



ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

EDA Work Session

October 21, 2019

CALL TO ORDER

The meeting was called to order by Housing and Redevelopment Authority Chair Supple at 5:48 p.m.

ATTENDANCE

EDA Members Present: Mary Supple, President; Pat Elliott; Erin Vrieze Daniels; Sue Sandahl

EDA Members Absent: Maria Regan Gonzalez

Staff Present: John Stark, Director of Community Development/EDA Executive Director; Katie Rodriguez, City Manager; and Julie Urban, Housing Manager

ITEM #1

DISCUSSION OF BUSINESS DEVELOPMENT ACTIVITIES AND PROGRAMS

Executive Director Stark explained the background of the City’s business development activities and reviewed the current programs.

President Supple shared comments from Commissioner Regan Gonzalez, who was unable to be in attendance. Commissioner Regan Gonzalez wrote in support of the programs suggested by staff and agreed that additional staff is not the answer. She also asked what would outreach to small businesses look like and encouraged building off the existing partnership with the Chamber of Commerce. She also expressed her desire to see the City work collaboratively with partners to move business development work forward.

Executive Director Stark explained that staff turnover made consistent work with the Chamber more challenging and reminded Commissioners that the Chamber represents its members, not all Richfield businesses. A discussion followed regarding ways to work together on business development with the Chamber.

Rob Smolund from the Metropolitan Consortium of Community Developers (MCCD) described his work with Richfield residents and businesses through the Open to Business Program. Executive Director Stark explained that we’re working on more consistent market of the program and exploring social media and other ways of creating awareness about the program.

Executive Director Stark stated that the Economic Development Authority (EDA) has \$170,000 available for business development and that there are several potential uses for the funds, including a business assistance loan.

Lee Hall, Chief Operating Officer at MCCD, talked about their lending experience and how they're using that capacity to assist communities with loan products. He explained that cities can structure the business loans however they want, and MCCD will administer, underwrite and service the loans.

Executive Director Stark reviewed potential terms of a Richfield loan program, explaining that the maximum loan would be \$75,000, in order to comply with the State's business subsidy law. He described a second option for EDA funds would be to create a displaced business fund specific to businesses being displaced by any City/HRA project. In response to a question from Commissioner Vrieze Daniels, Executive Director Stark explained that the program could apply to all displaced businesses but reminded Commissioners that resources are limited. He explained that a tiered program could be available to all but would prioritize and give greater funds to businesses displaced by a City/HRA project.

A third possible program would be to promote energy-efficiency loans through the Center for Energy and Environment. The EDA could also use its funds to buy down the interest rate.

Executive Director Stark described additional options for business development, including moving the façade improvement grant to a different geographic area, e.g., East 66th Street, and/or expanding banners to other areas, e.g., Cedar Point. The Commissioners discussed recognizing a business on an annual basis and marketing all resources to local businesses. Given the positive interest in all the options, Executive Director Stark explained that staff would come back to the EDA with one program at a time, providing more specifics, and asking for approval.

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| ADJOURNMENT |
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The meeting was adjourned by unanimous consent at 6:45 p.m.

Date Approved: November 18, 2019

Mary B. Supple
EDA President

Julie Urban
Housing Manager

John Stark
Executive Director