

**Lanesboro EDA Board Meeting
Regular Meeting Agenda
Thursday, April 4, 2024 at 10:30 a.m.
Lanesboro Community Center Meeting Room and Zoom**

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1. Call to Order/Roll Call

Members: ___ Tom Pursell ___ Linda Tacke ___ Joe Goetzke
 ___ Jason Resseman ___ Michael Boho
Staff: ___ Cathy Enerson ___ Darla Taylor ___ Mitchell Walbridge
Guests:

2. Approve the Agenda:

Motion _____ Second _____

3. Public Comments

4. Approval of the Consent Agenda:

A. [Minutes of Regular EDA Meeting, March 7, 2024](#)

B. [March Financial Reports](#)

Motion _____ Second _____

5. Department Reports:

A. Council Reps/City Administrator/Planning and Zoning Report:

B. Chamber - Report:

C. School Board - Report:

6. Revolving Loan -Updates

7. Continued Business

A. 2024 Work Plan & Strategic Goals

- [New Folder](#) with Previous work plan

- Local Comp Plan, Winter Tourism Report, CEDS Plan Goals, and [EDA Member and Council Survey](#)

B. LEAN Meeting - April 24, 2024 - [Summary of March 14th REV meeting](#)

C. Insights Data - status

8. New Business

A. [Blandin Foundation - Small Communities & Rural Placemaking Grant](#)

B. [Other Grant Opportunities](#)

C. Information items: [proposed legislative changes](#), [disaster relief funding](#), [senior housing funding examples](#), County Ag Summit

9. Miscellaneous

Next Meeting: Thursday, May 2, 2024 at 10:30 a.m.

Adjourn Regular Meeting

**Lanesboro Economic Development Authority
Regular Meeting
Thursday, April 4, 2024 – 10:30 a.m.
Council Chambers & Zoom**

Present Members: X Tom Pursell Linda Tacke X Joe Goetzke
 X Jason Resseman X Michael Boho

Staff: X Cathy Enerson X Darla Taylor X Mitchell Walbridge

Guests: Mark Lawstuen, Jonathan Levine, Sarah Peterson, Bonita Underbakke

Member Tacke was present via Zoom, but did not participate in discussion or vote as her location was not posted on the meeting agenda.

1. **Call to Order:** Member Resseman called to order the Regular Meeting of the Lanesboro Economic Development Authority at 10:30 a.m.
2. **Agenda:** Cathy Enerson, EDA Director, requested Business Promotion Information be added as a business item under Miscellaneous. Member Pursell entered a motion to approve the agenda with the requested addition; Member Goetzke seconded the motion. Motion carried with all in favor.
3. **Public Comments:** No comments were shared.
4. **Consent Agenda:**
 - A. Minutes of the Regular EDA Meeting, February 1, 2024
 - B. February Financial ReportsMember Goetzke entered a motion to approve the Consent Agenda; Member Pursell seconded the motion. Motion carried with all in favor.
5. **Department Reports:**
 - A. City Council/City Administrator/Planning and Zoning:

Member Goetzke shared that the city council, along with the Planning and Zoning Commission and Heritage Preservation Commission, began the process of reviewing ordinances and evaluating the permitted land uses around short term lodging. The city council also split the one-time Public Safety Aid funds that the city received between the police department and fire department.

Member Resseman also commented on Planning and Zoning’s efforts to review short term rental regulation in the community. In addition, Planning and Zoning did an initial review of Zach Lind’s food stand plan for the downtown lot. Members of the Zoning Commission expressed concerns about how the plan fits within the guidelines of existing ordinances. More information will be reviewed, and the Heritage Preservation Commission will still need to approve the aesthetics of the plan.
 - B. Chamber of Commerce: Member Goetzke shared the Chamber report. Member Goetzke stated he has taken over as the Chamber of Commerce’s executive director. He and Alison Leathers recently attended the Explore Minnesota Tourism conference. Member Goetzke presented that the Chamber will continue with the Depot Delivery communications and a monthly newsletter. The Chamber’s website underwent a homepage refresh and development of a new website is in progress. Visitor’s Guides are being distributed and there is now an opportunity to view an electronic edition. Member Goetzke is also moving forward with the Chamber’s rebranding process. The Chamber is also inviting a group of influencers/bloggers to Lanesboro to experience what Lanesboro has to offer.

Members of the group will in turn author articles and blogs that will be marketed to different publications.

- C. School Board: School board member Sarah Peterson stated that a contract negotiation proposal with the district's teachers is being considered. The school board also has an upcoming retreat workshop. As always, the district needs bus drivers, kitchen staff, and paraprofessionals.

6. Revolving Loan:

- A. Lind Update: EDA Director Enerson will reach out to Zach Lind with an update on the EDA Board's position as Lind continues to work through his proposal with the City.

7. Continued Business:

- A. USDA Loan Submission: EDA Director Enerson shared the application to the USDA has been submitted. The award announcement for the application is expected in May.
- B. 2024 Work Plan & Strategic Goals: EDA Director Enerson informed members of the resources available to members. The next step is to refine a survey before it is distributed. Member Goetzke and Member Boho will meet with Director Enerson in March to review the survey.
- C. Housing Investment and Programs for 2024-2025:
 - a. Local Housing Trust Fund: Members discussed whether a Local Housing Trust Fund should be formed. Matching funds from the City would be required. Members discussed the need and level of priority of the Trust Fund. Member Goetzke noted that it likely would be challenging for the City to levy tax dollars to receive the match from the state. No action was taken.
 - b. Local Tax Credits: EDA Director Enerson reminded members of the opportunity for individuals to take advantage of the local tax credit opportunity. Member Resseman entered a motion to have EDA Director Enerson share the information with local accountants and tax preparers; Member Goetzke seconded the motion. Motion carried with all in favor.

8. New Business:

- A. Lanesboro Visitor's Guide Contribution: In the past the EDA and Lanesboro Public Schools have contributed funds to offset the cost of the business directory in the Chamber of Commerce's Visitor's Guide. \$750.00 was requested from the EDA by the Chamber. Member Pursell entered a motion to contribute the requested \$750 from the EDA's Project Funds; Member Boho seconded the motion. Motion carried with Members Pursell, Boho, and Resseman voting in favor. Member Goetzke abstained.
- B. REsimplifi Onboarding: Director Enerson shared information about the REsimplifi system and how it aids in commercial property listings.
- C. LEAN Meeting: Director Enerson shared the date of the next LEAN meeting has changed to April 24 at 6:00 p.m.
- D. REV Meeting: Director Enerson is planning to attend the March 14 REV meeting. Members of the EDA are also encouraged to attend if they are available.
- E. Paint the Town Grant and Educational Opportunities: Director Enerson shared various grant and educational opportunities with members.

- 9. **Miscellaneous:** Director Enerson provided a recap of the last Lanesboro Business Promotion Group meeting and how members of the group discussed the EDA's role in filling downtown storefronts. Director Enerson stated that through CEDA, insights are available regarding the business needs of particular industries. Member Goetzke added that the conversation stemmed from concern over the proliferation of VRBO's and Airbnb's in Lanesboro. Director Enerson also shared the Light Up Sylvan Park holiday-themed light show is in development.

Draft 03/07/2024

Member Resseman adjourned the meeting at 11:35 a.m.

Respectfully submitted,

Mitchell Walbridge
City Administrator/Clerk

EDA 2024 March Financials

Fund Abbrev	Fund	Dept	Account Descr	Current Period	March 2024 Amt	2024 YTD Amt	2024 YTD Budget	%YTD Act Budget	Status
Expenditure									
EDAOPER	250	46500	E 250-46500-100 Wages and Salaries	March 2024	\$0.00	\$0.00	\$900.00	0.00%	Active
EDAOPER	250	46500	E 250-46500-122 FICA	March 2024	\$0.00	\$0.00	\$90.00	0.00%	Active
EDAOPER	250	46500	E 250-46500-210 Operating Supplies	March 2024	\$5,800.00	\$14,079.22	\$12,500.00	112.63%	Active
EDAOPER	250	46500	E 250-46500-300 Professional Svcs	March 2024	\$0.00	\$3,800.50	\$15,203.00	25.00%	Active
EDAOPER	250	46500	E 250-46500-445 EDA Project	March 2024	\$750.00	\$750.00	\$5,000.00	15.00%	Active
Revenue									
EDAOPER	250	46500	R 250-46500-36200 Miscellaneous	March 2024	\$0.00	\$458.37	\$2,000.00	22.92%	Active
EDAOPER	250	46500	R 250-46500-36210 Interest Earnings	March 2024	\$0.00	\$0.00	\$0.00	0.00%	Active
EDAOPER	250	46500	R 250-46500-39203 Transfer from Other	March 2024	\$0.00	\$0.00	\$0.00	0.00%	Active
EDAOPER	250	46600	R 250-46600-31000 General Property	March 2024	\$0.00	\$124.42	\$33,693.00	0.37%	Active
Cash Balance as of 3/26/24 \$16,029.68									

Fund	2024 Begin Balance	Receipts	Disbursements	Transfers	Journal Entries	Payroll JEs	Balance
620 - EDA Loan Funds Flexible	\$13,444.78	\$4,470.90	(\$3,136.45)	0	\$0.00	\$0.00	\$14,779.23
625 - EDA USDA Loan Funds	\$866.69	\$4,094.57		0	\$0.00	\$0.00	\$4,961.26

F&M Cash Balance as of 3/26/24 \$19740.49

Loan Client Payment Status as of 3/27/24

CLIENT	STATUS	BALANCE
Skelly	On-Time	\$ 29,038.35
Lind	On-Time	\$ 13,147.75
Pfeffer	Past Due 3/1/24	\$ 67,613.85
Harvey	On-Time	\$ 34,190.87
Claras	On-Time	\$ 19,074.91
Palmer	On-Time	\$ 29,653.24
Shipton	On-Time	\$ 36,436.62
Madland	Past Due 3/1/24	\$ 629.59
Erwin	In Collections	\$ 1786.40

2024 Regional Goals for Economic Development and Community Development

[2024 Southeast Minnesota Comprehensive Economic Development Strategies \(CEDS\) Report](#)

ECONOMIC COMPETITIVENESS

Strategic Direction and Action Plan

GOAL ONE Retain and expand current businesses in regional industry clusters including, but not limited to, food and agriculture, manufacturing, healthcare, hospitality and tourism, and education. Strategies:

1. Implement a regional business retention program by engaging with existing employers.
2. Provide training and coaching for small and medium-sized enterprises.
3. Support growth through global trade missions and hosting international delegations.
4. Identify key supply chain firms (based on needs of our regional businesses) to encourage their relocation to our region to reduce shipping costs and shipping time for our local firms, and to strengthen our regional businesses' position for access to supplies.
5. Connect businesses with local suppliers.
6. Collaborate with farmer support organizations with existing training, mentoring and land access programs to develop additional opportunities for beginning and retiring farmers.

GOAL TWO Increase entrepreneurship and innovation commercialization. Strategies:

1. Increase awareness of tools and resources available to support the creation of new businesses.
2. Create initiatives which seed new ideas and provide early-stage funding.
3. Grow investor groups and investment opportunities to encourage innovative ideas.
4. Foster ecosystems which create an environment to advance high-tech companies.

5. Map entrepreneurs and resource opportunities to increase collaboration and business growth potential.

GOAL THREE Maximize existing regional economic development resources and assets. Strategies:

1. Explore models of formal regional collaboration that allow access to special economic development funding through the Economic Development Administration.

Comprehensive Economic Development Strategy COMMUNITY RESOURCES Strategic Direction and Action Plan

GOAL ONE Advance the tourism and agritourism sectors to expand local economic development, attract visitors and new residents, and encourage resident retention. Strategies:

1. Increase collaborative peer learning and networks to identify funding resources which advance business and visitor opportunities.

2. Coordinate regional tourism development and promotional efforts to attract diverse visitors and retain engaged residents.

3. Develop new tourism-related businesses.

4. Invest in assets such as arts and culture, parks, trails, and other recreation attractions that enhance the region's high quality of life and tourism industry.

5. Create or elevate a regional "brand" to showcase the assets available.

GOAL TWO Increase regional collaboration and cooperation. Strategies:

1. Promote collaborative sharing, encourage regional communication and activate networks to move the region into action.

2. Offer regular convenings for organizations and elected leaders eager to collaborate on regional issues and opportunities.

3. Provide training and networking opportunities for local government staff and elected officials on needs and issues that affect communities in the region, including topics that require coordinated action.

4. Examine models of regional collaboration for economic development and community vitality to determine best fit for the region.

FOUNDATIONAL ASSETS Strategic Direction and Action Plan

GOAL ONE Quality and capacity of physical infrastructure, including broadband, water and wastewater, roads and energy, meets the needs of residents and businesses. Strategies:

1. Develop capacity and technical assistance for small and rural cities to apply for federal and state financing and grant programs.
2. Provide capital improvement planning resources and assistance to local governments.
3. Coordinate regional communication encouraging state legislators to help fund communities' water and wastewater facility needs that protect source water.
4. Increase broadband access in underserved communities.
5. Explore regional waste management solutions for the recycling and reuse of materials that would otherwise be in the waste stream.

GOAL TWO Expand affordable housing availability, including ownership, rental, mixed-use and multifamily options, with creative solutions. Strategies:

1. Work with developers, financial institutions and investors to increase production of affordable housing options.
2. Research innovative models for broad-scale housing rehabilitation, preservation and new development.
3. Work with city and county governments to design incentive programs that accelerate production of housing at all levels of affordability.
4. Educate communities on opportunities to increase affordable housing through residential zoning changes.
5. Explore investments and infrastructure that encourage sustainable development.

GOAL THREE Increase options for affordable, quality childcare and elder caregiving services. Strategies:

1. Expand availability of childcare options, including center, in-home and flexible work schedules.
2. Provide resources and build capacity to maintain existing operations and provide alternative options.
3. Explore and evaluate creative solutions to providing care services.
4. Research innovative childcare business models.

5. Explore creative solutions to streamline requirements and regulations for childcare providers.

GOAL FOUR Communities in the region have established climate-readiness and resilience plans. Strategies:

1. Connect local government leaders to existing programs that provide guidance for sustainable community development approaches and infrastructure investments.

2. Support transitions to clean energy alternatives.

3. Invest in electric vehicle charging infrastructure to ensure adequate coverage across the region.

4. Establish local, county and regional disaster mitigation plans.

5. Promote regional collaborations to highlight and leverage existing resources.

6. Educate residents about the complexity and interconnectedness of climate issues and impacts.

7. Provide training and education opportunities that support the transition to green jobs.

GOAL FIVE Maintain productive agricultural and working lands. Strategies:

1. Collaborate with agricultural producers to identify planning, training and technical assistance needs.

2. Explore financial models that transition farmland to new owners and operators that retains wealth for landowners and communities.

GOAL SIX Sustain interregional commerce, trade and access to services by building a resilient and collaborative transit and transportation network.

Strategies:

1. Establish a regional Transit Management Organization to identify and implement transportation solutions.

2. Support community planning and investment for “park and ride” sites.

3. Encourage development that locates transit hubs for commuters near childcare centers, healthcare providers and elder care facilities.

4. Leverage state and federal funding for all forms of transit and transportation (water, rail, roads)

HUMAN CAPITAL

GOAL ONE Reduce the workforce shortage through retention, upskilling, training and education programs. Strategies:

1. Collaborate with local employers to understand workforce needs and provide training resources.
2. Collaborate with K–12 school districts and institutions of higher education to develop relevant career pathways and on-the-job training opportunities.
3. Collaborate with regional community colleges to fast-track training for our region of needed skills to alleviate immediate workforce shortages in critical careers as identified by businesses, local government and other organizations.
4. Research workforce models which increase business efficiency.
5. Create training, support and pathways to employment for people with barriers to employment.

GOAL TWO Attract and retain residents by creating a welcoming and inclusive environment. Strategies:

1. Work with communities and employers to develop strategies that encourage and elevate cultural diversity, equity and inclusion.
2. Increase collaborations between local organizations to build community inclusion and organizational capacity.
3. Work with communities and organizations across the region to promote Southeast Minnesota to other targeted states as a place with good jobs, great quality of life and welcoming environment. Select target states by workforce availability, skill sets or other regional needs.
4. Work with communities and organizations across the region to promote Southeast Minnesota to former residents, people who grew up here, people who went to college here, people with business connections here, and others with experience in our region as a place with good jobs, great quality of life, and a welcoming environment.

Page 22 - Areas of resilience, Areas of vulnerability

Areas to focus on for the County - Economic Development and Environment

Page 26 - Measurements - markers for improvements - What would success look like

2020 City of Lanesboro Comp Plan Economic Development Objectives

[Comprehensive plan \(lanesboro-mn.gov\)](http://lanesboro-mn.gov)

Goal: Support and expand the City's existing economic base. Objectives:

- Work with existing businesses to remain or expand on their current sites or to relocate to more appropriate sites.
- Use the City's tools of zoning, capital improvement plans, and transportation plans to support development.
- Ensure that city processes and regulations related to land development, permits, and construction are easy to understand.
- Enact key steps in the Arts Campus Vision Plan that stimulate economic growth of the arts community.

Goal: Provide adequate land and infrastructure to make locations within Lanesboro attractive to businesses. Objectives:

- Ensure an adequate supply of land for business location and target new areas for businesses in the Land Use Plan.
- Plan for and expand public utilities and streets to the industrial park area when needed and when financially feasible.

Goal: Study redevelopment of city-owned property along Root River near Downtown.

- Evaluate opportunities for higher density housing in the core of the city.

With the community's projected growth, older housing stock, and zero homes built 2014 or later, strategic planning for future housing will be key. The following are efforts that Lanesboro can take to encourage a healthy future housing stock:

- Continue to enforce standards for housing and property maintenance
- Support property inventory and inspection programs to ensure adequate housing conditions

- Encourage neighborhood groups to organize voluntary community efforts to support neighborhood livability.
- Protect residential areas from the encroachment of incompatible uses and promote the regulation of incompatible uses
- Ensure that new housing proposals address community character, access, traffic impacts, landscaping, fencing, trash handling, parking, and exterior architectural design.

Housing Goals and Objectives Housing is an essential component of the Comprehensive Plan. In addition to providing the basic need for shelter, it is important to consider the type, location, and design of housing can help define the character and livability of neighborhoods. As Lanesboro continues to grow and develop, housing should also evolve to meet both current and future needs of the population. Housing is included in a Comprehensive Plan to provide guidance for decision-makers when considering new developments and renovations of the housing stock throughout the community.

Goal 1: Provide housing choices for people of all income levels and stages of life.

Objectives:

- Support the preservation and enhancement of the existing low-moderate housing stock.
- Support programs and initiatives that create a variety of affordable housing opportunities.
- Encourage the development of entry-level homes, townhomes, and senior housing choices.
- Partner with developers, nonprofits, banks, and others to create and preserve a range of housing choices.

Goal 2: Grow the housing stock in areas with available, suitable land and compatible land uses. Objectives:

- Encourage new housing in areas with existing infrastructure and utilities.
- Promote mixed use development in compact, pedestrian-friendly settings.
- Identify environmentally sensitive areas and review the land use plan to ensure new housing developments are in locations that preserve natural resources and align with community needs.

- Evaluate opportunities for higher density housing near Downtown as a part of redevelopment.

Goal 3: Preserve and build upon Lanesboro’s community character. Objectives:

- Continue to support the efforts of property owners to enhance their homes and neighborhoods.
 - Require design guidelines for new developments and major renovations.
 - Preserve the historically and architecturally significant homes and districts in Lanesboro.
-

Winter Tourism Study (2023) Goals

[Microsoft Word - Lanesboro Winter Tourism Report 11-21 \(lanesboro-mn.gov\)](#)

Action Steps from Winter Tourism Assessment

1. Market to small groups
2. Increase new dining options
3. Leverage Indoor spaces
4. Create and support a winterized brand

We hope to see a change in 5 - 10 years

Winter visitors and residents come to town feeling prepared and informed

- Chill Inn Lanesboro video, brochures, and merchandise are utilized
- Chill Inn webpage updated and itineraries marketed and updated
- Local employees are educated and informed

Business Growth

- Business revenue increases in excess of 11 percent during off season
- Businesses expand or pivot
- New businesses created

New winter event

Implementation of new ideas from the tourism assessment and the marketing plan

Continued collaboration between core groups

Updated data gathering to see if business revenue increased, etc

Take some first steps that put Lanesboro's creative spirit to work.

Getting started does not require perfection, just an entrepreneurial spirit and a willingness to have some fun as a community. Start by identifying achievable changes that community members can get excited about. Even a moderate increase in visitor stays can make a meaningful economic impact, and a few new activities can provide some new vibrancy for residents in the winter months. So, try some new things and build on them over time.

Here are some ideas for getting started.

- Have community-level conversations to discover what businesses, outfitters, residents, and others are excited about. Lean into those ideas this winter.
- Identify target market groups businesses are already connected to and re-develop marketing materials to meet the needs of group organizers.
- List existing customer relationships that could be spun into group tourism experiences this winter. Use these relationships to get feedback about ideas that you are developing.
- Recruit a team that can use initial discussions to generate a three-day itinerary for group organizers and other visitors to consider.
- Collaborate with the Visitors' Bureau and Chambers to use their calendars and other outreach materials.
- Put out a call to local lodging businesses to inventory indoor "common spaces." Start with low-hanging fruit for willing lodgers with space and create a first draft of marketing materials that pitches those common spaces to groups.
- Find easy wins regarding photography, marketing, and media relationships that expand shoppers' views of Lanesboro's appearance in all seasons.
- Empower your local talent to create new ideas for Lanesboro experiences. Consider a small grants program to encourage local talent to create winter experiences for groups through dining, indoor gatherings, and outdoor adventures.
- Partner with economic development entities that are focused on entrepreneurship. Use those resources to nurture local ideas that the community is excited about.
- Tap locals or professional photographers to take pictures of Lanesboro this winter.
- Leverage your media relationships to create fun stories as new ideas are implemented.

March 2024

REV Meeting Summary - Marcy 14th Meeting in Owatonna

Lanesboro - Invited to Entrepreneurship Bridge Event in Alberst Lea - Sept 24th

45 minutes in the afternoon presentation

Cattle Town to Art Campus Presentation

- Who to present: Hal, Kara, Michael, Jason
- Expected take aways for audience - TBD
- Materials: Lanesboro 150 Years: 1869 - 2019, REV road Map
- Give away by SMIF Steve Harris Book - Lanesboro

Meeting summary

Present - Representatives from:

New REV Communities, Lanesboro, CEDA CEO assisting with CEDA staff for capacity, Robert Harris - Rural Innovation Lab Project, New REV coaches, Compeer Financial - they are funding new cohorts like this one. (Planview, Kasson, Caledonia, and a 3 community region)

Take aways:

- **Keep the Main thing the Main Thing - Find and Support Entrepreneurs**
- Listen to New and Old Entrepreneurs
- **Use the Intake Survey**
- Base Ideas on Data
- Community Push Back on new ideas happens it is okay
- Know your building owners - You can do everything but they have the option to not sell, operated, storage in communities is a huge issue
- RIL - taking the product to a national scale, 11 new businesses
- One thing you learned from looking at your data
- **What does the EDA do, what will REV do**
- How to raise awareness of REV
- Share the road map and community assets
- This are small sprints, we are in a marathon
- **Set 3-4 month goals, volunteers have limited time**
- **Lanesboro can reorder its data**

Pain Points:

1. Child care
2. Housing Workforce
3. Workforce
4. Increasing number of retirees
5. Engaging Youth
6. The regionalism of retail - lack of it, what can local look like
7. Change in uses of vacant downtown buildings
8. New residents/different perspectives

Passion Points for Opportunity

1. More regionalism/relationship building with area and state programs
2. Loss of grocery stores and retail stores - convert to local needs
3. Youth leaves, bring them back
4. Okay to do things differently
5. Build housing - can not grow without housing
6. Create incentives to sell vacant downtown buildings or land
7. Civic summit - bring different groups calendars together
8. Pop up Market in vacant space - City paid rent Nov - January (3 rented building space)
9. Hold meetings where the people are - dinner in a manufactured home park

New Grant Opportunities - share with all organizations 3-2024

DEED Promise Grants:

An exciting GRANT OPPORTUNITY Begins today

Grant awards will range from \$10,000 to \$50,000 and can be used for working capital to support payroll expenses, rent or mortgage payments, utility bills, equipment, and other similar expenses that occur in the regular course of business. Competitive grants to businesses in southern Minnesota to invest in existing operations or planned growth available today. Grant awards will range from \$10,000 to \$50,000 and can be used for working capital to support payroll expenses, rent or mortgage payments, utility bills, equipment, and other similar expenses that occur in the regular course of business. See the entire announcement with the application link below:

**\$1.1 million to be awarded to southern Minnesota
businesses through partnership with MN DEED**

**Competitive grants to support existing operations or
planned growth**

OWATONNA, Minn., March 27, 2024 – Through a partnership with the Minnesota Department of Employment and Economic Development (DEED), Southern Minnesota Initiative Foundation (SMIF) will award \$1.1 million in competitive grants to businesses in southern Minnesota to invest in existing operations or planned growth.

Grant awards will range from \$10,000 to \$50,000 and can be used for working capital to support payroll expenses, rent or mortgage payments, utility bills, equipment, and other similar expenses that occur in the regular course of business.

Grant awards will be limited and approved on a competitive basis. Not all eligible businesses will receive a grant. Primary business operations must be located in SMIF's region, which includes 20 counties and one Native nation. Businesses must earn \$750,000 or less in gross revenue (based on 2021 taxes) to be eligible. Additional eligibility requirements are listed on SMIF's website.

The grant cycle opens March 27, 2024 and will close on April 24, 2024. For the application and guidelines visit smifoundation.org/promise. Contact Melissa Langer (melissal@smifoundation.org) or Brian Conzemius (brianc@smifoundation.org) with questions.

The PROMISE Act is funded by one-time allocation from the State of Minnesota Legislature in partnership with DEED. This program looks to drive economic recovery in our region through grants to small businesses in south central and southeastern Minnesota experiencing lack of access to capital, loss of population or an aging population, or a lack of regional economic diversification.

"We are honored to, once again, partner with MN DEED to support entrepreneurs in southern Minnesota," said Tim Penny, president and CEO of SMIF. "This will be an important boost for economic development in our region."

The PROMISE Act Grant is a statewide program with multiple partners accepting applications throughout Minnesota. SMIF is one of six Minnesota Initiative Foundations (MIFs) that will accept applications through this program, in addition to the Neighborhood Development Center, which will accept applications in certain areas of the Twin Cities metro.

For businesses that are not located in SMIF's region, please consult the following website to determine who to contact for this program:

<https://mn.gov/deed/business/financing-business/deed-programs/promise-grant/>

USDA [Farmers Market Promotion Program \(FMPP\)](#)

Due Date: **May 14, 2024**

This funding is available to "support the development, coordination, and expansion of direct producer-to-consumer markets to increase access to and availability of locally and regionally produced agricultural products." This program requires matching fund contribution in an amount equal to 25% of the total Federal portion of the grant.

Nearly \$10.5 million is available for four project types:

- 36-month Capacity Building (\$50,000-\$250,000)
- 36-month Community Development Training and Technical Assistance (\$100,000 to \$500,000)
- 24-month Turnkey Marketing and Promotion (\$50,000-\$100,000)
- 24-month Turnkey Recruitment and Training (\$50,000-\$100,000)

MN Historical Society [Legacy Grants](#)

Many of you are aware of the MN Historical Society's grants, but I wanted to put out a reminder that the **large grant pre-application deadline is May 31, 2024**. A pre-application is required to be eligible to submit a final application. This is a yearly grant for projects over \$10,000.

The **small grant application deadline is May 12**. This is a quarterly grant for projects under \$10,000.

MN Dept of Education [Library Construction Grants](#)

The deadline is **May 17, 2024**

State funding is available to public library jurisdictions for renovation, construction and improvement projects that result in more accessible library facilities. Maximum grant amount is **\$1,000,000 for improvement grants** or **\$450,000 for accessibility grants** with \$4m in total available funds. This grant was last open in 2021, so it likely won't be open again for another few years.

Compeer [Rural Feasibility Study Grant](#)

Deadline: **Applications are accepted until all funds are awarded**

This grant will fund feasibility studies that may result in economic development and improved community assets for rural areas in Compeer's 144-county territory. Studies may include: market research; cost analysis; financial projections, assessment of suitable facilities, equipment, etc.; or development of a business plan.

MN DNR [Volunteer Fire Assistance Grants](#)

Open **April 1-July 1** each year

Even though this opens April 1, the application form is available now at the link. This program provides financial and technical assistance to MN fire departments in cities or communities with a population under 10,000. Grants **from \$1,000 to \$5,000** are awarded and require a 50:50 match. Primary objectives are saving lives and protecting property in rural areas. Rural fire departments must use the grant money for fire protection and comply with existing state and county rural fire protection plans.

Alexis, given you are working on playground funding ideas, beyond the firm I introduced you to, below is an article about Blandin funding a community place making initiative/a playground with a purpose. The Blandin Grant is open, and may fit your needs, or several of your needs for community placemaking. If you decide you are interested and would like help applying please let me know.

The information below is a tight turn around and focused on small rural communities under 5,000 in population. Please review the information and if you feel a project that fits I strongly encourage you to apply!

Few key points to keep in mind:

- **Letter of Inquiry (LoI) Due By March 29th**
- **Funding requests between \$25,000-\$150,000**
- **Grant funds will be awarded by the 1st of July**
- **Blandin Foundation is a large advocate for the work CEDA does in rural places... They see us as an asset to these communities.**
- **Should you have any questions, please do not hesitate to contact me.**

Link to grant:

<https://blandinfoundation.org/grant-types/small-communities-rural-placemaking-grants/>

Link to article:

https://blandinfoundation.org/blog/2024/03/uniting-communities-through-placemaking-projects/?fbclid=IwAR06TkQ7sUf4aDMGw9A_vZ8EDcv-G-a_SWcMBCAF2BCwLDmeA7Jk_4dqjuM

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OWATONNA, Minn., March 21, 2024 – Through a partnership with the Otto Bremer Trust (OBT) and its Community Responsive Fund, Southern Minnesota Initiative Foundation (SMIF) will award \$750,000 in grants to organizations that directly respond to immediate challenges and opportunities in southern Minnesota.

Grants of \$10,000 to \$50,000 will be awarded to organizations doing work within two pillars of Otto Bremer Trust's founding mission: community asset building and health and wellbeing. The community asset building pillar will fund projects that include small business development, diversity initiatives and community planning. The health and wellbeing pillar will fund projects that include early education and parenting programs, physical and mental health services for children and their families, and youth support and enrichment for young children.

Organizations must be IRS determined 501(c)3 organizations, units of government or public agencies located in SMIF's region, which includes 20 counties and one Native nation. The grant cycle opens on March 21, 2024 and will close on April 17, 2024. Learn more at smifoundation.org/communitygrants. Contact Rae Jean Hansen, SMIF's vice president of early childhood, via email at raejeanh@smifoundation.org, with questions.

Proposed 2024 Legislative Changes;

I was struck by the following items. Maybe you already saw these bills were introduced, but before adopting new ordinances, see the proposed changes. And if you disagree with any of the proposed items, it gives you a chance to be heard by Jeremy Miller and Greg Davids.

[Bill to Require Adoption of State Building Code Heard in Senate](#)

The legislation would require all municipalities to administer and enforce the Minnesota State Building Code.

[Senate Committee Advances Omnibus Zoning Package; Includes Language That Would Restrict City Authority](#)

The omnibus zoning package awaits action by the Senate State and Local Government and Veterans Committee.

HOUSING: On Tuesday of last week, the Senate Housing Committee heard [SF1370](#) (Port); an omnibus zoning preemption bill. The bill includes language from the 'missing middle' housing bill ([SF3964](#)), the multifamily housing bill ([SF3980](#)), and other preemption language. Along with other city groups, MN Small Cities submitted this [joint letter](#), opposing the bill. LMC took the lead on testifying in committees. Some key provisions include:

- **The requirement that cities approve or deny a building permit request within 60 days. Failure to do so within 60 days would mean automatic approval of the request.**
- It allows **emergency shelter facilities** to be authorized by right, without discretionary approval, in all areas except those zoned for residential, agricultural, or heavy industrial.
- **It allows for a multifamily building in any mixed-use, multifamily, or commercial zoning district without adequate ability to ensure reasonable setbacks for fire and safety, as well as limiting height restrictions imposed by the city.**
- **The bill creates minimum levels for density on all residential lots, with two units required statewide regardless of lot size.**
- **It imposes unreasonable minimum lot size requirements to support the level of density mandated in the bill.**
- **It limits minimum parking requirements to no off-street parking requirements for a residential dwelling unit that is one-half mile or less from a major transit stop, and only one off-street parking space allowed to be required for a residential dwelling unit that is over one-half mile from a major transit stop.**
- **Accessory Dwelling Units (ADUs) are authorized by right.**

Disaster Relief Program Shared:

From December to February, Minnesota experienced the [warmest meteorological winter](#) on record. Through February 29th, there has only been 14.3” of snow in the Twin Cities, the [second-lowest season total](#) on record. In Duluth, only 15.7” snow has fallen, with an average snow depth of 1.8” – both among the [five lowest measures](#) on record. This lack of precipitation has exacerbated an ongoing drought. Eighty one counties in Minnesota are currently covered by U.S. Department of Agriculture disaster declarations for drought.

Impacted businesses in counties with a drought declaration can apply for the Economic Injury Disaster Loans (EIDL) through the Small Business Administration (SBA). The loans are designed to help businesses get through emergency situations that have impacted their economic well-being. Under the EIDL program, businesses can borrow up to \$2 million to cover their actual losses. Businesses pay no interest on the loan for the first year and a maximum rate of four percent for the rest of the loan period. In order to take advantage of the program, businesses must apply by the application deadline for their county, listed below.

There are 81 counties in Minnesota covered by 13 disaster declarations. Business owners can learn more about eligibility, find an application, and learn more about application deadlines for their county at the [SBA’s disaster assistance page](#).

Businesses impacted by a lack of precipitation will enter their county’s name and see a list of all open disasters for their county. They should pick one where the incident includes “drought.”

Submit applications and find additional disaster assistance information at <https://lending.sba.gov>. Applicants may also contact Minnesota’s [Small Business Development Centers](#) and SBA’s Customer Service Center at disastercustomerservice@sba.gov. You can also call 800-659-2955 from 7:00 a.m. – 7:00 p.m. CT Monday through Friday. If you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

Quarterly Economic Report: Click [HERE](#) to read the 4th Quarter Report.

From the report the community can determine:

- How much are area wages growing - 4.2%
- How severe is unemployment? -2%
- Which job sectors are growing: government, education, and health jobs, with some retail trade numbers looking good.
- Which job sectors are declining? And you have to ask, are they declining merely because of the low unemployment numbers

Information to share as Strategic Planning continues, is Senior Housing a Priority

How can a project be funded:

Eyota - 2003 City Bonded and created a 34 unit Assisted Living with Memory Care, approximately 17 years later the housing was sold, the bond was paid down, resulting in a \$690K profit.

Energy Providers contributing to the success two examples:

Great River Energy and its member-owner cooperatives are involved in supporting two projects in Greater Minnesota.

CRYSTAL BROOK SENIOR LIVING

Residents of Park Rapids, Minnesota, have been served by the 143,000-square-foot assisted living/health care facility **Crystal Brook Senior Living** since 2018. Operated by Knute Nelson, a 501(c)(3) nonprofit leader in senior housing and health care in Minnesota, the state-of-the-art facility includes 69 congregate/independent living and assisted living units, with an additional 19 memory care assisted living units. Demand for the health care services provided by Knute Nelson continues to grow in the region surrounding Park Rapids, with a recent market study demonstrating a net demand for 36 new memory care units needed in this area by 2027. With an overall occupancy rate of 99%, it became clear to Knute Nelson and KI Developers of Park Rapids that an expansion was necessary. In response, the group broke ground in June 2023 on a 17,714-square-foot addition to Crystal Brook to establish a new 20-unit memory care household on the campus. The expansion is estimated to be completed in the spring of 2024.

“Crystal Brook staff adopt a holistic approach to care, emphasizing residents' independence and choices while ensuring their safety,” Perry said. “The Town Center, a central hub of Crystal Brook, enriches residents' lives with sought-after amenities, including a restaurant, club room, conference room, fitness center, screened-in porch, community room and expansive outdoor spaces for various activities.”

Great River Energy and **Itasca-Mantrap Cooperative Electric Association** are proud to support this project, dating back to Crystal Brook's original construction in 2017. Great River Energy helped Itasca-Mantrap **secure \$1.71 million in 0% interest gap financing to support the original construction of this facility on land that Itasca-Mantrap had previously set aside for just this sort of development. The funding came in the form of \$1.36 million in USDA Rural Economic Development Loan and Grant (REDLG) program financing via Itasca-Mantrap and a \$350,000 E3 commercial financing loan from Great River Energy.**

Five years later, when the facility was poised for expansion, building cost increases and rising interest rates created significant challenges. Itasca-Mantrap stepped in again to help secure **\$2.36 million in USDA REDLG financing and Great River Energy approved a second E3 loan of \$350,000, all at 0% interest. Bremer Bank is the lead lender on the project.**

“Phase II of Crystal Brook marks an exciting expansion to enhance its capacity to serve 38 individuals with dementia or other forms of memory loss, offering specialized assisted living services within the nurturing environment,” Perry said. “The thoughtful design prioritizes comfort and spaciousness, with common areas dedicated to living, activity and dining.”

BOKA HAVEN ASSISTED LIVING

On Oct. 30, **East Central Energy** (ECE) celebrated the groundbreaking of Boka Haven in North Branch, Minnesota, a multimillion-dollar project to construct a new 24,000-square-foot, 40-unit senior living facility. The project is expected to create more than 25 new full-time jobs when construction is anticipated to be completed in July 2024. **ECE supported the project with a \$250,000 low-interest loan out of its USDA revolving loan fund program**, while Great River Energy provided a loan application analysis report, assisted with the board presentation and supported the loan closing. Other participating lenders include Village Bank, Initiative Foundation and the U.S. Small Business Administration.

Owners Ettafa Boka and Daleso Yadetta, an entrepreneurial couple dedicated to senior care, operate a smaller facility in North Branch known as **Brask Haven**. Their background in the health care and financial industries has made them well aware of the need and demand for senior living in North Branch.

“We want to do more than think about financial bottom lines,” Yadetta said. “We want to impact the lives of the people here by creating access to a place in a community where individuals have lived much of their lives and feel comfortable.”

While the 40 units do not completely meet the demand for senior living in North Branch, they will significantly help the market. Boka states they consistently receive calls from individuals, couples or family members wanting to place their loved ones locally, instead of in Duluth, St. Cloud or the Twin Cities. That fact was an important parameter for ECE as well.

“Boka Haven will not just be for senior care,” Boka said. “Boka Haven will have a wing for senior care, as well as a wing for anyone 55-plus with a need for physical or mental disability services.”

SENIOR HOUSING INFLUENCES OVERALL HOUSING

While the projects above target specialized care, they have a greater impact on their communities, especially those in a more rural environment.

“Though it varies based on numerous factors, senior housing options can help alleviate local housing competition,” Bosman said. “As seniors move into dedicated accommodations, they create opportunities for first-time homebuyers to enter the housing market.”