

**Meeting Minutes**  
**New Prague Economic Development Authority**  
**Wednesday, March 10, 2010**

**1. Call Meeting to Order**

The meeting was called to order at 7:30 a.m. by President Bruce Wolf with the following members present: Bruce Wolf, Dirk Berger, Councilmember Kristin Guerrette, Pete Sletten, Andrea Burkhardtsmeier, and Nick Slavik. Absent: Mayor Bink Bender.

City Staff Present: Executive Director Michael Johnson.

**2. Minutes / Financials**

- a) It was moved by Berger, seconded by Slavik to approve the February 10, 2010 minutes as submitted. Motion carried (6 -0).
- b) It was moved by Berger, seconded by Sletten to approve one claim for payment totaling \$14.11. Motion carried (6-0)
- c) The financial reports which included the Income Statement and Balance Sheet were accepted as submitted.

**3. Minnesota Community Capital Fund - Followup**

President Wolf and Executive Director Johnson provided the EDA with an update and overview of the Minnesota Community Capital Fund program. The EDA has a \$25,000 contribution in the fund which allows the City to access loans up to \$250,000. Due to current market economic conditions and loan lending requirements, the fund is not making any loans at this time. President Wolf recommended that the EDA leave their money in the fund as there is no real risk of loss and at this time nor is the money needed for loan purposes. The board concurred.

**4. Review New Prague Business Subsidy Policy**

Executive Director Johnson provided the EDA Board with an overview of the City's policy that was adopted by the City Council in May, 2000. The policy is not up to date with current state law and will need to be updated. Mr. Johnson will work with staff to obtain other City's policies and begin to develop an update for the New Prague policy. Staff will try to minimize any legal costs as much as possible in the policy update.

**5. New Prague Opportunities Donation**

The EDA and President Wolf reviewed the purpose of the \$40,000 donation that was originally received from New Prague Opportunities. Its intended purpose was to be used to aid start-up businesses, for economic development purposes versus being used for general operating expenses. Mr. Johnson explained that there was a state law that indicated that the City was supposed to formally accept by resolution any donation to the City. There was also concern among the EDA Board that the public subsidy policy would need to be applied to the use of these funds. Mr. Johnson said he would get a copy of the state statute and talk to the city attorney about the Board's concerns. If needed, the EDA would get the conditions of the donation developed by those involved with donation so that they could be formally accepted by the City.

**6. Small Cities Revolving Loan Fund**

Executive Director Johnson provided a brief overview of the terms and conditions on the 1997 City of New Prague Small Cities Grant. Staff is trying to determine the future use of these grant funds and whether the terms and conditions can be modified. Mr. Johnson will be meeting with the Executive Director of the Southwest Minnesota Housing Partnership to see what recommendations he might suggest on the use of these funds.

**7. Rental Registration Program**

Planning Director Ken Ondich provided the EDA with an overview of the City's Rental Registration program. The rental program was created by Ordinance, but there is no penalty for non-registration. The two year registration fee is now \$25. The Planning Department has all of the rental information on a city map. No action is necessary for this item.

**8. Monthly Updates and Business Inquiries**

This was an informational presentation to the EDA board. No action was taken, but the board appreciated the new format.

**9. Executive Director's Report**

City Administrator Johnson provided a brief update to the EDA board on the proposed governor's and legislature's additional 2010 budget cuts to the City of New Prague. No details are final at this time but are expected to occur in May, 2010.

The meeting was adjourned by order of the President.

Respectfully submitted,

Michael J. Johnson  
City Administrator  
Executive Director of the EDA