forgiven provided that the Borrower remains in business on the Property for at least one year following the disbursement of the Loan or transfers ownership of the business to another entity that maintains the business in the improved building for at least one year following disbursement of the Loan. The obligation of the Borrower to repay the Loan in the event that any portion of the principal amount of the Loan is not forgiven will be evidenced by a Promissory Note (the "Note") to be delivered by the Borrower.

4. Board Approval. The Board hereby approves the Loan proposed to be provided to the Borrower contingent on:

- a. Execution of a promissory note by the Applicant and the Property Owner.
- b. Submittal (to the office of the Community Development Director) of valid invoices for materials and/or from a licensed contractor relating to the façade update.

5. Promissory Note. The Board has had an opportunity to review the Note to be executed by the Borrower. The Board hereby approves the form of Note.

6. Effective Date. This resolution shall be effective as of the date hereof.

Approved by the Board of Commissioners of the Belle Plaine Economic Development Authority this 8th day of June, 2020.

BELLE PLAINE ECONOMIC
DEVELOPMENT AUTHORITY

Rick Krant, EDA President

ATTEST

Cynthia Smith Strack, Community Development Director



MEMORANDUM

DATE: June 8, 2020
TO: EDA President Krant, EDA Board Members, and Administrator Meyer
FROM: Cynthia Smith Strack, Community Development Director
RE: Item 5.2 EDA Updates

GENERAL INFORMATION

Following are updates on EDA items:

1. COVID Business Programs. Additional documents including application forms, loan agreement templates, and promissory note templates have been developed. In addition, program flyers have been produced and web pages created for each program.
 - a. Business Emergency (Rent/Mortgage Assistance) Loan Program. Loan Committee met on June 1st to review four loan applications. The Committee approved three of the requests and asked for additional information from the fourth applicant. Three other applications are out for completion. Next Committee meeting will be scheduled for third week in June. \$3,000 of the \$15,000 program funding has been expended.
 - b. Web Presence Loan Program. Staff have discussed with several business owners. No completed applications received yet.
 - c. Business outreach. A maximum of three part-time seasonal employees will be made available to assist CDD staff with business outreach and marketing of business programs.
2. New lot creation programs. Staff conferenced with Attorney Julie Eddington regarding lot creation programs. Eddington provided documentation for the new home down payment assistance program. We anticipate an updated resolution or other documentation to approve program to be available shortly. Eddington is discouraging the use of fee waivers but we can add the value potentially generated by that incentive to the down payment assistance program.
3. Announcement of 2020 SCDP grant awards is expected any day. Persons and businesses interested in the program continue to reach out to the City. If awarded, funds should be available by late fall.



MEMORANDUM

DATE: June 8, 2020
TO: President Krant, Members of the EDA, and Administrator Meyer
FROM: Cynthia Smith Strack, Community Development Director
RE: Item 6.2 Director's Report

Design Committee

The Design Committee did not meet in June.

Planning Commission

The PC will meet at 6:30 on June 8th. Agenda items include public hearing on a variance request for 1017 Chestnut Court (detached deck, setback) and public hearing on Ordinance 20-06 redefining approval criteria for non-conformance expansion permits. did not meet in April or May. The PC is also going to discuss interpretation of code standards pertaining to metal roofs.

Other

- COVID business assistance program development, implementation, and administration.
- Zoning information to one business.
- ROSE loan processing.
- Meetings with two developers re: potential housing developments.
- Meeting with Metro Council LCA Director regarding grants for exploration of potential rehabilitation projects.
- Processing of variance request.
- Open to expired permit effort close out.
- Code compliance issues processed.