

APPROVED 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 October 8, 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: Justin Hecht, Dale Helms, Ben Horken, and Penny Stai.

Absent: Daniel Black, and Brian Larson

Staff present: Paul Gorte (EDD), Economic Development Director; Maggie Brockling, (EDD) Economic Development Director, Brenda Ault (EA), Executive Assistant; Reid Huttunen (CA), City Administrator; Ron Galstad (CA), City Attorney arrived at 12:11 pm.

Also Present: Christine Anderson, Small Business Development Consultant, Barry Wilfahrt, Chamber Director

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

2. Approval of Minutes

a. August 27, 2024, Regular Meeting

A Motion was made to approve August 27, 2024, Regular Meeting Minutes, by Board Member Horken, seconded by Board Member Hecht. M/S/P- Horken, Hecht; 5-0, mc.

3. Bills and Communications

a. Review of Accounts Payable: September 3, 2024, September 17, 2024 and October 1, 2024: No Questions.

4. Reports

a. Delinquencies – None

b. Director's Reports: August 2024 and September 2024; EDD Gorte stated that the reports are in the packet. No questions

c. Financial Reports: None

5. Unfinished Business

None

6. New Business

a. Beneficial Ownership Information Reporting Requirement -Christine Anderson SBDC EDD Gorte Anderson to speak to the group. Anderson stated that she had information for businesses on navigating new reporting obligations for US Businesses.

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She stated that a beneficial owner is any individual who directly or indirectly owns or controls 25% or more of a company and has substantial control over its operations. The purpose of this new rule is to combatting money laundering, terrorist financing and corruption.

Businesses must report beneficial owners' names, birth dates, addresses and identification numbers. This information must be updated whenever there's a change in ownership or control. Corporations, LLCs and similar entities created in the IS or registered to do business here and small businesses must report.

New businesses must report upon creation starting January 1, 2024. Existing entities must comply by January 1, 2025. Civil penalties up to \$500 per day and criminal penalties fines up to \$10,000 and imprisonment for willful non-compliance. Businesses need to identify beneficial owners, collect the required information and submit to FinCEN. Maintain accurate records and stay informed. Legal counsel may be helpful to ensure full understanding of obligations.

Some additional information is that MN paid leave provides paid time off when a serious health condition prevents you from working when you need time to care for a family member or new child, for certain military-related events or for certain personal safety issues. October, 2024 the first quarterly reports are due from employers. July 2025 outreach grant funds for community based groups are available. December 2025 is the deadline for employers to update employers to notify employees about paid leave benefits. January 2026, employees can begin taking paid leave, and payroll deductions can begin for employers and employees. Small employers can apply for assistance grants. April 2026, first quarterly premiums due from employers.

Available resources; FinCEN.gov
Corporate Transparency Act Overview-ABA
ChristineA.sbdc@gmail.com

Wilfahrt stated that The Chamber will have several webinars about rules and helping Minnesota businesses comply.

b. Public Hearing: Policies Regarding Lending, Assistance and Border Cities Tax Credits

EDD Gorte stated that the policies have been updated.

Motion was made to open the Public Hearing by Board Member Hecht, seconded by Board Member Horken. M/S/P- Hecht, Horken; 5-0, mc.

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EDD Gorte stated that the group reviewed the policies.

Motion was made to close the Public Hearing by Board Member Hecht, seconded by Board Member Stai. M/S/P- Hecht, Stai; 5-0, mc.

c. Policies Update

EDD Gorte stated that the group reviewed the policies and updated as needed and they will be available in the Economic Department.

A Motion was made to approve the policies regarding lending, assistance and border cities tax credits as presented, by Board Member Horken, seconded by Board Member Stai. M/S/P- Horken, Stai; RCV: Stai -Y, Grinde -Y, Hecht -Y, Horken -Y, Helms -Y; 5-0, mc.

d. Curb Appeal and Entrance Sign Update

EDD Gorte stated that the Committee has met several times. And these are the updates

Curb Appeal

- Up to a maximum of \$5000-\$10000 per forgivable loan
- Must stay in business for 5 years
- 20% forgiven each year for 5 years
- Restricted to industrial and commercial streets
- Could receive additional, regular loans for additional improvements:
 - 0% interest
 - 10-year term
 - Up to 50% of total cost
 - Maximum regular loan amount of \$24,999
- Eligible uses:
 - Façade improvements
 - Sign improvements
 - Lighting
 - Landscaping
 - Screening
 - Painting
 - Parking lot
- Coupled with enforcement program

Entrance Signs

- Dimensions? 4'x8' likely
- Materials: metal (weather tolerant)
- Required design elements: city brand
- Other design elements: school logos, generic business (sugar beet, potato, or something else)

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- Locations and priorities:
 - Highway 2/Business 2
 - Highway 220 at 23rd
 - Bygland
 - New bridge
- Landscaping
- Lighting: ground lighting does not work because of the weather
- Maximum cost:
 - Sign: \$20000
 - Landscaping: \$5000
- Community input or design by sign company under discussion; amount and type of community involvement and input to be determined; to be determined

The Committee will continue to meet on this topic. Still to be determined: ongoing funding source

e. 2025 Meeting Calendar

After discussion the group felt Wednesdays would be a better day of the week to hold the monthly meeting.

Motion was made to approve the meeting date to the 4th Wednesday of the month, by Board Member Horken, seconded by Board Member Hecht; M/S/P- Hecht, Horken; 5-0, mc.

f. **Cancel October 22, 2024, meeting**

EDD Gorte questioned whether the October 22 meeting was needed.

Motion was made to cancel the October 22, 2024 Meeting, by Board Member Grinde, seconded by Board Member Horken. M/S/P- Grinde, Horken; 5-0, mc.

CA Huttunen stated that Gorte's retirement would be held on the 22nd from 2:30-4:30, in the Training Room and the Board thanked him for his service. Gorte stated that he would miss everyone.

7. Adjournment

Motion to adjourn the meeting was made at 12:40 p.m. by Board Member Hecht, seconded by Board Member Horken

The next regular meeting is December 10, 2024.

Respectfully Submitted,
Brenda Ault, Executive Assistant