

**ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA**

12:00 P.M., (Noon) Tuesday, March 26, 2024
East Grand Forks City Hall, 600 DeMers Ave NW
Training Room – First Floor South Wing
East Grand Forks, MN

The mission of the Economic Development Authority is to maintain and improve the economic vitality of East Grand Forks by doing the following:

- *By retaining & growing local businesses*
- *By creating & supporting investment & growth opportunities for commercial activities*
- *By creating & supporting opportunities for residential growth, including workforce housing*
- *By working to develop a workforce capable of meeting current & future needs of local employers.*

REGULAR MEETING

1. Roll Call: President Grinde, Board Members Black, Hecht, Helms, Horken, Larson, Stai
2. Administration of Oath to Newly Appointed Board Member, Penny Stai (Galstad)
3. Approval of the minutes
 - a. February 27, 2024, Regular Meeting
4. Bills and Communications
 - a. Review of Accounts Payable: March 5, 2024; March 19, 2024
5. Reports
 - a. Delinquencies Update – none
 - b. Director's Reports: February 2024
 - i. MGI
 - c. Financial Reports: None
6. Unfinished Business
 - a. Economic Development Strategy update (Shill)
 - b. Economic Development Director Job Description as revised (Committee)
7. New Business
 - a. M & W services loan request
 - b. Pierce land sale proposal
 - c. Promise Act Grant Program (Northwest Minnesota Foundation)
8. Adjournment

Upcoming Meetings:

500 pm March 26, 2024
1200 pm April 23, 2024
1200 pm May 28, 2024

Individuals with disabilities, language barriers or other needs who plan to attend the meeting and will need special accommodations should contact Nancy Ellis, ADA Coordinator at (218)-773-2208. Please contact us at least 48 hours before the meeting to give our staff adequate time to make arrangements. Also, materials can be provided in alternative formats for people with disabilities or with limited English proficiency (LEP) by contacting the ADA Coordinator (218)-773-2208 five (5) days prior to the meeting.

UNAPPROVED MINUTES OF THE REGULAR MEETING OF THE BOARD MEMBERS OF THE EAST GRAND FORKS ECONOMIC DEVELOPMENT AUTHORITY (EDA)

A regular meeting of the Board Members of the East Grand Forks Economic Development Authority was held at Noon on February 28, 2024

Roll Call:

Meeting was called to order by President Grinde at 12:00 pm.

EDA Board present at roll, President Josh Grinde, Board Members: Ben Horken, Justin Hecht, Brian Larson and Daniel Black. Dale Helms via TEAMS

Absent:

Staff present: Paul Gorte (EDD), Economic Development Director; Brenda Ault (EA), Executive Assistant; Ron Galstad (CA) City Attorney; Karla Anderson (FD), Finance Director; Reid Huttunen (CA), City Administrator

Also Present:

1. Roll Call: President Grinde determined a quorum was present.

2. Approval of Minutes

a. January 23, 2024, Regular Meeting

A Motion was made to approve the January 23, 2024, Regular Meeting Minutes, by Board Member Hecht, seconded by Board Member Horken. M/S/P-Hecht, Horken; 6-0, mc.

4. Bills and Communications

a. Review of Accounts Payable, February 6, 2024; February 20, 2024

No comments

5. Reports

a. Delinquencies – EDD Gorte reported that 1 late payment from last month has been resolved.

b. Director's Reports: January 2024- EDD Gorte stated that the report was in the packet. Board Member Lason asked for more detail on the businesses he worked with in January. Paul explained that:

- Tom Campbell questions
- Attila Dalmi: various businesses and properties; contacts regarding one business
- Dahl Funeral Home
- Design Rich Architects
- Fert-L-Lawn: expansion
- Hawkes Manufacturing: loan
- Leisureland: expansion
- Mayo Manufacturing: Border Cities tax credits
- Sage Legal
- Senator Mark Johnson
- The Spud, Jr.: loan

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MINUTES OF THE REGULAR MEETING OF THE EAST GRAND FORKS ECONOMIC DEVELOPMENT AUTHORITY (EDA) (continued)

- o Ultima Bank: general financing
- c. Financial Reports: FD Anderson stated that they are currently working on the audit and she will give a full report once the transfers have been completed.

6. Unfinished Business

- a. Galstad Jenson McCann Lease Renewal

EDD Gorte stated the current lease expired November 30, 2023. The tenant has, by the terms of the lease, been on a month-to-month tenancy since then while some small issues were resolved. The current annual lease rate is \$10.25 per square foot.

Before the 2018 renewal, the Director inquired about downtown lease rates in East Grand Forks and learned that the general lease rate for downtown businesses is \$10.00 per square foot. The EDA, at that time, approved a lease that would increase the annual rent by 25 cents to bring the rates into line with downtown rates, which resulted in the current lease rate noted above. Recently, the Director prepared a new 5-year lease based on the same premise: with an annual increase of 25 cents.

The Director presented the revised lease to the City Council Work Session on November 14. At the same meeting the Community Developer Director presented new leases for the government tenants in City Hall. There was conflicting rate. The difference between the City Hall rates and the Infill Building rates was noted and discussed at the City Council meeting. The result of the meeting was that the Infill Building rates should more closely align with the City Hall rates absent outside factors.

Subsequently, the Director looked at office rental rates in East Grand Forks. The building formerly occupied by the Gerard Neil law firm is available for about \$10 per square foot. The Infill Building rents must recognize the competitive rates at that building.

Mr. Galstad asked that the lease term be changed to 3 years.

Based upon the availability of the Neil office space and the desire for a three-year term, the Director proposed a 37-month term to the tenant. He agreed. The Director also proposed the following lease rate, to which the tenant also agreed:

Proposed Rates:

December 1, 2023 – March 31, 2024	\$10.25 per square foot	\$(2921.25 per month)
April 1, 2024 – December 31, 2025	\$10.75 per square foot	(\$3063.75 per month)
January 1, 2026 – December 31, 2026	\$11.25 per square foot	(\$3206.25 per month)

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MINUTES OF THE REGULAR MEETING OF THE EAST GRAND FORKS ECONOMIC DEVELOPMENT AUTHORITY (EDA) (continued)

He is recommending that the EDA approve the proposed lease and direct the President and Director to sign the lease on behalf of the EDA.

A Motion was made to approve the lease, with the above terms, for Galstad Jenson McCan, by Board Member Horken, seconded by Board Member Larson; M/S/P- Horken, Larson; RCV: Black -Y, Larson-Y, Grinde -Y, Hecht-Y, Horken -Y, Helms-Y; 6-0, mc.

b. Economic Development Strategy Update

On January 30, 2024. About 24 people representing the EDA, City Council, and local businesses met about the economic development strategy which was based on the results of the October meeting. A summary of the meeting is in the packet. Board Member Lason asked if there had been any feedback on the meeting. EDD Gorte stated that the City Council had reviewed the summary as well.

New Business

a. Gate City Bank program renewal presentation

EDD Gorte stated that they couldn't be here today.

b. Renewal of Realtor Listings for City-owned residential lots.

EDD Gorte stated that it is time to renew the realtor listings for the City-owned residential lots for another two years. He feels that the realtors have been very helpful with the sale of the lots; 7 lots were sold in 2023. He has two questions:

Should Lot 7 Block 1 Waters Edge First remain as part of the listing? This is the large, undeveloped lot at the northeast corner of 23rd Street NW and River Road NW.

Should Lot 6 Block 2 Coulee View remain as part of the listing? This is the lot at the corner of 17th Ave SE and 13th Street SE.

A Motion was made to include the two lots in question and approve the renewal of the realtor listings for two years, by Board Member Black, seconded by Board Member Hecht; M/S/P- Black, Hecht; RCV: Black -Y, Larson-Y, Grinde -Y, Hecht-Y, Horken -Y, Helms-Y; 6-0, mc.

c. Forgivable COVID Loans

EDD Gorte stated The three-year term for the forgivable COVID loans will end shortly for many of the loans. Mr. Galstad has provided a Satisfaction and informed the Director of the necessary actions that must occur provided the borrower has fulfilled the terms of the loans. A list of the loans for Round 1 of the program is in the packet.

FD Anderson stated that EDD Gorte needs to include with the Satisfaction, a letter, which states that a 1099 will be sent out, because this will be considered income for 2024. EDD Gorte stated that he understood.

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MINUTES OF THE REGULAR MEETING OF THE EAST GRAND FORKS ECONOMIC DEVELOPMENT AUTHORITY (EDA) (continued)

d. RAISE Grant Letter of Support

EDD Gorte informed the Board that East Grand Forks is working with Grand Forks, Polk County, and Grand Forks County to determine the location(s) for possible future bridges. A funding opportunity to pay for part of the costs of the preliminary work became available. The four partners agreed to seek funding for the grant. East Grand Forks, as the lead agency, asked for a letter of support. He prepared the letter for the signatures of the EDA President and the Director. A copy of the letter is in the packet.

e. SBDC update

EDD Gorte stated that as of mid-June the University of Minnesota Crookston will no longer host the local SBDC representative. She is expected to continue her work under contract with the Northwest Minnesota Foundation and be available for East Grand Forks clients. The EDA budgeted \$5000 for the support of SBDC services in East Grand Forks. The money was expected to go to the program host: UMC. With the change in the service provider, the Director proposes to use half of the allocation to support the new service provider, the Northwest Minnesota Foundation.

A Motion was made that half of the SBDC support funding in the EDA budget be allocated to the Northwest Minnesota Foundation rather than the University of Minnesota Crookston, by Board Member Black, seconded by Board Member Horken; M/S/P- Black, Horken; RCV: Black -Y, Larson-Y, Grinde -Y, Hecht-Y, Horken -Y, Helms-Y; 6-0, mc.

f. Economic Development Director Skills and Qualifications

EDD Gorte informed the Board, that based upon the input from the economic development strategy meeting in October 2023 and the follow-up meeting in January 2024, he has identified a list of skills and qualifications for the new Director. The list and the current job description are in the packet.

CA Huttunen stated that he would like the City Council and the EDA Board to have a joint session at the March 26th work session for the City Council to talk over skills, strategy and to have a discussion to move the City forward and to have a candid conversation.

President Grinde stated that he felt that a joint committee should be formed to come up with some of that before the Board meets with the City Council. A committee of Daniel Black, Justin Hecht, Barry Wilfahrt and Josh Grinde will be formed to come up with criteria.

Board Member Helms stated he was in favor of that to come up with guidelines before the March 26th meeting. What we're looking for in a new director, what we'd like to see done, etc.

A Motion was made that a committee of Daniel Black, Justin Hecht, Barry Wilfahrt and Josh Grinde will be formed to come up with criteria for the Economic Director Position, by Board Member Black, seconded by Board Member Hecht; M/S/P- Black, Hecht; RCV: Black -Y, Larson-Y, Grinde -Y, Hecht-Y, Horken -Y, Helms-Y; 6-0, mc.

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MINUTES OF THE REGULAR MEETING OF THE EAST GRAND FORKS ECONOMIC DEVELOPMENT AUTHORITY (EDA) (continued)

President Grinde asked if there was anything else before we adjourn.

FD Anderson asked to address the Board, regarding the MN DEED Childcare Economic Development is awarding grants to be used to implement solutions to reduce childcare shortages in the state. She held a meeting, along with Brianna Feil, EGF Light & Water, on Monday. They have individuals interested in the grant. The state has identified a shortage of 200 spots needed in childcare. Individuals, businesses, and financial supporters need to get behind this issue, they will be looking for letters of support for the grant.

Another round of this grant will be available in June or July.

Anderson also talked about the EGF Area Childcare Fund (EGF Fund), which encompasses the territory included in the East Grand Forks School District. Recently the EGF Fund was established to provide an opportunity for people and businesses to make tax deductible gifts to help secure the future of our communities. The purpose and mission of this EGF Fund is to provide financial assistance to childcare providers in the form of startup costs, capital assistance, education, and continuing education. As part of the Special Project component of the EGF Fund, they have held a provider appreciation meal in the past, which is an event for childcare providers and early childhood educators.

The EGF Area Childcare Fund is a component fund of the Northwest Minnesota Foundation (NMF), a public, charitable foundation promoting investment, collaboration, and philanthropy across 12 counties in northwest Minnesota. The EGF Fund provides opportunities to seek and leverage funding for childcare through state, federal and foundation grants, along with tax-deductible contributions from businesses and individuals in the community.

8. Adjournment

Motion to adjourn the meeting was made at 12:40 by Board Member Black, was seconded by Board Member Hecht. M/S/P- Black, Hecht; mc.

The next regular meeting is February 27, 2024.

Respectfully Submitted,
Brenda Ault, Executive Assistant

Bills 03/05/2024

Account Number	Vendor	Description	GL Date	Check No	Amount
620-49-870-42000	Timothy Riopelle	Name Plate P. Stai	02/29/2024	42126	18.00
Report Total:					18.00
630-00-000-11140	EGF City Petty Cash Ckng	Return of Security Deposit	03/05/2024	42093	367.75
630-00-000-11140	EGF City Petty Cash Ckng	Security Deposit Refund After Cleaning	03/05/2024	42093	425.59
630-46-410-41510	League of MN Cities	2024 Worker's Comp Ins LMC 1000923-8	02/29/2024	42103	1,703.00
630-46-410-43200	Page 1 Publications, Inc.	Sunshine Terrace Rental Notice	02/29/2024	42122	65.25
630-46-410-43610	League of MN Cities	2024 Municipality Liability Insurance LMC 100405-8	02/29/2024	42103	19,484.00
630-46-440-43190	SimplyMaid, Inc	Cleaning at Sunshine Terrace	02/29/2024	42128	641.25
630-46-440-43190	Thur-O-Clean	Custodial Services Sunshine Terrace	02/29/2024	42132	622.50
630-46-440-43800	Water & Light Department	005041-000/Sunshine Utilities/01/20/24-02/20/24	02/29/2024	42137	5,103.64
630-46-440-43800	Water & Light Department	005041-065/Sunshine 207/01/20/24-02/20/24	02/29/2024	42137	37.61
630-46-440-43800	Water & Light Department	005041-139/Sunshine 117/01/20/24-02/20/24	02/29/2024	42137	31.89
630-46-440-43800	Water & Light Department	005041-154/Sunshine 219/01/31/24-02/20/24	02/29/2024	42137	21.47
630-46-440-43800	Water & Light Department	005041-151/Sunshine 102/01/20/24-02/20/24	02/29/2024	42137	30.59
630-46-440-43800	Water & Light Department	005041-152/Sunshine 217/01/20/24-02/20/24	02/29/2024	42137	30.12
630-46-440-43800	Water & Light Department	005041-150/Sunshine 307/01/20/24-02/20/24	02/29/2024	42137	29.99
630-46-440-43800	Water & Light Department	005041-153/Sunshine 214/01/20/24-01/20/24	02/29/2024	42137	31.43
630-46-440-43800	Xcel Energy	Acct 51-5171995-8 Sunshine Terrace	02/29/2024	42139	3,559.46
630-46-440-44000	Johnson Controls	Repairs at Sunshine Terrace	02/29/2024	42100	3,072.56
630-46-440-44300	Page 1 Publications, Inc.	Sunshine Terrace Rental Notice	02/29/2024	42122	65.25
Report Total:					35,323.35
682-46-503-43610	League of MN Cities	2024 Municipality Liability Insurance LMC 100405-8	02/29/2024	42103	3,252.00
682-46-503-43800	Midcontinent Communications	Services at Infill Building	02/29/2024	42110	48.21
682-46-503-43800	Water & Light Department	005003-000/Infill/01/20/24-02/20/24	02/29/2024	42137	947.03
682-46-503-43800	Xcel Energy	302611407 - 411 2nd St NW	02/29/2024	42139	176.31
Report Total:					4,423.55

Bills 031924

Account	Vendor	Description	GL Date	Check No	Amount
620-49-870-43100	Galstad Jensen & McCann PA	EDA Civil Services Feb 2024	03/19/2024	42155	762.75
620-49-870-44000	US Bank Corporate Payment Systems	Copier Lease Economic Development	03/19/2024	42194	83.08
620-49-870-44300	SJA Thunder Corp	EDA Board Meal	02/29/2024	42187	136.91
Report Total:					
630-46-410-43200	Allstream	Long Distance Service	02/29/2024	42143	982.74
630-46-440-43190	Northland Yard Service	Snow Removal at Sunshine Terrace	02/29/2024	42171	1,590.00
630-46-440-43190	US Bank Corporate Payment Systems	Cintas - Mats at Sunshine Terrace	03/19/2024	42194	171.29
630-46-440-43890	US Bank Corporate Payment Systems	Cable/Internet/Phone for Sunshine Terrace	03/19/2024	42194	395.86
630-46-440-44000	Marco Technologies LLC	Copier Lease Sunshine Terrace	03/19/2024	42164	91.61
630-46-440-44000	US Bank Corporate Payment Systems	Range Hood Filters	03/19/2024	42194	52.35
630-46-440-44000	US Bank Corporate Payment Systems	Air Freshners	03/19/2024	42194	41.95
630-46-440-44000	US Bank Corporate Payment Systems	Pest Control Sunshine Terrace	03/19/2024	42194	225.00
630-46-440-44000	US Bank Corporate Payment Systems	Vinyl Floor Repair	03/19/2024	42194	71.24
630-46-440-44000	US Bank Corporate Payment Systems	Fridge Gasket Repair	03/19/2024	42194	110.00
630-46-440-44000	US Bank Corporate Payment Systems	Paint & Toilet Installation	03/19/2024	42194	178.86
630-46-440-44000	US Bank Corporate Payment Systems	Smoke & CO2 Alarms	03/19/2024	42194	98.97
630-46-440-44000	US Bank Corporate Payment Systems	Paint & Recycle Conditioner Additive	03/19/2024	42194	139.92
630-46-440-44000	US Bank Corporate Payment Systems	Range Terminal Block & Cryer Repair Kit	03/19/2024	42194	54.95
630-46-440-44000	US Bank Corporate Payment Systems	Dishwasher Solenoid Kit & Spare	03/19/2024	42194	120.00
630-46-440-44000	US Bank Corporate Payment Systems	Toilet Repair Parts & Door Lock	03/19/2024	42194	52.15
630-46-440-44000	US Bank Corporate Payment Systems	Bath Assist Bars & LED Bulbs	03/19/2024	42194	66.57
630-46-440-44000	US Bank Corporate Payment Systems	Ceiling Paint & Humidifier	03/19/2024	42194	133.93
630-46-440-44000	US Bank Corporate Payment Systems	Freezer Door Gasket Repair	03/19/2024	42194	60.00
630-46-440-44300	Verizon Wireless	9Cell#5814 S.Perez	03/19/2024	42196	41.24
Report Total:					
682-46-503-43200	Allstream	Long Distance Service	02/29/2024	42143	3,707.89
682-46-503-43200	Century Link	#1635infilbldg Acct 333594128	03/19/2024	42148	12.00
682-46-503-44000	US Bank Corporate Payment Systems	Pest Control Infill Building	03/19/2024	42194	49.73
682-46-503-44230	SJA Thunder Corp	March Cleaning of Infill Building	03/19/2024	42187	110.00
Report Total:					
					600.00
					771.73



MONTHLY REPORT
February 2024

Working with the Businesses & Chamber

- Worked with businesses
 - Hawkes Manufacturing: loan
 - Integrity Fundraisers: use of City brand for merchandise
 - Leisureland: possible loan for expansion
 - M & W Services: loan for expansion
 - Mayo Manufacturing: Border Cities tax credits; tax letters
 - MGI: workforce
 - Northdale Oil: EGF building
 - Valley Golf Association: Waters Edge covenants
- Worked with Chamber President and staff on various items
 - Business After Hours
 - Intergovernmental Retreat; replaced by call with legislators
- Participated in DEED Small Business Call
- Worked with AE2S regarding social media, Facebook posts
- Worked with Praxis on Strategy and next steps
- Discussed future SBDC services after June
- Worked with EDA Attorney regarding satisfactions of COVID forgivable loans
- Participated in onboarding sessions for use of DEED programs for listing industrial properties
- Participated in bimonthly CEDS update meeting
- Participated in Mayor Gander meetings on economic development
- Began compiling information for Finance regarding COVID forgivable loans

Increasing Industrial Space – Land and Buildings

- Talked with Russel Cray and Mike Delisle about possible industrial park space
- Provided background information about possible EGF industrial parks to City Administrator

Workforce (Northern Valley Careers, NWPIC)

- No action

Child Care

- Worked with First Children's Finance and local Team on childcare project
- Conducted the monthly meeting
- Tried to obtain information from Gold Childcare Center to complete grant report for First Children's Finance
- Provided letter of support for DEED Childcare Economic Development Grant application to the Northwest Minnesota Foundation
- Met with Billie Zukowski about relocating her childcare business into East Grand Forks; zoning issues exist
- Talked with Sarah Ellis about a loan for a childcare business; sent loan application

Wave Academy

- No action

Residential Growth & Sale of City Lots

- Provided information about City lots and incentives
- Worked on Polk County Housing Advisory Board loans
- Worked with realtors and public on lot sales
- Renewed realtor listings (biannual)
- Worked with Gate City Bank and Community Development Department about renewal of Home Improvement program and address the permitting issue; received permit notice from Building for applicant's signatures
- Responded to inquiry about the land around the golf course
- Responded to inquiry about property tax rebate program
- Responded to inquiry about Minnesota housing assistance programs

Infill Building

- Signed Galstad lease

Infrastructure/Bridges

- No action

Other

- Prepared reports and agendas
- Submitted Empowering Small Minnesota Communities proposal
- Participated in City Visioning Session
- Signed and submitted RAISE grant (bridge) letter of support from EDA
- Prepared list of Director job skills
- Attended Greater Grand Forks Young Professionals Advisory Board meeting



MEMORANDUM

Date March 26, 2024
To EDA
From ED Director
Subject 2024 Strategic Plan Update

Praxis has been working with the EDA, City Council, Chamber, and the business community to update the EDA Strategic Plan. Attached is the draft plan.

The updated Strategic Plan is designed to provide direction but be flexible to adjust as needed to accommodate the future. The Plan identifies priorities and core work areas. It also identifies actions where the EDA serves as the lead entity and other actions where the EDA supports broader, citywide actions.

The City Council will discuss the Plan at its work session on March 26. The Council may also make edits.

The EDA will need to hold a special meeting about two weeks from now to consider the updated Strategic Plan for adoption. The City Council will likely consider the Strategic Plan for adoption at its April 16 meeting.

Recommendation:

Review and revise as appropriate.

East Grand Forks Economic Development Priorities and Work Plan



March 2024

The purpose of the Strategic Plan is to provide direction for the EDA, the City Council, and other City departments while allowing flexibility to adjust to changed conditions. This strategic plan comprises two parts: 1) cross-cutting priorities that impact all of the City's and EDA's efforts and 2) set of core work areas that define economic development in East Grand Forks. This framework was created with input from local businesses, staff, EDA Board, Planning and Zoning Commission, and City Council.

The mission of the Economic Development Authority is to maintain and improve the economic vitality of East Grand Forks by doing the following:

- *By retaining & growing local businesses*
- *By creating & supporting investment & growth opportunities for commercial activities*
- *By creating & supporting opportunities for residential growth, including workforce housing*
- *By working to develop a workforce capable of meeting current & future needs of local employers.*

Economic Development Strategic Priorities

1. Place highest priority on helping existing businesses grow.
2. Increase commercial real estate space and development sites.
3. Increase marketing and communications efforts for East Grand Forks.
4. Create explicit mechanisms to engage and cooperate with the local business community.
5. Continue to facilitate housing development in the city but discontinue direct land development projects by the EDA and devote capacity to other efforts. Current City-owned lots should be sold organically over time until stock is exhausted.
6. For the next EDA Executive Director, prioritize communication, coalition-building, and sales skills.

Core Work Areas

The EDA's economic development work is defined by four key work areas:

1. Local business development
2. New business development
3. Connect / Convene / Communicate
4. Land and Site Development

Local
Business
Development

New Business
Development

Connect
Convene
Communicate

Land and Site
Development

Local Business Development

Support for existing businesses in East Grand Forks.

- Local Business Retention / Expansion (including regular local business visits)
- Administer and Coordinate Assistance Programs
- Support Existing Retail

EDA Specific Actions

1. Continue explicit business retention and expansion (BRE) visits and the new regular business needs meetings. Goal: at least two business contacts per month.
2. Continue targeted business financing programs and grants.

City Specific Actions (EDA Support)

1. Create and support opportunities to draw customers to town, including events, governor's fishing opener, concerts, youth sports tournaments, etc.
2. Support facilities – including sports – that host events and draw new customers to town
3. Leverage service clubs for events and outreach
4. Recommend signage and wayfinding for the city

New Business Development

Support for businesses new to East Grand Forks.

- Business Attraction
- Identify and Support Entrepreneurs
- Continue advocacy and “sales” role, specifically targeting businesses in agriculture, UAS, medical, and retail sectors.

EDA Specific Actions

1. Maintain a strong relationship with Grand Forks Region EDC and the Chamber of Commerce.
2. Assess factors why businesses choose North Dakota over Minnesota and create a strategy to address what is possible to change.
3. Collaborate with DEED to coordinate economic development opportunities.

City Specific Actions (EDA Support)

1. Funnel economic development requests to the EDA.

Connect / Convene / Communicate

Play a coordination and capacity-building role to further important issues in East Grand Forks

- Marketing Campaigns
- Communications / Facilitation
- Quality of Life Efforts
- Maintain workforce partnerships and information

EDA Specific Actions

1. Create a specific regular opportunity for EDA engagement with local businesses, such as a larger advisory committee.
2. Create a strategy to incentivize businesses to improve aesthetics.
3. Create a strategy to improve aesthetics for entrances to the city.
4. Identify outside resources to support City beautification efforts and other quality of life initiatives.

City Specific Actions (EDA Support)

1. Assess marketing activities across City departments and coordinate where appropriate to maximize resources.
2. Play supporting role in City activities that support quality of life to retain existing and attract new residents.
3. Continue specific outreach regarding sales tax costs and benefits.
4. Support code enforcement activities.
5. Support adequate childcare availability in the community.

Land and Site Development

Facilitate development of critical real estate in East Grand Forks

- Commercial and industrial land development
- Housing development
- Infrastructure planning and investment
- City development policies and processes
- City-owned land sales and disposition policies and processes

EDA Specific Actions

1. Work to increase land available for industrial development.
2. Sell the existing residential lots held by the City.

City Specific Actions (EDA Support)

1. Support the creation of a strategy for infrastructure assessment and development.
3. Support improvements to the City's development agreement and land development processes and improve business friendliness where possible. Refine standards to reduce costs without reducing quality.
4. Assess access to utilities and services in industrial development areas:
 - a. Power
 - b. Natural gas
 - c. Water
 - d. Broadband and telecommunications
 - e. Sanitary and storm sewer
5. Investigate partnerships to promote development of workforce housing, including home ownership and larger units for New American larger families.



MEMORANDUM

Date March 26, 2024
To EDA
From ED Director
Subject Economic Development Director Job Description

At its last meeting, the EDA received a list of skills needed by the Economic Development Director and the current job description. President Grinde appointed an ad hoc committee to review the job description and recommend revisions. The Committee met. Attached is its proposed job description.

The City Council will discuss the job description at its work session on March 26. The Council may also make edits.

The EDA will need to hold a special meeting about two weeks from now to consider the updated job description for adoption. The City Council will likely consider the job description for adoption at its April 16 meeting.

Recommendation:

Review and revise as appropriate.

Classification: Economic Development Director

Reports to: City Administrator

Grade:

Supervises: All Department Personnel

Department: Economic Development Authority

Location: East Grand Forks City Hall

FLSA Classification: Exempt

Adopted: _____, 2024

Position Summary

Performs complex administrative leadership directing Economic Development programs that identify community needs to create, retain, and grow a vibrant business and economic community. Develops and implements plans and programs that create community, support and accommodate economic growth, and foster tax base growth in East Grand Forks. Has frequent interaction with business owners, developers, elected officials, administrators, and City department heads. Work is performed under the direction of the EDA Board of Directors with supervision from the City Administrator.

Essential Duties and Responsibilities

Professional Duties

- Manage the overall operations of the Economic Development Authority (EDA).
- Plans and implements Economic Development programs and policies, manages funds and properties controlled by the EDA.
- Collaborates and provides support to grow a variety of economic development programs including, but not limited to, business growth & retention, childcare, workforce development, and housing development.
- Meet with public officials, developers, businesses, and the public regarding development plans and Economic Development funding opportunities.
- Foster relationships with developers and contractors to support expansion of available housing inventory.
- Identifies potential grant and loan opportunities, and other funding sources, for local economic development projects, and makes applications for them.
- Works with City businesses that already exist to strengthen them and assess their needs.
- Manages available property and markets the City's Industrial Park.
- Establishes and maintains special tax districts.
- Manages commercial development loan funds; reviews applications, makes funding recommendations to the EDA, and prepares loan documents.
- Holds meetings, represents, and builds relationships with community partners to strengthen the EDA, including East Grand Forks business community, GF/EGF Chamber, Grand Forks Region Economic Development Corporation, Downtown Development Association, etc.
- Prepares, maintains, and submits necessary reports and forms to the State, City elected bodies, and the EDA Board
- Prepares financial reports and annual budgets for the EDA.
-

Ancillary Duties

- Participates in a variety of meetings and trainings.
- Other duties as assigned or apparent.

The incumbent may encounter not public data in the course of these duties. Any access to not public data should be strictly limited to accessing the data that are necessary to fulfill the employment responsibility. While data are being accessed, incumbent should take reasonable measures to ensure the not public data are not accessed by individuals without a work reason. Once the work reason to access the data is reasonably finished, incumbent must properly store the not public data according to the provisions of the Minnesota Government Data Practices Act (Minnesota Statutes, Chapter 13).

If a new work assignment requires access to not public data, the incumbent is permitted to access not public data for the work assignment purposes only. Any access to not public data must be strictly limited to the data necessary to complete the work assignment and after the assignment is completed, the employee's work assignment no longer requires access.

Qualifications

Education:

- Bachelor's degree with coursework in Business Administration, Community/Economic Development, Public Administration, or other areas of study closely related is required.
- Two to three years of experience working in economic development or related field is desired.
- Or equivalent combination of education and experience

Requirements:

- Valid MN driver's license required.
- Applicable position, department, organization, and professional training will be provided and must be completed upon hire and on an ongoing basis.

Knowledge, Skills, and Abilities

- Ability to work in a professional and confidential office environment.
- Knowledge of the principles and practices of public administration.
- Knowledge of economic development principles, programs, and practices.
- Knowledge of relevant laws, ordinances, and program requirements.
- Ability to establish and maintain effective working relationships with government officials, business owners, developers, community groups, and the general public.
- Ability to cooperate and communicate effectively with other city departments, community groups and agencies and the general public.
- Ability to communicate complex ideas effectively, both orally and in writing.
- Ability to analyze service problems and participate effectively in solving them.
- Ability to update and maintain EDA webpage, social media, and web-based forms.
- Ability to operate standard office equipment and related hardware and software and to learn specialized software, systems, databases or equipment related to department need.
- Ability to generate and present applicable records, reports, and files.
- Ability to direct and support the work of subordinates.

Physical Demands and Working Conditions

- This work requires the frequent exertion of up to 20 pounds of force; and constant exertion of up to 10 pounds of force to move objects; work regularly requires sitting, speaking or hearing, use of hands to finger, handle or feel and repetitive motions, frequently requires reaching with hands and arms and occasionally requires standing, walking, stooping, kneeling, crouching or crawling, pushing or pulling and lifting; vocal communication is required for expressing or exchanging ideas by means of the spoken word; visual acuity is required for depth perception, color perception, peripheral vision, for visual inspection involving small defects and/or small parts, use of measuring devices, operation of machines, operation of motor vehicles or equipment, determining accuracy, neatness and thoroughness at work, and observing general surroundings and activities; hearing is required to perceive information at normal spoken word levels; work requires preparing and analyzing written or computer data; operating machines, operating motor vehicles or equipment; work has no exposure to environmental conditions; work is generally in a moderately noisy location (e.g. business office, light traffic).

Equipment Utilized

- General office equipment.
- Computer word processing and spreadsheets.



City of East Grand Forks

600 DeMers Ave · East Grand Forks, MN 56721
Administration Phone: 218-773-2483; www.egf.mn

Reid Huttunen, City Administrator
Direct Office Line: 218-399-3388 · Email: RHuttunen@egf.mn

March 18, 2024

EDA Director Search Committee

- EDA Board Members: Josh Grinde, Justin Hecht, & Brian Larson,
- Chamber CEO: Barry Wilfahrt
- City Administrator: Reid Huttunen

Review of current Job Description and suggested edits/updates.

- Committee reviewed the current job description and proposed updates or changes to the job description to align with the desired essential functions, qualifications, and knowledge/skills for the position.
- Mr. Huttunen will make the recommended updates and will submit to David Drown & Associates (DDA), Human Resources Management Consultant for review of the position description and recommendation of a salary range on the City's 2024 pay plan.
- DDA will also conduct a summary review of the Market comparison for Economic Development Director positions in comparable City's in MN and use that data in recommending a salary range.

Top priorities for the EDA search as identified by the committee:

1. Ability to build relationships with businesses and community partners to retain businesses and help businesses grow.
2. Knowledge of EDA programs and available funding opportunities.
3. Experience and ability to write grant applications and funding requests.
4. Promote and market city programs through EDA webpage and social media.

EDA Search Process:

- In 2014, the EDA hired Springsted (now BakerTily) to conduct an executive search. The search cost \$16,335.99 and resulted in 19 applications for the position, of those 10 met the criteria for an interview.
- The committee discussed the search process. General feeling from the discussion is that we should develop an updated position and community profile, and the City HR Department manage the advertisement and recruitment. The hired search firm would cost about \$20,000 to conduct and does not guarantee applicants or successful results. If the initial job posting closes and receives no qualified applicants, we could reconsider a national search firm be hired at that time.

Timeline:

- Week of April 8: EDA review and final approval of Job Description/Position profile
- April 16: City Council approval of Job Description/Position profile
- April/May – Post advertisement for position (4 weeks)
- June/July: interview candidates in two rounds:
 - o Round 1) Civil Service
 - o Round 2) EDA Board/Committee
- Early August: New Economic Development Director begins role. The ideal plan is for two weeks overlap with Mr. Gorte before his retirement (August 23, 2024).

Executive Director

Dept/Div: *Economic Development Authority*
Points: 625 Grade: 22

FLSA Status: *Exempt*

General Definition of Work

Performs complex administrative and professional work directing the housing and economic development programs of the city; does related work as required. Work is performed under the general direction of the Board of Commissioners.

Essential Functions/Typical Tasks

Managing the overall operations of the Authority. Planning and implementing economic development programs and policies. Managing funds and properties controlled by the Authority.

(The following tasks are intended only as illustrations of the various types of work performed. The omission of specific duties does not exclude them from the position if the work is similar, related, or a logical assignment to the position.)

- Plans and implements economic development programs; manages and markets the city's industrial park.
- Establishes and maintains special tax districts; prepares necessary forms and reports for the State.
- Manages commercial development loan funds; reviews applications and makes loans.
- Manages the operations of the city's housing programs; operates the city's housing projects.
- Maintains compliance with all policies and regulations relating to the city's housing projects.
- Prepares financial reports and annual budgets for economic development and housing programs.
- Represents the community on outside boards and commissions relating to economic development.
- Prepares reports and information for the Board of Commissioners.
- Performs related tasks as required.

Knowledge, Skills and Abilities

Thorough knowledge of the principles and practices of public administration; thorough knowledge of economic development principles and practices; thorough knowledge of public housing finance practices and regulations; ability to communicate difficult subjects clearly; ability to analyze complex problems and develop comprehensive plans from general instructions; ability to meet with tenants and subordinates to discuss problems and complaints; ability to direct the work of subordinates; ability to establish and maintain effective working relationships with elected officials, business owners, tenants, subordinates and the general public.

Education and Experience

Any combination of education and experience equivalent to graduation from an accredited college or university, with major course work in business management or related field, and considerable experience in management.

Physical Requirements

This is medium work requiring the exertion of up to 50 pounds of force occasionally, up to 20 pounds of force frequently, and/or up to 10 pounds of force constantly to move objects; work requires climbing, stooping, kneeling, crouching, crawling, reaching, standing, walking, pushing, pulling, grasping, and repetitive motions; vocal communication is required to express or exchange ideas by means of the spoken word; hearing is required to perceive information at normal spoken word levels; visual acuity is required for depth perception, color perception, peripheral vision, for visual inspection involving small defects and/or small parts, use of measuring devices, operation of machines, operation of motor vehicles or equipment, determining accuracy, neatness and thoroughness of work, and observing general surroundings and activities; the worker is subject to inside and outside environmental conditions, extreme cold, noise, vibration, hazards, oils and atmospheric conditions. The worker may be exposed to blood borne pathogens and may be required to wear specialized personal protective equipment.

Special Requirements

Possession of drivers license valid in the state of Minnesota.

Reasonable accommodations may be made to enable individuals with disabilities to perform the essential tasks.

KNOWLEDGE, SKILLS, AND ABILITIES

1. Thorough working knowledge of the principles, practices, and procedures of economic development.
2. Ability to organize and coordinate support from professional and technical City staff, legal consultants, other government agencies, private business, and the financial services industry.
3. Ability to analyze the economics of a particular business location or expansion project, so as to make independent judgments about the effectiveness of financial assistance or inducements.
4. Ability to establish and maintain contacts and effective working relationships with potential business clients.
5. *Ability to communicate effectively.*
6. *Ability to understand the needs of the business community and the City.*
7. *Ability to understand and administer assistance programs, such as revolving loan funds and grants.*
8. *Ability to administer a Business Retention and Expansion (BRE) program.*
9. *Ability to understand what fits within the community and what does not fit.*
10. *Working knowledge of the development process.*
11. *Working knowledge of marketing.*
12. *Working knowledge of workforce.*
13. *Personal characteristics:*
 - a. *Adaptability and flexibility.*
 - b. *Discretion.*
 - c. *Tact.*
 - d. *Honesty and integrity.*
 - e. *Professional demeanor.*
 - f. *Patience.*
 - g. *Sense of urgency and inclination toward action.*
 - h. *Team player.*
 - i. *Cheerleader.*

QUALIFICATIONS

1. Bachelor's Degree in Public Administration, Business Administration, or a closely related field highly desirable.
2. Minimum of three years of experience working in economic development, preferably at the local government level.
3. A demonstrated record of ongoing continuing education in economic development.



MEMORANDUM

Date March 26, 2024
To EDA
From ED Director
Subject M & W Services Loan Request

M & W Services wants to construct a new building on Business Highway 2 to house equipment for its business (Fert-L-Lawn). This is a \$330,000 project M & W Services proposes to use \$110,000 in owner equity, \$110,000 in bank loans, and \$110,000 in EDA loans. The EDA loan would be at an annual interest rate of 4% for a term of 10 years.

On March 20, the Loan Committee recommended approval of the loan.

Recommendation:

Recommend that the City Council approve a loan of \$110,000 to M & W Services at 4% interest for a term of 10 years.



Economic Development Authority Use Only

Project # _____
 Date Received _____
 Amount of Loan _____
 Term of Loan _____
 Rate of Loan _____

600 DeMers Avenue NW | East Grand Forks, Minnesota 56721
 218.773.8939 | www.egf.mn

General Information

Date of Application 2-6-24

Firm/Applicant

Name Michael Gornowicz
 Address 1222 Gateway Dr NE, MN 56721
 Type of Business Fert-L-Lawn Lawn Care
 Product/Service Out Door Services

Ownership

Corporation X
 Partnership _____
 Sole Proprietorship _____

Names of Principals Mike G, Randy B, Darlene B

Proposal/Project Summary

Proposed Use of Assistance

New Business _____
 Expansion _____
 Equipment _____
 New Building X

Employment

Current employment (FTE) 20
 Anticipated employment (FTE) 25
 Change _____

Payroll

Current weekly payroll \$ 15,000
 Proposed weekly payroll \$ 17,000
 Change in payroll \$ _____

 TOTAL \$ _____

Please attach a brief description of the business proposal or project, its benefits to East Grand Forks, and other information that may assist in the processing and evaluation of the application.

We Would like to Construct a Commercial Building with Concrete, Electrical, Etc To Expand and house Equipment to Perform Jobs In the East Grand Forks and Grand Forks Area

Proposal/Project Detail

Contact Person/Agent

Name Michael Gornowicz
Title President
Address 1222 Gateway Dr NE, EGF MN 56721
Phone 218-773-0901
Mobile 701-739-0455
Email Fertlawn@yahoo.com


Authorized Applicant Signature

2/6/24
Date Signed

Michael V Gornowicz
Print Name, Title

If you wish to apply for financial assistance, please complete Part B.

PROJECT BUDGET AND FINANCING INFORMATION

PROJECT COSTS

DESCRIPTION OF COST		\$ 330,000
NEW CONSTRUCTION	3000 sf	\$205,000
PROPERTY ACQUISITION (LAND)	5625 sf	\$50,000
SITE IMPROVEMENTS		\$10,000
BUILDING RENOVATION	sf	
MACHINERY & EQUIPMENT		
FURNITURE & FIXTURES		
WORKING CAPITAL		
OTHER		\$65,000
TOTAL COSTS		

FUNDING SOURCES, INTEREST RATE & TERM

SOURCE	\$	INTEREST RATE	TERM	% OF TOTAL PROJECT
BANKS/LENDERS	110,000			33.333
OWNER EQUITY	110,000			33.333
OTHER NEEDS	110,000	EDHA		33.333
TOTAL				100%

DISCLOSURE STATEMENT

The data which you supply on your application to the City of East Grand Forks Economic Assistance Funds will be used to assess your firm's qualifications for a business loan. We will not be able to process your financial application without it. There is a possibility this date might constitute a public record if and when a loan is approved, and at that time the data may be examined by anyone. Data will be kept confidential to the extent possible under state law.

TENNESSEN WARNING

I have read the above statement and I agree to supply the data to the City of East Grand Forks.

Michal Gornowicz 2/6/24 Owner/President
Signature of Company Official Date Position

Michal Gornowicz
Printed Name

Authorization for Release of Financial Information

Complete this form which authorizes the release of credit reports and other financial information to the City of East Grand Forks.

The undersigned prospective borrower hereby authorizes any third party to release to the City of East Grand Forks without any limit, any and all financial information regarding the undersigned that is requested by the City of East Grand Forks, its representatives, or employees, and that is in possession of that third party or readily accessible to that third party.

This authorization to release financial information specifically includes records and information prepared or compiled prior to the date of the signing of this Authorization. This Authorization also includes records and information prepared after the date of the signing of this Authorization.

The undersigned hereby authorizes release of said records and information by the City of East Grand Forks to a third party, and as the City of East Grand Forks deems necessary.

A photocopy of this signed authorization shall be treated in the same manner as the original.

Upon full repayment of the loan obligation of the undersigned to the City of East Grand Forks, this Authorization shall automatically expire without any express written revocation on behalf of the undersigned.

M & W Service Inc. 2/6/24

Business

Date

Michael Gornowicz President

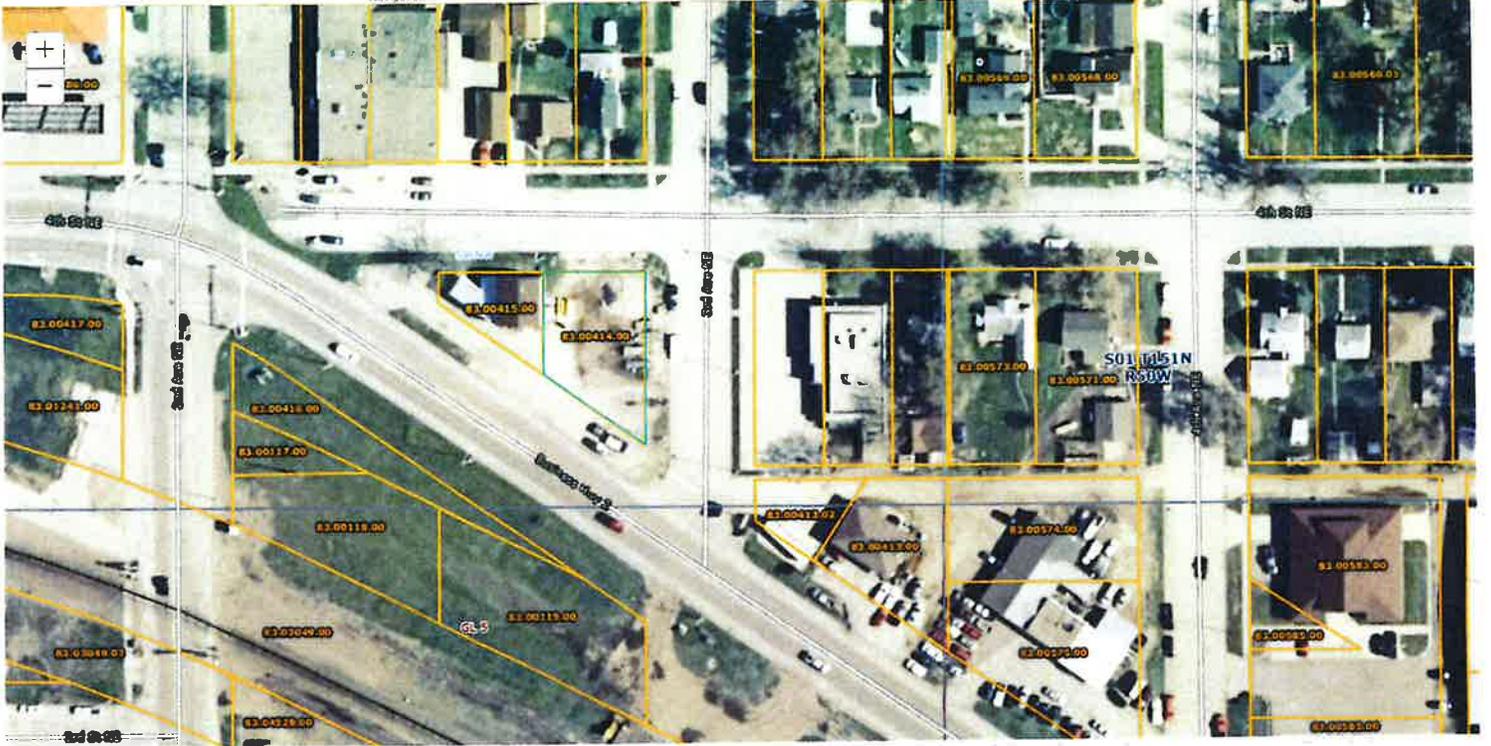
Signature of Owner or Chief Executive Officer and Title

Michael V. Gornowicz

Printed Name

Polk County

Zoom In Zoom Out Pan Zoom Prev Zoom Select Zoom Extent Clear Search Identify Street View Legend Overview Results Buffer X/Y Map Tips Draw Measure



1 Items

Parcel_ID	Document Type	Document Number	Document Type 2	Document Number 2	Document Type 3	Document Number 3	Book	Page	Scanned Document
83.00414.00	Quit Claim Deed	A000681144							



MEMORANDUM

Date March 26, 2024
To EDA
From ED Director
Subject Pierce Land Sale Proposal

Kevin Pierce read about the City's desire to increase the amount of commercial property available for use. Pierce submitted a proposal for the EDA/City to purchase 5-15 acres along the north side of Highway 2 at \$4.00 per square foot.

The Loan Committee considered this proposal and recommended against the purchase based upon the land price and the lack of available funds.

The Economic Development Director is always willing to work with landowners to create development opportunities.

Recommendation:

That the EDA discuss and provide direction to the Director.

Paul Gorte

From: Kevin Pierce <kpierce@dakotapeat.com>
Sent: Monday, February 26, 2024 2:42 PM
To: Paul Gorte
Subject: [EXTERNAL]FW: Message from "SavinIMC300"
Attachments: 20240226132511815.pdf

WARNING - this email is originated from outside the City of East Grand Forks email system. Do not click any link and do not open attachments unless you can confirm the sender.

HI PAUL WOULD THE CITY BE INTERESTED IN BUYING 5-15 ACRES FOR DEVELOPING @4.00 / FOOT PARCEL SHAPE TO BE DETERMINED THANKS KEVIN

-----Original Message-----

From: Copier <copier@dakotapeat.com>
Sent: Monday, February 26, 2024 1:25 PM
To: Kevin Pierce <kpierce@dakotapeat.com>
Subject: Message from "SavinIMC300"

This E-mail was sent from "SavinIMC300" (IM C300).

Scan Date: 02.26.2024 13:25:11 (-0600)
Queries to: copier@dakotapeat.com





MEMORANDUM

Date March 26, 2024
To EDA
From ED Director
Subject Promise Act Grant Program

The Northwest Minnesota Foundation (NMF) recently informed the Director that there will be a new grant program to assist small businesses. Details will be forthcoming. NMF asked the EDA to help inform the businesses and offered a small stipend to defray any costs. The Director informed the NMF that he act to inform the businesses about the program. He will share the information with the EDA as it becomes available.

Recommendation:
Discuss.



Promise Act Grant Program

Overview

Interested applicants should apply directly through our partner organizations listed below. Application periods vary depending on the partner organization. Please see their website for up-to-date application information.

The Minnesota Department of Employment and Economic Development (DEED) will oversee the Providing Resources & Opportunity & Maximizing Investments in Striving Entrepreneurs (PROMISE) Act approved by the Minnesota State Legislature and signed into law by Gov. Tim Walz.

This program, through a series of statewide partner organizations, will award grants to eligible businesses in specific communities. A total of \$86,480,000 million will be awarded as grants in multiple rounds.

Grant funds can be used for working capital to support payroll expenses, rent or mortgage payments, utility bills, equipment, and other similar expenses that occur in the regular course of business.

Technical assistance will be available to assist with submitting an application.

Eligibility

Eligible businesses will:

- Have primary business operations located in the State of Minnesota
- Be located in a community that has been adversely affected by structural racial discrimination, civil unrest, lack of access to capital, a loss of population or an aging population, or a lack of regional economic diversification
- Be registered with the Minnesota Secretary of State, if required by Minnesota State Law
 - Sole proprietors operating their business under their own name do not need to be registered with the Secretary of State
- Have gross annual revenue of \$750,000 or less based on 2021 taxes
- Maintain ongoing operations as of the date of application

Businesses will be awarded grant funds based on gross annual revenue in the prior year.

- Businesses with gross annual revenue in the prior year of \$100,000 or less can receive up to \$10,000
- Businesses with gross annual revenue in the prior year of more than \$100,000 but no more than \$350,000 can receive up to \$25,000
- Businesses with gross annual revenue in the prior year of more than \$350,000 but no more than \$750,000 can receive up to \$50,000

For the purposes of this grant program, business means both for-profit businesses and nonprofit organizations that earn revenue in ways similar to businesses. This means a nonprofit organization that earns 30% or more of their revenue on an ongoing basis through a non-tax-deductible sales or dues in a fee-for-service model similar to for-profit businesses.

Partners/Service Area

Region	Partner Organization	Service Area	Contact Information
Metro	Neighborhood Development Center	Areas of North Minneapolis, South Minneapolis, and St. Paul. Specific geographic boundaries can be found on the MN Promise Act website (https://mnpromiseact.org/eligibility).	promiseact@ndc-mn.org (mailto:promiseact@ndc-mn.org) 651-379-8102
Northeast	Northland Foundation	Service area covers the 7-county region of Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis, and all or parts of the five Native Nations of Bois Forte Band of Chippewa, Fond du Lac Band of Lake Superior Chippewa, Grand Portage Band of Lake Superior Chippewa, Leech Lake Band of Ojibwe (District I), and Mille Lacs Band of Ojibwe (District II).	grants@northlandfdn.org (mailto:grants@northlandfdn.org)
Northwest	Northwest Minnesota Foundation	Service area covers 12 Counties: Beltrami, Hubbard, Norman, Polk, Marshall, Kittson, Clearwater, Lake of the Woods, Roseau, Pennington, Red Lake and Mahnommen Counties	Sarah Linda sarahl@nwmf.org (mailto:sarahl@nwmf.org) 218-558-5327
Central	Initiative Foundation	Service area covers Central Minnesota, and includes businesses with physical locations in Benton, Cass, Chisago, Crow Wing, Isanti, Kanabec, Mille Lacs, Morrison, Pine, Sherburne, Stearns, Todd, Wadena and Wright counties and the sovereign Native nations of the Leech Lake and Mille Lacs Bands of Ojibwe. Visit the Initiative Foundation website (https://www.ifound.org/) and click on "Grants" at the top of the page.	Haakon Lehn hlehn@ifound.org (mailto:hlehn@ifound.org) 320-632-9255
West Central	West Central Initiative Foundation	Service area covers Becker, Clay, Douglas, Grant, Otter Tail, Pope, Stevens, Traverse, and Wilkin County.	Greg Wagner greg@wcif.org (mailto:greg@wcif.org) 218-998-1621
Southeast	Southern Minnesota Initiative Foundation	Service area covers the 20-county region of Blue Earth, Brown, Dodge, Faribault, Fillmore, Freeborn, Houston, Goodhue, Martin, Le Sueur, Nicollet, Mower, Rice, Olmsted, Steele, Sibley, Waseca, Wabasha, Winona and Watonwan counties, as well as Dakota Oyate (Prairie Island Indian Community).	Melissa Langer, melissal@smifoundation.org (mailto:melissal@smifoundation.org) Brian Conzemius, brianc@smifoundation.org (mailto:brianc@smifoundation.org) 507-455-3215
Southwest	Southwest Minnesota Initiative Foundation	Service area covers Big Stone, Chippewa, Cottonwood, Jackson, Kandiyohi, Lac qui Parle, Lincoln, Lyon, McLeod, Meeker, Murray, Nobles, Pipestone, Redwood, Renville, Rock, Swift, and Yellow Medicine counties; Upper Sioux Community, Lower Sioux Indian Community.	Scott Marquardt scottm@swifoundation.org (mailto:scottm@swifoundation.org) 320-583-4629

Contact

Please review the list of Frequently Asked Questions section before contacting us. Please note that, due to a high volume of inquiries, we may not be able to respond to individual questions promptly. We will read all questions and will post answers on the FAQ as soon as possible. Check the FAQ regularly for updates.

If you still have a question, email PromiseGrants.DEED@state.mn.us. (<mailto:PromiseGrants.DEED@state.mn.us>)

If you want to receive updates about this program or other programs from DEED please [subscribe for email updates](https://mn.gov/deed/about/contact-us/) (<https://mn.gov/deed/about/contact-us/>).

FAQ

Application

Q: When will the application open?

A: Application periods will vary depending on the partner organization. All of the partners will open their application by late Spring 2024.

Q: How will eligible businesses apply?

A: Each partner organization will host an online portal to submit an application.

Q: I don't have 2021 taxes, am I still eligible?

A: Yes, if you don't have 2021 taxes you may submit your most recent completed tax year.

General Rules

Q: Can a business owner with multiple LLC's apply for more than one grant?

A: Only one grant per business or individual. Ownership stake needs to be below 20% to qualify if that owner has received a grant from another business.

Q: How is the revenue limit verified?

A: The \$750k threshold is checked in your first year of tax returns submitted. 2021 if you have it otherwise 2022 will be used.

Q: Can I reapply in the next round if I don't get selected in the first application window?

A: Yes, applicants who are not selected for a grant will be eligible in the next round.

Q: Why is gross revenue used for this program instead of net income?

A: Gross revenue is mandated by the State legislation.

Q: Which tax year will be used to decide the amount of the grant?

A: The legislation requires that the "prior year" be used to determine grant amount. We are considering 2022 taxes to be the prior year for the first application window.

Eligibility

Q: What types of businesses are eligible?

A: All business types that meet the other program requirements are eligible.

Q: What if my business is located very close to the geographic boundary but not technically within it?

A: Unfortunately, your business does not qualify. We may adjust neighborhoods in the future application window.

Q: Are new businesses eligible and if so, what tax year is used for eligibility?

A: Yes, new businesses are eligible. They should submit 2022 taxes to be used for eligibility. Revenue must still be under \$750k.

Q: How long does a business need to be located in an eligible neighborhood to qualify?

A: A business must be located in the neighborhood currently and throughout the application process. No other specific length is required.

Q: Do nonprofits qualify for this grant?

A: Yes, if they operate like a business. This means a nonprofit organization that earns 30% or more of their revenue on an ongoing basis through a non-tax-deductible sales or dues in a fee-for-service model similar to for-profit businesses.

Q: Are Uber/Lyft drivers eligible? Independent contractors? Food trucks?

A: Independent contractors such as Uber/Lyft drivers would be considered sole proprietors and be eligible for the grant. Location will be based on their physical business location used for tax purposes.

Uses**Q: Can I purchase a property with this grant? Or use it for a down payment?**

A: No, this grant is only for working capital and equipment as outlined in the legislation.

Required Documents to Submit**Q: Can we submit older tax returns to help show financial hardship over time?**

A: No, you are limited to a two-year window to show financial hardship. We will not accept older tax returns (pre-2021) to show financial hardship.

Q: Are 2023 taxes acceptable?

A: Not during the first application window.

Miscellaneous**Q: Is this grant taxable?**

A: Yes, this grant is classified as taxable income (misc. income, form 1099)

Q: I received PPP funds but not state funds, will this play a factor in this program?

A: No, whether or not you received PPP funds will not be considered in this program. Only participation in one of the four state programs listed in the legislation will be considered.

Q: Is my business eligible if I have been convicted of a criminal offense related to a state grant agreement?

A: No, you are not eligible for a grant if you have ever been convicted of a criminal offense relating to a state grant agreement.

