

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
JANUARY 17, 2019
ELYSIAN CITY HALL
7:00 PM

The Elysian Economic Development Authority met in regular session on Thursday, January 17, 2019 at City Hall at 7:05 pm.

Administrator Kopischke opened the meeting and administered the oath of office with Commissioners Mary Opsahl and Mack Evans answering.

Present were: Commissioners Mack Evans, Mary Opsahl, Steve Ritchison (arrived at 7:19 pm), and Derek Westby; Administrator Lorri Kopischke. Absent: None.

Kopischke then asked for nominations from the floor for the office of President. On motion by Opsahl, seconded by Westby, to nominate Mack Evans for President. All voting in favor, motion declared carried.

Kopischke then asked for nominations from the floor for Vice President. On motion by Opsahl, seconded by Evans, to nominate Derek Westby for Vice President. All voting in favor, motion declared carried.

On motion by Westby, seconded by Evans, all voting in favor, to appoint Lorri Kopischke as Treasurer.

Evans then took his place at the table as President and the meeting continued.

On motion by Westby, seconded by Opsahl, all voting in favor, the minutes of the December 6, 2018 Regular Meeting were approved as presented.

On motion by Westby, seconded by Opsahl, all voting in favor, the agenda was approved as presented.

Kris Miller and Brandi Rossow were present to discuss the Fitness Center located at 205 Main Street East. Miller owns the commercial property (which includes a house) and she has had the entire property for sale for quite some time now and has not been able to sell it. She is at the point that she is ready to close the Fitness Center and rent the space for some other use. The community would like to see the Center stay open.

Rossow rents space in the Fitness Center and operates a therapeutic massage and wellness business from the site. She is interested in buying the Fitness Center building and keeping the business open. Miller and Rossow have been looking at a way to make this happen.

The lot, 205 Main Street E, is one lot with two buildings on it. In order to sell the Fitness Center building separate from the house, there would have to be a lot split. The lot is zoned commercial. It has one residential used building and one commercial used building. The residential use is allowed because there is a commercial use on the same property. Once the lots are split and the house is on its own lot, that residential use is no longer a conforming use. It is a non-conforming use. To continue to use that house as residential, Miller would need to apply for an "interim use permit". An interim use permit costs \$250. That permit would come before the Planning and Zoning Commission and then go to Council for consideration.

As part of the interim permit, the Council can attach conditions. Some of the items they will most likely require will be:

1. Survey (this would need to be done anyway to split the lots)
2. A separate water hook up for each property.
3. A separate sewer hook up for each property (may already be there).
4. An easement (there may already be one) for the sewer line that runs between the two buildings. (this will show on the survey).

As part of the interim use permit, the Council will put some type of time limit on the permit. They may say that once the house is sold, the residential use is no longer allowed. The commercial use requirement would go back in force.

So once an interim use permit is approved, Miller would need to go to the county with the survey and the newly divided out lots and the new legal description (all as part of the survey) and have it recorded for \$46. At that point, she could sell it as a separate property to Rossow.

Estimated costs are:

Interim permit \$250

Survey and creation of lots: ?? \$1,500

Water service: ?? \$8,000

Sewer service: ?? (may not need – may already be there)

SAC and WAC: \$3,100

Water meter: \$240

Recording fee: \$46

Possible help from the EDA may include:

1. Help fund the water service hook-up
2. Fund the SAC and WAC or request the City waive those fees
3. Possible gap financing

Rossow presented a Business Plan and stated her main goal at this time would be to keep the Fitness Center open for the community. She understands the equipment needs to be upgraded. There are figures in the Business Plan that reflect this. She plans to expand the marketing and to be on site every day except Saturday and Sunday. She plans to utilize the adjacent trail and also to eventually expand to virtual training opportunities.

Westby questioned the current number of members. Miller stated the Fitness Center has different programs. The Silver and Fit Program has approximately 15-20 members and the regular program has approximately 15 members.

Commissioner Ritchison arrived at 7:19 pm.

Westby noted the limited space in the Fitness Center and asked how the proposed additional equipment would be added. Rossow stated she may need to get rid of some of the equipment that is not being used. She would like to add equipment to attract younger customers such as a leg press and a rower machine.

Evans asked if the two parties had come to an agreement on price. Rossow stated they are still working on this piece. She will need to get the appraisal and the survey before she can finalize anything.

Ritchison asked if there is competition in the area. Rossow stated there are other Fitness Centers in Janesville and Waterville. Each Fitness Center is unique in the equipment that it offers. The Elysian Center is unique in that it offers a massage therapist and also has the wonderful State Trail adjacent that can be utilized.

Evans suggested that there are still a lot of people in the area that do not know the Center is there. He believed that marketing and having someone on site would be beneficial.

Kopischke stated this would need to be a cooperative City effort between the Economic Development Authority, the Planning and Zoning Commission and the Council. Rossow and Miller are asking for assistance to make this project work.

Evans noted that the EDA had sponsored a program in the past to assist with the WAC/SAC charges. All Commissioners agreed the Fitness Center is an asset for the community and that this is a worthwhile project to retain a business on Main Street. The Commissioners spoke in favor of helping with fees for this project and also providing gap funding.

Rossow and Miller thanked the Commissioners and will provide updates in the process.

Kopischke reported that Century 21 has received two offers for purchase of the lot on State Highway 60 and Blue Bay Lane. The lot is a 1.6 acre parcel that is zoned commercial. The current asking price is \$34,900.

The offer being presented tonight is from Pete Johanson. The offer is for a selling price of \$8,000 with an estimated net cash proceed of \$5,250.

Johanson runs a business called Peter Johanson Carpentry, LLC. He builds cabinetry and has expanded in our area to decks and remodels. He would like to purchase this property and build a shed/warehouse. He hopes to employ possibly two employees.

Pete Johanson addressed the Commissioners. He stated he started his own company in 1999. He moved to Elysian in 2005 and is now looking to expand his business into cabinet ends and specialty trim and needs more space. He is looking at a 5,000 square foot building with an office, bathroom, and a breakroom. He currently has himself and another sub-contractor but is looking to have three to five employees. He is currently working out of a 1,200 square foot shed on his property. He is looking at a steel building with 4,700 square feet utilized for the work shop. It would have a corner office with windows and a window or two in the breakroom. The building would have 16-foot sidewalls. The placement on the lot would be toward the front of the property – closer to the highway. The entrance will be off Blue Bay Lane. He has not yet determined the parking/delivery layout. He currently is not planning a showroom. He needs room to store and palletize items before they are shipped out.

Kopischke noted there is another offer on the property. That business owner will be attending the February 7, 2019 Economic Development Authority to present their business plan to the Commissioners.

Revolving Fund Loan financial information was discussed. No payments were received from Loan #2abc, #6, #10, and #11a. All other loans are current. There is \$139,587.53 in the EDA savings account. Of that amount, \$87,977.64 is unrestricted and \$51,609.89 is restricted.

On motion by Westby, seconded by Ritchison, all voting in favor, the financial report is accepted as presented.

There are no updates on the 118 Main Street East property.

The letters for the Business Spotlight should be ready by the February meeting.

Visitor Comments:

Pat Nusbaum, 104 Park Avenue NE, stated it was wonderful that the EDA was dealing with the Fitness Center. Whatever they could do to help. She noted one cost that had not been talked

about was the requirement to start a new abstract for the property. She does feel there will be more membership because she herself as one, and two others that she knows of, that in the last few months have asked to join but Miller doesn't have enough keys left because people didn't turn their keys back. So, she thinks there are other people who will join.

Nusbaum asked if the EDA could be looking at buying more property to offer to a business that might want to come in. As now there would be no property available to offer to someone who wants to come in.

Nusbaum stated that on behalf of the Elysian Chamber of Commerce, they are going to be looking at acting on some things as for instance, advertising of the businesses who are here. The Chamber is looking at working with the EDA on a brochure of some type and does have some money for that type of thing.

On motion by Ritchison, seconded by Westby, all voting in favor, meeting adjourned at 8:04 pm.

Attest:

Mack Evans, President

Lorri Kopischke, Administrator

**ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
FEBRUARY 21, 2019
ELYSIAN CITY HALL
7:00 PM**

The Elysian Economic Development Authority met in regular session on Thursday, February 21, 2019 at City Hall at 7:00 pm.

President Mack Evans opened the meeting.

Administrator Kopischke then administered the oath of office with Commissioner Bobby Houlihan answering.

Roll Call: Present were: President: Mack Evans; Commissioners Bobby Houlihan, Mary Opsahl, Steve Ritchison, and Derek Westby (arrived at 7:06 pm); Administrator Lorri Kopischke; City Attorney Jason Moran. Absent: None.

On motion by Opsahl, seconded by Ritchison, all voting in favor, the minutes of the January 17, 2019 Regular Meeting were approved as presented.

There was consensus to recite the Pledge of Allegiance at the beginning of future meetings.

On motion by Ritchison, seconded by Opsahl, all voting in favor, the agenda was approved as presented.

Kopischke introduced Matt Schauer, who has submitted the second offer for the purchase of the lot on State Highway 60 and Blue Bay Lane. The lot is a 1.6 acre parcel that is zoned commercial. The current asking price is \$34,900.

Matt Schauer, rural Janesville, stated that he has been operating an auto repair shop in his current location for 12 years. The property is owned by his wife and they are currently involved in the process of divorce. The building he is currently working out of is too small and he would like to build a building twice the size. He currently works with restoration and repairable, and would like to get into the insurance area of the business. He believes the visibility of the location on Highway 60 would bring more customers. He hopes to employ possibly two more employees.

Derek Westby arrived at 7:06 pm

Schauer stated he has been in the auto body repair field since 1993. He has not done any advertising at his current location in Janesville. All his business is through "word of mouth". He would like to purchase the land on State Highway 60 and would build a 50' by 112' pole building. He would keep all vehicles inside the building and would like to have room for 6 vehicles in the building at a time. He would also like an office and a small living quarter on the building. He is working with the Elysian Bank for financing and would like to be up and operational by July 2019.

Schauer has presented an offer to purchase the property for \$25,000. It was noted that Johanson, who presented to the EDA on January 17, 2019, has also increased the amount of his offer to purchase the property to \$25,000.

Revolving Fund Loan financial information was discussed. No payments were received from Loan #2abc, #6, and #10. (#15ab paid twice in December 2018 so they are current.) All other

loans are current. There is \$134,628.62 in the EDA savings account. Of that amount, \$82,851.87 is unrestricted and \$51,776.75 is restricted.

On motion by Westby, seconded by Houlihan, all voting in favor, the financial report is accepted as presented.

There are no updates on the Fitness Center property at 205 East Main Street.

Visitor Comments:

Clint Stoen, 217 Jill Lynn Circle, expressed his support for Pete Johanson's cabinetry shop. Stoen stated that Johanson is a local businessman, local owner, who has been in this area for a long time. He has local employees to support him in his adventure of enlarging his business. Stoen stated he thinks it makes sense to keep it local with the employees. He would really like the EDA to strongly encourage their board to look at that option of approving Johanson's purchase of the land.

On motion by Houlihan, seconded by Westby, all voting in favor, meeting adjourned to closed session to discuss the sale of the property located at State Highway 60 and Blue Bay Lane at 7:40 pm.

On motion by Houlihan, seconded by Ritchison, all voting in favor, to reopen the meeting at 8:12 pm.

On motion by Houlihan, seconded by Opsahl, to approve Resolution Number 08/19 and award the sale of the property located at State Highway 60 and Blue Bay Lane (PID# 16.999.0490) to Pete Johanson in the amount of \$25,000. Roll Call Vote: Aye - Evans, Houlihan, Opsahl. Naye - Ritchison. Abstain - Westby.

City Attorney Moran stated that both bidders had wonderful business plans. If there is a way to keep both businesses in the City of Elysian, that is what the EDA wants to do. The purpose of the EDA is to make the best use of the land that the City has. There was a lot of discussion leading up to the EDA's decision. Schauer has an excellent business with a good business plan. This particular piece of property is not best suited for an auto body business because it is on a private drive in a residential area. There is a large residential area with platted lots directly behind this lot. The EDA is concerned with locating an auto body shop in a residential area.

However, there is other property that is located on State Highway 60 that is more suited for this type of commercial business. There is property located at 311 State Highway 60 West that does have a conditional use permit to do auto repair that would be more suited to Schauer's business plan. The two businesses would complement each other. The EDA suggested that Schauer investigate that option. The EDA would welcome the addition of Schauer's business in Elysian.

On motion by Ritchison, seconded by Opsahl, all voting in favor, meeting adjourned at 8:25 pm.

Attest:

Mack Evans, President

Lorri Kopischke, Administrator

CITY OF ELYSIAN
ECONOMIC DEVELOPMENT AUTHORITY
RESOLUTION NUMBER: 08/19

A RESOLUTION AUTHORIZING THE SALE OF REAL ESTATE.

WHEREAS, the Elysian Economic Development Authority owns that real estate identified on attached Exhibit A, Le Sueur County Minnesota, and;

WHEREAS, the aforementioned real estate is currently listed for sale, and;

WHEREAS, APS Johanson Properties, LLC has presented an offer to the Elysian Economic Development Authority for the purchase of the same for \$25,000 and;

WHEREAS, Elysian Economic Development Authority took this offer into consideration and finds it to be acceptable as the sale will assist economic development within the corporate limits of the City of Elysian, enhance the City's tax base, and further growth in the City of Elysian.

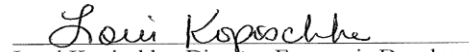
NOW, THEREFORE, BE IT RESOLVED, by the Economic Development Authority for the City of Elysian, Le Sueur County, Minnesota, as follows:

1. That Lorri Kopischke, as Director for the Elysian Economic Development Authority is hereby authorized sign any and all documents necessary to accomplish the sale of the real estate identified on attached Exhibit A to APS Johanson Properties, LLC.

This was passed this 21st day of February, 2019, by the Elysian Economic Development Authority.



Mack Evans, President – Elysian Economic Development Authority



Lorri Kopischke, Director-Economic Development Authority

Exhibit "A"

Part of the Southwest Quarter of the Southwest Quarter of Section 35, Township 109, Range 24, Le Sueur County, Minnesota, described as follows: Commencing at the northwest corner of said Southwest Quarter of Section 35; thence on an assumed bearing of South 00 degrees 00 minutes 00 seconds West along the West line of said Southwest Quarter 1241.39 feet to the point of beginning of the tract to be described; thence continuing South 00 degrees 00 minutes 00 seconds West along said West line 325.00 feet to the northerly right of way line of the now existing State Trail; thence South 85 degrees 04 minutes 00 seconds East along said northerly right of way line 215.54 feet; thence North 00 degrees 00 minutes 00 seconds East 325.00 feet; thence North 85 degrees 04 minutes 00 seconds West 215.54 feet to the point of beginning. This tract contains 1.60 acres of land and is subject to any and all easements of record.

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
MARCH 7, 2019
ELYSIAN CITY HALL
7:00 PM

The Elysian Economic Development Authority met in regular session on Thursday, March 7, 2019 at City Hall at 7:00 pm.

Present were: President Mack Evans; Commissioners Bobby Houlihan and Steve Ritchison; Administrator Lorri Kopischke. Absent: Commissioners Mary Opsahl and Derek Westby.

On motion by Houlihan, seconded by Ritchison, all voting in favor, the minutes of the February 21, 2019 Regular Meeting were approved as presented.

On motion by Houlihan, seconded by Evans, all voting in favor, the agenda was approved as presented.

Revolving Fund Loan financial information was discussed. No payments were received from Loan #2abc, #6, #10, and #21. All other loans are current. There is \$136,519.44 in the EDA savings account. Of that amount, \$84,398.99 is unrestricted and \$52,120.45 is restricted.

On motion by Ritchison, seconded by Evans, all voting in favor, the financial report is accepted as presented.

Negotiations are still in process with Kris Miller, owner of the Fitness Center, and Brandi Rossow. Rossow has clients this evening and was not able to attend the meeting but asked if EDA assistance might be available in the form of a gap loan in the amount of \$14,000. \$7,000 would be toward the purchase price of the building and \$7,000 would be to upgrade equipment. She also requested help possibly through gifting of the installation of water service. That cost is estimated at \$8,000+.

Commissioners discussed the request. They expressed concern regarding the EDA providing assistance with the water service installation. No final determination was made.

Matt Schauer and the owners of GW Holdings, LLC are still negotiating the possibility of Schauer building an auto repair shop on their property. GW Holding would like to vacate the alley and street adjoining the property to give them more property to work with. The wetland issues will then need to be resolved.

EDA website criteria and fees were distributed. Commissioners were asked to look them over and present any suggested changes at the April EDA Meeting.

There were no visitor comments.

On motion by Houlihan, seconded by Ritchison, all voting in favor, meeting adjourned at 7:35 pm.

Attest:

Mack Evans, President

Lorri Kopischke, Administrator

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
APRIL 4, 2019
ELYSIAN CITY HALL
7:00 PM

The Elysian Economic Development Authority met in regular session on Thursday, April 4, 2019 at City Hall at 7:00 pm.

Present were: President Mack Evans; Commissioners Bobby Houlihan, Mary Opsahl, Steve Ritchison, and Derek Westby; Administrator Lorri Kopischke. Absent: None.

Derek Ringhand, Outreach Coordinator, Congressman Jim Hagedorn's Office, was also present at the meeting. EDA members asked Ringhand to look into the amount of local government aide that is allocated to the City of Elysian. It is low compared to other cities in the area.

On motion by Westby, seconded by Houlihan, all voting in favor, the minutes of the March 7, 2019 Regular Meeting were approved as presented.

On motion by Houlihan, seconded by Westby, all voting in favor, the agenda was approved with the following addition:

1. Thrifty Chix

Revolving Fund Loan financial information was discussed. No payments were received from Loan #2abc, #6, and #11. All other loans are current. The responsible party for Loan #2abc has stated that any tax return received will go toward that debt. If nothing else, they will start making consistent payments in May. There is \$137,825.37 in the EDA savings account. Of that amount, \$85,444.96 is unrestricted and \$52,380.41 is restricted.

On motion by Westby, seconded by Ritchison, all voting in favor, the financial report is accepted as presented.

Westby reported that Matt Schauer has purchased a building in Waseca and will not be locating his auto body repair shop in Elysian.

Brandi Rossow was present to discuss progress on the purchase of the Fitness Center. Rossow and Miller have now agreed to a purchase price. Miller has requested an interim use permit to continue to reside in the home on the commercial property once the property split is complete.

Issues now being addressed include the water and sewer connections. It has been determined that there is only one water connection serving both buildings. The service line comes from a curb stop in the Elysian Auto Service driveway, goes into the house on 205 East Main and there is a service line from the house to the Fitness Center. Under normal circumstances, the Fitness Center would be required to install a separate water service line. In this situation, the cost of a water service line installation is prohibitive due to all the storm sewer line under the street. Staff is recommending that a shared water agreement be filed with the properties and that the service lines be corrected at such time as Main Street East is redone. The sewer connection is feasible. The sewer main is on this property and the installation is reasonable.

Costs for the water and sewer connections are as follows: No WAC fee or water installation charges at this time. There will be a meter fee of \$240. There will be a SAC fee of \$1,600 and James Bros. has bid the sewer line installation at \$3,000. Total cost for water / sewer installation is \$4,840.

Rossow stated she will apply for a revolving loan in the amount of \$14,000. \$7,000 would be gap funding for purchase of the building and \$7,000 would be for updates and purchase of equipment. She hopes to add a treadmill, a leg press, a water rower, and a new (update) cage for the free weight system. All the current machines need to be cleaned up and maintained. Scheels will be doing this. The new machines are being purchased from Scheels. They are commercial equipment and will be maintained 2-3 times per year.

Evans commented that the Fitness Center will be more successful if the owner or an employee is on site while it is open. Rossow stated she plans to be there every day. There will be a window when the Center will be closed, and all existing cards will be deactivated. Then all new cards will be issued, door locks will be changed, and new and existing members will be asked to sign up with the new system.

Evans stated the Center is an asset for the people in the City. Instead of meeting and just talking, the people can meet and exercise. They can meet and talk and exercise. He suggested the EDA could consider helping with one half of the start up costs due to sewer and water.

Westby agreed that the Center is an asset to the community. Possibly the EDA could assist with one half of the sewer / water fees and then increase the amount of the revolving loan to cover the remaining half of those costs.

Houlihan noted that you usually do not have to pay sewer fees when you take over an existing business.

On motion by Westby, seconded by Ritchison, all voting in favor, that the Economic Development Authority would contribute \$2,500 toward the initial expense of sewer and water, and provide a revolving loan in an amount up to \$17,500 for gap funding for purchase of the building, updates and purchase of equipment, and the initial expense of sewer and water at 3% interest with the term to be determined at the time of completing and signing paperwork.

Ritchison reported that his sister has run the Thrifty Chix store for several years. Due to circumstances beyond her control the store will be closing, and she is trying to liquidate all of her merchandise. This is a huge job and there is a lot of pressure. Ritchison asked if she might be able to store her bigger items in the 118 Main Street East building.

On motion by Westby, seconded by Evans, all voting in favor, that if it is approved by the City Attorney and LMCIT, that the owner of Thrifty Chix could use the 118 Main Street East building for cold storage until June 1, 2019.

There were no visitor comments.

On motion by Houlihan, seconded by Opsahl, all voting in favor, meeting adjourned at 7:47 pm.

Attest:

Mack Evans, President

Lorri Kopischke, Administrator

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
MAY 2, 2019
ELYSIAN CITY HALL
7:00 PM

The Elysian Economic Development Authority met in regular session on Thursday, May 2, 2019 at City Hall at 7:00 pm.

Present were: President Mack Evans; Commissioners Mary Opsahl, Steve Ritchison, and Derek Westby; Administrator Lorri Kopischke. Absent: Bobby Houlihan.

On motion by Westby, seconded by Evans, all voting in favor, the minutes of the April 4, 2019 Regular Meeting were approved as presented.

On motion by Ritchison, seconded by Opsahl, all voting in favor, the agenda was approved with the following addition:

1. Benches

Revolving Fund Loan financial information was discussed. No payments were received from Loan #2abc, #6, #10, #15ab and #20. All other loans are current. The responsible party for Loan #2abc will start making consistent payments in May. There is \$139,223.67 in the EDA savings account. Of that amount, \$86,827.34 is unrestricted and \$52,396.33 is restricted.

On motion by Westby, seconded by Evans, all voting in favor, the financial report is accepted as presented.

The Commissioners considered Resolution #07/19 – A Resolution Authorizing the Write Off of Uncollectable Debt. This resolution addresses the revolving fund loan in the amount of \$12,000 to James Murphy and Kathleen Malek originally issued on July 30, 2004. There is a remaining balance of \$5,735.83 which has been deemed uncollectible.

Commissioner Westby introduced the resolution and was seconded by Commissioner Ritchison.

CITY OF ELYSIAN
ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NUMBER: 07/19
A RESOLUTON AUTHORIZING THE WRITE OFF OF
UNCOLLECTABLE DEBT

WHEREAS, the Elysian Economic Development Authority did issue a revolving fund loan in the amount of \$12,000.00 to James Murphy and Kathleen Malek on July 30, 2004 for the purpose of making lease hold improvements to the leased space in the Elysian Mini Mall located at 130 East Main Street, and;

WHEREAS, said loan was an unsecured loan with only a promissory note for security, and:

WHEREAS, the account did go into default and collection procedures were initiated in July 2009, and;

WHEREAS, sporadic payments were made over the next (9) nine years with various collection proceedings initiated as well including Order to Disclose Assets and Order to Show Cause and in February 2012 an Order for Judgement on Claim in the amount of \$7,570.00, and;

WHEREAS, James Murphy passed away on March 7, 2018 and there are no assets for collection, and;

WHEREAS, the Elysian Economic Development Authority have deemed the remaining debt on this loan in the amount of \$5,735.83 uncollectible and hence would like to remove it from the accounts receivable balances due.

NOW, THEREFORE, BE IT RESOLVED, by the Economic Development Authority for the City of Elysian, Le Sueur County, Minnesota, to approve the removal (write-off) of the amount owed by James Murphy and Kathleen Malek in the amount of \$5,735.83 and authorizes the City Auditor to make such account entries to accomplish this.

This was passed this 2nd day of May, 2019, by the Elysian Economic Development Authority.

Mack Evans, President – Economic Development Authority

Lorri Kopischke, Administrator – Economic Development Authority

Kopischke reported that Rossow and Miller are still working on finalizing the purchase of the Fitness Center. Rossow has not requested the revolving funds at this time but does have all the paperwork completed.

Commissioners discussed moving forward with the next Business Spotlight. This will be a quarterly activity rather than a monthly one. The names of all the businesses were placed in a container and a name was drawn for the next Business Spotlight. The business drawn was “The Pit Stop”.

On motion by Evans, seconded by Westby, all voting in favor, that The Pit Stop will be the next Business Spotlight. The owner will be contacted, and an update will be provided at the June meeting.

The Commissioners considered a quote for stationery and envelopes from Brown & Bigelow. The design will remain the same with the lilly pad and full color.

On motion by Westby, seconded by Ritchison, all voting in favor, to approve the quote for stationery and envelopes from Brown & Bigelow in the amount of \$769.21.

The status of the benches purchased for Main Street last fall was discussed. The benches are ready to be installed but the City Public Works has not yet had a chance to do so. The location for the benches is by the Elysian Agency and Elysian Bank. The third location, Nu Chek Prep, has declined as they have received a donated bench for their location from another source. Evans stated he would be willing to have a bench placed on his property on Main Street.

On motion by Westby, seconded by Ritchison, to place the third bench on the Evans property on Main Street. Voting on the motion: Aye: Opsahl, Ritchison, Westby. Nay: None. Abstain: Evans.

Westby noted there is one last vacant lot on the west end of State Hwy 60 in the City – PID# 16.035.9200. It is approximately 1.55 acres and is currently being used as farmland. He suggested a letter of interest in economic development of the land be sent to the owner.

On motion by Westby, seconded by Ritchison, all voting in favor, to send a letter of interest to the owner of the property known as PID# 16.035.9200, to work with the EDA in marketing that property to advance economic development.

There were no visitor comments.

On motion by Ritchison, seconded by Westby, all voting in favor, meeting adjourned at 7:26 pm.

Attest:

Mack Evans, President

Lorri Kopischke, Administrator

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
JUNE 6, 2019
ELYSIAN CITY HALL
7:00 PM

The Elysian Economic Development Authority met in regular session on Thursday, June 6, 2019 at City Hall at 7:00 pm.

Present were: President Mack Evans; Commissioners Bobby Houlihan, Steve Ritchison, and Derek Westby; Administrator Lorri Kopischke. Absent: Mary Opsahl.

On motion by Westby, seconded by Ritchison, all voting in favor, the minutes of the May 2, 2019 Regular Meeting were approved as presented.

On motion by Westby, seconded by Houlihan, all voting in favor, the agenda was approved with the following addition:

1. Small Business Saturday – Tasha Hering and Jane Conroy

Tasha Hering and Jane Conroy presented a request for the EDA to sponsor a grand prize for the 2019 Small Business Saturday event. The 2018 event was a success and they are hoping to make the 2019 event even better. A punch card will be provided and as people patronize the businesses, their card will be punched. They will fill in their name and phone number and leave at the last business where the card was punched. Hering will pick up the punch cards and there will be a drawing for a grand, second and third prize.

Evans suggested the prize be Elysian Bucs. That way the money would be spent back in the community and benefit the businesses.

Conroy stated the event was such a success in 2018. It is a good thing to see all the businesses working together and they just want to see the event keep getting bigger and better. Small Business Saturday will be November 30th. This year a couple more business owners are planning to participate which will open it up for more vendors. They will do a lot of advertising this year including handing out flyers at the 4th of July Flea Market.

On motion by Westby, seconded by Houlihan, all voting in favor, to sponsor the grand prize for the 2019 Small Business Saturday of \$100 Elysian Bucs.

Revolving Fund Loan financial information was discussed. Loan #6 has now been officially removed from the receivables. The responsible party for Loan #2abc made a partial payment this month. All other loans are current. There is \$123,628.37 in the EDA savings account. Of that amount, \$70,972.44 is unrestricted and \$52,655.93 is restricted.

On motion by Houlihan, seconded by Ritchison, all voting in favor, the financial report is accepted as presented.

The sale of the Fitness Center to Rossow is still pending. There have been some issues with the title work.

The Business Spotlight article for The Pit Stop is in progress. The goal is to have it live on the website by the 4th of July celebration.

The Commissioners discussed the property at 118 Main Street East. No public comment or inquiries have been received.

On motion by Westby, seconded by Houlihan, all voting in favor, to order a banner sign advertising building for sale and to contact realtors to see what they would charge to list the property.

Kopischke reported that she had met with the owner of Parcel ID# 16.035.9200 and there is some interest in selling the property. On motion by Evans, seconded by Ritchison, all voting in favor, to authorize Kopischke to negotiate with the owner of Parcel ID# 16.035.9200 for the purchase of the property in an amount up to \$25,000.

The next EDA meeting is scheduled for July 4. On motion by Westby, seconded by Houlihan, all voting in favor, to cancel the July 4, 2019 Elysian Economic Development meeting and to meet again on Thursday, August 1, 2019 at 7:00 pm.

There were no visitor comments.

On motion by Houlihan, seconded by Ritchison, all voting in favor, meeting adjourned at 7:50 pm.

Attest:

Mack Evans, President

Lorri Kopischke, Administrator

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
AUGUST 1, 2019
ELYSIAN CITY HALL
7:00 PM

The Elysian Economic Development Authority met in regular session on Thursday, August 1, 2019 at City Hall at 7:00 pm.

Present were: President Mack Evans; Commissioners Mary Opsahl and Steve Ritchison; Administrator Lorri Kopischke. Absent: Bobby Houlihan and Derek Westby.

On motion by Ritchison, seconded by Opsahl, all voting in favor, the minutes of the June 6, 2019 Regular Meeting were approved as presented.

On motion by Ritchison, seconded by Opsahl, all voting in favor, the agenda was approved with the following addition:

1. Bulletin Board at Alley Scoops

Revolving Fund Loan financial information was discussed. Loan #11 has paid their loan in full. Loan #2abc has made partial payment. All other loans are current. There is \$156,989.92 in the EDA savings account. Of that amount, \$103,818.77 is unrestricted and \$53,171.15 is restricted.

On motion by Ritchison, seconded by Evans, all voting in favor, the financial report is accepted as presented.

The sale of the Fitness Center to Brandi Zishka-Rossow is finalized. She will be holding an Open House on August 14, 2019 from 2 to 5:30 pm. The EDA will bring down some cookies or bars.

The Business Spotlight featuring the Pit Stop went live shortly before the 4th of July festivities. It turned out well. The EDA will choose another business at the September meeting.

The "For Sale" banner was purchased and hung on the building at 118 Main Street East shortly before the 4th of July. There has been some interest in the property and three people have requested showings. Century 21 was contacted, and they are not interested in listing the property. It was suggested that the Le Sueur County Historical Society be contacted to see if they would be interested in the building.

The owner of the property on West State Highway 60 was contacted and the offer of \$25,000 was discussed. The owner will discuss with co-owners and be back in touch.

Evans reported that the owner of Alley Scoops has constructed a large wooden painted map of the lakes in the area and has now added a large wooden bulletin board next to it. The owner's vision is to have flyers and handouts from various business in the area available on the bulletin board. He is asking for cooperation and possibly financial assistance from the Chamber of Commerce, Lake Area Women and the EDA. The Commissioners are interested in the project but requested a more specific proposal.

There were no visitor comments.

On motion by Ritchison, seconded by Opsahl, all voting in favor, meeting adjourned at 7:25 pm.

Attest:

Mack Evans, President

Lorri Kopischke, Administrator

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
SEPTEMBER 5, 2019
ELYSIAN CITY HALL
7:00 PM

The Elysian Economic Development Authority met in regular session on Thursday, September 5, 2019 at City Hall at 7:00 pm.

Present were: Vice President Derek Westby; Commissioners Bobby Houlihan, Mary Opsahl and Steve Ritchison; Administrator Lorri Kopischke. Absent: Mack Evans.

On motion by Opsahl, seconded by Houlihan, all voting in favor, the minutes of the August 1, 2019 Regular Meeting were approved as presented.

On motion by Westby, seconded by Houlihan, all voting in favor, the agenda was approved with the following addition:

1. Regularly Scheduled Meeting Times

Jane Doran, the owner of JATO Properties, LLC and OnFireGuy, LLC was present to discuss a request from both companies for a revolving loan. Doran stated she has lived in Elysian seventeen years. She explained that her brother started a company of online sales in 2011 and when he got busy, he asked her to help. In March of 2012 the business blew up. She started in her bedroom and the business has expanded to include her basement, garage and seven storage sheds. She lost her brother in 2017 and now runs the business on her own.

OnFireGuy, LLC is an ecommerce business that sells a variety of products. This business has been valuable to keeping the local post office open with consistently doing over \$100,000 postage annually.

JATO Properties, LLC has purchased the mini mall located at 122-130 East Main Street and will be leasing space to the Post Office and OnFireGuy, LLC. The warehouse will be located on the east end of the building, the office, production and breakroom will be in the center, and the post office will remain on the west end of the building.

JATO Properties, LLC is requesting a \$15,000 revolving loan for exterior remodel of the building to include: repair and replace store front, replace three doors, remove and replace steps in back, patch and paint siding, remove ramp in back and make it a loading dock, and seal coat parking lot.

OnFireGuy, LLC is requesting a \$15,000 revolving loan for inside remodel of two out of three sections of the building to include: remove drop ceiling, remove tile and carpet on east section, remodel bathrooms to code, add two doors to allow Post Office to expand its section, and update lighting.

Doran stated her ecommerce business has been operating for eight years and is tax registered in forty states. The business has five full-time employees, one employee who works four – seven-hour shifts per week, Doran's daughter works part-time, and her son is her on-call IT support. The business plan includes the hire of two more employees once things are settled in.

The expansion will save money and time but eliminating the need for the storage sheds, being able to unload pallet freight at this location rather than having it unloaded at Nifty Home Products in Madison Lake and having to go pick it up, and being right next to the post office rather than having to transport all the goods into town to ship them from the post office.

On motion by Westby, seconded by Houlihan, all voting in favor, to approve a revolving loan to Jane Doran, owner of OnFireGuy, LLC, in the amount of \$15,000 for a period of 84 months at 3% interest for inside remodel of two of the three sections of the property located at 122-130 East Main Street.

On motion by Westby, seconded by Houlihan, all voting in favor, to approve a revolving loan to Jane Doran, owner of JATO Properties, LLC, in the amount of \$15,000 for a period of 84 months at 3% interest for exterior remodel of the property located at 122-130 East Main Street.

Revolving Fund Loan financial information was discussed. Loan #2abc did not make a payment this month. All other loans are current. There is \$159,159.37 in the EDA savings account. Of that amount, \$105,730.69 is unrestricted and \$53,428.68 is restricted.

It was noted that Loan #9 has paid the twelfth consecutive \$100 payment in July. The signed agreement with the responsible party was that when twelve consecutive payments were made, a corresponding adjustment of the same amount, \$1,200, would be made to reduce the balance due. Kopischke asked if any arrangement would be made for the next twelve months. On motion by Opsahl, seconded by Ritchison, all voting in favor, to extend the agreement with the responsible party of Loan #9 for one year – that if \$100 payments are made each month, that at the end of twelve months, \$1,200 of debt will be forgiven.

On motion by Opsahl, seconded by Ritchison, all voting in favor, the financial report is accepted as presented.

Kopischke provided an update on the Visitor Information Board that the owner of Alley Scoops, Joe Meixl, has constructed on the property. Kopischke and a representative of Elysian Area Chamber of Commerce (EACC) have met with Meixl. Meixl would like to add pamphlet holders and provide business owners the opportunity to create an 8' x 4' pamphlet to include on the Board. He has been given a group rate from Paragon Printing in Mankato of \$45 for individual brochure design, \$45 to create an individual logo, and \$24 to print 50 brochures. The pamphlet holders are estimated to cost a total of \$600.

The request has been made for the EDA to pay for the pamphlet holders in the amount of \$600 and the EACC will pay the \$24 fee for the pamphlets to be printed. The Commissioners discussed the request. They declined the request. They suggested it would be more appropriate for the EDA to pay for the printing of the individual pamphlets. This would be a direct benefit to an individual business. Kopischke will continue discussions with Meixl and the EACC.

Commissioners discussed moving forward with the next Business Spotlight. The names of all the businesses who have not yet been the spotlight were placed in a container and a name was drawn. The business drawn was "Mama Mercantile".

On motion by Westby, seconded by Ritchison, all voting in favor, that Mama Mercantile will be the next Business Spotlight. The owner will be contacted, and an update will be provided at the October meeting.

The building at 118 East Main Street was discussed. Kopischke reported the building is deteriorating rapidly. The roof has gotten worse and more of the roof has fallen into the building. During discussions of the remodel of the mini mall, Doran had stated that the shingles were blowing off onto her building and that the water was running under the EDA building and heaving up the sidewalk next to the post office.

On motion by Westby, seconded by Ritchison, all voting in favor, to contact Timm's Trucking & Excavating and request an update to the quote for demolition of the EDA owned building at 118 Main Street East and to approach Jane Doran if she is interested in splitting the cost of demolition of the building and the land would then be given to her at no charge. The EDA would also offer to make an exception and offer a revolving loan for Doran's cost of half of the demolition.

On motion by Westby, seconded by Houlihan, all voting in favor, to consult with the City Attorney and, if possible, to change the meeting start time from 7:00 to 6:00 pm.

Commissioners directed staff to contact the owner of the property on West State Highway 60 to ask if there is a counteroffer for purchase of the property.

There were no visitor comments.

On motion by Westby, seconded by Houlihan, all voting in favor, meeting adjourned at 8:05 pm.

Attest:

Derek Westby, Vice President

Lorri Kopischke, Administrator

**ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
OCTOBER 3, 2019
ELYSIAN CITY HALL
7:00 PM**

The Elysian Economic Development Authority met in regular session on Thursday, October 3, 2019 at City Hall at 7:00 pm.

Present were: President Mack Evans; Commissioners Steve Ritchison and Derek Westby; Administrator Lorri Kopischke. Absent: Commissioners Bobby Houlihan and Mary Opsahl.

On motion by Westby, seconded by Ritchison, all voting in favor, the minutes of the September 5, 2019 Regular Meeting were approved as presented.

On motion by Evans, seconded by Ritchison, all voting in favor, the agenda was approved with the following addition:

1. Rusty Flamingo Grand Opening October 12 & 13, 2019

At the September 5, 2019 meeting, a motion was made to update the quote from Timm's Trucking to demo the EDA owned building on Main Street and approach Jane Doran to see if she would be interested in sharing the cost of the demolition. Once the building was gone the property would be deeded to her for no cost. Staff did meet with Doran and she is interested but she expressed concern with the possible added expense of asbestos and hazardous waste removal. Since speaking with Doran, the EDA had ASBESTROL, Inc. conduct an inspection of the building and has provided a report to show that the building is asbestos and hazard free.

With the building being clear of asbestos and hazardous material, the cost to demolish the building and restore the turf is \$14,850. Timm's Trucking could do the work in November or December of this year.

Jane Doran, the owner of JATO Properties, LLC was present to discuss this opportunity. Doran reported that the building and property at 122-130 Main Street East is in much worse shape than she had been aware of. Her costs to get the property up to code and working order are 50% more than she had anticipated. She is interested in the acquiring the EDA property, but it would be difficult to assume any more debt at this time.

Doran again noted the issues with the EDA owned building such as the water draining onto her property and causing problems with the sidewalk and shingles flying off the roof. The Commissioners proposed a deferment of the payment for half of the demolition for 12 months and discussed an amount and term. Doran stated she could not agree to a required timeline to build on the property and she could not say exactly what she would build on that site. She does not have that in her plan at this time.

On motion by Westby, seconded by Ritchison, all voting in favor, to sell the parcel of real estate with the PID # of 16.440.0620 to JATO Properties, LLC with the following conditions:

1. The EDA will remove the structure that is currently there at a cost of \$14,850.
2. JATO Properties, LLC will pay \$7,000 for the property via a revolving loan through EDA with a 10-year term at 3% interest. Payments will be deferred for one year from the date of signature of the purchase agreement.
3. JATO properties will be deeded the parcel immediately upon receipt of first revolving loan payment.

4. There will be no timeline on development of the property and no stipulations as to what is developed on the property except that it must adhere to City of Elysian Zoning requirements.
5. The EDA will be responsible for maintenance and taxes until the deed for the property is transferred.

Westby stated he felt this is a good fit as the property is so narrow it would be difficult for anyone else to develop it.

Evans stated this is a win for both parties involved. The EDA will be cleaning up the area on Main Street and Doran will have the opportunity to expand her business and this will eliminate some of the problems she is dealing with on the site.

Doran stated this will be an improvement and definitely make it safer for the community.

Revolving Fund Loan financial information was discussed. Loan #2bc did not make a payment this month. All other loans are current. Current EDA savings account information is not available at this early date in the month.

On motion by Westby, seconded by Ritchison, all voting in favor, the financial report is accepted as presented.

Kopischke reported meetings continue with the owner of Alley Scoops and representative of the Elysian Area Chamber regarding a Visitor Information Board on the Alley Scoops property. An update will be provided at the November EDA meeting.

Mama's Mercantile has agreed to be the October 2019 Business Spotlight. The article is being written. Kopischke will contact two Commissioners when the plaque arrives for a photograph.

The owner of the property on West State Highway 60 has been contacted and will be back in touch with the EDA to let them know if there is a counteroffer for purchase of the property.

The City Attorney has informed that a public hearing would be required to change the start time of the EDA regular meetings. The Commissioners will wait and address this at the first meeting of 2020.

There were no visitor comments.

On motion by Westby, seconded by Ritchison, all voting in favor, meeting adjourned at 7:46 pm.

Attest:

Mack Evans, President

Lorri Kopischke, Administrator

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
NOVEMBER 7, 2019
ELYSIAN CITY HALL
7:00 PM

The Elysian Economic Development Authority met in regular session on Thursday, November 7, 2019 at City Hall at 7:00 pm.

Present were: President Mack Evans; Commissioners Bobby Houlihan, Mary Opsahl, and Derek Westby; Administrator Lorri Kopischke. Absent: Commissioner Steve Ritchison.

On motion by Westby, seconded by Houlihan, all voting in favor, the minutes of the October 3, 2019 Regular Meeting were approved as presented.

On motion by Opsahl, seconded by Westby, all voting in favor, the agenda was approved as presented.

Revolving Fund Loan financial information was discussed. Loans #2abc and #23 did not make a payment this month. All other loans are current. Current EDA savings account information is not available at this early date in the month.

On motion by Houlihan, seconded by Westby, all voting in favor, the financial report is accepted as presented.

Kopischke reported meetings continue with the owner of Alley Scoops and representative of the Elysian Area Chamber (EAC) regarding a Visitor Information Board on the Alley Scoops property. The EAC will be paying for the holders on the sign and the EDA will be paying for the printing of the brochures on card stock to go into the holders. There will be several categories including eateries, services, activities and campgrounds. The focus will be cities along the Sakatah Trail with outreach to other nearby cities for wineries, breweries, and waterparks.

The owner of the property on West State Highway 60 is not interested in cooperating with the EDA on the sale of their land. They suggested that if there is anyone who stops in and asks about the land, that the City Staff refer them to the owner. They are not interested in making a counteroffer for sale at this time.

The Commissioners discussed the shortage of childcare centers in the area. It was suggested to contact the owner of the Clubhouse to see if they might be interested in marketing the building for use as a childcare center.

It was noted that there may be some parts of the Main Street building that is scheduled to be demolished that may have historical value. This will be investigated prior to it being demolished.

There were no visitor comments.

On motion by Westby, seconded by Evans, all voting in favor, meeting adjourned at 7:27 pm.

Attest:

Mack Evans, President

Lorri Kopischke, Administrator

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
DECEMBER 5, 2019
ELYSIAN CITY HALL
7:00 PM

The Elysian Economic Development Authority met in regular session on Thursday, December 5, 2019 at City Hall at 7:00 pm.

Present were: President Mack Evans; Commissioners Bobby Houlihan, Mary Opsahl, Steve Ritchison, and Derek Westby; Administrator Lorri Kopischke. Absent: None.

On motion by Houlihan, seconded by Westby, all voting in favor, the minutes of the November 7, 2019 Regular Meeting were approved as presented.

On motion by Westby, seconded by Houlihan, all voting in favor, the agenda was approved as presented.

Revolving Fund Loan financial information was discussed. Loans #2bc and #20 did not make a payment this month. All other loans are current. The responsible party for Loan #19 sold their building and paid their loan in full. The EDA savings account balances are \$109,063.45 unrestricted and \$39,442.41 restricted.

On motion by Ritchison, seconded by Evans, all voting in favor, the financial report is accepted as presented.

Kopischke presented a recap of the EDA activities for 2019 as follows:

Recap of EDA 2019

Helped to facilitate the retention of the Fitness Center in the City. Provided a revolving loan and assisted with water service and sewer installation costs. Provided treats and EDA Commissioner and staff attended open house.

Sold the EDA owned land on State Highway 60. New business opening soon.

Published (2) Business Spotlights on the EDA Website – The Pit Stop and Mama’s Mercantile.

Installed (3) three benches on Main Street for public enjoyment.

Approached owner of last remaining commercial property on State Highway 60 to let them know the EDA is interested in the property and/or interested in helping them market it.

Donated \$100 Elysian Bucs for the grand prize for Small Business Saturday.

Provide revolving loan to assist new business on Main Street East.

Marketed building and property on Main Street East. Made final decision to share cost to demolish building with next door business owner and provide clear property to that same business owner for expansion or development.

Work with owner of Elysian Scoops to develop visitor’s information board on Sakatah Trail.

Welcomed new business on East State Highway 60. Provided treats and EDA Commissioner attended open house.

On motion by Houlihan, seconded by Ritchison, all voting in favor, to not hold an EDA meeting in January 2020, and to hold the next Regular EDA meeting on February 6, 2020.

Kopischke reported she had contacted the owner of the Clubhouse and she was very interested in the possibility of marketing the building for use as a childcare center. There are also loans available now through the Southern Minnesota Initiative Foundation.

Kopischke reported Staff is working with a historian on removing any items of historic value from the Main Street building. It is still scheduled to be demolished in December.

There were no visitor comments.

On motion by Ritchison, seconded by Houlihan, all voting in favor, meeting adjourned at 7:23 pm.

Attest:

Mack Evans, President

Lorri Kopischke, Administrator