AGENDA
ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING
CITY OF WYOMING, MINNESOTA
DECEMBER 13, 2021
6:00 PM

CALL TO ORDER:

CALL OF ROLL:

DETERMINATION OF A QUORUM:

PLEDGE OF ALLEGIANCE:

OPEN FORUM:
"An opportunity for members of the public to address the City Council on items on/or not on the current agenda. Items requiring Council action maybe deferred to staff or Boards and Commissions for research and future Council Agendas if appropriate. You will be limited to three (3) minutes and we ask that you conduct yourself in a professional, courteous manner, and refrain from the use of profanity. Failure to abide by this policy may result in the loss of your privilege to speak".

APPROVAL OF MINUTES:

1. Consider approving the minutes of the "Special Meeting" of the Wyoming, Minnesota City EDA for November 15, 2021

CONSENT AGENDA:
Items under the "Consent Agenda" will be adopted with one motion; however, council members may request individual items to be pulled from the consent agenda for discussion and action if they choose.

NEW BUSINESS:

2. To recognize former EDA Member Steve Sicheneder for his years of dedicated service to the Wyoming EDA

3. To consider **Resolution 21-12-01** a resolution approving transfer of proceeds from the sale of the Bingham Property to the Chisago County HRA/EDA in the amount of $239,325.92

OLD BUSINESS:

4. Chisago County Strategic Plan and Policies

UPDATES

5. 2022 EDA Levy

ADJOURN

UNAPPROVED MINUTES
ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL MEETING
CITY OF WYOMING, MINNESOTA
NOVEMBER 15, 2021
6:00 PM

CALL TO ORDER:

CALL OF ROLL:
On a Call of the Roll the following members of the Wyoming EDA were present:
EDA Members: Mayor Iverson, Council Member Schilling, and Alex Bulmer
Also Present: Robb Linwood - City Administrator and Nancy Hoffman – Chisago County HRA/EDA
ABSENT: Eddie Prigge
DETERMINATION OF A QUORUM:

PLEDGE OF ALLEGIANCE:

OPEN FORUM:
"An opportunity for members of the public to address the EDA on items not on the current Agenda. Items requiring EDA action maybe deferred to staff for research and future EDA Agendas if appropriate."

APPROVAL OF MINUTES:

1. Consider approving the minutes of the "Special Meeting" of the Wyoming, Minnesota City EDA for July 13, 2021

A MOTION WAS MADE BY EDA MEMBER SCHILLING SECONDED BY SOULE TO APPROVE THE JULY 13, 2021 SPECIAL MEETING" OF THE WYOMING, MINNESOTA ECONOMIC DEVELOPMENT AUTHORITY MEETING CONTINGENT ON THE CHECKING OF THE STATUS OF COMMISSIONER SOULE PRESENT OR ABSENT

Voting Aye: Iverson, Schilling, Soule, and Buccanero,
Voting Nay:
Abstain:

2. Consider approving the minutes of the "Special Meeting" of the Wyoming, Minnesota City EDA for August 2, 2021

A MOTION WAS MADE BY EDA MEMBER SCHILLING SECONDED BY BULMERTO APPROVE THE AUGUST 2, 2021 SPECIAL MEETING" OF THE WYOMING, MINNESOTA ECONOMIC DEVELOPMENT AUTHORITY MEETING CONTINGENT ON THE CHECKING OF THE STATUS OF COMMISSIONER SOULE PRESENT OR ABSENT

Voting Aye: Iverson, Schilling, Soule, and Buccanero,
Voting Nay:
Abstain:

3. Consider approving the minutes of the “Special Meeting” of the Wyoming, Minnesota City EDA for September 20, 2021

A MOTION WAS MADE BY EDA MEMBER SOULE SECONDED BY BUCCANEROTO APPROVE THE SEPTEMBER 20, 2021 SPECIAL MEETING” OF THE WYOMING, MINNESOTA ECONOMIC DEVELOPMENT AUTHORITY MEETING CONTINGENT ON THE CHECKING OF THE STATUS OF COMMISSIONER SOULE PRESENT OR ABSENT

Voting Aye: Iverson, Schilling, Soule, and Buccanero,
Voting Nay:
Abstain:

SCHEDULED BID LETTINGS: NONE.

SCHEDULED PUBLIC HEARINGS: NONE

CONSENT AGENDA:
Items under the “Consent Agenda” will be adopted with one motion; however, council members may request individual items to be pulled from the consent agenda for discussion and action if they choose.

ACKNOWLEDGE RECEIPT OF REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND DEPARTMENT HEADS:

COMMUNICATIONS: NONE

NEW BUSINESS

4. To consider the resignation of Steve Sicheneder from the Wyoming EDA

A MOTION WAS MADE BY EDA MEMBER BULMER SECONDED BY BUCCANERO TO APPROVE THE RESIGNATION OF STEVE SICHENDER FROMT THE WYOMING ECONOMIC DEVELOPMENT AUTHORITIY

Voting Aye: Iverson, Schilling, Soule, and Buccanero,
Voting Nay:
Abstain:

5. Bingham Property Update

City Administrator Linwood gave an update the closing of the sale should be finalized in the next two weeks and the planning commission and city council have approved a site plan contingent on the closing of the property.

6. 2022 Budget Discussion

A MOTION WAS MADE BY EDA MEMBER SCHILLING SECONDED BY SOULETO APPROVE THE EDA LEVY REQUEST TO THE CITY COUNCIL IN THE AMOUNT OF $42,000

Voting Aye: Schilling, Soule, and Buccanero
Voting Nay: Iverson
Abstain:

7. 2021 Manufacturing Month Proclamation for Postcards

A MOTION WAS MADE BY EDA MEMBER IVERSON SECONDED BY SOULE TO APPROVE THE COST OF POSTCARDS FOR MANUFACTURING MONTH

Voting Aye: Schilling, Soule, Iverson and Buccanero
Voting Nay:
Abstain:

8. Minnesota Commercial Real Estate MNCAR Event

A MOTION WAS MADE BY EDA MEMBER IVERSON SECONDED BY SOULE TO APPROVE THE ITEMS FOR PROMOTION AT THE MNCAR EVENT

Voting Aye: Schilling, Soule, Iverson and Buccanero
Voting Nay:
Abstain:

9. Chisago County Forgivable Loan Policy and Strategic Planning Update

A MOTION WAS MADE BY EDA MEMBER BUCCANERO SECONDED BY SOULE TO APPROVE TO TABLE CHISAGO COUNTY FORGIVABLE LOAN POLICY AND STRATEGIC PLANNING UPDATE TO THE DECEMBER MEETING

Voting Aye: Schilling, Soule, Iverson and Buccanero
Voting Nay:
Abstain:

UPDATES

10. 2021 Chisago County Profile DEED

A MOTION WAS MADE BY EDA PRESIDENT <u>IVERSON</u> ADJOURNED THE NOVEMBER 15, 2021 "SPECIAL MEETING" OF THE WYOMING, MINNESOTA ECONOMIC DEVELOPMENT AUTHORITY MEETING AT 7:00 P.M.

Voting Aye: Iverson, Schilling, Sicheneder, and Buccanero
Voting Nay:
Abstain:


ESTABLISHED 1855
CITY OF WYOMING
Minnesota
Steve Sicheneder
EDA Member
2017-2021
Presented
with our respect and appreciation for your
years of service to the City of Wyoming

Request for EDA Action

Date: December 10, 2021

Presented to: EDA Members
Presented by: Robb Linwood, City Administrator
Department: Administration
Reference: Authorizing Transfer of Proceeds from Bingham Property Sale to the Chisago County HRA/EDA
Method: New Business

***Background Information*:**

The City of Wyoming Economic Development Authority and Chisago County HRA/EDA have owned the Bingham property jointly since 2001. This year Hallberg Inc. approached the Wyoming EDA and Chisago County HRA/EDA about purchasing the land. Through negotiation through most of the past 6 months a purchase agreement was approved and the closing of the land was completed on November 19, 2021. The purchase price for the land was $500,000 to be split between the Wyoming EDA and Chisago County HRA/EDA. Hallberg Inc. will be constructing two buildings on the lot, the first a 25,000 sq. ft. building and a future building that will be 40,000 to 50,000 sq. ft.

The Wyoming EDA still had an outstanding mortgage on the property, where the county did not. Fees for the sale of the land were shared equally that included legal, real estate commission, title costs, closing costs and recording fees. The Wyoming EDA received a check for the total amount of sale proceeds and it will be necessary for the EDA to authorize the portion owed to Chisago County HRA/EDA for the sale tonight.

A breakdown of the sale proceeds and costs has been attached. After payment of the outstanding mortgage and sharing of costs listed above the Wyoming EDA received $36,355.13 that will be allocated to the Wyoming EDA Funds. Secondly you will see a resolution attached that is approving the transfer of the proceeds to the Chisago County HRA/EDA in the amount of $239,325.92

Recommendation: To approve Resolution 21-12-01 a resolution approving transfer of proceeds from the sale of the Bingham property to the Chisago county HRA/EDA in the amount of $239,325.92

Description	Total Debit/City & County	Total Credit/City & County	Debit/City	Credit/City	Debit/County	Credit/County
Deposits, Credits, Debits						
City Portion of Sale		$ 500,000.00		$ 250,000.00		$ 250,000.00
Prorations						
County Taxes 1/19/2021 to 1/1/2022 @ $9374.00/Year		$ 1,104.33		$ 552.17		$ 552.17
Payoffs						
Payoff of First Mortage Loan			$ 202,970.79			
Commissions						
Real Estate Commission to Newmark & Company Real Estate Inc.	$ 17,500.00		$ 8,750.00		$ 8,750.00	
Title Charges						
Title-Lender's Title Insurance to Land Title						
Title-Owner's Title Insurance to Kand Title						
Commitment to Land Title	$ 600.00		$ 300.00		$ 300.00	
Title-Settlement or closing fee to Land Title	$ 350.00		$ 175.00		$ 175.00	
Government Recording and transfer Charges						
Recoring Fees						
Recording Fee	$ 70.00		$ 35.00		$ 35.00	
State Deed tax/Stamps to County e-record-LTI						
Attorney Fees						
Attorney Fees	$ 3,932.50		$ 1,966.25		$ 1,966.25	
Totals	**$ 22,452.50**	**$ 501,104.33**	**$ 214,197.04**	**$ 250,552.17**	**$ 11,226.25**	**$ 250,552.17**

Total City Credit	$ 250,552.17
Total City Debit	$ 214,197.04
Total City Proceeds	**$ 36,355.13**

Total County Credit	$ 250,552.17
Total County Debit	$ 11,226.25
Total County Proceeds	**$ 239,325.92**

EDA RESOLUTION NO. 21-12-01

A RESOLUTION APPROVING TRANSFER OF PROCEEDS FROM THE SALE OF THE BINGHAM PROPERTY TO THE CHISAGO COUNTY HRA/EDA IN THE AMOUNT OF $239,325.92

WHEREAS, The City of Wyoming Economic Development Authority and Chisago County HRA/EDA have jointly owned property in the City of Wyoming described as the Bingham property since 2001

WHEREAS, On November 19, 2021 the Wyoming EDA and Chisago County HRA/EDA closed on the a sale of the property to Hallberg Inc. in the amount of $500,000.00

WHEREAS, Through the closing of the land it was necessary that both entities shared in costs that included legal, real estate commission, title costs, closing costs and recording fees

WHEREAS, all of the final sale proceeds were submitted to the City of Wyoming EDA and it is necessary that the EDA authorize half the portion of the sale back to the Chisago County HRA/EDA

THEREFORE BE IT RESOLVED, The Wyoming City Economic Development Authority authorizes the transfer of proceeds from the sale of the Bingham property to the Chisago county HRA/EDA in the amount of $239,325.92

Hereupon said Resolution was declared duly passed and adopted this 13th day of December, 2021

CITY OF WYOMING

By:

____
Lisa Iverson, Mayor/EDA President

ATTEST:

____
Robb Linwood, City Administrator/Executive Director EDA

Chisago County Forgivable Loan
Policy and Guidelines

The Chisago County HRA-EDA created a forgivable loan program to incent businesses to build within the county as well as to create high-quality jobs. The focus of this program is industrial, manufacturing, technology, and manufacturing service industries. The purpose of the program is to assist increasing the tax base and creating jobs to enhance the economic vitality of the county.

The business will be given three years to create the agreed upon jobs and provide the capital investment in Chisago County agreed to by the applicant and the HRA-EDA. If the business satisfies the agreements the loan will be considered forgiven. If the business does not satisfy the agreements, the loan will be considered deferred, and the business will begin payback of the loan per a loan agreement.

Eligible Businesses:

- The program is available to businesses deemed “for-profit” and engaged in manufacturing, warehousing, distribution, technology-related industries, and manufacturing service.

Funding is available to businesses meeting a minimum of the following criteria:

- Be engaged in an eligible business activity.
- Will build a new building or provide a building expansion with an investment of at least $1,000,000. (Including or not including land)
- Obtain local government support for their project evidenced through minutes or a resolution.
- Create at least 10 new full-time permanent jobs. Job retention may be considered if the business is considering moving out of the county. The jobs must be created within three years from application approval while maintaining existing employment numbers.
- Pay a minimum of $25.00 in wages, including benefits, for 2/3 of the new employment or 10 employees.
- Cause no undue harm to existing Chisago County business competitors.

Eligible Uses of Funds: (*collateral requirement*)

- Building
- Land Acquisition
- Purchase of equipment

Funds Available:

- The business may receive up to $100,000. Grant funds will be determined based on number of jobs created, wages, and capital/building investment.
- Funding is based on the following formula $5,000 per job with wages at $25.00 and/or $5,000 per $100,000 of capital investment.
- Funds will be made part of a full loan package and provided at the time of permanent financing.

- Each year, the HRA-EDA considers the amount of funds to be made available for this program. Funding is limited to the availability of funds.
- The applicant is required to submit all job reporting requirements, building costs, and financial statements as required and/or requested by the HRA-EDA.

Application Process

- A complete application is submitted to the HRA-EDA office. Staff will assist in completing the application as needed.
- The HRA-EDA will consider the Forgivable Loan based on the recommendation of the Loan Committee appointed by the HRA-EDA. The completed application must be provided two weeks prior to the regular HRA-EDA Board meeting typically on the last Tuesday of the month to provide time for review.
- A 1% origination fee is required to cover attorney and closing fees.

Closing Requirements

- If approved, the Loan Agreements shall be executed. Loans made from the HRA-EDA Forgivable Loan program must be adequately secured to the satisfaction of the HRA-EDA. Mortgage or lien instruments must be executed at the time of the loan closing. The HRA-EDA will take a security interest position in any equipment, real estate, or other appropriate collateral. A subordinate lien position will be acceptable.
- Based on the project merits and the funding available, the HRA-EDA has the option to approve or not approve any applications received.
- The applicant must maintain fire and extended coverage insurance on the project property as required during the term of the loan. Life insurance, Key Man and business interruption insurance may be required.
- The Applicant may be asked to provide additional documentation for the closing.
- Personal guarantees are required.

Loan Terms if not Forgiven

- The interest rate will be fixed for the term of the loan based on prime rate as published in the Wall Street Journal the day the loan closed.
- Terms are based on the life of the asset – 20 years for building and 7 years for equipment.
- Recipients will be required to set up automatic payments from their checking account of the monthly loan payments under the program.
- Recipients must always maintain property insurance on buildings and contents for full replacement value. Insurance policies shall be in the name of the Chisago County HRA-EDA as a Lender Loss Payee.
- Payments more than 30 days delinquent will be assessed a five (5) percent penalty. Payments first go towards any accrued penalties, then towards accrued interest, and lastly to reduce the balance of the principal.
- The applicant is required to submit all applicable job reporting requirements and financial statements as required and/or requested by the HRA-EDA.

Business/COVID-19 Loan Application Form

Click inside the boxes below to type your information. Use the TAB key to navigate. Save and/or print the application to submit to East Central Regional Development Commission.

I. Basic Information

Company Name		
Primary Company Contact		
Address	City	Zip
	Telephone	Cell Phone
Email Address	Website Address	Fax

II. Company Information

Date Established	Federal Tax ID
SIC Code or NAICS Code	

Business Structure

☐ Sole Proprietorship ☐ S-Corp ☐ C-Corp ☐ LLC ☐ ______

List all owners (current or anticipated) holding at least 20% or more of the share equity in the company

Name	Address	Ownership %	DOB / SSN

All owners listed above are required to fill out and sign the signature page

III. Requested Amount

Funding amount being sought from ECRDC RLF

$

Purpose of Funding

IV. Sources and Use of Funds

Purpose for which funds are to be used	ECRDC	Bank	Other	Other	Your Equity	Total
Property Acquisition						
Building Renovation						
New Construction						
Machinery/Equipment						
Inventory						
Working Capital						
Other						
Total						

V. Proposed Financing Terms

	ECRDC	Bank	Other (Specify)	Other (Specify)	Your Equity	Total
Amount						
% of Project Cost						
Terms (Years)						
Interest Rate						
Debt Service						
Collateral Offered						
Lien Position						

VI.Job Creation

Job Creation

	Full Time	Hourly Wage (average)	Part Time	Hourly Wage (average)
Number of Existing Employees:				
Number of New Jobs Created:				
Jobs Retained (jobs lost without project):				

Employee Benefits: ☐ None ☐ Health ☐ Dental ☐ Life ☐ Retirement ☐ Profit Sharing

☐ Disability ☐ Sick ☐ Vacation

VII.Business Profile

Business Description:

Provide details about your experience and background:

Briefly describe your business opportunities to quality and innovation:
How are your products/services unique from your competitors:
Economic benefit to East Central Minnesota:

VIII.Government Monitoring

The following information is requested by the Federal Government for certain types of loans in order to monitor the Lender's compliance with equal credit opportunity, and Title VI of the Civil Rights Act of 1964. You are not required to furnish this information, but are encouraged to do so. The law provides that a Lender may neither discriminate on the basis of this information, nor on whether you choose to furnish it. However, if you choose not to furnish it, under Federal regulations this Lender is required to note race and sex on the basis of visual observation or surname. If you do not wish to furnish the information, please check the box below.

Applicant 1	Applicant 2	
☐	☐	I do not wish to furnish this information
Race Categories		
☐	☐	American Indian or Alaskan Native
☐	☐	Black or African American
☐	☐	Asian
☐	☐	White
☐	☐	Native Hawaiian or Pacific Islander
Ethnic Categories		
☐	☐	Hispanic or Latino
☐	☐	Not Hispanic or Latino

Applicant 1	Applicant 2	
Military Service		
☐	☐	Veteran
☐	☐	Non Veteran
Sex		
☐	☐	Female
☐	☐	Male

Low Income Households – Information from Business

☐ ____________ %

☐ Do not know

IX.Legal Concerns

Litigation

Are you or your business currently involved or have any history of being involved in litigation? If yes, please provide details on a separate page

☐ Yes ☐ No

Signature Page

X. Information Release Authorization

I certify that all statements made in this application are an accurate representation of my financial condition on this date and are made for the purpose of obtaining the funding indicated. Verification and re-verification of any information contained in this application may be made at any time by the East Central Regional Development Commission, its agents, successors and assigns, either directly or through a credit reporting agency or another source named in this application at any time while checking the credit worthiness of this authorized signer.

The East Central Regional Development Commission, it's agents, successors and assigns will rely on the information contained in this application and I/we have a continuing obligation to amend and or supplement the information provided in this application if any of the material facts which I/we have represented herein should change prior to advancement of funds by The Foundation or at any time thereafter if requested.

Applicant's Full Name (Printed)	Social Security Number
Applicant's Full Name (Signature)	Date
Applicant's Full Name (Printed)	Social Security Number
Applicant's Full Name (Signature)	Date
Applicant's Full Name (Printed)	Social Security Number
Applicant's Full Name (Signature)	Date

Application Submittal

Please return the completed application form along with attachments to:

East Central Regional Development Commission
Revolving Loan Fund
100 Park Street South
Mora, MN 55051

If you have any questions regarding the completion of this application contact the Revolving Loan Fund Director at (320) 679-4065, #29.

The East Central Regional Development Commission is an equal opportunity lender.

(Please feel free to reproduce this information)

ATTACHMENT - Personal Financial Statement

Personal Financial Statements are required by all owners holding at least 20% or more of the share equity in the Company. You may submit in your own format, or use the one below:

ASSETS

1. Cash	
2. Savings Account.....................	
3. Checking Account	
4. Subtotal (Lines 1-3)..............	
5. U.S. Bonds.............................	
6. Other Securities.....................	
7. Other Assets	
8. Subtotal (Lines 5-7)..............	
9. Household Real Estate Owned	
10. Other Real Estate Owned	
11. Personal Property..................	
12. Other Assets	
13. Subtotal (Lines 9-12)	
14. TOTAL ASSETS .... (Line 4 + 8 + 13)	

LIABILITIES

15. Notes due to Banks................	
16. Notes due to Relatives...........	
17. Notes due to Others	
18. Unpaid Bills	
19. Rent Due	
20. Subtotal (Lines 15-19)	
21. Real Estate Mortgages and Contract for Deed	
22. Liens	
23. Installment Debts, Credit cards, etc..................	
24. Car or Vehicle Debts	
25. Subtotal (Lines 21-24)	
26. TOTAL LIABILITIES (Line 20 + 25)	
27. NET WORTH (Line 14 minus 26).............	

____
Applicant's Full Name (Please print)

____ ____________________________
Applicant's Full Name (Signature) Date

Business Plan and Attachments

These narrative and financial documents should be submitted with the application. Make sure to include all of the information that is applicable to the project.

A. History and description of Business

Describe the past operation of the business and/or the events leading to its creation. Include information on the product lines on services, industry, management and key employees, and the operation's growth and affiliates.

B. Market Analysis and Strategy

a. Description of current buyers and target markets (provide verification of purchase orders, contracts, etc., that relate to reason for the loan request).
b. Competition (who are the local, national, and international competitors?)
c. Sales Promotion
d. Advertising
e. Pricing, distribution and promotion
f. Manufacturing process and materials

C. Factor and Demand Conditions

a. What specialized factors, such as labor or infrastructure, affect your success?
b. What are the advantages and disadvantages that drive innovation?
c. Specifically, who are your customers?
d. Who are your primary suppliers and where are they located?
e. What utility company will provide service to your company?

D. Products

a. Description of product line
b. Proprietary position of patents, copyrights, legal and technical considerations
c. Comparison to the competition

E. Financial Statements

Provide balance sheets and income statements for the past three fiscal years

F. Financial Projections

Provide two years of proforma balance sheets, income statements and cash flows stated on a monthly and annual basis.

G. Itemized Schedule of Business Debt

A detailed list of all business debt to include terms and conditions of all debt

H. Statement of Collateral

A detailed list of all collateral offered, its value based on what (appraisal, cost, owner estimate), security position by funding sources and serial numbers of each item.

Business Plan Continued

I. **Resumes and Personal Financial Statements**
   Include resumes of all principals as well as current, dated, and signed personal financial statements on all principals owning 20 percent or more of the business.

J. **Other Attachments (please submit copies with business plan)**
   a. Copy of most recent Business income tax statement
   b. Copy of most recent Personal income tax statement
   c. Evidence of payment of last quarter’s payroll tax
   d. Evidence of Worker’s Compensation insurance coverage
   e. Verification of no outstanding judgments, tax liens, and real estate tax owed by the business or the owners
   f. Partnership/Corporate documents (Certificate of Authorization, By-Laws)

Communication

Date: December 10, 2021

Presented to: EDA Members
Presented by: Robb Linwood, City Administrator
Department: Administration
Reference: 2022 EDA Budget
Method: New Business

***Background Information*:**

At the November 15, 2021 EDA Meeting the EDA made a motion to approve a request to the Wyoming City Council for an EDA Levy amount of $42,000. The amount was discussed at the November 17, 2021 Wyoming City Council work session and reviewed. After discussion and consideration the Wyoming City Council elected to update the budget and approve $10,000 for the 2022 EDA Levy instead of the requested $42,000.

The Wyoming City Council did approve the 2022 Levy at their meeting on December 7, 2021 and the allocated amount of levy dollars to the Wyoming EDA for 2022 was $10,000.