

ELYSIAN ECONOMIC DEVELOPMENT AUTHORITY
MAY 3, 2018
ELYSIAN CITY HALL
7:00 PM

The Elysian Economic Development Authority met in regular session on Thursday, May 3, 2018 at City Hall at 7:00 pm.

Present were: President Tom McBroom; Commissioners Mack Evans, Mary Opsahl, Steve Ritchison; Administrator Lorri Kopischke. Absent: Commissioner Derek Westby.

On motion by Evans, seconded by Ritchison, all voting in favor, the minutes of the April 5, 2018 Regular Meeting were approved as presented.

On motion by McBroom, seconded by Evans, all voting in favor, the agenda was approved as presented.

Brandi Zishka-Rossow, Tranquil Escape Massage and Wellness, was present to request a revolving loan in the amount of \$6,500 for the purchase of Bemer Pro-Set unit. The Bemer is an FDA registered medical device with five international patents. Rossow explained that she has purchased the Bemer for her and her family's well-being and they have experienced huge results. She is now adding the Bemer into her massage practice as an add-on therapy in conjunction with massage for \$15 or as a stand alone session for \$20. She plans to pay off this purchase with the money earned through massage practice and through the Bemer referral program.

Rossow submitted a request for a revolving loan in the amount of \$6,500 for a period of 46 months resulting in a monthly payment of \$149.76.

McBroom questioned the market for Bemer device. Rossow stated the Bemer has been used in Switzerland since 1998 and in the United States for 5 to 6 years.

Evans asked what Rossow plans to do if the building her massage practice is located in is sold. Rossow stated she hoped there would be an opportunity to remain in the present location depending on how the new owner would utilize the property. If not, she would relocate somewhere else in Elysian or move her practice back to a home business.

Ritchison asked what Rossow had experienced with the device. Rossow stated she had been introduced to the device by a person in Madison Lake. She had received treatment twice for eight minutes each session and had results with the second treatment.

Evans stated he was in favor of the loan. Rossow has a business in the city now and has a business plan.

Kopischke verified that all required paperwork had been signed and submitted.

On motion by Evans, seconded by Opsahl, all voting in favor, to approve a revolving loan to Brandi Zishka-Rossow, Tranquil Escape Massage and Wellness, for the purchase of a Bemer Pro-set unit in the amount of \$6,500 for a period of 46 months at 3% interest which results in a payment of \$149.76 per month.

Rick Galewski, Elysian Planning and Zoning Commissioner, was present to show the EDA Commissioners a 3D rendering of the current MnDOT proposal for State Highway 60 which

includes center medians. An Open House meeting will be held on Monday, May 7, 2018 from 5 to 7 pm and all Commissioners are encouraged to attend.

Revolving Fund Loan financial information was discussed. No payments were received from Loan #6. All other loans are current.

The Commissioners then considered Resolution #06/18 approving the utilization of the Minnesota Investment Fund State Funded RLF Request for One-Time Exception of funds in the amount of \$50,000. The 2017 Legislature passed legislation that allows cities that have revolving loan funds (RLFs) seeded by state-funded Minnesota Investment Fund loan repayments, to use 80 percent of the uncommitted balance for any lawful purpose if 20 percent of the balance is returned to the State of Minnesota. The Elysian EDA currently has \$50,408 of these restricted funds in savings. The monies are part of a grant to Lake Country Sales that occurred in 1990. There are Operating Guidelines for utilizing these restricted funds that have made it difficult for the Elysian EDA to loan them to businesses. The city auditor and city attorney do agree that this would be beneficial for the City of Elysian.

On motion by Opsahl, seconded by McBroom, all voting in favor, to approve Resolution 06/18, authorizing to enter into agreement and request one-time exception.

CITY OF ELYSIAN

ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NUMBER: 06/18

A RESOLUTION AUTHORIZING TO ENTER INTO AGREEMENT AND REQUEST ONE TIME EXCEPTION

WHEREAS, in 1990 the State of Minnesota Department of Trade and Economic Development did enter into an agreement with Lake Country Sales, Inc. to provide a loan of grant funds in the amount of \$50,000, that was to be repaid to the City of Elysian, and;

WHEREAS, said payments were to be used by the City of Elysian Economic Development Authority to establish and maintain a revolving loan fund, provided that the purpose of that loan is to further future economic development in the City of Elysian, thereby creating additional LMI jobs in the community, and:

WHEREAS, that said loans also adhere to the requirements that are followed by the State of Minnesota Investment Fund Program, and;

WHEREAS, adherence to the General Purposes and Guidelines for RLFs seeded by the Minnesota Investment Fund have created difficulties in the Elysian Economic Development being able to utilize these restricted funds for loan purposes, and;

WHEREAS, the 2017 Legislature passed legislation that allows cities that have revolving loan funds (RLFs) seeded by state-funded Minnesota Investment Fund loan repayment to use 80 percent of the uncommitted balance for any general aid for lawful expenditure if 20 percent of the balance is returned to the State of Minnesota, and;

WHEREAS, the City of Elysian and the Elysian Economic Development Authority will benefit by utilizing this one-time exception in that the funds will be unrestricted and available for use.

NOW, THEREFORE, BE IT RESOLVED, by the Economic Development Authority for the City of Elysian, Le Sueur County, Minnesota, does approve the utilization of the Minnesota Investment Fund State Funded RLF Request for One-Time Exception for uncommitted money received from repayment of funds awarded under Minnesota Statutes, section 116J,8731 in the amount of \$50,000.

This was passed this 3rd day of May, 2018, by the Elysian Economic Development Authority.

Tom McBroom, President – Economic Development Authority

Lorri Kopischke, Administrator – Economic Development Authority

Kopischke provided the Commissioners with several pages of possible promotional items for purchase. This will be discussed again at the June 7, 2018 meeting.

Kopischke reported that she had contacted Greg Klingerman, Le Sueur County Sentence to Serve Coordinator regarding clean up of the EDA building located at 118 Main Street East. His schedule is currently full, but he may have time after May 23, 2018. On motion by McBroom, seconded by Ritchison, to authorize Kopischke to accept and schedule the Sentence to Serve assistance in cleaning the building located at 118 Main Street East based on their availability.

There were no visitor comments.

On motion by Ritchison, seconded by Opsahl, all voting in favor, meeting adjourned at 7:55 pm.

Attest:

Tom McBroom, President

Lorri Kopischke, Administrator