



EDA Meeting Minutes

Monday, May 6, 2024 7:00 PM

Green Isle City Hall

1. Call Meeting to Order and Pledge of Allegiance – Meeting was called to order at 7:06 pm by President Denise Schuft. All stood for the Pledge of Allegiance.
Present: Vic Schwartz, Shane Sheets – ex-officio, Denise Schuft, Scott Vos, Diane Brown, Mark Wentzlaff, Ricky Ybarra
Staff Present: EDA Director Amy Soeffker, City Clerk Diane Hatlestad
Guests Present: Todd Hagen – Ehlers, Sue Vos – Cornerstone State Bank, Bruce Olness – Cornerstone State Bank, Michelle Hartman, Shannon Peterson, Amanda Horstman – GICS, Mark Miller from Emanuel, Lindsay Paschke – GICS, Sue Anderson, Sammie Engelmann – Emanuel, Lori Moldan – Gavin Law Office, Joe Kreger
2. Approve/deny **May 6, 2024** agenda – Motion by Brown to approve the May 6, 2024 EDA agenda **with the correction of May 6, and addition of First Children’s Finance to new business**, seconded by Ybarra. Motion carried.
3. Approve/deny April 1, 2024 and April 29, 2024 meeting minutes -Motion by Brown to approve the April 1, 2024 EDA minutes with the change to **10. Seconded by Brown**, and to approve the April 29, 2024 EDA minutes, seconded by Ybarra. Motion carried.
4. Bills & Communication: RLF Balance **\$19,103.32**
5. Monthly Reports/Updates:
 - A) Mayor’s Report – The Mayor reported that Clean-up Day and Arbor Day were a success.
 - B) Council Liaison Report:
 - C) Mark Wentzlaff (update on compost site) – Wentzlaff reported that the barriers/bunker were not up yet, but coming this week.
 - D) Diane Brown (parks) – Brown reported that Dan Dauffenbach would like to add more trees to the parks, specifically the Veterans Park. Brown would like to schedule a meeting with the tree committee to discuss whether trees can be

planted on part of the Veterans park due to it being a former gas station and possible soil contamination. Brown to schedule a meeting.

6. Old Business

- A) GICS discussion – Soeffker provided a brief update on parcels that would go along with GICS building if the foreclosure happens. Soeffker reported that Sue Vos shared the information after the last EDA meeting. Sue Vos also stated that Scott Vos discussed some of the parcels. Attorney Lori Moldan reviewed the parcels to be included in the foreclosure. Soeffker also reported that she had spoken with Attorney Jansen and the financials can be requested.
- Sammie Engelmann from Emanuel Lutheran Church came to propose an idea to have Emanuel temporary house in the GICS building and assume Clover Kids Childcare. Preliminary budget showing positive results. Direct costs to operate child care center, the rest would go to EDA to do as they wish. Mark Miller from Emanuel, since they couldn't get the full-depth of the numbers, they will take 10 percent of the net, the rest forfeit to EDA. On a short timeframe. Leeway to get license in 30 days. Approval of church voters on 5/5/2024 as long as they are running in the black and no burden on church. Shane Sheets, what is your plan with the GICS building when your daycare is complete. Miller, we are at capacity, we know there are needs beyond on. Not enough to house both facilities, do not plan to house both facilities. Soeffker shared that there is a shortage of 144 spots just in Arlington. Miller said commuting pattern is not just to the cities, it's both ways. Brown asked how much of the facility can be used for daycare? Engelmann, the plan is to license as is. Doesn't mean that we could not grow. That's with 42 spots. Lindsay Paschke, we are licensed for 44, but do not fill to capacity. Shane Sheets concern that in three years the city will be in the same situation, and Green Isle would have no opportunity for daycare. Miller pointed out that it buys Green Isle a lot of time. Ybarra stated that we are still only filling part of the building requiring EDA or someone to pay the rest of the bill. Ybarra abstaining from voting, but wondering where the rest of the money will come from. Brown said she did not feel good to leave the building empty. Sheets voiced concern over half the baseball field being included. Wentzlaff, how do we keep that bond in play. Todd Hagen, first thing is to get with bond counsel, he can walk us through keeping tax exempt status. Miller said so is Emanuel. See what revenue looks like for foreclosure, possible deferment from the bank. Full on still outstanding, but pay back later. Easier to come up with a deferment. Sounds like what we are going to do. Need to look at monthly revenues. Let Todd Hagen know when we get to that point. Sammie stated that

would see a positive \$40,000-\$50,000 annually, with a minimal increase in daycare costs. Ehlers said making smaller payments would help, Bruce Olness agreed. Todd Hagen, kind of path set up. Hagen also discussed refinancing. Brown asked if we need to expand the daycare, asked Lindsay Paschke what would need to be done. Paschke has not looked into it. Ybarra felt some rooms would need a water supply. None of the classrooms have a water supply or emergency lighting. Some expense to make the rest of the building compliant for daycare. If we don't have anyone to fill it, why should we take on that expense. Joe Kreger said Sibley County is 240 slots short of daycare.

Michelle Hartmann – stated that she was proposing to do daycare at the school, she is currently a preschool teacher. She is in the beginning phases, had emailed Soeffker a couple of times. Soeffker asked if she had any financial projections. Hartmann does not have budget numbers. Soeffker asked if there was any way to include Michelle in Emanuel's plans. Michelle Hartmann asked if she could piggyback on them during the 16-18 months while Emanuel daycare is being built. Hartmann could do her homework during that time and get her license. Hartmann would take over Green Isle daycare when Emanuel leaves. Miller said they had no plans of running two daycares. Scott Vos suggested the other part of the building could be used for a civic center or something. Soeffker brought up free services available to help Michelle Hartmann transition and set up her own daycare business. Wentzlaff said we need to keep this rolling. Soeffker said we will need more information and to schedule another meeting. Soeffker asked if the EDA would like to think about it. Mark Miller said they need to submit the location now. Soeffker said it's up to EDA, can table, can make a recommendation to Council. Sheets asked Miller if a recommendation from the committee would be enough. Miller said yes, that should do it.

Schuft clarified that it would take Michelle up to 6 months to get a license.

Schuft asked for questions, recommendations, concerns. Motion by Wentzlaff that EDA start this procedure and move forward with Emanuel Lutheran Church and School and that Emanuel work with Michelle Hartman, seconded by Brown. Motion carried. All voted in favor except Vos and Yabarra who abstained.

Emanuel would plan to be open on July 1. Amanda Horstman stated the daycare will close May 31 and have to liquidate their assets and close their books. Will go to Council on 5/14.

- B) Update on use of school building wall by Baseball Association – Kreger reported that they are not currently pursuing putting anything on the building walls.

- C) Comprehensive Plan Update – Soeffker reported that the committee is adding streets to the Utilities section, Lindquist provided information on the streets. Committee will have to update comp plan with school closing.
- D) Update on Clover Leaf Concert Series – The schedule was handed out to EDA Board members. Schuft reported that three donation checks have been received so far. Sue Vos will update the posters with credit required by PLRAC.

7. New Business

- A) First Children’s Finance** – Soeffker stated that the group has been helpful, their services are free to assist the city with financial analysis of a childcare in the building, could also do a rate study of neighboring daycares. Soeffker stated if the EDA wanted to move forward they would need to do a motion. Sammie Engelmann stated that she has spoken with First Children’s Finance. Vos made a motion to table until FCF’s FY25 to possibly work with Michelle Hartmann, seconded by Ybarra. Motion carried.

8. P&Z Update

- A) Soeffker and Sheets reported that it was a short planning and zoning meeting, discussed dog park. Waiting on a CUP.

9. Board and Director Comments – Soeffker reported that two grants were recently submitted to help with the Comp Plan and Trails Master Plan. One with SMIF and one with Blandin Foundation.

Vos – asked if we need more information from Emanuel before the next meeting, Soeffker asked that they share information as they have it, financials, dates. Miller said they would gladly provide information at any time. Sheets recommended that they come to the City Council meeting on the 14th.

Vos – also asked how do fund a shortfall. Soeffker stated we will need numbers to know what the shortfall is, and it will be up to City Council to decide whether or not to finance the payments.

10. Adjournment – Motion by Brown to adjourn the meeting at 8:00 pm, seconded by Schwartz. Motion carried.

EDA Director Amy Soeffker

EDA President Denise Schuft