

**AGENDA**  
**ECONOMIC DEVELOPMENT AUTHORITY MEETING**  
**WEDNESDAY, May 10 2023, 12:00 P.M.**

**1. CALL TO ORDER/ROLL CALL**

**2. APPROVAL OF AGENDA**

**3. PUBLIC COMMENTS**

**4. REQUESTS AND PRESENTATIONS**

- A. Presentation by Brett Lucas, Cardinal Geographics (via Teams meeting)  
Waseca Retail Lodging Market Analysis Report

**5. CONSENT AGENDA**

- A. April 12, 2023 Regular Meeting Minutes
- B. Expenditures

**6. ACTION AGENDA**

- A. Consider approving additional advertising in Site Selection Magazine
  - Per inquiry from Paul Newman (carried over from the April Meeting)
- B. Consider signing the Community Venture Network Membership Agreement
  - Annual membership fee \$2,500
- C. Consider approving City Council request to contribute up to one-half of \$3,000 for the State Tax Anticipation Report prepared by University of MN Extension
  - Up to \$1,500 to match general fund dollars

**7. REPORTS**

- A. The Workshop Forum, Greenville, SC
- B. CDFA training: Intro to Revolving Loan Fund Management
- C. EF Johnson Building
- D. DEED RFI update
- E. Community Venture Network May Event
- F. GMG Regional planning sessions *Journey to 2040* (4/14 & 4/28)
- G. Residential Tax Abatement collaboration with County
- H. RBEG Revolving Loan Draft Policy for information purposes only – discussion to be at the June meeting

**8. NEXT MEETING DATE**

- A. The next Economic Development Authority meeting to be held, Wednesday June 14, 2023, 12:00 p.m. in the Waseca City Hall Council Chambers.

**9. ADJOURNMENT**

**MINUTES  
ECONOMIC DEVELOPMENT AUTHORITY MEETING  
WEDNESDAY, APRIL 12, 2023, 12:00 P.M.**

**CALL TO ORDER/ROLL CALL**

- 1. The Economic Development Authority Meeting was called to order by President Kaelberer at 12:00 p.m.

Commission Members

Present: President Greg Kaelberer Ann Fitch  
John Fossum Lucas Kruse  
John Mansfield (arrived 12:03)

Commission Members

Absent: Robert Tackett Mayor Randy Zimmerman

Staff Present:

Carl Sonnenberg, City Manager  
Tina Wilson, PCED, Economic Development Manager

**APPROVAL OF AGENDA**

- 2. Agenda was amended to include item 7. E. Morgan Meats and Miscellaneous updates. Motion to approve agenda as amended was made by Fossum, seconded by Fitch. Motion carried 4-0.

**PUBLIC COMMENTS**

- 3. None.

**REQUESTS AND PRESENTATIONS**

- 4. None.

**CONSENT AGENDA**

- 5. Noted that invoices from Site Selector Magazine ads were not in the invoices. Motion to approve consent agenda with additional note, was made by Fitch, seconded by Fossum, Motion carried 5-0.

**ACTION AGENDA**

- 6. Tina Wilson, PCED, presented the status of the Site Selector Magazine ads as the contract comes to an end. Because the banner ad was not added to the website as contracted, they have extended that portion of the contract at no additional charge. Mansfield suggested that the EDA move more to presenting Tina Wilson at events than paper advertising. The thought was agreed by the commission.

**REPORTS**

7. Tina Wilson, PCED, Economic Development Manager Report:
  - A. Received the Retail/Lodging Trade Analysis. Will be a presentation at the May meeting.
  - B. Project Sunshine has been given information on incentives from the City.
  - C. There is a current policy for the Revolving Loan fund and Tina will be attending a two-day course on the subject; she received a scholarship to attend the course.
  - D. Samantha Ruger with Conagra said they have a “closed loop” with their waste product so at this time there would be no benefit to partnering with the NW Biochar group.
  - E. The Planning and Zoning Commission has approved a text amendment to allow rezoning for the expansion of Morgan’s Meats. The next step is to go to City Council. There is a target date of July 2023.
  - F. Small Cities Development Grant program has funded the first round of loans and has approved moving to open the target “B” area.
  - G. Tina will be attending meetings:
    - i. Community Venture Network meeting on Friday May 5<sup>th</sup>.
    - ii. Greenville South Carolina forum next week and part of the program are six 1 on 1 meetings.
    - iii. Greater Mankato Growth (GMG) has regional planning sessions scheduled for April 14<sup>th</sup> and 28<sup>th</sup>.

**NEXT MEETING DATE**

8. The next Economic Development Authority meeting to be held, Wednesday, May 10 2023, 12:00 p.m. in the Waseca City Hall Council Chambers.

**ADJOURNMENT**

9. It was moved by Fitch, seconded by Mansfield to adjourn the meeting at 12:48 p.m. Motion carried 5-0.

Respectfully Submitted,

Julia Hall  
City Clerk

*Micah Fischer*

5B

LIST OF EXPENDITURES

May 10, 2023

*Carl Comanche*

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Econ Development	<u>6,135.38</u>	
Total Gross Payroll	6,135.38	
*Less- Payroll Deductions	<u>(2,724.36)</u>	
Net Payroll Cost		\$ 3,411.02

\*These costs are included in Accounts Payable totals below

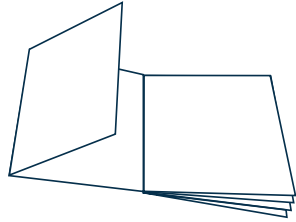
Accounts Payable

Expenditures dated: April 6, 2023-May 5, 2023 Bank ACH Withdrawals.....	<u>7,750.00</u>	
GRAND TOTAL EXPENDITURES		<u>\$ 11,161.02</u>

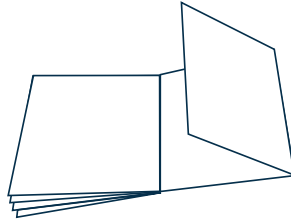
Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount
<b>Economic Development-General f</b>					
04/13/2023	159159	Conway Data Inc	EDA Site Selection Advertisements	261-46700-3100	1,000.00
04/13/2023	159159	Conway Data Inc	EDA Site Selection Advertisements	261-46700-3100	1,000.00
04/13/2023	159159	Conway Data Inc	EDA Site Selection Advertisements	261-46700-3100	3,750.00
Total 261467003100:					5,750.00
04/13/2023	20230287	Southern MN Initiative Fund	2023 Pledge	261-46700-4330	2,000.00
Total 261467004330:					2,000.00
Total Economic Development-General f:					7,750.00
Grand Totals:					7,750.00

Issue	<b>JANUARY</b>	<b>MARCH</b>	<b>MAY</b>	<b>JULY</b>	<b>SEPTEMBER</b>	<b>NOVEMBER</b>						
Deadlines	Space: Dec. 2, 2022 Material: Dec. 9, 2022	Space: Feb. 3, 2023 Material: Feb. 10, 2023	Space: Apr. 7, 2023 Material: Apr. 14, 2023	Space: June 2, 2023 Material: June 9, 2023	Space: Aug. 4, 2023 Material: Aug. 11, 2023	Space: Oct. 6, 2023 Material: Oct. 13, 2023						
THEME	<b>State of the States</b>	<b>Governor's Cups</b>	<b>Global Best-to-Invest</b>	<b>Technology &amp; Innovation</b>	<b>Global Infrastructure &amp; Logistics</b>	<b>Business Climate Rankings</b>						
FEATURES	State Data Pages Workforce Development Rankings Site Selectors Survey Emerging Tech Hubs Megasites	The Governor's Cups Rankings Top Metros, Micros & Industries Airports & Airport Cities Mississippi River Corridor	Global Best-to-Invest Rankings The Prosperity Cup The Mac Award Top Deals Water Resources	Sustainability Rankings Smart Cities Startup & Innovation Hubs Research & Science Parks Workforce Rural Advantage	Global Groundwork Index Outdoor Recreation Remote Work Top Utilities Transit-Oriented Development Quality of Life	Cross-Border Corridors Incentives Business Retention FDI in America U.S. Opportunity Zones Top FTZ Rankings						
INTERNATIONAL FOCUS	Australia & New Zealand Colombia Western Canada (AB, BC, MB, SK) Western Europe	Central America Eastern Europe Ontario Mexico	Latin America & Caribbean Québec United Kingdom	Africa China The Nordics South America	Canada's Best Locations Middle East & North Africa	India Germany Top Caribbean Locations						
STATE SPOTLIGHTS	Alabama Connecticut Delaware Michigan	Oregon Tennessee	California Georgia Illinois Indiana	Maryland Minnesota New Mexico S. Carolina	Arizona Colorado Florida Iowa	Kentucky Ohio Utah	Louisiana Maine Missouri New Jersey	Oklahoma W. Virginia Wisconsin	Arkansas California Idaho Massachusetts	Nevada N. Carolina Pennsylvania Texas	Dakotas Kansas Mississippi Montana Nebraska	New York Virginia Washington Wyoming
NORTH AMERICAN REGIONS	Midwest (IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, WI)	Northeast (NJ, NY, PA) Pacific Northwest (AK, OR, WA) South Central (AR, LA, OK, TX)	Great Lakes (U.S. & CANADA) Gulf Coast Ports (AL, FL, LA, MS, TX) New England (CT, ME, MA, NH, RI, VT)	Atlantic Canada Upstate New York Rocky Mountains (CO, ID, MT, UT, WY) U.S.-Mexico Border	Mid-Atlantic (DE, DC, MD, VA) Southeast (AL, FL, GA, MS, NC, SC, TN) Upper Midwest (IA, IL, IN, MI, MN, WI)	Ohio River Corridor (IL, IN, KY, OH, PA, WV) Southwest (AZ, NV, NM)						
INTELLIGENCE REPORTS	Tennessee Valley Authority	Duke Energy-North Carolina	Iowa Economic Development Authority	Upstate Alliance	Xcel Energy	Charlotte Regional Business Alliance						
INDUSTRY REPORTS	Solar & Wind Energy Hubs E-Commerce & Logistics Film & Entertainment Fintech	Agribusiness Biopharmaceuticals Data Centers Esports & Gaming	Cannabis & Industrial Hemp Health Tech & Life Science Centers North American Automotive	Aerospace Advanced Manufacturing Cybersecurity Data Centers Offshore Wind	Eds & Meds Logistics & Distribution Engineered Materials Food & Beverage Rare Earth Operations	Defense Contracting Data Centers Global Automotive Medical Devices & Technology						
DIRECTORIES			Economic Developers		Utilities	Ports & FTZs						
SPECIAL ADVERTISING SECTIONS	Advanced Manufacturing Artificial Intelligence Mixed-Use Retail	Certified Sites	SelectUSA Shovel-Ready Sites	Logistics Sites & Services Workforce Housing Improvement Districts	Biotech Locations Military & Defense BPO	Rail Parks & Inland Ports Top Business Park Locations University Alliances						
IN EVERY ISSUE	Asia Report, World Reports, North American Reports, IAMC Insider, IAMC Professional Profile, Editor's View											

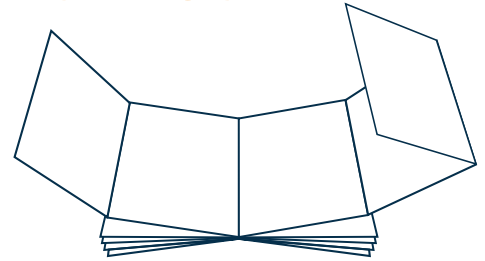
# SITE SELECTION MAGAZINE 2023 RATE CARD PRINT AD SPECS



**Front Cover Gatefold**

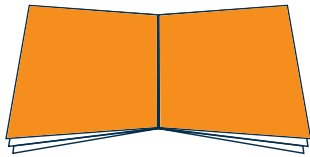


**Back Cover Gatefold**

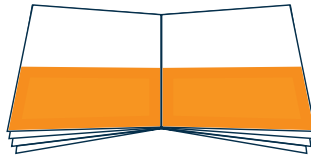


**Interior Gatefold**

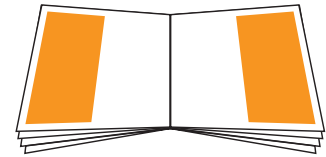
Multiple page options available, please contact Bob Gravlee at [bob.gravlee@conway.com](mailto:bob.gravlee@conway.com) for exact specifications.



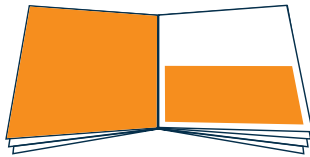
**2 pg Spread\*\***  
(bleed ad\*)  
16.5" x 11.125"  
(419mm x 283mm)



**1/2 pg Horizontal spread\*\***  
(bleed ad\*)  
16.5" x 5.5625"  
(419mm x 141mm)

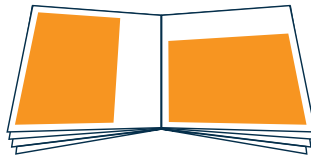


**1/2 pg Vertical**  
3.5" x 10"  
(89mm x 254mm)



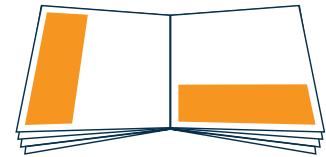
**Full pg**  
(bleed ad\*)  
8.375" x 11.125"  
(419mm x 283mm)

**1/2 pg Horizontal**  
7" x 4.875"  
(178mm x 124mm)



**2/3 pg Vertical**  
4.625" x 10"  
(118mm x 254mm)

**2/3 pg Horizontal**  
7" x 6.625"  
(178mm x 168mm)



**1/3 pg Vertical**  
2.1875" x 10"  
(56mm x 254mm)

**1/3 pg Horizontal**  
7" x 3.25"  
(178mm x 83mm)



**Belly Band**

Belly band dimensions vary by publication. Please contact Bob Gravlee, Production Coordinator at 1.770.325.3477..



## Bleed Specifications

All bleeds are .125" (3.175mm) on each side

\* Live copy should be kept .5" from the trim edges on all bleed ads.

\*\* When laying out spread ads, be aware that due to binding, a clipping area of .75" exists in the gutter of all spreads. Please do not place text within .375" of the gutter on either page of a spread.



## PRINT SPECIFICATIONS

Trim Size:  
8.125" x 10.875"  
(206mm x 276mm)

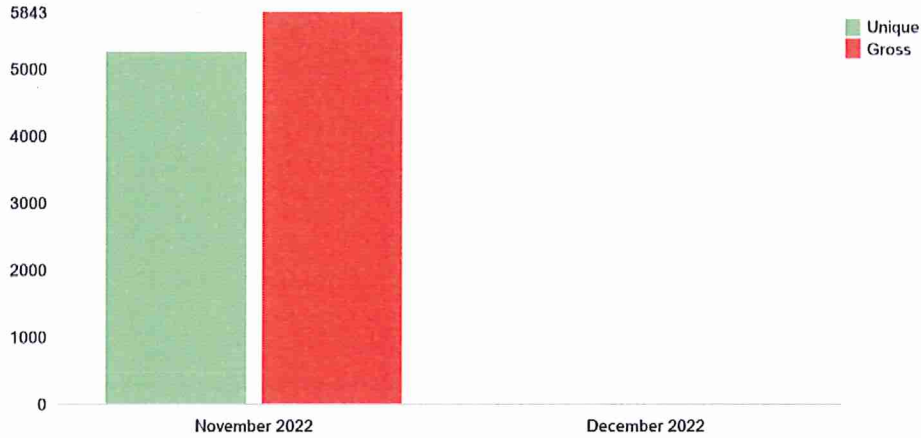
Printing/Binding Method:  
Perfect bound

Print Line Screen:  
150 lpi



Day Basics Report for [Ad] City of Waseca- ROS 2022-11-30 - City of Waseca ROS 2022 1

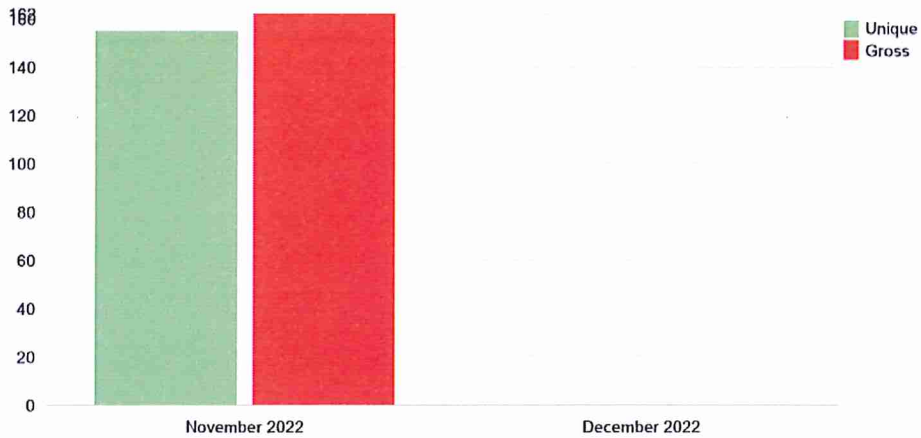
Impressions



Monthly	Unique Impression	Gross Impression	% Unique/Gross Impression
December 2022	1	1	100%
November 2022	5,252	5,843	89.89%
Total	5,253	5,844	89.89%
Average	2,627	2,922	89.89%

Reporting period ends Saturday December 31, 2022 23:59:59 (UTC-4)

Clicks



Monthly	Unique Click	Gross Click	% Unique/Gross Click
December 2022	0	0	
November 2022	155	162	95.68%
Total	155	162	95.68%
Average	78	81	95.68%





Day Basics Report for [Ad] City of Waseca- ROS 2022-11-30 - City of Waseca ROS 2022 1

Reporting period ends Saturday December 31, 2022 23:59:59 (UTC-4)

Impressions - Breakdown

Gross Impressions - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	5,844	2,922

Reporting period ends Saturday December 31, 2022 23:59:59 (UTC-4)

Gross Impressions - Breakdown

Zones	Nov '22	Dec '22	TOTAL	AVERAGE
SS ROS STND	5,843	1	5,844	2,922

Reporting period ends Saturday December 31, 2022 23:59:59 (UTC-4)

Unique Impressions - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	5,253	2,627

Reporting period ends Saturday December 31, 2022 23:59:59 (UTC-4)

Unique Impressions - Breakdown

Zones	Nov '22	Dec '22	TOTAL	AVERAGE
SS ROS STND	5,252	1	5,253	2,627

Reporting period ends Saturday December 31, 2022 23:59:59 (UTC-4)

Clicks - Breakdown

Gross Clicks - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	162	81

Reporting period ends Saturday December 31, 2022 23:59:59 (UTC-4)

Gross Clicks - Breakdown

Zones	Nov '22	Dec '22	TOTAL	AVERAGE
SS ROS STND	162		162	81



Day Basics Report for [Ad] City of Waseca- ROS 2022-11-30 - City of Waseca ROS 2022 1

Reporting period ends Saturday December 31, 2022 23:59:59 (UTC-4)

Unique Clicks - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	155	78

Reporting period ends Saturday December 31, 2022 23:59:59 (UTC-4)

Unique Clicks - Breakdown

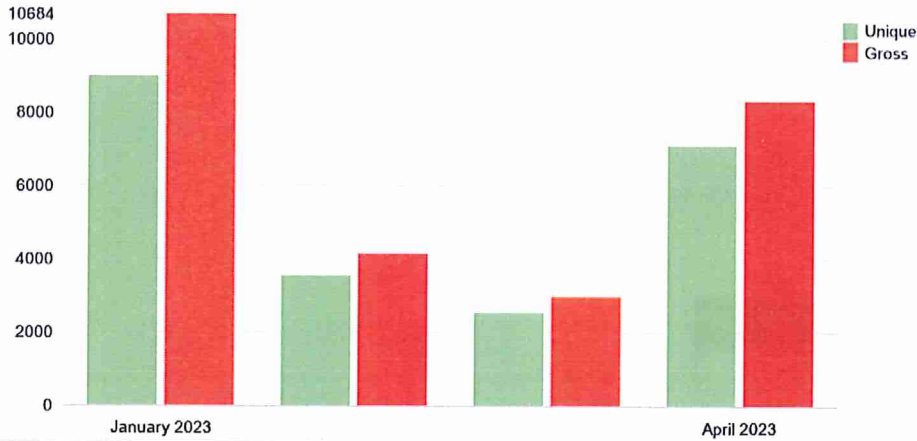
Zones	Nov '22	Dec '22	TOTAL	AVERAGE
SS ROS STND	155		155	78

Reporting period ends Saturday December 31, 2022 23:59:59 (UTC-4)



Summary Basics Report for [Ad] City of Waseca- ROS 2023-07-31 - City of Waseca-ROS 2023 1

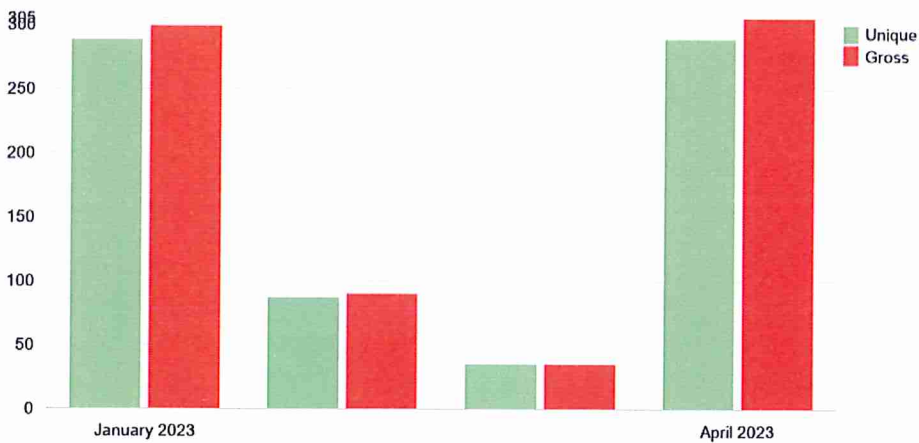
Impressions



Monthly	Unique Impression	Gross Impression	% Unique/Gross Impression
April 2023	7,101*	8,331*	85.24%*
March 2023	2,528	2,969	85.15%
February 2023	3,547	4,150	85.47%
January 2023	8,994	10,684	84.18%
Total	22,170*	26,134*	84.83%*
Average	5,543*	6,534*	84.83%*

Reporting period ends Sunday April 30, 2023 23:59:59 (UTC-4)

Clicks



Monthly	Unique Click	Gross Click	% Unique/Gross Click
April 2023	289*	305*	94.75%*
March 2023	35	35	100%
February 2023	87	90	96.67%



Day Basics Report for [Ad] City of Waseca- ROS 2023-07-31 - City of Waseca-ROS 2023 1

January 2023	288	299	96.32%
Total	699*	729*	95.88%*
Average	175*	182*	95.88%*

Reporting period ends Sunday April 30, 2023 23:59:59 (UTC-4)

Impressions - Breakdown

Gross Impressions - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	26,134*	6,534*

Reporting period ends Sunday April 30, 2023 23:59:59 (UTC-4)

Gross Impressions - Breakdown

Zones	Jan '23	Feb '23	Mar '23	Apr '23	TOTAL	AVERAGE
SS ROS STND	10,684	4,150	2,969	8,331*	26,134*	6,534*

Reporting period ends Sunday April 30, 2023 23:59:59 (UTC-4)

Unique Impressions - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	22,170*	5,543*

Reporting period ends Sunday April 30, 2023 23:59:59 (UTC-4)

Unique Impressions - Breakdown

Zones	Jan '23	Feb '23	Mar '23	Apr '23	TOTAL	AVERAGE
SS ROS STND	8,994	3,547	2,528	7,101*	22,170*	5,543*

Reporting period ends Sunday April 30, 2023 23:59:59 (UTC-4)

Clicks - Breakdown

Gross Clicks - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	729*	182*

Reporting period ends Sunday April 30, 2023 23:59:59 (UTC-4)

Gross Clicks - Breakdown



Zones	Jan '23	Feb '23	Mar '23	Apr '23	TOTAL	AVERAGE
SS ROS STND	299	90	35	305*	729*	182*

Reporting period ends Sunday April 30, 2023 23:59:59 (UTC-4)

Unique Clicks - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	699*	175*

Reporting period ends Sunday April 30, 2023 23:59:59 (UTC-4)

Unique Clicks - Breakdown

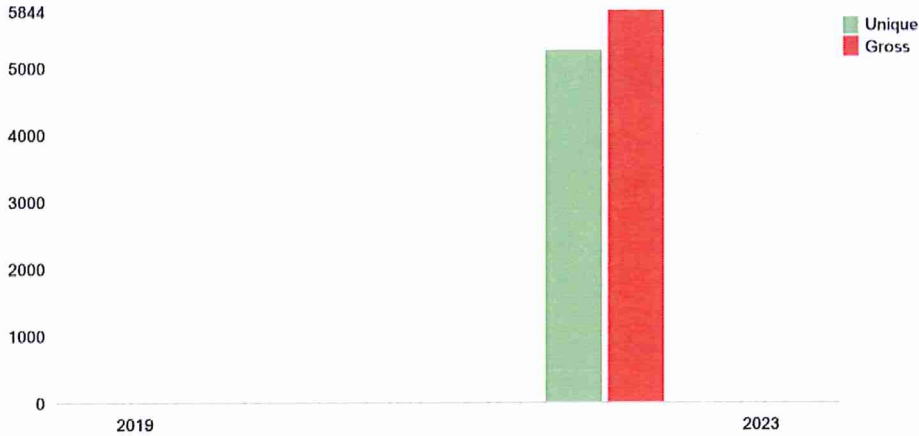
Zones	Jan '23	Feb '23	Mar '23	Apr '23	TOTAL	AVERAGE
SS ROS STND	288	87	35	289*	699*	175*

Reporting period ends Sunday April 30, 2023 23:59:59 (UTC-4)



Report: Yearly Basics for [Ad] City of Waseca- ROS 2022-11-30

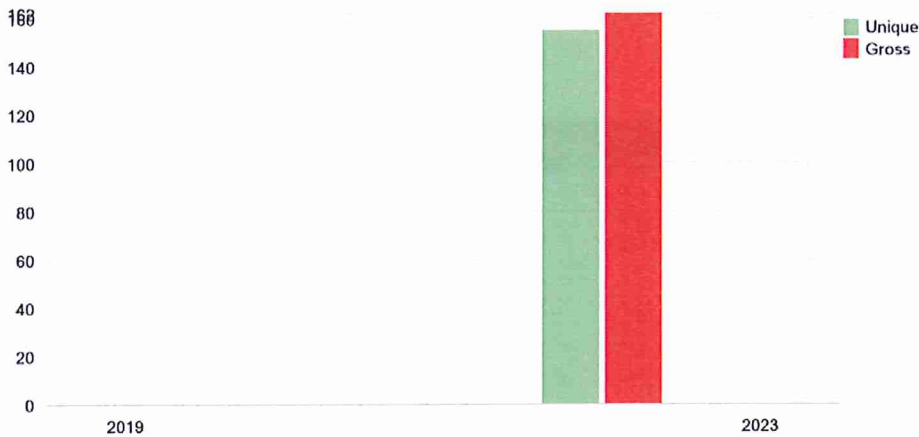
Impressions



Yearly	Unique Impression	Gross Impression	% Unique/Gross Impression
2023	0	0	
2022	5,253	5,844	89.89%
2021	0	0	
2020	0	0	
2019	0	0	
Total	5,253	5,844	89.89%
Average	1,051	1,169	89.89%

Reporting period ends Friday April 21, 2023 11:03:57 (UTC-4)

Clicks



Yearly	Unique Click	Gross Click	% Unique/Gross Click
2023	0	0	
2022	155	162	95.68%



Report: Yearly Basics for [Ad] City of Waseca- ROS 2022-11-30

2021	0	0	
2020	0	0	
2019	0	0	
Total	155	162	95.68%
Average	31	32	95.68%

Reporting period ends Friday April 21, 2023 11:03:57 (UTC-4)

Impressions - Breakdown

Gross Impressions - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	5,844	1,169

Reporting period ends Friday April 21, 2023 11:03:57 (UTC-4)

Gross Impressions - Breakdown

Zones	2019	2020	2021	2022	2023	TOTAL	AVERAGE
SS ROS STND				5,844		5,844	1,169

Reporting period ends Friday April 21, 2023 11:03:57 (UTC-4)

Unique Impressions - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	5,253	1,051

Reporting period ends Friday April 21, 2023 11:03:57 (UTC-4)

Unique Impressions - Breakdown

Zones	2019	2020	2021	2022	2023	TOTAL	AVERAGE
SS ROS STND				5,253		5,253	1,051

Reporting period ends Friday April 21, 2023 11:03:57 (UTC-4)

Clicks - Breakdown

Gross Clicks - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	162	32

Reporting period ends Friday April 21, 2023 11:03:57 (UTC-4)

*Run of Site where it shows up on the web site*



Report: Yearly Basics for [Ad] City of Waseca- ROS 2022-11-30

Gross Clicks - Breakdown

Zones	2019	2020	2021	2022	2023	TOTAL	AVERAGE
SS ROS STND				162		162	32

Reporting period ends Friday April 21, 2023 11:03:57 (UTC-4)

Unique Clicks - Summary

Zones	TOTAL	AVERAGE
SS ROS STND	155	31

Reporting period ends Friday April 21, 2023 11:03:57 (UTC-4)

Unique Clicks - Breakdown

Zones	2019	2020	2021	2022	2023	TOTAL	AVERAGE
SS ROS STND				155		155	31

Reporting period ends Friday April 21, 2023 11:03:57 (UTC-4)



All Users [Add comparison](#)

This year (Jan - Today) Jan 1 - Apr 23, 2023

### Acquisition overview



Sessions by Session default channel group

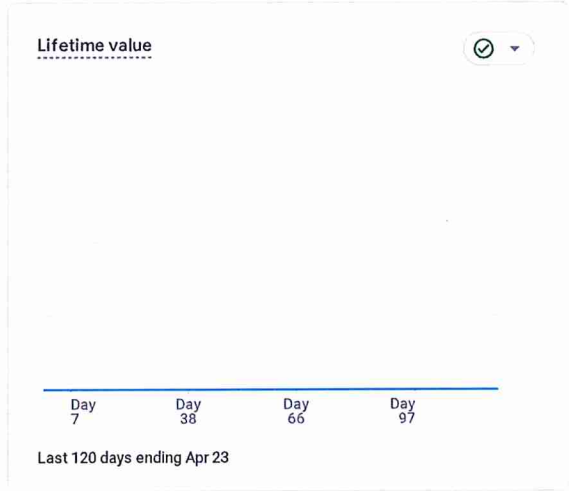
SESSION DEFAULT CHAN...	SESSIONS
Referral	138
Direct	49
Organic Search	27
Email	24
Unassigned	1

[View traffic acquisition](#)

Sessions by Session Google Ad...

No data available

[View Google Ads campaigns](#)



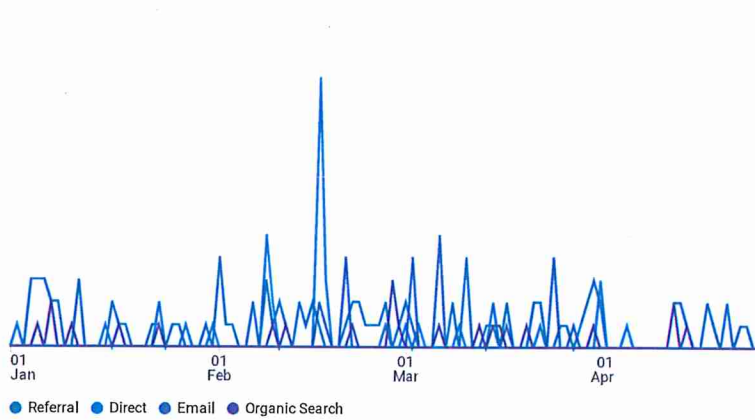
All Users [Add comparison +](#)

This year (Jan - Today) Jan 1 - Apr 23, 2023 ▾

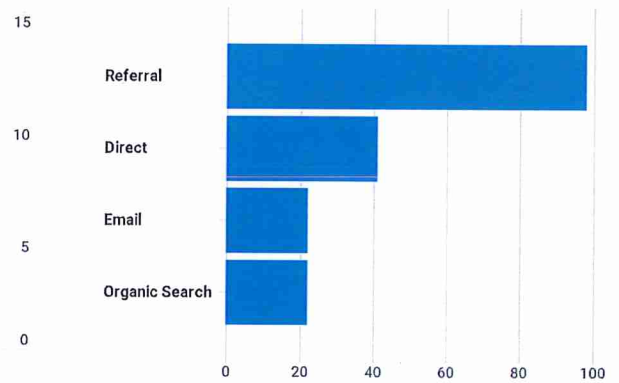
User acquisition: First user default channel group [🗄](#) ▾

[Add filter +](#)

New users by First user default channel group over time



New users by First user default channel group



Search...

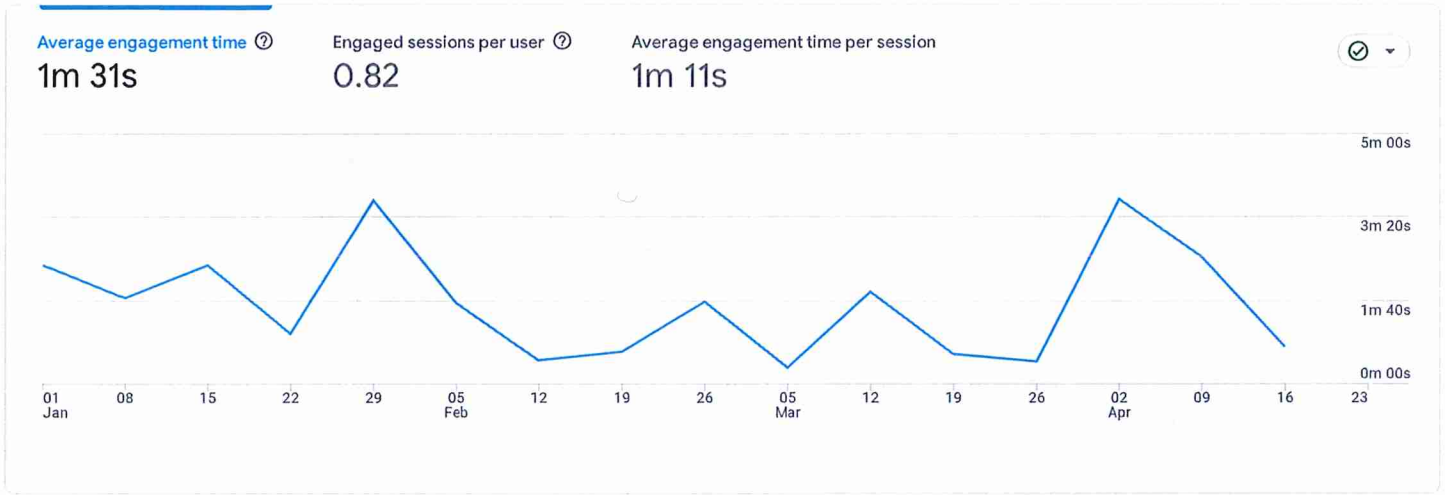
Rows per page: 250 ▾ 1-4 of 4

First user default channel group <a href="#">+</a>	↓ New users	Engaged sessions	Engagement rate	Engaged sessions per user	Average engagement time	Event count All events ▾
	183 100% of total	153 100% of total	64.29% Avg 0%	0.82 Avg 0%	1m 31s Avg 0%	1,802 100% of total
1 Referral	98	99	76.74%	0.99	2m 06s	1,143
2 Direct	41	24	47.06%	0.57	0m 55s	324
3 Email	22	1	4.35%	0.05	0m 00s	83
4 Organic Search	22	29	82.86%	1.32	1m 35s	252

All Users [Add comparison](#)

This year (Jan - Today) Jan 1 - Apr 23, 2023

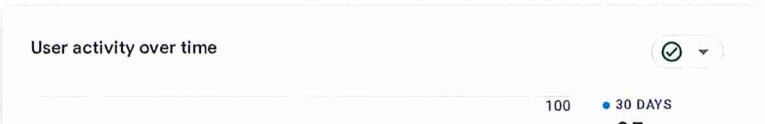
### Engagement overview



Event count by Event name

EVENT NAME	EVENT COUNT
page_view	522
user_engagement	442
scroll	397
session_start	238
first_visit	183
file_download	16
click	2

[View events](#)



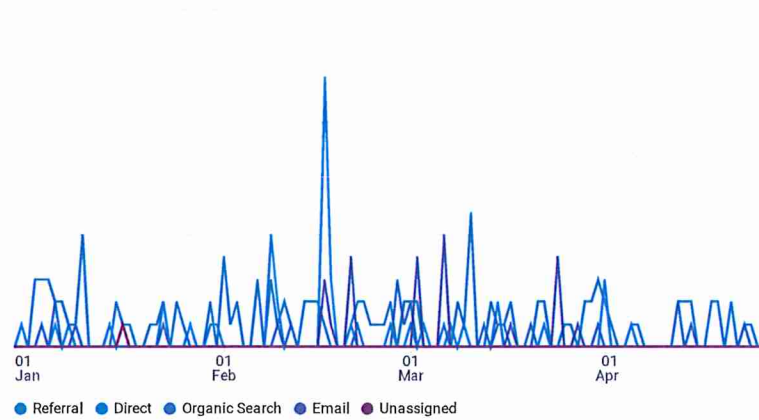
All Users Add comparison

This year (Jan - Today) Jan 1 - Apr 23, 2023

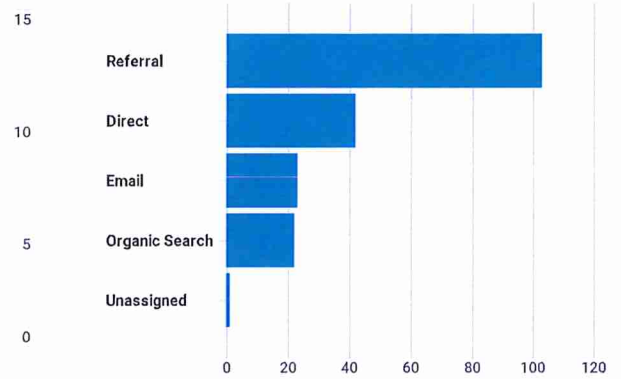
Traffic acquisition: Session default channel group

Add filter

Users by Session default channel group over time



Users by Session default channel group



Search...

Rows per page: 10 1-5 of 5

Session default channel group	Users	Sessions	Engaged sessions	Average engagement time per session	Engaged sessions per user	Events per session
	186 100% of total	238 100% of total	153 100% of total	1m 11s Avg 0%	0.82 Avg 0%	7.57 Avg 0%
1 Referral	103	138	108	1m 36s	1.05	8.62
2 Direct	42	49	23	0m 47s	0.55	6.47
3 Email	23	24	1	0m 00s	0.04	3.63
4 Organic Search	22	27	21	0m 40s	0.95	5.85
5 Unassigned	1	1	0	5m 54s	0.00	50.00

## AGREEMENT FOR SERVICES

THIS AGREEMENT FOR SERVICES (this "Agreement"), made the 24<sup>th</sup> day of April, 2023 with the **City of Waseca** (the "Member"), and Brookshire Company, LLC ("BROOKSHIRE"), is an agreement for Membership in the Community Venture Network ("CVN"). The Member and BROOKSHIRE hereby agree as follows:

1. Services. BROOKSHIRE agrees to provide the following services to the Member in connection with the CVN (the "Services"):
  - a. Management of the CVN. BROOKSHIRE shall provide the following management services:
    - support staff services and materials at regularly scheduled meetings of the CVN; and
    - notify the Member of dates of meetings, prepare agendas and necessary materials, and conduct activities relative to the meetings and functions of the CVN.
  - b. Outreach Program. BROOKSHIRE shall conduct the following outreach program:
    - emphasize the availability of Member's economic development resources to the business community;
    - maintain contact with accountants, attorneys, venture capitalists, business brokers, and the private banking community to generate referrals; and
    - initiate and maintain a business prospecting program.
  - c. Recruiting. BROOKSHIRE shall provide the following recruiting services:
    - Prospect List. CVN shall identify business prospects across the following categories (the "Prospects"):
      - ❖ "Development stage" companies with existing product lines and seeking expansion
      - ❖ New business owners seeking resources for growth
      - ❖ Expansions and/or relocations of existing businesses.
      - ❖ Businesses who will provide high quality jobs.
      - ❖ Present a minimum of twenty-four (24) business prospects at regularly scheduled meetings throughout the year.
    - BROOKSHIRE shall conduct preliminary review and screening of the Prospects by providing the following services:
      - ❖ assess financial and support service needs of Prospects;
      - ❖ prepare uniform summaries of applicants that address Prospects' needs; and



- ❖ schedule follow-up meetings within the Member's community to arrange for contacts with Prospects.

BROOKSHIRE may provide additional services as mutually agreed in writing by BROOKSHIRE and the Member; and unless and until agreed to in writing BROOKSHIRE shall not have any obligation to provide additional services and the Member shall not have the obligation to pay for such additional services.

The Services shall be performed by BROOKSHIRE in good faith; and the Member shall provide such documents, information and other support as reasonably requested by BROOKSHIRE in connection with the provision of the Services. The Member acknowledges and agrees that BROOKSHIRE is not making any representations, warranties or guaranties of any kind regarding the success of the Services provided by BROOKSHIRE.

2. Payment for Services. In consideration for providing the Services, Member shall pay BROOKSHIRE an annual fee of (a) **\$2,500** for the initial Annual Period (as defined below), payable contemporaneous with the signing of this Agreement, and (b) the then current annual fee charged by BROOKSHIRE for subsequent Annual Periods, payable at the commencement of each such Annual Period, provided, that, BROOKSHIRE shall notify the Member at least 60 days in advance of the end of an Annual Period of any changes in annual fees and/or significant changes to the CVN program for the subsequent Annual Period. All payments of annual fees are non-refundable, and non-prorated if this Agreement is terminated prior to the end of an Annual Period.
3. Term. The initial term of this Agreement shall commence **June 1<sup>st</sup>, 2023 – May 31<sup>st</sup>, 2024**, and, thereafter, shall automatically renew for one year periods (the initial 1 year term and each subsequent 1 year term is an "Annual Period"), unless following the initial term notice of non-renewal is given by either BROOKSHIRE or the Member to the other party at least 60 days prior to the expiration of the then current term.
4. Miscellaneous.
  - a. Notices. All notices, requests, consents and other communications to be required or permitted under this Agreement shall be in writing and delivered personally, or sent by registered or certified mail or nationally recognized overnight carrier, postage prepaid, or by email transmission, to the address set forth below the signatures below, or to such other address set forth in a notice given in the manner herein provided. All notices, requests, information or other communications shall be deemed to have been given (i) when delivered if personally delivered; (ii) 3 days after having been placed in the mail, if delivered by registered or certified mail; (iii) the day after having been placed with a nationally recognized overnight carrier, if delivered by nationally recognized overnight carrier; and (iv) when transmitted if transmitted by email.
  - b. Successors and Assigns. This Agreement and the rights and obligations hereunder shall be binding upon and inure to the benefit of, the parties hereto and their legal representatives, successors and permitted assigns, as the case may be.
  - c. Governing Law. This Agreement, and any claim related directly or indirectly to this Agreement, or arising thereunder, will be governed by and construed in accordance with the laws of the State of Minnesota without regard to principles of conflicts of law.
  - d. Entire Agreement; Modification; Waiver. This Agreement contains the entire agreement of the parties with respect to the transactions contemplated herein, and supersedes all prior understandings and agreements among the parties (oral or written). No modification, revision or other change to



any of the provisions of this Agreement shall be effective unless in writing and signed by all of the parties to this Agreement. The failure by either party at any time to enforce any of the provisions of this Agreement or any right or remedy hereunder or at law or in equity, or to exercise any option herein provided, shall not constitute a waiver of such provision, right, remedy or option or in any way affect the validity of this Agreement. The waiver of any default by either party shall not be deemed a continuing waiver, but shall apply solely to the instance to which such waiver is directed. In any event, no waiver shall be effective unless in writing and signed by the party against whom enforcement is sought.

- e. Execution and Counterparts. This Agreement may be executed by any party in a separate counterpart, or any number of separate counterparts, each of which counterparts when so executed and delivered shall be deemed an original, and such separate counterparts together shall constitute one instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

**Brookshire Company, LLC**

**City of Waseca**

By \_\_\_\_\_  
Gerry Norton, Managing Director

By \_\_\_\_\_  
Its: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

Attn: \_\_\_\_\_

Attn: \_\_\_\_\_

Email: \_\_\_\_\_

Email: \_\_\_\_\_

**REGISTER FOR ONE OR BOTH!**

**Intro Level:**

**Advanced Level:**

**MAY 1-2**

**MAY 3-4**

## Overview

## Agenda

Filter by: **Day** **Collapse all sessions**

### Monday, May 1, 2023

Mon 12:00 PM - 12:15 PM	<p><b>Welcome and Overview</b></p> <p>Welcome to the course! This session will introduce CDFA, explain how to use the online software, and discuss the framework for the two-day Intro Revolving Loan Fund WebCourse.</p> <p>Speaker(s)</p> <ul style="list-style-type: none"><li>▪ <b>Ariel Miller</b>, Senior Director, Research &amp; Technical Assistance, Council of Development Finance Agencies</li></ul>
Mon 12:15 PM - 1:15 PM	<p><b>Understanding Revolving Loan Funds</b></p> <p>A revolving loan fund is a self-replenishing pool of money, utilizing interest and principal payments on old loans to issue new ones. They come in many shapes and sizes and support a variety of economic development activities. The start of the Intro Revolving Loan Fund WebCourse will establish the foundation for future sessions by outlining the basic principles of revolving loan funds.</p> <p>Speaker(s)</p> <ul style="list-style-type: none"><li>▪ <b>Ariel Miller</b>, Senior Director, Research &amp; Technical Assistance, Council of Development Finance Agencies</li></ul>
Mon 1:15 PM - 3:00 PM	<p><b>Designing Your RLF</b></p> <p>This session will discuss how to establish an RLF based on your community's needs and the parameters of your funding partner. RLFs are designed to address unmet lending needs, which means understanding the gaps in order to effectively increase access to capital. The design of your RLF will also depend on the source of funding, which may be focused on serving certain types of businesses and projects.</p> <p>Speaker(s)</p> <ul style="list-style-type: none"><li>▪ <b>Brett Doney</b>, President &amp; CEO, Great Falls Montana Development Authority</li><li>▪ <b>Matt Knutson</b>, Program Analyst, Economic Development Administration</li></ul>



- **Marie Peters**, Fund Director, B: Side Capital & B: Side Fund

Mon 3:00 PM - 3:15 PM	<b>Break</b>
Mon 3:15 PM - 4:15 PM	<p><b>RLF Management</b></p> <p>Managing an RLF is multi-faceted and requires clear operations and governance. This session will discuss the skills that fund managers and support staff need to be successful. It will also cover the process of developing a policy manual and establishing a Loan Review Committee.</p> <p>Speaker(s)</p> <ul style="list-style-type: none"> <li>▪ <b>Zak Folk</b>, Business Development Officer, St. Louis Economic Development Partnership</li> <li>▪ <b>Robin Weiss</b>, Deputy Director, Southwest Regional Development Commission</li> </ul>
Mon 4:15 PM - 5:00 PM	<p><b>Marketing Your RLF Program</b></p> <p>Dedicating time and resources to market your RLF is key for reaching your target borrowers. This session will highlight methods used to promote your program, including collaborative partnerships with other organizations that can help your RLF succeed.</p> <p>Speaker(s)</p> <ul style="list-style-type: none"> <li>▪ <b>Star Reyes</b>, Client Services Manager, Raza Development Fund, Inc.</li> </ul>
Mon 5:00 PM	<b>Adjourn</b>

Tuesday, May 2, 2023

Tue 12:00 PM - 12:15 PM	<p><b>Revisiting Day 1</b></p> <p>The first day of the Intro Revolving Loan Fund WebCourse focused on RLFs from a broad perspective and introduced the basic concepts and players involved. At the start of Day 2, we will review some important terms and set the stage for the remaining sessions focused on the technical aspects of RLFs.</p> <p>Speaker(s)</p> <ul style="list-style-type: none"> <li>▪ <b>Ariel Miller</b>, Senior Director, Research &amp; Technical Assistance, Council of Development Finance Agencies</li> </ul>
Tue 12:15 PM - 2:00 PM	<p><b>The Decision Process</b></p> <p>The underwriting and financial analysis of loan applications are key elements of all successful RLF programs. The ability to collect and analyze the information provided by the potential borrower will be discussed in detail during this session. This session will cover the information needed to conduct both program and project analysis. In addition, this session will cover the financial analysis process and necessary documentation materials, such as the profit-loss and cash flow statements. Finally, the session will conclude by examining the loan decision and presentation processes.</p> <p>Speaker(s)</p> <ul style="list-style-type: none"> <li>▪ <b>Shelly Gross-Wade</b>, Principal Consultant, Bay Crossing Consulting</li> </ul>
Tue 2:00 PM - 2:15 PM	<b>Break</b>
Tue 2:15 PM - 3:15 PM	<p><b>Pre- and Post-Loan Closing</b></p> <p>Awarding the loan is just the beginning. This session will cover pre- and post-loan closing processes, documentation, and file preparation. Also discussed is the servicing process that can help assure quick detection of issues within the RLF portfolio.</p>

Speaker(s)

- **John Saris**, Finance Manager, Business Oregon

Tue 3:15 PM - 4:00 PM

### **When the Deal Goes Bad**

Even the strongest RLF programs that make every attempt to craft a good loan will have deals that go bad. How your fund handles loans and borrowers during this difficult period can help minimize losses and maximize recovery. This session will offer strategies and suggestions for addressing failed deals.

Speaker(s)

- **Steve Boice**, Manager - Business Finance, Colorado Housing and Finance Authority

Tue 4:00 PM - 4:15 PM

### **Break**

Tue 4:15 PM - 5:00 PM

### **Innovative RLFs**

During the last session of the course, hear representatives from innovative RLF programs explain their operations, philosophies, and lessons learned from years of experience.

Speaker(s)

- **Leopoldo Peña**, Co-Founder, Presta
- **Peter Truog**, Co-Founder, Presta
- **Martin Walke**, Vice President, Economic Development, Louisiana Public Facilities Authority
- **Jennifer Watkins**, Director of Operations, Alliance for Rural Impact

Tue 5:00 PM

### **Adjourn**

Location

Registration

## Revolving Loan Fund Plan

### Rural Business Enterprise Grant Application City of Waseca Economic Development Authority

The City of Waseca Economic Development Authority (grantee) Revolving Loan Fund (RLF) shall be operated under the guidance of the following revolving loan fund plan. This Revolving Loan Fund Plan will not be amended or changed without prior written concurrence from Rural Development (grantor), an Agency of the USDA.

**1) Use or Grant Funds:**

Grant funds to be received by the grantee through the Rural Business Enterprise Grant program will be used to establish a revolving loan fund (RLF). The RLF will be used to provide financial assistance to third parties within the guidelines of this revolving loan fund plan.

**2) Sources of all non-grant funds:**

The Grantee will contribute a cash match to establish the RLF. Verification of these funds is provided with the grant application. These funds will remain in the RLF until the RLF is terminated. Termination will not take place without prior concurrence of the grantor.

City of Waseca Economic Development Authority (EDA)s of the RLF will be required to meet their financial needs from their own resources and commercial financial institutions whenever possible. The RLF will be used to finance City of Waseca Economic Development Authority (EDA) needs that cannot be met from the above resources. The RLF may finance 100% of an City of Waseca Economic Development Authority (EDA)'s needs if other resources are not available.

**3) Amount of technical assistance:**

Technical assistance will be available from the grantee on an as-needed basis. The Grantee will also assist City of Waseca Economic Development Authority (EDA)s find other technical assistance resources that can provide the assistance needed by the City of Waseca Economic Development Authority (EDA).

**4) Purpose and limitations of the loans made from the RLF:**

**a) Planned projects to be financed may include but not limited to:**

- I. Project / business to be assisted by the RLF program typically must be physically located within the corporate limits of the City of Waseca. On a case by case basis, the Loan Committee may waive this requirement and provide loan funds to a business located outside the corporate limits of the City of Waseca if the committee determines doing so will have a positive economic impact on the community to be assisted with RLF funds.
- II. Acquisition and development of land, easements, and rights-of-way.

- III. Construction, conversion, enlargement, repairs or modernization of buildings (including façade repairs), plants, machinery, equipment, access streets and roads, parking areas, utilities, and pollution control and abatement facilities.
- IV. Loans for startup operating cost and working capital.
- V. Technical assistance for private business enterprises.

**b) Limitations on loans from the RLF:**

- I. RLF funds will not be used to produce agriculture products through growing, cultivation, and harvesting either directly or through horizontally integrated livestock operations except for commercial nurseries, timber operations, or limited agricultural production related to technical assistance projects.
- II. RLF funds will not be used to finance comprehensive area-wide type planning. This does not preclude the use of grant funds for planning for a given project.
- III. RLF funds will not be used to fund a part of a project which is dependent on other funding unless there is a firm commitment of the other funding to ensure completion of the project.
- IV. Loans will not be made unless there is a reasonable prospect that the City of Waseca Economic Development Authority (EDA) meets the definition of "small and emerging private business enterprises" defined as "any private business that will employ 50 or fewer new employees and has less than \$1 million in projected gross revenues." If the grantor changes its definition of small and emerging business as defined by the Rural Business Enterprise Grant regulations, the grantee reserves the right to utilize the amended definition without further approval from the grantor.
- V. At least 51 percent of the outstanding interest in the City of Waseca Economic Development Authority (EDA) must be owned by those who are either citizens of the United States or reside in the United States after being legally admitted for permanent residence.
- VI. Applications by members of the loan committee and their immediate family members shall be ineligible for funding.

**c) Other Lending criteria:**

- I. Loans to be made from the RLF will not exceed the level of available funding in the RLF bank account. Loans made from the RLF typically will not be less than \$5,000. The Loan Committee may authorize loans smaller than the above values on a case by case basis.
- II. Loans can be amortized over the lesser of seven years or the life of the security. The Loan Committee shall determine the term.
- III. The interest rate will typically range from 3-5% and typically will not exceed prime rate by more than 2%. The Loan Committee will determine the rate at the time of each application for assistance. The rate will be based on the current New York prime rate.
- IV. Security shall consist of the best lien available on real estate, equipment, inventory, etc. The discounted value of the security (using typical lender discount rates) shall

equal or exceed the value of the loan. The Loan Committee may require personal guarantees and/or co-signors.

- V. There must be evidence presented by the City of Waseca Economic Development Authority (EDA) that indicates the RLF loan is necessary to make the proposed project feasible.
- VI. RLF loan funds will not be used to pay off any previous debt. Refinancing construction financing is an exception to this rule.
- VII. If the business relocates outside of the corporate limits of the City of Waseca, the Loan Committee may require immediate pay off of the loan.
- VIII. The proposed project must be presented to the Loan Committee by the prospective business owner or her/his representative.
- IX. The Loan Committee may require written feasibility studies, business plans, market studies, etc. as appropriate for the business type.
- X. A \$100 application fee shall be submitted with each application. Costs associated with processing the application (e.g. credit report fees, UCC and lien search fees, filing security documents, filing legal documents fees, etc.) shall be the responsibility of the City of Waseca Economic Development Authority (EDA). The Loan Committee may waive or amend this fee structure without further approval from the grantor.

**5) Number of jobs to be created/saved with each project.**

The grantee has a goal of creating or retaining at least one full time job for each \$10,000 loaned from the RLF.

**6) Project priority and length of time involved in completion of each project.**

Applications for RLF funds will be accepted on a continual basis. City of Waseca Economic Development Authority (EDA)s who choose to apply in times when inadequate funds exist for extending a loan will be informed of the lack of funds. Applications will be reviewed and funded (if eligible) based on the following criteria:

- a) Applications with the greatest anticipated economic impact for the community shall receive greatest priority. Criteria to be considered in determining economic impact include number of jobs created or saved, wage scale of employees, benefits paid to employees.
- b) Applications of equal economic impact will be funded in date order of application.
- c) In accordance with Federal law and U.S. Department of Agriculture policy, the Loan Committee will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, or marital or family status.
- d) The Loan Committee will be responsible for determining priorities of application to be funded. Eligibility of City of Waseca Economic Development Authority (EDA)s will typically be determined within 30 days of receipt of a complete application. An application will be considered complete when all information necessary for the Loan Committee to make a decision has been received.

7) **Other information:**

RLF will be administered by a Loan Committee. The Loan Committee shall be comprised of no fewer than five voting members plus the Community Development Director. The Community Development Director shall not have voting privileges.

One committee member shall be a lender from a local lending institution. The remaining four members shall be persons who live within the corporate limits of the City of Waseca or who live outside of the corporate limits of the City of Waseca but have an interest in the economic climate of the City of Waseca Economic Development Authority (EDA) RLF territory. Three persons of the committee shall constitute a quorum necessary for approving or rejecting an application for funding from the RLF. A simple majority (51%) of members voting shall be necessary for approval.

The Chairperson of the City of Waseca Economic Development Authority and/or the Community Development Director shall be responsible for administrative requirements of the RLF. The chairperson may delegate these responsibilities to other persons.

**This Revolving Loan Fund Plan is submitted by the grantee. Upon approval by the grantor, the grantee agrees that no changes will be made to the Revolving Loan Fund Plan without prior written approval by the grantor.**

**City of Waseca Economic Development Authority (Grantee)**

By: , EDA Executive Director 4/8/10  
(Signature) (Title) (Date)

**This Revolving Loan Fund Plan is hereby approved by USDA - Rural Development.**

**USDA - RURAL DEVELOPMENT**

By: , Area Specialist 6/23/10  
(Signature) (Title) (Date)

# **City of Waseca Economic Development Authority**

## **Revolving Loan Fund Plan**

**The City of Waseca Economic Development Authority** has played an active role in the development of rural America. Through its board and staff, the **City of Waseca Economic Development Authority** has provided not only leadership but financial participation in economic and community development. Now, through the creation of a Revolving Loan Fund (RLF), **City of Waseca Economic Development Authority** is seeking to improve the quality of life in rural areas by contributing to the long-term improvement in the economy, including job creation and retention, diversification of the economy, improving the education and skills of the rural workforce, and upgrading the public infrastructure to improve the health, safety, and/or medical care of rural residents.

**The City of Waseca Economic Development Authority (grantee) Revolving Loan Fund (RLF) shall be operated under the guidance of the following Revolving Loan Fund Plan. This Revolving Loan Fund Plan will not be amended or changed without prior written concurrence from Rural Development (grantor), an Agency of the USDA.**

### **POLICY STATEMENTS:**

- Grant funds to be received by the grantee through the Rural Business Development Grant program will be used to establish a revolving loan fund (RLF). The RLF will be used to provide financial assistance to third parties within the guidelines of this revolving loan fund plan.
- The Grantee will contribute a cash match to establish the RLF. Verification of these funds is provided with the grant application. These funds will remain in the RLF until the RLF is terminated. Termination will not take place without prior concurrence of the grantor.
- Applicants of the RLF will be required to meet their financial needs from their own resources and commercial financial institutions whenever possible. The RLF will be used to finance applicant needs that cannot be met by the above resources. The RLF may finance 100% of an applicant's needs if other resources are not available.
- The Board of Directors of **City of Waseca Economic Development Authority** is the sole authority for approval or denial of loans from the RLF and is responsible for all decisions and actions of the RLF. The RLF will be operated and maintained solely by **City of Waseca Economic Development Authority**.
- To avoid potential conflicts of interest, or the appearance of a conflict of interest, an RLF loan will not be made to any board member, officer, general manager, or supervisory employee of **City of Waseca Economic Development Authority** or close relative thereof, or to any **City of Waseca Economic Development Authority** subsidiary or affiliated organization in which the **City of Waseca Economic Development Authority** has a financial interest.
- Amendments to this Rural Development Plan will require the approval of the **City of Waseca Economic Development Authority** board of directors. However, no action will be taken to amend this plan without the prior written approval of the Rural Business Cooperative Service (RBS), its successors or assigns.
- The **City of Waseca Economic Development Authority** RLF is an equal opportunity lender and requires loan recipients to adhere to all equal opportunity laws.
- All information regarding RLF loan requests will at all times be kept confidential by the members of the **City of Waseca Economic Development Authority** board, the loan review committee, and **City of Waseca Economic Development Authority** staff. If necessary, the RLF may seek the advice and counsel of outside consultants and sources in order to adequately perform due diligence regarding the project.

## REVOLVING LOAN FUND MANAGEMENT:

### Administration of the Revolving Loan Fund

Management of the RLF will be ....

### Loan Review Committee

The **City of Waseca Economic Development Authority** Board of Directors has appointed a Loan Review Committee (LRC) to review all RLF loan applications. The LRC will perform necessary credit analysis and due diligence in order to make a written recommendation to the **City of Waseca Economic Development Authority** board of directors, which has final authority regarding all actions of the RLF. The LRC will meet on an as needed basis under the terms of the application procedures listed below.

The Loan Review Committee serves on a volunteer basis. The Loan Committee shall be comprised of no fewer than Three (3) voting members plus the Economic Development Executive Director. The Economic Development Executive Director shall not have voting privileges.

*Five vs. three members of the Loan committee??begs question of quorum.*

Two people of the committee shall constitute a quorum necessary for approving or rejecting an application for funding from the RLF. A simple majority (51%) of members voting shall be necessary for approval.

If a member of the LRC has a financial interest in the project being reviewed, he/she will abstain from the loan review/recommendation to the **City of Waseca Economic Development Authority** Board of Directors. Members of the LRC will serve indefinite terms. However, the **City of Waseca Economic Development Authority** board of directors has the right to replace members of the LRC in the event of resignation or other necessary circumstances.

The Loan Review Committee members were chosen, in part, because of their experience with lending and/or economic and community development projects. A current and up to date roster of the members of the LRC will be attached to this Revolving Loan Fund Plan as new members are appointed. These committee appointments do not reflect an amendment to the RLF Plan and therefore do not have to be approved by USDA.

## REVOLVING LOAN FUND GUIDELINES:

Loan funds will be used to finance and/or develop small and emerging private business enterprises in rural areas.

### Qualifying Projects:

- Project / business to be assisted by the RLF program typically must be physically located within the city limits of Waseca. On a case-by-case basis, the Loan Committee may waive this requirement and provide loan funds to a business located outside the City of Waseca Area if the committee determines doing so will have a positive economic impact on the community to be assisted with RLF funds. If the business relocates outside of the Waseca City Area, the Loan Committee may require immediate pay off of the loan.
- Acquisition and development of land, easements, and rights-of-way.



- Construction, conversion, enlargement, repairs or modernization of buildings (including façade repairs), plants, machinery, equipment, access streets and roads, parking areas, utilities, and pollution control and abatement facilities.
- Loans for startup operating cost and working capital.
- Technical assistance for private business enterprises.
- The grantee has a goal of creating or retaining at least one full time job for each \$10,000 loaned from the RLF.

**In-Eligible Projects:**

- RLF funds will not be used to produce agriculture products through growing, cultivation, and harvesting either directly or through horizontally integrated livestock operations except for commercial nurseries, timber operations, or limited agricultural production related to technical assistance projects.
- RLF funds will not be used to finance comprehensive area-wide type planning. This does not preclude the use of grant funds for planning for a given project.
- RLF funds will not be used to fund a part of a project which is dependent on other funding unless there is a firm commitment from the other funding to ensure completion of the project.
- RLF loan funds will not be used to pay off any previous debt. Refinancing construction financing is an exception to this rule.
- Loans will not be made unless there is a reasonable prospect that the applicant meets the definition of "small and emerging private business enterprises" defined as "any private business that will employ 50 or fewer new employees and has less than \$1 million in projected gross revenues." If the grantor changes its definition of small and emerging business as defined by the Rural Business Development Grant regulations, the grantee reserves the right to utilize the amended definition without further approval from the grantor.
- Applications by members of the loan committee and their immediate family members shall be ineligible for funding.

**Minimum / Maximum Loan Amounts:**

Loans to be made from the RLF will not exceed the level of available funding in the RLF bank account. Loans made from the RLF typically will not be less than \$5,000. The Loan Committee may authorize loans smaller than the above values on a case-by-case basis.

**Interest Rate:**

The interest rate will typically range from 3-5 % and typically will not exceed prime rate by more than 2 %. The Loan Committee will determine the rate on the day of loan closing based on the evaluation of the applicant's ability to repay and the necessity of below market financing to advance the project. Interest earned on any RLF loan must stay in the fund for use in making additional RLF loans.

**Fees/Closing Costs:**

A \$175.00 application fee shall be submitted with each application. Costs associated with processing the application (e.g., credit report fees, UCC and lien search fees, filing security documents, filing legal documents fees, etc.) shall be the responsibility of the applicant. The

Loan Committee may waive or amend this fee structure without further approval from the grantor. (It is also common to charge an original fee of 1 - 1.5 %)

The RLF may charge loan recipients for loan closing costs, attorney's fees, filing fees, etc., as necessary to complete loan documentation. All loan fees will be addressed in the Loan Agreement between the RLF and the loan recipient.

**Loan Terms:**

Loans can be amortized over the lesser of seven years or the life of the security. The Loan Committee shall determine the term.

The Loan Review Committee will make a recommendation concerning the term of the loan and payment frequency (monthly, quarterly, etc.) depending upon project need, the expected life of the security, and the applicant's ability to repay. The term of the loan will not exceed the expected life of the asset being used as collateral.

**Security / Collateral:**

Security shall consist of the best lien available on real estate, equipment, inventory, etc. The discounted value of the security (using typical lender discount rates) shall equal or exceed the value of the loan. The Loan Committee may require personal guarantees and/or co-signors.

**City of Waseca Economic Development Authority** will work with the potential loan recipient to obtain security that is adequate for the term of the loan. The nature of the collateral pledged shall be determined by the loan committee on a project-by-project basis. If the same collateral is used in joint financing, the RLF will seek a parity position with other lenders. Types of security may include:

- Mortgage Lien on Real Property
- Machinery and equipment which have a developed market;
- Letter(s) of credit from acceptable financial institution(s);
- Securities issued by the Federal government or its agencies.
- Accounts receivable and inventory for short-term loans; and

The loan recipient will be required to maintain fire insurance, and flood insurance if necessary, on secured assets. In some cases, credit life or key man insurance will be required with the RLF as loss payee.

**APPLICATION PROCEDURES:**

Applications for RLF funds will be accepted on a continual basis. All applicants for RLF funding will be required to complete an application form and provide a corresponding business plan with verifiable data which demonstrates that their proposed projects are economically feasible, sustainable, and will provide benefits to rural areas, either through job creation or infrastructure improvements. A copy of the application which includes a list on supporting information is attached to this plan.

- Applications will be accepted at the **City of Waseca Economic Development Authority** office during normal business hours. The **City of Waseca Economic Development Authority** is located at 508 South State Street, Waseca, MN 56093.
- Complete applications will be reviewed by the loan review committee. An application is not considered complete until all required information has been submitted to the **City of Waseca Economic Development Authority** staff as listed on the attached application.

- There must be evidence presented by the applicant that indicates the RLF loan is necessary to make the proposed project feasible.
- The Loan Committee may require written feasibility studies, business plans, market studies, etc. as appropriate for the business type.
- The loan review committee will analyze each project and make a written recommendation to the **City of Waseca Economic Development Authority** Board of Directors.
- The **City of Waseca Economic Development Authority** Board of Directors will normally review RLF applications at their scheduled monthly Board Meeting. However, if needed and at the Board's option, the Board may call a special meeting to review a loan application.
- The **City of Waseca Economic Development Authority** Board of Directors shall have final authority to approve or deny RLF loan requests, and to determine appropriate terms and conditions.
- For approved loans, a loan agreement addressing all of the terms and conditions, including monitoring procedures, repayments, delinquencies, defaults and remedies for that project will be prepared by the RLF. In addition, the RLF shall have prepared all notes, mortgages, security agreements, UCC filings and other legal documents necessary to close the loan. The RLF will use appropriate note, mortgage, and other forms which are approved by the State Bar Association.
- Before RLF funds can be disbursed to the loan recipient, all requirements and terms of the loan agreement must be met and supplemental financing must already be contributed or verified ready to contribute to the project.

**Review Criteria:**

The basis for determining the eligibility/approvability, loan amount, interest rate, and terms and conditions of a revolving loan fund request, and general RLF operational procedures, are as follows:

- The loan review committee and **City of Waseca Economic Development Authority** board will consider the financial need of the project, the probability of success, the security offered, and the overall benefits of the project to rural areas, including the number of jobs to be created or retained, diversification of the economy, the extent of the upgrading of the skills of the rural workforce, the quality of the jobs in terms of pay scale and benefit package, and, for community development projects, improvements to the community infrastructure, facilities, and/or acquisition of equipment that improves the education, health, safety, and/or medical care of rural residents.
- Applicants who choose to apply in times when inadequate funds exist for extending a loan will be informed of the lack of funds. Applications will be reviewed and funded (if eligible) based on the following criteria:
  - Applications with the greatest anticipated economic impact for the community shall receive greatest priority. Criteria to be considered in determining economic impact include number of jobs created or saved, wage scale of employees, benefits paid to employees.

- Applications of equal economic impact will be funded in date order of application.

In accordance with Federal law and U.S. Department of Agriculture policy, the Loan Committee will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, or marital or family status.

#### **LOAN MONITORING:**

The Economic Development Executive Director shall be responsible for administrative requirements of the RLF. The Economic Development Executive Director may delegate these responsibilities to other persons.

All RLF loans will be monitored to ensure that loan proceeds are spent as identified in the RLF application, that all other sources of financing have been committed to the project, and that the benefits of the project, such as job creation, are accomplished as stated in the RLF application. The Economic Development Executive Director shall ensure that RLF lien positions and loan collateral are secure.

This loan monitoring will require regular reporting by the loan recipient.

- Annual income statements and balance sheets will be collected from the loan recipient. Depending on the nature of the project and security arrangements, **the City of Waseca Economic Development Authority** reserves the right to require the submission of annual financial reports as audited by a certified public accountant.
- **The City of Waseca Economic Development Authority** will also conduct annual site visits to meet with the loan recipient, verify collateral and collect any information as required.
- At the option of **City of Waseca Economic Development Authority**, periodic management information reports may be required of the loan recipient. Management reports may be required on a semi-annual basis beginning six months after the advance of RLF funds and continuing semi-annually thereafter for a period of 3 years or until completion of the project, whichever is the later period. If requested, management reports will include:
  - information on the number of jobs created or retained during the reporting period.
  - a comparison of accomplishments during the reporting period to the objectives established for the project,
  - a description of any problems, delays, or adverse conditions which will materially affect the attainment of planned project objectives and a statement of action taken or contemplated to resolve the situation.
- **The City of Waseca Economic Development Authority** reserves the right to require these reports on a more frequent basis if it is determined to be in the best interest of the RLF.
- An annual review and report of the outstanding loans of the RLF, including job creation/retention totals and community benefits, will be compiled by the loan committee for presentation to the **City of Waseca Economic Development Authority** Board of Directors.

#### **COLLECTION PROCEDURES:**

The Economic Development Executive Director is charged with the responsibility for loan collections and related workouts, collection of charged-off loans, management and disposal of other real estate owned, and any other activities related to delinquent accounts.

As part of this responsibility, the Economic Development Executive Director shall have authority to initiate foreclosures, and collection suits after consultation with **City of Waseca Economic Development Authority's** legal counsel. The Economic Development Executive Director will advise the board of such action at their next regular meeting.

- Past due notices will be generated and sent to the loan recipient according to the following schedule:
  - First notice sent on the 10<sup>th</sup> day after a note or payment is due.
  - Second notice sent on the 20<sup>th</sup> day after a note or payment is due.
- If the delinquent account becomes 30 days delinquent, the Economic Development Executive Director will make phone contact with the loan recipient to inquire about the situation and arrange appropriate corrective action.
  - As a prudent lender and at the **City of Waseca Economic Development Authority's** sole discretion, a one-time corrective action/workout of a delinquent account is permitted. As part of the workout, loan terms may be modified by deferral, amortization and/or balloon payments.
- If the delinquent account is not taking steps to cure default and the account becomes 60 days delinquent, a written 30-day Notice to Cure will be issued and sent to the loan recipient via certified, first-class mail with a return receipt requested.
- If the delinquent account does not respond to the Notice to Cure by paying the amount stated in the cure notice, the file will be forwarded to **City of Waseca Economic Development Authority's** legal counsel to start foreclosure actions.

**FILE RETENTION:**

All RLF files will be retained for a period of not less than 3 full years after the loan has been paid in full. After 3 years, the files will be destroyed by shredding or incineration. Files will be secured in a locked, safe place and access will be limited to Intermediary staff with RLF responsibilities. Other security measures will be initiated as needed to protect confidentiality of loan documents.

**This Revolving Loan Fund Plan is submitted by the grantee. Upon approval by the grantor, the grantee agrees that no changes will be made to the Revolving Loan Fund Plan without prior written approval by the grantor.**

**City of Waseca Economic Development Authority (GRANTEE)**

By: \_\_\_\_\_, \_\_\_\_\_ (Date)  
(Signature) (Title)

**This Revolving Loan Fund Plan is hereby approved by USDA - Rural Development.**

**USDA - RURAL DEVELOPMENT**

By: \_\_\_\_\_, \_\_\_\_\_ (Date)  
(Signature) (Title)