

VIRGINIA ECONOMIC DEVELOPMENT AUTHORITY
THURSDAY, APRIL 7, 2016 – 8:00 A.M.
Council Chambers (Second Floor), Virginia City Hall

Present: Jim Tieberg, Tom Bartovich, Julianne Paulsen, Dennis Jorgensen, Carl Baranzelli

Others Present: Pamela LaBine, Kris Johnson, Wendy Summers, Sherry Erickson, Bernie Collins, Amy Martinich

Called the meeting to order at 8:01 a.m.

I. Minutes Approval (February 4, 2016)

Moved by Jorgensen supported by Tieberg to approve the minutes of the February 4, 2016 VEDA meeting. Motion Carried.

II. Finance Reports:

1. Check Register-no bills to pay
2. Revolving loan fund- four are behind in payments, it was suggested Kris Johnson send out letters to them reminding them payments are due.
3. Budget Appropriation Report

Jim Tieberg noted that after the IRRRB audit we need to be more aggressive to take care of these items.

Moved by Tieberg supported by Jorgensen to approve the financial reports. Motion Carried.

III. President's Report:

Julianne Paulsen updated about a meeting of business owners that are interested in developing a Downtown Business Association. A survey was sent out that discussed the direction of the future of the downtown area. The proposal of Mine View area at the end of Chestnut Street is a great idea. Regarding the comp plan and it won't be inclusive of downtown area, historic district lines were marked, and they want to focus on that. If they begin to raise funds would VEDA be able to collect the funds and be the fiscal agent. Bernie Collins noted that the chamber has been a fiscal agent for other organizations. The chamber board would have to vote to accept the fiduciary responsibility. Tieberg will go to the next chamber meeting and present this option to them.

IV. New Business

1. It was discussed at the Finance Meeting that the Mayor will make the appointment of Sherry Erickson, Interim City Administrator to the VEDA Board to replace John Tourville.

2. Discuss loan agreement with Amy Martinich

A letter was received from renters of one of her buildings suggesting to abate the payments or forgive the loan on behalf of Martinich. Martinich said that they had the money to revamp the building, she took out the loan and the money was given to them to remodel. She would like something from the VEDA board to give to them or have something in writing to reflect her ability to still pay the loan. The VEDA board is not amenable to forgiving the loan and Amy Martinich has acknowledged she is responsible for it and will continue to pay.

V. Old Business/Updates:

Moved by Jorgensen and supported by Bartovich to approve the proposed 50/50 matching grant program that would be used to assist business owners with the exterior or interior remodel or repairs and or energy efficiency improvements, up to \$5,000 per business. Motion carried.

Moved by Jorgensen and supported by Bartovich to approve shrinking the Progress Park Development down to only the land and buildings of 1402 and 1404 Progress Parkway, Eveleth Minnesota. The remaining properties will be deeded back to the respective municipalities. Motion carried.

VEEDA Update:

Jorgensen discussed with City Council, if Eveleth doesn't want to participate in the whole park why would we deny that. The Council requested an update from VEEDA if they are in agreement. Jorgensen will make a motion at the next VEEDA meeting regarding this and will also get a financial statement on the impact.

City Update:

Jorgensen updated on how the Council discussion regarding the grant program. Some members of the Council don't think the VEDA board has the power to grant money to a business. Whatever the VEDA board does has to be approved by the Council. LMC will do some research and make a presentation to the board and council.

We do need more discussion on the program. Jorgensen researched some items regarding the VEDA board:

- 1) Board can be 3, 5 or 7 members.
- 2) All EDA boards must pass a budget.

Discussed the VEDA checking account and possibly closing that. There were a few changes made on the loan application. The board needs to have more discussion on what the rules are for the VEDA board.

Kris Johnson updated the board on a building purchase on Chestnut. There will be a dental office and one apartment. The proprietors may need a loan for new equipment.

Discussion about the downtown: One option is to have a new business register, know when a new business come in or goes out, a way to communicate the information. If the City is aware then they can use this information to solicit business that are needed. Any new business has to register with the Secretary of State and the Chamber Ambassadors work with the foundation to contact new business. The board would like a list of business in town.

Kris Johnson will format a spreadsheets with the business and codes NACIS.

VI. Information & Other – FYI

VII. Adjourned to next meeting, Thursday, May 5, 2016

Moved by Tieberg, supported by Bartovich to adjourn at 9:04 a.m. Motion Carried.

Cc: VEDA Members
Sherry Erickson, Interim City Administrator
Pamela LaBine, City Clerk
Wendy Summers, Accounting Clerk