ECONOMIC DEVELOPMENT AUTHORITY MEETING
RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS
JANUARY 16, 2018
7:15 PM (IMMEDIATELY FOLLOWING THE HRA MEETING)

Call to Order

Consideration of the election of officers for the Richfield Economic Development Authority for 2018.
Staff Report No. 1

Approval of the minutes of the regular Economic Development Authority meeting of November 20, 2017.

AGENDA APPROVAL

1. Approval of the Agenda

2. Consent Calendar contains several separate items which are acted upon by the HRA in one motion. Once the Consent Calendar has been approved, the individual items and recommended actions have also been approved. No further HRA action on these items is necessary. However, any HRA Commissioner may request that an item be removed from the Consent Calendar and placed on the regular agenda for HRA discussion and action. All items listed on the Consent Calendar are recommended for approval.

   A. Consideration of the approval of resolutions designating official depositories for the Economic Development Authority for 2018, including the approval of collateral.
      Staff Report No. 2

   B. Consideration of the approval of designating the Community Development Director as the Acting Executive Director of the EDA for 2018 in the event the Executive Director is absent from the City.
      Staff Report No. 3

3. Consideration of items, if any, removed from Consent Calendar

EDA DISCUSSION ITEMS

4. EDA Discussion Items

EXECUTIVE DIRECTOR REPORT

5. Executive Director's Report

6. Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9738.
ITEM FOR COUNCIL CONSIDERATION:
Consideration of the election of officers for the Richfield Economic Development Authority for 2018.

EXECUTIVE SUMMARY:
The bylaws of the Richfield Economic Development Authority (EDA) provide that the EDA hold an annual meeting in January. The bylaws further provide that the EDA elect the President, Treasurer, and Secretary annually.

Officers for 2017 were:
- Mary Supple, President
- Sue Sandahl, Vice-President
- Michael Howard, Treasurer
- Kate Aitchison, Secretary (not required to be an EDA Commissioner)
- Chris Regis, Assistant Treasurer (not required to be an EDA Commissioner)

RECOMMENDED ACTION:
By Motion: Elect officers for the Richfield Economic Development Authority for 2018.

BASIS OF RECOMMENDATION:
A. HISTORICAL CONTEXT
   - Provided in the Executive Summary.
B. POLICIES (resolutions, ordinances, regulations, statutes, etc):
   - The EDA bylaws provide for the election of officers.
C. CRITICAL TIMING ISSUES:
   - None
D. FINANCIAL IMPACT:
   - N/A
E. LEGAL CONSIDERATION:
   - None
ALTERNATIVE RECOMMENDATION(S):
  - None

PRINCIPAL PARTIES EXPECTED AT MEETING:
N/A
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
Richfield, Minnesota

Regular Meeting
November 20, 2017

CALL TO ORDER
The meeting was called to order by Mary Supple at 7:36 p.m.

ATTENDANCE
EDA Members Present: Mary Supple, Chair; Pat Elliott; Michael Howard; Erin Vrieze Daniels
EDA Members Absent: Sue Sandahl
Staff Present: Steve Devich, Executive Director
John Stark, Director of Community Development
Kate Aitchison, Housing Specialist/Acting City Clerk

APPROVAL OF THE MINUTES OF THE REGULAR ECONOMIC DEVELOPMENT AUTHORITY MEETING OF AUGUST 21, 2017

M/Elliott, S/Howard, to approve the minutes of the regular Economic Development Authority meeting of August 21, 2017.

Motion carried 4-0.

Item #1 | EDA APPROVAL OF THE AGENDA

M/Elliott, S/Vrieze Daniels, to approve the agenda.

Motion carried 4-0.

Item #2 | CONSIDERATION OF THE APPROVAL OF A RESOLUTION TO ACCEPT TRANSFERRED PROJECTS FROM THE RICHFIELD HOUSING AND REDEVELOPMENT AUTHORITY

Community Development Director John Stark presented Staff Report No. 4.

Commissioner Vrieze Daniels asked why the programs are being moved to the EDA. Community Development Director Stark answered that it was recommended by financial and legal counsels to move these programs away from TIF funding.

M/Elliott, S/Howard, to approve the resolution to accept transferred projects from the Richfield Housing and Redevelopment Authority.
Motion carried 4-0.

**Item #3**

**CONSIDERATION OF THE APPROVAL OF REVISIONS TO THE TRANFORMATION LOAN PROGRAM GUIDELINES UPDATING THE ADMINISTRATION OF THE PROGRAM**

Housing Specialist Kate Aitchison presented staff report No. 5.

Commissioner Howard complimented the program and noted that this seems like a fair process. Howard asked if a person could receive multiple loans, and Housing Specialist Aitchison responded that guidelines only allow one application per household.

M/Elliott, S/Howard, to approve revisions to the Transformation Loan Program guidelines.

Motion carried 4-0.

**Item #4**

**EDA DISCUSSION ITEMS**

None

**Item #5**

**EXECUTIVE DIRECTOR REPORT**

None

**ADJOURNMENT**

The meeting was adjourned by unanimous consent at 7:46 p.m.

Date Approved: January 16, 2018

Mary B. Supple
EDA President

Kate Aitchison
Housing Specialist

Steve Devich
Executive Director
ITEM FOR COUNCIL CONSIDERATION:
Consideration of the approval of resolutions designating official depositories for the Economic Development Authority for 2018, including the approval of collateral.

EXECUTIVE SUMMARY:
In compliance with Minnesota statutes, the Economic Development Authority of Richfield (EDA) must designate on an annual basis those financial institutions it does business with.

The following resolutions for the EDA Board’s consideration, designate U.S Bank/4M Fund as a depository of EDA funds, and certain savings and loan associations, banks, credit unions and certain financial institutions as depositories for the investment of EDA funds.

RECOMMENDED ACTION:
By motion: Adopt resolutions designating official depositories, with the understanding that the EDA could not invest in any of the depositories beyond the level of insurance coverage of the pledged collateral.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT
   • N/A

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):
   • In accordance with Minnesota Statutes Section 118A.01 - 118A.06 and 469.099, the EDA of Richfield must designate financial institutions annually. The institutions must pledge the collateral over and above the amount of federal insurance, as public depositories.
   • U.S. Bank acts as the banking institution in the EDA's banking arrangement with the 4M Fund. Monies received, checks written, by the EDA, flow through U.S. Bank, however, at the end of each business day, any proceeds remaining in EDA U.S. Bank accounts are swept to the 4M Fund to be invested. Therefore, at the end of the business day the EDA accounts are zero, which means the collateral requirements of Minnesota Statutes Section 118A.03 are not required. Accordingly, U.S. Bank has met all other statutory requirements and should be considered as a depository for the EDA's vendor accounts and all savings deposits.
The EDA must also designate annually, certain savings and loan associations, banks, and credit unions as official depositories for deposit and investment of certain EDA funds. With approval of these official depositories, the EDA will be able to invest funds in these institutions, not exceeding the federal insurance of $250,000.

Finally, a designation must be made for certain financial institutions as depositories for the investment of EDA funds for 2018. These institutions, such as investment brokerage firms, offer government securities in the manner required by law. These financial institutions include RBC Capital Markets, Raymond James & Associates, Northland Securities, Oppenheimer & Co., Wells Fargo Institutional Retirement and Trust, and the 4M Fund.

C. CRITICAL TIMING ISSUES:
   - N/A

D. FINANCIAL IMPACT:
   - N/A

E. LEGAL CONSIDERATION:
   - The EDA is required by Minnesota Statute 118A.01 - 118A.06 and 469.099, to designate as a depository of funds, insured banks or thrift institutions. Any collateral so deposited is accompanied by an assignment pledged to the EDA in the amount specified in the attached resolutions.

ALTERNATIVE RECOMMENDATION(S):
   - The EDA could solicit other financial institutions for official depositories, but past relationships with the depositories recommended have proven satisfactory for the City.

PRINCIPAL PARTIES EXPECTED AT MEETING:
None

ATTACHMENTS:

<table>
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<tr>
<th>Description</th>
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<tbody>
<tr>
<td>Resolution designating US Bank a depository of funds of the EDA of Richfield for the year 2018</td>
<td>Resolution Letter</td>
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<tr>
<td>Resolution designating certain savings &amp; loan associations, banks, and credit unions as depositories for the investment of EDA funds in 2018</td>
<td>Resolution Letter</td>
</tr>
<tr>
<td>Resolution designating certain financial institutions as depositories for the investment of EDA of Richfield funds in 2018</td>
<td>Resolution Letter</td>
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RESOLUTION NO.

RESOLUTION DESIGNATING U.S. BANK
A DEPOSITORY OF FUNDS OF THE EDA OF RICHFIELD
FOR THE YEAR 2018

BE IT RESOLVED, by the Economic Development Authority of Richfield as follows:

That, in accordance with Minnesota Statutes, Section 118A.01-118A.06, U.S. Bank be, and hereby is designated a depository of the funds of the Economic Development Authority of Richfield, subject to modification and revocation at any time by said Economic Development Authority, and subject to the following terms and conditions:

The said depository shall not be required to give bonds or other securities for such deposits provided that the total sum thereof shall not at any time exceed in any depository the sums for which its deposits are insured under the Acts of Congress of the United States relating to insurance of bank deposits; but that in case such deposits in any such depository shall at any time exceed such insured sum, said depository shall immediately furnish bonds or other security for such excess according to law, approved by the Economic Development Authority of Richfield.

That said depository shall pay on demand all deposits therein; and shall pay all time deposits, at or after the end of the period for which the same shall be deposited, on demand.

BE IT FURTHER RESOLVED, that there shall be maintained a general account in which shall be deposited all monies. The following officers or their facsimile signatures shall sign checks on this account:

MARY SUPPLE, PRESIDENT
STEVEN L. DEVICH, EXECUTIVE DIRECTOR

BE IT FURTHER RESOLVED, that all funds remaining in the account at the end of each business day will be transferred from U.S. Bank to the 4M Fund where funds deposited are invested and insured.

Adopted by the Economic Development Authority of Richfield, Minnesota this 16th day of January, 2018.

Mary Supple, President

ATTEST:

Erin Vrieze Daniels, Secretary
RESOLUTION NO.

RESOLUTION DESIGNATING CERTAIN SAVING AND LOAN ASSOCIATIONS,
BANKS
AND CREDIT UNIONS AS DEPOSITORIES FOR THE INVESTMENT OF ECONOMIC
DEVELOPMENT AUTHORITY OF RICHFIELD FUNDS IN 2018

BE IT RESOLVED, by the Economic Development Authority of Richfield,
Minnesota:

WHEREAS, pursuant to Minnesota Statutes, Sections 118A.01 – 118A.06,
municipal funds may be deposited in any Savings and Loan Association, Bank or Credit
Union which has its deposits insured by the Federal Deposit Insurance Corporation
(FDIC), or National Credit Union Administration (NCUA); and

WHEREAS, the amount of said deposits may not exceed the FDIC/NCUA
insurance covering such deposits which insurance amount is presently $250,000; and

WHEREAS, the deposit of Economic Development Authority funds in Savings
and Loan Associations and Banks would provide greater flexibility in the Economic
Development Authority’s investment program and maximize interest income thereon.

NOW, THEREFORE, BE IT RESOLVED, by the Economic Development
Authority of Richfield, Minnesota, as follows:

1. It is hereby found and determined that it is in the best interest of the proper
management of Economic Development Authority funds that certain Savings
and Loan Association and Banks be designated as additional depositories for
Economic Development Authority funds for 2018.

2. It is further found and determined that the purpose of such depository
designation is to facilitate the proper and advantageous investments of
Economic Development Authority funds and that such designation is not
exclusive nor does it preclude the deposit of any Economic Development
Authority funds in other officially designated depositories of the Economic
Development Authority.

3. The Treasurer and Finance Manager are hereby authorized to deposit
Economic Development Authority funds in various depositories up to the
amount of $250,000, or such other amount as may be subsequently permitted
by law, such deposits to be in the form of demand accounts, payable to the
Economic Development Authority of Richfield on the signatures of the
Economic Development Authority Treasurer or Finance Manager. Such
deposits may be made and withdrawn from time to time by the Treasurer or
Finance Manager as his best judgment and the interests of the Economic
Development Authority dictates.

4. The investment of funds and the reporting thereof pursuant to this resolution
shall be conducted in accordance with established policies of the Economic
Development Authority regarding the investment of Economic Development
Authority funds.

Adopted by the Economic Development Authority of Richfield, Minnesota this 16th day

Mary Supple, President

ATTEST:

Erin Vrieze Daniels, Secretary
RESOLUTION NO.

RESOLUTION DESIGNATING CERTAIN FINANCIAL INSTITUTIONS AS DEPOSITORIES FOR THE INVESTMENT OF ECONOMIC DEVELOPMENT AUTHORITY OF RICHFIELD FUNDS IN 2018

WHEREAS, the Economic Development Authority of Richfield has money which is available for investment; and

WHEREAS, different financial institutions offer different rates of return on investments; and

WHEREAS, the Economic Development Authority of Richfield shall purchase U. S. Treasury Bills, U. S. Treasury Notes and other such government securities in the manner required by law from the institution offering the highest rate to the Economic Development Authority of Richfield providing greater flexibility in the investment program and maximize interest income thereon.

NOW, THEREFORE, BE IT RESOLVED, by the Economic Development Authority of Richfield, Minnesota, in accordance with Minnesota Statutes, Sections 118A.01 – 118A.06, as follows:

1. It is hereby found and determined that it is in the best interest of the proper management of Economic Development Authority of Richfield funds that certain financial institutions be designated as additional depositories for Economic Development Authority of Richfield funds for 2018.

2. The following financial institutions designated as depositories for the Economic Development Authority of Richfield funds:

   4M Fund                       Oppenheimer & Co.
   Wells Fargo Institutional Retirement & Trust
   Northland Securities, Inc.

3. The Treasurer and Finance Manager are hereby authorized to deposit the Economic Development Authority of Richfield funds in any or all of the depositories herein designated. Such deposits may be made and withdrawn from time to time by the Treasurer or Finance Manager’s judgment and as the interest of the Economic Development Authority of Richfield dictates.

4. The investment of funds and the reporting thereof pursuant to this resolution shall be conducted in accordance with established policies regarding the investment of these funds.

Adopted by the Economic Development Authority of Richfield, Minnesota this 16th day of January, 2018.

Mary Supple, President

ATTEST:

Erin Vrieze Daniels, Secretary
ITEM FOR COUNCIL CONSIDERATION:
Consideration of the approval of designating the Community Development Director as the Acting Executive Director of the EDA for 2018 in the event the Executive Director is absent from the City.

EXECUTIVE SUMMARY:
The City Manager serves as the EDA Executive Director. It is recommended that the Community Development Director be designated by the EDA as the Acting Executive Director to serve in that capacity during the absence of the Executive Director.

RECOMMENDED ACTION:
By motion: Designate the Community Development Director as the Acting Executive Director of the EDA for 2018 in the event the Executive Director is absent from the City.

BASIS OF RECOMMENDATION:
A. HISTORICAL CONTEXT
   - None
B. POLICIES (resolutions, ordinances, regulations, statutes, etc):
   - This designation should be made at the first meeting in January of each year.
C. CRITICAL TIMING ISSUES:
   - It is necessary to designate a person to serve as Acting Executive Director to ensure continuation of EDA operations during an absence of the Executive Director.
D. FINANCIAL IMPACT:
   - This designation has no cost to the EDA.
E. LEGAL CONSIDERATION:
   - N/A

ALTERNATIVE RECOMMENDATION(S):
- The EDA may defer this designation to a future meeting.
PRINCIPAL PARTIES EXPECTED AT MEETING:
N/A