

ECONOMIC DEVELOPMENT AUTHORITY OF FARIBAULT

**RESOLUTION 2020-02
APPROVING FORGIVEABLE LOAN FOR TRYSTAR, INC.
FOR CERTAIN PROPERTY IN THE CITY OF FARIBAULT**

WHEREAS, business retention and expansion is a core function of the Economic Development Authority (EDA) of the City of Faribault; and

WHEREAS, business retention and expansion is one of the most fundamental and effective economic development strategies as “80-percent of new jobs and capital investment in any economy are generated by existing firms”, and

WHEREAS, Trystar, Inc., an existing company who has had a Faribault presence since 1998, has indicated that they intend to consolidate all of their operations which are spread out across four different facilities – so to improve efficiencies and overall business operations and support their business growth plans; and

WHEREAS, after a thorough analysis of their options to consolidate their operations in Faribault, Trystar, Inc. intends to relocate their operations to 15765 Acorn Trail – into an existing 100,000 square foot warehouse building – convert the warehouse into a production facility, and add an additional 20,000 square foot office addition; and

WHEREAS, this plan would allow Trystar, Inc. to remain and grow in Faribault; and

WHEREAS, to support this business retention effort, to offset costs associated with the relocation/consolidation, to encourage private investment, and to retain the current 150 full-time permanent employees the EDA agrees to provide a \$100,000 forgivable loan; and

WHEREAS, the \$100,000 loan will be forgiven at the end of five (5) years so long as the business remains in operations in Faribault and invests a minimum of XX of capital improvements into the conversion and expansion of the building located at 15765 Acorn Trail; and

WHEREAS, the EDA has reviewed said request and found it to be in compliance with the goals and mission of the EDA through business retention and not subject to the Business Subsidy requirements set forth in state law.

NOW, THEREFORE BE IT RESOLVED, by the Economic Development Authority for the City of Faribault, Minnesota:

Section 1: That a \$100,000 deferred loan is awarded to Trystar, Inc. for improvements for certain real property in the City of Faribault.

Section 2: That said deferred loan requires the business to remain operational at the improved real property in the City of Faribault for a minimum of five (5) years.

Section 3: That said deferred loan also requires that the business invest a minimum of XX in capital improvements in the conversion and expansion of the building located at 15765 Acorn Trail.

Section 3: That the President and the Secretary are hereby authorized to execute on behalf of the EDA all required financial agreements in furtherance of the above approved deferred loan.

ADOPTED: March 19, 2020

Attest

Rodney Gramse, President

Dave Albers, Secretary/Treasurer