



## Discussion Items

**TO:** Faribault EDA  
**FROM:** Deanna Kuennen, Director  
**MEETING DATE:** September 20, 2018  
**SUBJECT:** Updates/Project Reports

---

### UPDATES:

#### Prospects/Business Updates

- SteinAir, Inc.
  - The company received their JCF award from the State of Minnesota on June 27<sup>th</sup>. The SteinAir project is eligible to receive up to \$120,000 over the duration of the award (5 years) based on obtaining job creation and capital investment goals.
  - The City Council approved the airport lease on Wednesday, August 15<sup>th</sup>.
  - Demolition of the yellow hangar is scheduled for Monday, August 20<sup>th</sup>.
    - The EDA approved spending up to \$100,000 to remove existing yellow building and complete site preparation.
    - The demolition contract for the yellow building was awarded – for \$31,250.00.
    - Site preparation costs are still unknown at this time.
    - At the July EDA meeting – the EDA concurred that after site preparation was complete, that the EDA would consider funding the installation of 3-Phase electrical services to the airport. Currently there is no 3-Phase at the airport, and the closest is approximately 1,600 feet away. The approximate cost of bringing 3-Phase power to the site and airport would be \$19,200 – and would not only serve SteinAir, but would be available for additional industrial and business expansion at the airport.
  
- Daikin Applied (Project Rice)
  - Daikin received their JCF award from the State of Minnesota on June 29, 2018. The award met the State's definition of a "mega award" – with Daikin eligible to receive up to \$1,633,750 based on job creation and capital investment over 7 years.
  - On June 27, 2018 – Daikin was also approved for a \$750,000 Minnesota Investment Fund (MIF) loan. The loan is forgivable – based on the creation of 32 jobs. The Office of Business Finance is has prepared the grant contract between the City of Faribault/EDA and DEED. The forgivable loan will then be between the City/EDA and Daikin.
  - The City applied for and was awarded a \$1,057,000 Business Development Public Infrastructure (BDPI) grant to offset the costs to provide water and sewer to the project site. The construction contract for this project was awarded on August 15, 2018 – and the project will be delivered by the end of the year. The City Engineer has prepared the following schedule:
    - July 24 – Council Approves Plans and Specs, Sets Bid Date
    - July 25 – Ad for Bid posts in paper and on QuestCDN

## Agenda Item: 6

- August 7 – Bids due at 11 am
  - August 8-10 City and Developer finalize development agreement
  - August 15 – City Council approves development agreement and awards bid
  - August 21 – Contract documents due back from contractor
  - August 23 – Preconstruction Meeting
  - August 27 – Construction Starts
  - October 26 – Watermain must be operational
  - November 30 – All utilities must be in ground/operational except for lift station
  - January 1, 2019 – Lift station must be operational and all work considered substantially complete
  - June 1, 2019 – All work must be complete including final restoration.
- Met-Con Business Park – Staff has prepared responses for three (3) additional Requests for Information for industrial projects interested in land in the Met-Con Business Park.

### Other Projects/Initiatives:

The following is a summary of some other initiatives and projects underway that may be of interest to the EDA

- **Faribault Micro-Summit**

***Friday, September 21, 2018 at South Central College.***

Subcommittee: Matt Drevlow and Matt Carlander

- The event will take place on Friday, September 21 – from 10-2. The format will include business tours, panels/speakers, lunch, and an after-hours reception in downtown.
- Matt Drevlow will be pulling together the details for the after-hours reception expected to be held above the Cheese Caves at the Event Center.
- Matt Carlander will be working with local financial institutions to sponsor the after-hours event.
- Staff has reserved South Central College Event Center in Faribault to host the check-in and lunch/program. Staff will continue to work with Faribault Transportation for mobile tours, local industries to host mobile tours, scheduling program speakers, and working with the subcommittee on details regarding the catered lunch.
  - Confirmed Speakers include: Dr. Annette Parker, Laurence Rezetar, Gary Kindseth
  - Confirmed Tours include: Faribault Woolen Mill
  - Requested Tours include: Faribault Foods, SAGE
- Potential program speakers include
  - Dr. Annette Parker from South Central College to cover workforce partnerships,
  - Laurence Reszetar/Elise Buchen from DEED's Office of Foreign Direct Investment to cover FDI opportunities in Faribault,
  - Local businesses and economic development partners that will assist in telling the story "what's it like to do business in Faribault".

### Ongoing Projects –

2018 – Here is a list of projects Staff will be and/or continues to work on:

- SAGE – JOBZ amendment and MIF/Tax Abatement extension

## Agenda Item: 6

- ~~○ Business Subsidy Policy – recommended changes to the existing policy, to reflect quality vs. quantity in job creations~~
- Loan administration – update policy and procedures
- EDA Revolving Loan – update terms/make recommendation to EDA in May
- BRE Program – develop and implement in 2018
- Community Profile
- Revised economic development webpages
- ~~○ Small Cities Development Program – plan for use of funds approved by City Council on 12/12/2017. \$445,000 will be spent on streetscape projects that meet the Federal Objective of “removal of slum and blight.”~~
- Marketing/branding materials
- Outreach to Rice County / regionalism
- I-35 corridor
- Available land inventory / annexation / acquisition
- Downtown issues (parking, etc.)
- ~~Hiring of Economic Development Coordinator~~