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# City of New Prague Economic Development Authority

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## SPECIAL MEETING MINUTES

Wednesday, August 12, 2020, 7:30 a.m.

*Conducted via GoToMeeting (online) due to the COVID-19 Pandemic which is preventing attendance at the regular meeting location.*

1. The meeting was called to order online at GoToMeeting at 7:30 a.m. by President Brent Quast with the following members present online: Brent Quast, Eric Krogman, Troy Pint, Nick Slavik, Pete Sletten, Chuck Nickolay and Bruce Wolf.  
City Staff Present Online: City Administrator Mike Johnson, Police Chief Jim Gareis and City Attorney Scott Riggs  
Others Present: Jo Foust, First Stop Shop, Lee Hall, NextStage
2. Minutes/Financials:
  - A. It was moved by Slavik, seconded by Quast to approve the July 8, 2020 and July 29, 2020 special meeting minutes. All voted in favor. Motion carried. (7-0)
  - B. Claims for August 2020 – There was one claim for payment totaling \$101.00. It was moved by Nickolay, seconded by Slavik to approve the claim. All voted in favor. Motion carried. (7-0)
  - C. The Financial Report for July 2020 including the Income Statements and Balance Sheets were reviewed and accepted.
3. City Administrator Johnson provided an update on the Small Cities Projects (SCDP) for July:
  - A. 2016 – Commercial Rehab in Downtown
  - B. 2017 – Commercial Rehab, Single Family Rehab & Residential Rental RehabThere is a new SWMHP program administrator and staff has a meeting during the week of August 17<sup>th</sup>.
4. Discussion on Business Retention and Expansion (BR&E) Contacts. Jo Faust shared the details of the visit with Scott Equipment. Board Members Krogman and Slavik also attended. Discussion occurred about company's desired expansion project. Company has not actually made any offers to purchase property. Staff needs to assess potential next steps on process to help company. Staff to touch base with company owner.
5. Chamber/EDA Marketing Committee for 2020 Project Update – Bruce Wolf gave a brief update as there have not been any recent Committee meetings. The construction project has had delays and didn't start until July 6, 2020. The punch card program is in process. There appears to be reasonably good traffic flow with vehicles and access into the downtown.
6. Discuss Proposed EDA Small Business Recovery Fund Guidelines and Application from NextStage
  - A. Program Calendar Dates.  
President Quast stated next item was discussion on the proposed EDA Small Business Recovery Fund Guidelines and Application from NextStage. Comments were generally as follows:
    - Scott Riggs – could increase the \$7,500 upward if need be
    - Pete Sletten – business must be open and operating
    - Mike Johnson – indicated that both tobacco business owners had contacted his office and wondered why businesses that sell tobacco or vaping products were ineligible and liquor stores or liquor establishments were eligible?
    - Chuck Nickolay – indicated that tobacco was something that the City doesn't want to promote
    - Lee Hall – indicated that there are no specific requirements for ineligible businesses. It is a local choice. The original wording came from Hennepin County and the EDA can modify or change as they desire.
    - Brent Quast – raised the question whether precluding alcohol should be added to the list
    - Scott Riggs – indicated the EDA has the right to add/delete as they determine appropriate. There isn't a bad reason. It can be justified under the protection of life, safety, etc.

- Eric Krogman – was opposed to adding liquor to the list.
- Bruce Wolf – would keep the wording as is. EDA supports Economic Development and business. Sometimes we have to pick and choose what we do. Always have to make choices. Sometimes the City supports some things and not others.
- Chuck Nickolay – recommended he would delete the 3 lines having gambling, adult entertainment, and pawned merchandise, guns, tobacco or vaping.
- Pete Sletten – stated he wasn't trying to pick selectively versus the ineligible businesses that were listed.
- Bruce Wolf – he could support Pete's point
- Troy Pint – he agreed as well
- Brent Quast – he would prefer that it was left as is, but could support

It was moved by Nickolay, seconded by Pint to eliminate the three lines in the draft guidelines from the ineligible business list that covered businesses associated with gambling, adult entertainment, sell pawned merchandise, guns, tobacco or vaping products. All voted in favor. Motion carried 7-0.

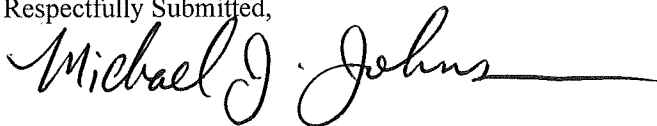
It was moved by Quast, seconded by Nickolay, to change the program application dates to August 17 through August 31, 2020 at noon. All voted in favor. Motion carried 7-0.

- Chamber Director Brooke Sticha said the Chamber would advertise and market the EDA's program.
- Bruce Wolf – Inquired about the City's annual business update listing and whether it could be used to mail out notices to the business community? Mr. Johnson said he would check with Ken Ondich and do a direct mailing if possible.
- The application looks good and is a "public record". Any of the financials will be held by NextStage.
- If there are more applications then funding provides for, Lee Hall indicated that he would use a computerized lottery system to select grant recipients. He would assign random numbers and re-sort.
- Someone could own more than one legal business entity. What if they had 2 separate businesses – separate entities?
- Need to add in utilities not being delinquent to be eligible.

Motion by Nickolay, seconded by Quast to approve the packet with changes as noted. All voted in favor. Motion carried 7-0.

7. Discussion on 2021 EDA Proposed Budget – City Administrator Johnson introduced the draft outline of the 2021 EDA Budget. Mr. Johnson wanted the Board to think about inputs for 2021. No action taken.
8. Business Updates – August 2020 were reviewed by Mike Johnson. Discussion on the HyVee Project, 5 new single-family home permits and Kwik Trip II project
9. Executive Director's Report – Nothing additional.
10. Miscellaneous – Nothing additional.
11. Adjournment - There being no additional business, it was the consensus of the Board to adjourn at approximately 8:42 a.m.

Respectfully Submitted,



Michael J. Johnson  
City Administrator/EDA Executive Director