



GOODHUE COUNTY
ECONOMIC DEVELOPMENT AUTHORITY

Tuesday, September 20th, 2005
County Boardroom
Government Center, Red Wing, MN
2:00 p.m.

Present: Commissioners: Jim Bryant, Ron Allen, Dan Rechtzigel, Richard Samuelson and Ted Seifert, David Hamilton, Ron Zeigler, Chris Gassner, Angie Bersaw, Ron Johnson, Brad Johnson, Stacy Thuman

C/Allen called the meeting to order at 2:20 p.m.

C/Rechtzigel move, C/Seifert second, carried to approve the June 21st, 2005 EDA minutes as presented.

Mr. Hamilton stated that the Red Wing Blandin Broadband letter was included in the packet and was not on the agenda and asked to place it after the business retention and expansion update.

Mr. Hamilton stated that Kelly Rezensoff sends her regret for today's meeting, she is tied up with business obligations today.

C/Seifert move, C/Bryant second, carried to approve the amended September 20th, 2005 agenda as presented.

Business Retention & Expansion Program Update – Ron Zeigler

Mr. Zeigler and Mr. Gassner presented a power point presentation outlining the results of the survey that was completed. (Attachment provided) Mr. Zeigler stated that this report does not have all of the answers, this document is a fluid document and needs to be continued to be worked with. Mr. Zeigler stated that he appreciates the opportunity to provide this service.

Mr. Zeigler stated that there are some firms that they continue to work with from the survey, approximately six of them that we are providing assistance too, some of them include expansions, and will incorporate the appropriate communities into those discussions as well, there is one company that is looking at a relocation, whether it be within the County, outside the County, we are trying to assist those decisions that need to be made.

C/Allen thanked Mr. Zeigler for the report and stated that the reason that this started was because they would read about it in the paper that businesses were closing, it is hard to keep a business here when they have announced that they are leaving. C/Allen stated that it is good that now when we see a business that is in trouble, we can try to keep them in Goodhue County. C/Allen also pointed out that the reason for the zero levy is that is hard for the businesses to keep on the taxes.

C/Bryant questioned that of the 57 businesses that responded to the survey, what is the highest employee base? Mr. Zeigler stated that of the 92 businesses, the employees ranged from 1-4 to up to 1,000 plus, so before going into the business we knew the approximate employee basis. C/Bryant stated that he is strong believer in retaining what we have and building on what we have, this is welcome information for us. C/Bryant also stated that in a past meeting it was talked convening a

regional meeting with the legislators, and would also encourage that the local legislators to receive a copy of this document with a cover letter from the Goodhue County EDA, and requesting a time to meet. Because what Goodhue County is facing is probably what Olmsted, or Winona, Mower, etc. are facing as well. The region including Counties and Cities should be an equal partner in this joint meeting or information release.

C/Rechtzigel stated that what he likes about the report is that it offers recommendations on where to go instead of just showing the facts. The three that stick out as being important, under convening the summit, recommending that it be done before the next legislative session, between now and January to do that, possibly even breaking it down to have an agriculture summit, a manufacturing summit.

C/Rechtzigel stated that agrees that some point in the future we are going to have some professional on staff that is going to be the Economic Development Coordinator, someone who is going to go out there and do the work that we have contracted with SEMDC and be there on a day by day basis.

C/Rechtzigel stated that he is not sure what the practicality or when that would happen though. He also stated that affordable housing is an investment for businesses in our county that we need to support, because if you do not have a working base, the businesses are only going to go so far and they will leave to communities where there is a good workforce.

C/Samuelsen commented that he was here when we started the EDA and at that time there was a lot of caution to the County from the Cities as to why we are doing this, does that concern still exist, are they trying to figure out our purpose? Mr. Zeigler stated that after the first press release announcing the survey was out, cities phoned and questioned what is the processes, what are your thoughts, a meeting was held in Red Wing and the Port Authority and Pine Island were there, it was a frank discussion as to are crossing the line or not and the end result is that we are here to supplement within their own boundaries. Mr. Zeigler stated that there is also the issues that businesses for different reasons do not want to talk with their local elected officials, some businesses were glad that an independent company was asking the questions, a lot of the issues that came forward today businesses would be comfortable in saying to an elected official or any city staff person. Mr. Ziegler stated that the Goodhue County EDA could assist the cities; we need to be able to assist. C/Samuelsen commented that the cities need to know that we are here to help and not get in the way or take over. Mr. Gassner added that in the companies that were having some potential issues, that was one of the first steps that was made in follow up was to contact their communities and let them know what was going on and questioned if they wanted SEMDC to be a part of correcting the problem or just introduce the parties.

Mr. Hamilton stated that a couple of quick observations, first of all, acknowledged and thanked Mr. Ron Johnson from Lake City and Angie Bersaw from Zumbrota for their presence, both is pivotal parts of growing dynamic communities in Goodhue County. Mr. Hamilton suggested that at the October 18th meeting, Mr. Zeigler and his staff in consultation with EDA officers, could bring back a recommendation for a summit, as well as a series of recommendations to implement the strategies, first and foremost would be the consideration of a summit to address some of the issues. Mr. Hamilton suggested that we would recommend continuing with Mr. Zeigler and his firm for the future, in part because it allows us flexibility with contracted services, and Mr. Zeigler also has a background and is very familiar with Goodhue County.

Mr. Ron Johnson stated that in response to C/Samuelsen question regarding the cities comfort level or discomfort level with County EDA, a lot of that was taken care of as far as the discomfort level through the comprehensive plan process, the potential fights between the counties and cities has been taken care of. Mr. Johnson also commented that the legislature does not go back into session until March and suggested possibly look at a summit in January after the holiday rush. Mr. Johnson stated

that he listened to Randy Johnson from the SE MN Workforce Development Group talk about what companies, manufacturing in particular are looking for in a workforce, it gets down to training.

Ms. Angie Bersaw stated that she received the press release she was excited but did not get involved as much as she would have liked to, but from here on out, ready and willing to work together.

City of Red Wing Request

Mr. Hamilton referred to a letter from Kay Kuhlmann that was distributed in the packet. It is a request for a \$2,000 matching funding commitment to support the "Get Broadband" program. They would also like for two representatives to serve on the Board and likely would be the Commissioners that serve the Red Wing districts, if they choose to.

C/Seifert stated that he attended a meeting at Red Wing City Hall regarding this Blandin Foundation, the foundation would pay half and they are looking for the remainder to come from the local community.

Motion by Ted Seifert, second by C/Allen, motion carried to commit to the \$2,000 cost for the study because it is just talking about Red Wing now, but when you bring Broadband into an area and from Red Wing it will go beyond at some point.

C/Samuelsan questioned who the Committee is? Mr. Hamilton stated that there is a committee that initiated this and is under the offices of the City of Red Wing, there is room for up to 2 people.

C/Rechtzigel stated that this is another perfect opportunity for us as a local government to help promote economic development, there are small actions that we take that can in fact help improve the business climate and community within Goodhue County and see it as a long term vision approaches to help continue to keep Goodhue County competitive as well as on the cutting edge.

Board Vacancy

C/Samuelsan stated that he would like to bring forward Gary Schmidgall, he is the owner/operator of Hancock Concrete in Cannon Falls, and is very interested in serving on the EDA Board.

C/Samuelsan and C/Allen second, motion carried to appoint Mr. Gary Schmidgall to the EDA Board.

C/Bryant questioned if he would be finishing Mr. Vahsling's term, is it a 2 year, 3 year start? Mr. Hamilton stated that they would advise the recent appointee of his term. C/Bryant questioned if they start a new 3 year term.

Mr. Ron Johnson questioned if the past practice has been to have a City official on the EDA Board or is it something in the bylaws; C/Allen stated that it is to have someone from the private sector on the Board and we only had 2 openings way this Board is configured right now. C/Bryant stated that in the past it has been EDA Directors.

C/Rechtzigel move, C/Seifert second to adjourn the EDA Meeting.

Respectfully Submitted,

David Hamilton

Executive Secretary