The meeting was called to order by Thom Walker. Members present were Sharon Sandberg, Genny Reynolds, and Victoria Hallin. Staff present were Jolene Foss (Comm. Dev. Director) and Mary Lou DeWitt (Comm. Dev. Assistant).

Absent were Troy Minske, Charles Snustead, and Jules Zimmer.

**AGENDA ADDITIONS / DELETIONS:**
Foss would like to add the Princeton Chamber of Commerce billboard under New Business, Item B.

Sandberg would like to add the Great Northern Trail to the Verbal Report, Item Two.

REYNOLDS MOVED, SECOND BY HALLIN, TO APPROVE THE AGENDA ADDITIONS: PRINCETON CHAMBER OF COMMERCIE BILLBOARD, UNDER NEW BUSINESS, ITEM B, AND THE GREAT NORTHERN TRAIL, UNDER VERBAL REPORT, ITEM TWO. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

**APPROVAL OF MINUTES FROM REGULAR MEETING ON JUNE 15TH, 2017**
WALKER MOVED, SECOND BY REYNOLDS, TO APPROVE THE JUNE 15, 2017, EDA BOARD MINUTES. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

**UNFINISHED / OLD BUSINESS:**
A. “It Starts Here” Payoff Request
Faith Goenner, owner of Mama Gracie’s has written a memo regarding Mama Gracie’s Forgivable Loan:

June 24, 2017

Dear Mr. Walker:

- Mama Gracie’s was born of the investment by my family and by the City of Princeton.
- 100% of the City’s investment was put into improving the space where the shop is located. Prior to us taking over, the space had been vacant and before then had been a butcher shop back in the day.
- The following are updates that were made to the space.
  - All old electrical wiring was taken out all over the suite and track lighting was put in.
  - The entire suite was repainted.
  - Heat/AC was put in to the back previous yoga room, now craft room.
  - Hardwood laminate flooring was put in to make the previous meat locker freezer a beautiful room which hosted yoga for the first year and now a craft room.
Major cleaning and removing damage from the previous use of a meat smoker was also completed.

- Exterior improvements with collaboration from Landlord resources and Mama Gracie’s.

- Since we have opened, we have been very active in the community and many achievements of Mama Gracie’s will live on in Princeton.
  - Implementation of Little Free Libraries in connection with the Early Childhood Coalition, ISD #477, Local Boy Scouts and Initiative Foundation.
  - Day Care Yoga business started by Amanda, Mama Gracie’s Manager.
  - Better Mental Health Psychological Services started in Mama Gracie’s leased suite (future focus is to expand this space with more businesses).
  - Mama Gracie’s Massage was discontinued earlier in 2017 because we couldn’t find a massage therapist to take over our successful massage practice. This was perfect timing for when Central Minnesota Medical Massage opened a few blocks away in March 2017. Our clients are referred to Central Minnesota Medical Massage and they have agreed to accept Mama Gracie’s Gift Certificates.
  - Mama Gracie’s has had success partnering with businesses and nonprofits in other areas of the US/Minnesota and has brought exposure to Princeton, MN. Examples include: nationally recognized Moms Pump Here, Babies Need Boxes, MN Prison Doula Project, Nourish Collection, and many others.

- We are grateful for the investment the city agreed to make. Over the last two years, we have worked hard to make this a successful business. However, we are in a position where we need to take the business a different direction to survive. This direction will prevent us from being able to abide by the conditions of our loan agreement with the city. Therefore, we are looking to satisfy the loan.

- We believe we have met the spirit of the loan, and will continue to do so even after paying it off. Our business has been and will continue to be a strong community asset.

- We respectfully request that the City agree to forgive the second $2,000 portion of the loan and to waive any interest under the loan. I have enclosed a check for $6,000.

- We believe that this forgiveness is in the City’s best interest, and in our best interest, because:
  - My husband and I put all we have both financially and our time in the first year of Mama Gracie’s. We were close to losing everything personally as I pursued the dream of opening a shop in Princeton, MN against all the odds that the Small Business Development Consultant told me about the area. I believe that no matter what happens Mama Gracie’s has inspired and brought a lot to Princeton, MN which has forever changed the community that we serve.
- The city’s investment in the build-out of this space will continue to benefit the city, Mama Gracie’s and any future tenant and future customers who would leverage this beautiful space.

Thank you for your consideration.

Sincerely,
Faith Goenner

*******************************************************************************End of Memo*******************************************************************************

Memo from the Princeton Chamber of Commerce
Dated July 3, 2017

Ms. Foss,

The Princeton Area Chamber of Commerce Board of Directors would like to thank you for allowing us to offer our perspective on the current situation with the It Starts Here Challenge recipient.

The Board Members considered the following:

- The recipient intends to continue their business here in Princeton but with a different business model than the current agreement allows.
- This is a business that has made many successful connections within the community and offers opportunities to new and expecting families that cannot be found elsewhere in the area.
- The recipient has been open for 2 of the 5 years that are required for the It Starts Here Challenge.

The It Starts Here Challenge program is designed to help give businesses a jump-start. If a recipient grows in such a manner that it no longer finds itself in need of the programs assistance, this should be considered a good thing. It is not the intent to have a business limited or encumbered from growing because of the program. It is the intent to have a recipient grow beyond the It Starts Here Challenge program.

The Princeton Area Chamber of Commerce Board of Directors would like to recommend that the City EDA accept the $6,000 payment from the recipient to satisfy in full the terms and conditions of the Agreement for the It Starts Here Challenge 5 Year Forgivable Loan Agreement.

Thank you for allowing us to offer our perspective on this matter.

Sincerely, Amber Wilkinson President of Princeton Area Chamber of Commerce

*******************************************************************************End of Memo*******************************************************************************
Foss said that Faith Goenner gave the City a letter to request paying off the Forgivable Loan for $6,000 instead of the balance of $8,000 plus interest. A check for $6,000 was sent with the letter. The Chamber accepts the pay off. Foss is asking the EDA Board if they would like to accept this payoff. Her business has been open for two years. She will remain in business, but unable to abide by the loan requirements.

Reynolds said Faith Goenner has been a good person in the community and has gone above and beyond as a community member.

REYNOLDS MOVED, SECOND BY HALLIN, TO APPROVE THE PAYOFF OF $6,000 FOR THE “IT STARTS HERE” LOAN FOR FAITH GOENNER OWNER OF MAMA GRACIE’S PREGNANCY SHOP. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

NEW BUSINESS:
A. WSB Comprehensive Plan Review
Jim Gromberg, WSB Economic Development Coordinator introduced himself and said that he will be presenting the Economic Development Comprehensive Plan component. He will be presenting a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis. What are our strengths. He takes the information and builds some objectives out of it. What is good about the community and bad. How can we prepare for change. What are our ambitions and goals. How are we going to be successful. Success breeds success. Get one Aero Business lot developed and it moves from there. What are our weaknesses. We have limited resources so what we spend them on will be important.

Gromberg started with strength questions: Princeton has Highways #169 and #95 going through it. There is the Rum River, Airport, and the regional hospital. For activities there is disc golf, golf course, and some walking trails. Princeton has the new K-2 School and a remodeled school. All the schools have modern school facilities. How do we improve the test scores. The community is invested in the schools. The community sees the value of good communication. The Industrial community is vibrant and provides jobs for the community. The downtown has a little of everything and is fairly vibrant. There is not enough to bring people from out of town so that is an opportunity. We have a public safety building. We have the Princeton Speedway and Fairgrounds. The Fairgrounds has a horse arena now. We have a nice hockey arena and could possibly be a curling facility. We have baseball fields. The Mille Lacs County Depot has a good museum and we have historical buildings. This year we have a community garden. There is a good partnership with the Initiative Foundation and with reginal groups. How do we get additional funding from the groups. Princeton has a nice library. Good child care providers. Princeton has kept the small town feel. One of the strengths could be our low cost of housing. The homes here are a good price. Rental is high.

Weaknesses: Cost of rental and availability. Senior citizens wanting affordable homes. We need senior housing that is downsized and affordable. The older homes do not have the amenities that newer homes have now. Long term opportunity to develop a program to
redevelop the homes that need updating. How do we promote. The high cost of utilities and the perception of the cost of utilities. We need to sell land and reduce our tax rate. The perception is of not being a business friendly community. City Hall does not support local businesses is the perception. The lack of restaurants and things to do here.

Opportunities: Review the tax structure. Princeton can set the rates for the utilities. We have space to grow. Brew pubs could be an opportunity. Make a stronger business policy, and streamline some of the policies. Develop a marketing plan for the city. Make downtown a draw where people want to visit. Make a walking distance to everything and the ease of transportation. Create better transportation quarters. Extend infrastructure outside city limits. Have an orderly annexation setup. We have not become over developed. The strength is the feel of small town we have here. Creation of a city policy to encourage policies for development friendly. Develop a label.

Threats: The demographics are changing. A post-secondary is needed. Loss of labor force. There is not a strong communication with post-secondary. Need evening classes for working adults. We need amenities and need to meet the demands for the changing amenities. Government regulations and location of the river and what is allowed by the river. Changing energy market for the public market. Wage scale competitive. Preservation of preceded historical buildings. Change in the economy. Lack of personal interaction and engagement of people.

Bromberg will take the list and put it together and add to it. He will work with staff and develop some objectives. He plans to bring it back to the EDA in September.

Reynolds asked if we are going to invite the community to see it.

Bromberg said there will be a community questioner sent to residents and businesses in the utility billing.

Foss said there will be a focus group with the high school students. There will be a booth at the County Fair and also at a Tuesdays at the Park summer concert.

B. Princeton Chamber of Commerce Billboard
Karen Michels, Princeton Area Chamber of Commerce Memo:

Date July 11, 2017

Ms. Foss,
The Princeton Area Chamber of Commerce Board of Directors will be making a change to one of the billboard covers that is used in rotation on the billboard that the chamber owns on the southbound side of 169 located just north of town.
EDA Board  
July 20, 2017  
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The board wanted to see if the City is interested in using the space to having a generic ad that promotes the land the city has available for sale with the City website & log? The cost would be a one-time fee of $425 to have the change made to the cover.

I have attached a copy of what the billboard currently looks like. We will be covering the section that has the October 31st information. This cover goes up in August and stays up through mid-December each year.

Sincerely, Karen Michels

****************************************************************End of Memo****************************************************************

Foss said the fee is a onetime fee of $425. The ad stays up she believes from August until mid-December. It goes on the billboard for a quarterly time period. She believes it is put back on each year until we decide to take it off. The ad for the Princeton’s daytime trick or treating will be removed and if we decide to go with this, our ad will be put in that place. She would bring the draft ad back next month for the EDA Board to see.

Reynolds said the ad should have fewer words. Is this for a three month time period.

Walker said the fee of $425 is okay, even though it is not at the best time of year where traffic would see it.

Sandberg agrees that less is best for wordage on the ad.

Foss said she will ask Wendy Hendricks who is trying to sell the Aero Business lots what she thinks for wordage on the billboard ad. There was one interested party who was looking at the corner lot and is looking at financing.

Reynolds commented that she does not understand why this land is not selling.

Sandberg said it is promoting the land and maybe where it incorporates the city being promoted also.

Reynolds thinks $425 for three months is a lot of money. We are giving away the land as it is.

Walker is okay with selling something in Princeton for land so it is okay if it is not Aero Business Park.

HALLIN MOVED, SECOND BY SANDBERG, TO APPROVE THE AD ON THE PRINCETON CHAMBER OF COMMERCE BILLBOARD FOR THE FEE OF $425. UPON THE VOTE, THERE WERE 3 AYES (Hallin, Sandberg, and Walker), 1 NAY (Reynolds).
Walker told Foss she and the Chamber can work with who is making the ad and decide on what will work good for the billboard.

**MISCELLANEOUS:**

**A. EDA Balance Sheet**
Walker would like to have the land assets included on the Balance Sheet.

**B. Verbal Report**

1) **Mille Lacs County Profile**
Foss said this is for information only. She will ask Sherburne County for a profile.

2) **Great Northern Trail Maintenance**
Sandberg said the weeds are growing over the trail. It needs mowing and tree branches need to be trimmed. She suggested at a midway point on the trail that a bench would be nice with a plaque or something telling what the trail is about. Maybe the Boys Scout or Eagle Scouts would be willing to make a bench. Could staff contact Erickson Asphalt if they would be willing to donate seal coating to the trail to keep it looking fresh.

Foss will speak to Public Works on addressing the mowing and trimming branches along the trail.

**C. City Council and Planning Commission Minutes for June, 2017**
The EDA Board had no comments.

**HALLIN MOVED, SECOND BY REYNOLDS, TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 8:15 P.M.**

**ATTEST:**

Thom Walker, President

Mary Lou DeWitt, Comm. Dev. Assistant