



GOODHUE COUNTY
ECONOMIC DEVELOPMENT AUTHORITY
Tuesday, November 20th, 2007
County Boardroom ~ Government Center, Red Wing, MN
8:30 a.m.

Present: Jim Bryant, Dan Rechtzigel, Ted Seifert, Richard Samuelson, Richard Mallan,
Patricia Anderson, Dan King

Others Present: Sheri Chorney, Myron White, Ron Allen, Cris Gastner, Carolyn Holmsten,

Commissioner Bryant called the meeting to order at 8:31a.m.

C/Bryant introduced and welcomed Dan King, who is the economic development director for the City of Zumbrota. Dan thanked the Board for the invitation to be a member of the Economic Development Board.

Moved by C/Rechtzigel, seconded by C/Samuelson, carried to approve the November 20, 2007 EDA Board Agenda.

Moved by C/Mallan, seconded by C/Rechtzigel and carried to approve the October 2nd, 2007 Board Meeting minutes as written.

2008-2009 Budget

S. Arneson indicated that the 2008 EDA budget has been through the County Board and nothing has changed. C/Samuelson questioned if the budget is adequate to meet the goals that have been set by the EDA Board. S. Arneson stated that it is adequate for the goals that have been previously set.

Motion by C/Rechtzigel, second by C/Seifert, motion carried to approve the presented 2008 EDA Budget as presented.

JOBZ Resolution

Sheri Chorney stated that they are requesting the move 6 acres off of the private property owner Jeff Frost to the former DAYCO/Carlise building. The reason for the request is because there are a couple of businesses that are waiting to move into the building that are requesting the JOBZ program. If they do qualify for those benefits then the property would be there for them to access the benefits.

One of the companies is the Red Wing Cabinetry Company, which is a new business in town, starting off with 12 new jobs at the facility, plan on starting up in December and plan on hiring as needed.

Stress Tech is the other business, which is a local business that has doubled in size in the last few years and plan on moving into a larger small.

C/Seifert questioned how many jobs were lost when Rivera Cabinets closed? Sheri indicated that they had approximately 35 jobs; the new cabinet group is starting with 12 employees, they are starting to capture the business back from previous customers, which will increase their workload.

Motion by C/Seifert, second by C/Rechtzigel, motion carried to approve the resolution modifying the JOBZ Program in Red Wing.

**RESOLUTION TO APPROVE APPLICATION TO MINNESOTA
DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT
TO MODIFY RED WING'S JOB OPPORTUNITY BUILDING ZONE**

WHEREAS, Red Wing, Minnesota has lost employers or lost employment opportunities to other states and / or overseas due to lack of competitive business climate and / or lack of proper and competitive incentives; and

WHEREAS, the resulting effects of such lagging job creation, business development and individual wealth growth have harmed and are forecasted to continue to harm the economy of Red Wing, Minnesota and have been magnified by the recent announcement of the closing of Riviera Cabinets; and

WHEREAS, The Job Opportunity Building Zone (JOBZ) Program created in Minnesota Session Laws 2003, 1st Special Session, Chapter 21, Article 1, allows for the formation and subsequent amendment of tax zones; and

WHEREAS, the City of Red Wing desired to make application to the Department of Employment and Economic Development to move six acres (6) of JOBZ Property from Tile Drive (private owner); to the vacated former Carlisle /Dayco Building.

BE IT RESOLVED, the Goodhue County Board agrees to provide all the local tax exemptions and credits required and provided under the Job Opportunity Building Zone (JOBZ) Legislation and agrees to forgo the tax benefits resulting from the local and state tax exemptions and credits provided under the Job Opportunity Building Zone (JOBZ) Legislation.

Commissioner Correspondence

C. Seifert requested an update on the Falconer Winery situation from Myron White with the Port Authority. Mr. White indicated that the Port Authority's position is that the conversations are on-going with the Falconer Winery. The Port Authority has asked the questions if it is the highest and best use of the property, it is 20 acres of very developable land; due diligence look at the feasibility of a successful project; there are some questions hanging out there. The Port Authority has presented Mr. Falconer with a proposal to utilize a portion of the property, 8.5 to 9 acres.

Mr. Falconer addressed the EDA Board; stated that this is the 2nd successful business venture that he has been on. He built the Red Wing Stoneware Company; there has been a very fast growth of 90% with the winery and they are out of space. In the wine business a highly visible property is the key. He is proposing the State's largest winery on the site; additional 10 acres of grapes, convention center, commercial nursery licensed by the University Patton Technology to propagate their grape varieties and distribute them nationally. Need to also have expansion space for the future.

C. Seifert stated that it is an important project for the gateway to Red Wing and it would attract tourists into the community. The County EDA Board needs to be there to support and keep the project moving forward. Willing to do anything reasonably as we can.

C. Bryant suggested that EDA Sub-Committee be formed to keep in touch with the Port Authority and Mr. Falconer to follow up where they are at and bring it back to the EDA Board; it is an issue between Mr. Falconer and the Port Authority.

C. Bryant appointed C. Seifert, Administrator Arneson, C. Rechtzigel, representative from SEMDC to a sub-committee of the EDA regarding the winery. C. Mallan suggested that the Commissioner representing that district be included as well. C. Allen will serve on the sub-committee as well.

Motion by C/Seifert, second by C/Rechtzigel, motion carried to approve the above listed sub-committee of the EDA in reference to the Falconer Winery.

Cris Gastner indicated that he plans on spending time with Mr. Johnson and getting some things out on the webpage, it is a work in project. Ron Zeigler and Mr. Arneson have been in contact regarding the joint EDA meeting with the Cities.

Motion by C/Mallan, second by C/Seifert, carried to adjourn the November 20, 2007, EDA meeting.

Respectfully Submitted,

Scott Arneson

Executive Secretary