ROSEMOUNT MINNESOTA

AGENDA
Port Authority Regular Meeting
Tuesday, March 19, 2024
6:00 PM
Council Chambers, City Hall

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE**
2. **ADDITIONS OR CORRECTIONS TO AGENDA**
3. **CONSENT AGENDA**
   a. Minutes of the February 20, 2024 Regular Meeting
4. **CHAIRPERSON'S REPORT**
5. **REPORTS FROM PORT AUTHORITY COMMISSIONERS**
6. **NEW BUSINESS**
   a. Approval of Open to Business Joint Powers Agreement
7. **OLD BUSINESS**
   a. Project Updates
8. **DISCUSSION**
9. **ADJOURNMENT**

ROSEMOUNT PORT AUTHORITY
REGULAR MEETING PROCEEDINGS
FEBRUARY 20, 2024

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Pursuant to due call and notice thereof, a regular meeting of the Rosemount Port Authority was held on Tuesday, February 20, 2024, at 6:00 PM. in Rosemount Council Chambers, 2875 145th Street West.

Chairperson Essler called the meeting to order with Commissioners Freske, Essler, Theisen and Beaudette. Commissioner Klimpel and Weisensel were absent.

ADDITIONS OR CORRECTIONS TO AGENDA

Motion by Theisen **Second by** Freske

Motion to approve agenda.

Ayes: 5.

Nays: None. Motion Carried.

CONSENT AGENDA

Motion by Ober **Second by** Theisen

Motion to approve consent agenda.

Ayes: 5.

Nays: None. Motion Carried .

a. Minutes of the January 16, 2024 Regular Meeting

CHAIRPERSON'S REPORT

None.

REPORTS FROM PORT AUTHORITY COMMISSIONERS

Commissioner Ober shared a recent article she saw which highlighted Restaurant Week in Eagan. Commissioner Ober suggested this event to be a good way for restaurants to showcase certain menu items and a way to get customers in the door. Staff stated Rosemount has not done anything like this, except for during COVID (bingo cards) and the Food Truck Fest where local restaurants with mobile trucks may participate.

NEW BUSINESS

a. Hotel Market Dynamics

Economic Development Coordinator Van Oss introduced Chris Flagg of TPI Hospitality, who presented the latest hospitality trends. Mr. Flagg noted there are 8 submarkets in the greater Minneapolis area. The submarket for Rosemount is Eagan/35E South area, noting this submarket is 4th in size however ranked 8th in performance and stated the market has not yet come back to the market standards prior to Covid.

Mr. Flagg stated when it comes to having a hotel in the south, there are limited primary demands, a glut of new supply in Bloomington and Rosemount is too far away to capture compression nights from Minneapolis and Minneapolis area. The south metro is missing a demand generator; i.e. Blaine international sports complex.

Mr. Flagg further discussed the next steps to take to determine the hotel needs in Rosemount; order a feasibility report, encourage high amenities, mixed-use developments, consider subsidizing projects that induce new hotel demand, i.e. Regional sports complex, convention center, entertainment district and to build a hotel for Monday-Thursday business and not just for the weekends.

b. Minnesota MedTech Hub

Economic Development Coordinator Van Oss explained the Greater MSP region was designated as one of the leading technology hubs in the U.S. through a national competition run by the U.S. Department of Commerce. The "Minnesota MedTech 3.0" effort builds on existing strengths to create a medical device ecosystem that is even more connected, more strategic and "smarter" by incorporating cutting-edge technologies, such as artificial intelligence, machine learning and data science. Staff wanted to bring the awareness of the hubs to the Port Authority as staff is in the discussions of the steps to continue to drive the opportunity.

The continued membership with Greater MSP puts Rosemount in a greater position especially being Rosemount has a Port Authority.

OLD BUSINESS

a. Project Updates

Economic Development Coordinator Van Oss highlighted the Rosemount Expo and noted there is no additional activity on the Isrealson Property at this time.

DISCUSSION

None.

ADJOURNMENT

There being no further business to come before the City Council at the regular council meeting and upon a motion by Essler and a second by Freske the meeting was adjourned at 6:56 p.m.

Respectfully submitted,

Erin Fasbender
City Clerk

ROSEMOUNT
MINNESOTA

EXECUTIVE SUMMARY

Port Authority Regular Meeting: March 19, 2024

AGENDA ITEM:	Approval of Open to Business Joint Powers Agreement	**AGENDA SECTION:** NEW BUSINESS
PREPARED BY:	Adam Kienberger, Community Development Director	**AGENDA NO.** 6.a.
ATTACHMENTS:	Dakota County OTB Narrative Report - Q4 2023, CDA_OTB_Agreement_2024.2026_executed, 5D - Approval Of Three-Year Participation Agreement For Open To Business Program, CDA Resolution 23-6776, OTB_joint powers agreement_2024-2026	**APPROVED BY:** LJM
RECOMMENDED ACTION: Motion to approve the Joint Powers Agreement between Dakota County CDA and the City of Rosemount Port Authority relating to the Open to Business Program.		

BACKGROUND

The City has participated in the Open to Business (OTB) program since 2013. The most recent contract was for a 2-year period following a 1-year contract due to some staff turnover. Based on feedback from the participating cities the Dakota County Community Development Agency (CDA) Board recently approved a new 3-year contract (2024-2026).

The payment by Rosemount will be the same for three years ($5,650) which is up from $5,200 during the last contract. The Dakota County CDA will be paying the other 50% of the city's costs. This program is accounted for in the Port's approved budget and consistent with previous agreements approved by the Port Authority. The difference is the length of the agreement along with the slight financial increase.

As typically shared with the Port Authority, attached is the program's 2023 Year End Report which highlights a number of successes throughout Dakota County.

Later in the year, staff will have our County OTB representative provide a more comprehensive update on the program and note the success we've seen in Rosemount.

RECOMMENDATION

Staff recommends approval of the 3-year Open to Business Joint Powers Agreement.

Business Advisor for Dakota County: Natalie Mouilso, nmouilso@mccdmn.org, 952-451-6390
Q4 2023 ending 12.31.2023

Clients Served YTD

Client Inquiry	4
Existing - Challenged	19
Existing - Opportunity	45
Pre-start planning	57
Start-up	43
Total	**168**

Business Owner Demographics YTD

Low-Income Owned	63
BIPOC or Immigrant Owned	86
Woman Owned	82

Financing & Access to Capital YTD

Approved	(YRLY Total)	$ 604,855.00
Equity	(YRLY Total)	$ 751,362.00
Facilitated	(YRLY Total)	$3,166,022.00

Program Hours

	TA	Program HRS
1st QTR	382.00	159
2nd QTR	299.75	213
3rd QTR	293.25	223
4th QTR	290.25	179
Total	**1,265.25**	**774**

TA: Client Meetings, Providing Resources, Client Calls, Client Deliverables, Loan Packaging

Program HRS: City Initiatives, Program Outreach, Public Events, City Meetings, Research, Data/Admin, General Inquiries

Industry Segment YTD

Construction / Real Estate	5
Food	27
Health/Fitness	16
Manufacturing	2
Consulting	11
Retail	32
Service	39
Technology	3
Wholesale / Distribution	3
Other/TBD	13
Total	**168**

Referral Source YTD

Bank Referral	21
Entrepreneur	8
Friends and Family	20
Municipality	50
MCCD Partner/Staff	14
Other	48
Web	7
Total	**168**

City YTD	**Business**	**Resident**
Apple Valley	22	15
Burnsville	20	18
Eagan	22	23
Farmington	13	16
Hastings	15	11
Inver Grove Heights	10	10
Lakeville	19	26
Mendota Heights	1	1
Rosemount	12	13
South St. Paul	6	7
West St. Paul	9	7
Other Dakota Co.	0	2
Other/ No Data	19	19

<u>Direct Financing & Access to Capital</u>

Business Type: Thai Grocery Store – Updated Q3
Business Locations: Burnsville & South Saint Paul
Owner Residence: Woodbury
Referred by: Bank Partner & City of South Saint Paul
MCCD Financing: $125,000
Owner Equity: $196,391
Other Financing: $2,455,472

Overview: MCCD approved gap financing for a BIPOC-owned business expansion. The owners currently operate a Thai grocery store in Burnsville and are expanding the business to include a new wholesale and distribution business line with a second location in South Saint Paul to include extra storage for the grocery inventory as well as a deli walk up window. The project is the development of a multitenant building which will include space for two additional tenants. MCCD financing will be utilized for construction costs. **Update: After this loan was initially approved in Q1 2023 an adjustment to the total project costs increased the project size from $1,920,000 to $2,455,472. The loan was reapproved by MCCD in August and closed in September 2023.**

Business Type: Financial Advisory
Business Location: Hastings & Lakeville
Owner Residence: Lakeville
Referred by: Bank Partner
MCCD Financing: $204,000
Owner Equity: $46,000
Other Financing: $255,000

Overview: MCCD approved permanent term financing for a commercial real estate purchase by a growing financial advisory business based in Lakeville with a second location in Hastings. The project was brought to MCCD via a bank partner and the real estate transaction is part of a larger business expansion plan and ownership transition for the Hastings location. The real estate purchase and eventual business purchase will retain 6 full-time jobs and create 1 new full-time position.

Business Type: Hair Braiding Salon
Business Location: Eagan
Owner Residence: Eagan
Referred by: MCCD Community Partner
MCCD Financing: $25,000
Owner Equity: $21,000

Overview: MCCD approved financing for this immigrant owned start-up hair braiding salon business. The owner has been working in the industry for nearly 10 years, always renting chairs at other salons, and splitting her profits with the salon owner. With startup capital provided by MCCD she will be able to open her own space in Eagan, expand her clientele, and build wealth for herself and her family. In addition to braiding services, the salon will have two rental chairs available and will sell high-quality products that cater to the Black and African community in the area.

Business Type: Adult Daycare Homes and Services
Business Locations: Business Office in Burnsville with homes owned in Inver Grove Heights (2), Apple Valley (1), Farmington (1), Crystal (1), and newest location in New Hope (1)
Owners Residences: Eagan & Prior Lake
Referred by: Bank Partner
MCCD Financing: $37,200
Owner Equity: $37,200
Bank Financing: $297,600

Overview: MCCD partnered with Amplio and a local bank on this real estate transaction for a growing adult daycare and homecare business. Our participation (which is considered equity by the SBA) at 10% of the total project costs allowed the business owners to meet Amplio's 20% equity requirement and retain much needed working capital in the business. Through the real estate purchase, the owners are adding a new residential home in New Hope, MN to the existing roster of home care facilities where the business operates throughout the Twin Cities region. One of the business's owners is Native American and the new location will create new opportunities for the community of New Hope.

Business Type: Trucking
Business Location: Hastings
Owner Residence: Hastings
Referred by: Bank Partner
MCCD Financing: $25,000
Bank Financing: $44,450
Owner Equity: $16,545

Overview: MCCD approved financing for this startup transportation business. This industry veteran has worked for decades driving trucks for other businesses. He finally took the leap to establish himself as an owner operator in January 2023 when he approached his bank about his business idea. The bank referred him to OTB to help with a business plan and financial projections. After a few months of planning the project was ready to move forward in July. This new business will create one job for the business owner, who is a low-income individual, and allow him the opportunity to build wealth for himself and his family.

Business Type: Restaurant
Business Location & Owner Residence: Inver Grove Heights
Referred by: Community Outreach
MCCD Financing: $110,000
Partner Financing: $110,000
Owner Equity: $129,490

Overview: MCCD approved financing for this immigrant owned business expansion in Inver Grove Heights in July 2023. This full-service, family-owned Mexican restaurant has been a community staple in IGH since 2015 with a solid local following. The business embarked on an expansion to a larger location in 2021 but due to unforeseen costs and logistics, the project had been stalled for quite a while. Having exhausted their available funds, the owners were stuck paying rent at both locations with a partially completed renovation. The business connected with MCCD advisor Vicky Gonzalez in summer of 2022 at a community event and she worked tirelessly to find a path forward for this family business. MCCD brought in a non-profit lending partner and together the organizations collaborated on the final funding package. The business has three existing employees and when the expansion is complete, three new jobs will be created.

Business Type: Restaurant
Business Location: Apple Valley
Owner Residence: Rosemount
Referred by: Municipality
MCCD Financing: $67,935
Owner Equity: $290,000

Overview: This husband-and-wife team of seasoned entrepreneurs contacted OTB for startup financing to complete leasehold improvements and provide working capital. After years of successfully operating a sushi franchise, the business owners decided to start a new food business which could appeal to a wider variety of customers. The new restaurant is in a prime retail and commercial area of Apple Valley and will serve fried fish, seafood, and chicken, as well as sandwiches, fried fish tacos, and freshly hand cut fries. This immigrant owned business opened January 11, 2024, and created two full time jobs for the owners and two part time jobs for kitchen helpers.

Business Type: Hair Braiding Salon
Business Location: Apple Valley
Owner Residence: Lakeville
Referred by: Bank Partner
MCCD Financing: $10,000
Owner Equity: $5,500

Overview: This business owner was referred to OTB by Royal Credit Union, Apple Valley. The business was poised for growth although the owner did not have the working capital on hand to bring in new products and make important equipment upgrades. With a loan from MCCD the business will be able to book new services and raise prices, increasing income for the owner and her family. As a single parent of four children, this hard-working and dedicated business owner is now set up for success in 2024.

Credit Builder Loans

In collaboration with nonprofit partners who provide credit building & financial awareness counseling, MCCD provides $240 Credit Builder Loans (CBLs) to qualified applicants seeking to improve their personal credit. Credit Builder applicants complete financial training through MCCD's partners and are then referred to MCCD for a CBL. MCCD generates and services the CBLs in-house.

2023 Credit Builder Loans YTD	
Resident City	**Loan Amount**
Rosemount	$240
West Saint Paul	$240
West Saint Paul	$240
TOTAL	$720

Business Grants

Business Type: Driving School Business
Location: Apple Valley
Referred by: Google Search
MicroGrant: $3,500 (Grant Application Facilitated by MCCD)
Owner Equity: ~$10,000

Overview: This low-income, women business owner learned of the Open to Business program by searching online for resources. After working as a driving instructor for a few years and falling in love with the work, this entrepreneur recognized the opportunity to establish her own school. After pouring every spare dollar into the startup costs, the business owner had a gap of ~$3,000 which MCCD was able to fill through a MicroGrant. The grant covered the remaining costs for equipment, supplies, and technology. With the additional funding the business owner opened her doors in June with a fully equipped classroom space. As the head of a household with 6 children, this business owner is on the path to building a strong business and a successful future.

Highlights, Networking, & Outreach

Funding & Policy Updates

- November 9 – Along with clients and partners, MCCD held our Annual Meeting to celebrate collective community impact. Read the accompanying Annual Report which summarizes achievements in policy, advocacy, field building, small business development, lending, and shared ownership.

- December 13 – MCCD was recognized as a recipient of DEED's Small Business Assistance Partnership Grant designed to support organizations dedicated to empowering BIPOC entrepreneurs and small business owners.

Programming, Partnerships, & Trainings

- October 10 – The Open to Business team participated in the first annual teambuilding retreat. The team gathered to reflect on 2023 and look ahead to 2024.

- November 8 – In partnership with accounting firm Tax Actions of Minneapolis, MCCD hosted a bookkeeping and accounting Q&A webinar. The event provided an overview of bookkeeping practices for small businesses as well as a Q&A section.

- November 14 – MCCD, alongside Mni Sota Fund and Shared Capital Cooperative, collaborated with the MN Small Business Administration District Office to organize a Capital Strategies Symposium to discuss constructing a more inclusive finance system. The event featured remarks by Geri Sanchez Aglipay, Regional Administrator, SBA, Neela Mollgaard, Executive Director, DEED Office of Small Business Innovation, and St. Paul Mayor Melvin Carter.

- November 17 – In partnership with the UMN Law School, MCCD hosted a Small Business Law Q&A webinar where legal experts provide transaction-based legal assistance to small businesses on a variety of subject matters including entity formation, owner distributions, and commercial lease review.

- December 1 – MCCD rolled out a Holiday Shopping Guide which featured clients and businesses in our community.

- January 19 – Join the Open to Business team as we host our first in person Small Business Planning Workshop of 2024 at the MCCD Office. The training is open to entrepreneurs throughout the region and will provide attendees with the tools and resources needed to write a business plan.

Advertising & Outreach

- Banker and lender outreach occurred specifically with Merchants Bank, Minnwest Bank, Northeast Bank, Royal Credit Union, Scale Bank, Sunrise Bank, Think Bank, and US Bank.

- Written or in-person presentations were made and/or networking efforts were made including Minnesota Minority Goods & Services Association on October 3, CMDC Business Financing on October 16, West Saint Paul Workforce Development Center on October 20, St. Thomas Small Business Development Center on November 20, Dakota County Bi-Monthly City/County Meeting on December 14. Regular updates / meetings occurred with the Workforce Development Board's Business Services/Economic Development Committee, the University of MN Law School, Dakota County CDA, the City of Burnsville, the City of Eagan, and the City of Farmington.

- The Open to Business advertisement library is up to date with the most recent ads and flyers for OTB. Access the Ad Library here.

Client Highlight

Meet Mireya Sanchez, owner of El Rincon Mexicano of Inver Grove Heights. This full-service, family-owned Mexican restaurant has been a community staple in IGH since 2015 with a solid local following. The business serves healthy, freshly prepared, and unprocessed food and even has a vegetarian menu! Mireya started the business when she felt called to sell her enchiladas to the community. As the business grew, Mireya looked to expand to accommodate additional dining spaces for both customers as well as her employees during their lunch breaks. The business embarked on an expansion to a larger location in 2021 but due to unforeseen costs and logistics, the project stalled. Having exhausted available funds, she was stuck paying rent at both locations with a partially completed renovation. The business connected with MCCD advisor Vicky Gonzalez in summer of 2022 at a community event and Vicky worked tirelessly to find a path forward providing in-depth technical assistance and sound professional resources. MCCD brought in a non-profit lending partner and together the organizations collaborated on the final funding package. MCCD approved financing in July 2023. The business has three existing employees and when the expansion is complete, three new jobs will be created.

"MCCD has helped where I couldn't and wouldn't. It's important that other Hispanic and other Latin people know about MCCD's existence." - Mireya, Owner of El Rincon

Mireya Sanchez, Owner of El Rincon Mexicano, Inver Grove Heights

Contract for Services for the Open To Business Program

THIS AGREEMENT is dated December 29, 2023, and is between the Dakota County Community Development Agency ("CDA") and Metropolitan Consortium of Community Developers, a Minnesota nonprofit corporation ("MCCD").

WHEREAS, the CDA, on behalf of itself and the 11 political subdivisions of the State of Minnesota listed on Exhibit A hereto (the "Local Government Entities"), which each have powers with respect to a city with a population over 10,000 (collectively the "Municipalities"), wishes to engage MCCD to render services under the model known as "Open To Business," a program providing small business technical assistance and capital to existing businesses and residents and other parties interested in opening a business within Dakota County (the "County") (the "Program"); and

WHEREAS, MCCD has successfully provided the services required to administer and carry out the Program in Dakota County from 2013 – 2023; and

WHEREAS, pursuant to CDA Resolution No. 23-6776, adopted on December 19, 2023, (the "Resolution"), the CDA is authorized to enter into this agreement with MCCD for the Program; and

WHEREAS, pursuant to the Resolution and certain joint powers agreements to be entered into between the CDA and the Local Government Entities (the "Joint Powers Agreements"), the CDA will act as fiscal agent for the Local Government Entities in connection with this Agreement; and

WHEREAS, the CDA will pay from its own funds 50 percent of the fee charged by MCCD for the Program in the Municipalities and 100 percent of the fee charged by MCCD for the Program in the small cities and townships within the County with populations less than 10,000 residents ("Small Cities and Townships"), as further described herein and in Exhibit A; and

WHEREAS, pursuant to the Joint Powers Agreements, the Local Government Entities will be required to pay a Participation Fee to the CDA in accordance with the schedule in Exhibit A, representing the remaining 50 percent of the fee charged by MCCD for the Program in the Municipalities.

Now therefore, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

TIME OF PERFORMANCE

The term of this Agreement and the period during which MCCD will provide services hereunder will commence upon the first day of January 2024, and automatically renew January 1, 2025, and January 1, 2026. This agreement will terminate on December 31, 2026, subject to earlier termination as provided herein. MCCD will perform the services necessary to carry out the Program as promptly as possible, and with the fullest due diligence.

COMPENSATION

The CDA will compensate MCCD annually for its services hereunder an amount equal to One Hundred Sixty-Five Thousand Dollars ($165,000) ("Contract Amount"). The CDA will pay such an amount in two equal installments, the first no earlier than March 1st and the second no earlier than September 30th, upon receipt of invoices from MCCD. Subject to the limits above, payments will be due within 15 days of receipt of the respective invoices. The portion of the Contract Amount payable from Participation Fees will be payable by the CDA only from and to the extent such Participation Fees are paid by the respective Local Government Entities.

In the event a Local Government Entity does not pay the CDA its Participation Fee in amounts and by deadline described in Exhibit A, the CDA will notify MCCD, and MCCD will immediately cease the Program in that Municipality. Upon such termination, the Contract Amount will be reduced by an amount equal to the Participation Fee which such Local Government Entity did not pay and the amount the CDA would have paid as a matching payment.

SCOPE OF SEVICES

MCCD will provide technical assistance and access to capital to existing businesses, residents and those parties interested in starting a business in any of the Municipalities, Small Cities, and Townships within Dakota County as further described on Exhibit B and Exhibit C hereto, which sets forth the Dakota Open To Business Program Scope of Services.

REPORTING

MCCD will submit quarterly reports to the CDA and Municipalities in form and substance acceptable to the CDA and Municipalities. Reports will provide information in the agreement for County and will include a sub-report for each Municipality and each of the Small Cities and Townships Reports will include the following information:

- Number of inquiries, entrepreneurs, and businesses served
- Hours of technical assistance provided
- Hours of dedicated program (including but not limited to – city initiatives, program outreach, public events, city meetings, research, client follow-up, general inquiries)
- Type of business/industry
- Annual sales revenue
- Number of businesses opened
- Number of businesses expanded/stabilized

- Number and amount of financing packages
- Demographic information on entrepreneurs
- Business city and/or resident city

The required reporting schedule is as follows:
1st quarter January – March, report due April 30th
2nd quarter April – June, report due July 31st
3rd quarter July – September, report due October 31st
4th quarter October – December, report due January 31st

In addition to the foregoing, MCCD will provide additional reports as reasonably requested by the CDA or Local Government Entities.

Client confidentiality being a core component of the service model, MCCD will not typically report specific client/business information in its regular reporting, However, with permission from the client, MCCD will produce profiles of successful clients for publication dissemination and media release.

PERSONNEL

MCCD represents that it has, or will employ or contract for, at its own expense, all personnel required to perform the services necessary to carry out the Program. Such personnel will not be employees of, or have any contractual relationship with, the County, the CDA, or any of the Local Government Entities. No tenure or any other rights or benefits, including worker's compensation, unemployment insurance, medical care, sick leave, vacation pay, severance pay, or any other benefits available to County, CDA, or any of the Local Government Entities' employees shall accrue to MCCD or employees of MCCD performing services under this Agreement. MCCD is an independent contractor.

All of the services required to carry out the Program will be performed by MCCD and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such work.

Natalie Mouislo shall be the dedicated MCCD Program advisor for the County, CDA, and Local Government Entities for the duration of this Agreement. If there are material[1] changes to Ms. Mouilso's position with MCCD during the time of this Agreement, the CDA will be informed by MCCD immediately.

[1] Material is defined as any event or events that would prohibit Ms. Mouislo from being the full-time Program Advisor for Dakota County.

USE OF CDA OFFICE SPACE

The CDA will make available a cubicle space for MCCD personnel at the CDA office building for use by MCCD in carrying out the Program. MCCD personnel will have access to the CDA meeting rooms, wireless internet services, copy machines, and printers. MCCD personnel shall comply with all CDA office rules and policies regarding the use of CDA office space, equipment, and internet access. If the CDA, in its sole direction, determines that MCCD personnel has failed to comply with CDA office rules and policies, MCCD personnel will be required to vacate the CDA office and the CDA will cease to provide MCCD office space to carry out the Program.

INTEREST OF MEMBERS OF THE CDA AND OTHERS

No officer, member, or employee of the CDA and no member of its governing body, and no other public official or governing body of any locality in which the Program is situated or being carried out, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the Program, will participate in the decision relating to this Agreement which affects he/she is, directly or indirectly, interested or has any personal or pecuniary interest, direct or indirect, in this Agreement.

ASSIGNABILITY

MCCD will not assign any interest in this Agreement and will not transfer any interest in the same without the prior written approval of the CDA.

COMPLIANCE WITH LOCAL LAWS

MCCD agrees to comply with all federal laws, statutes, and applicable regulations of the State of Minnesota and the ordinances of the Local Government Entities.

INSURANCE

General Terms. In order to protect itself and to protect the CDA under the indemnity provisions set forth above Contractor shall, at Contractor's expense, procure and maintain a policy of Professional Liability (PL) insurance covering the term of this Contract. Such policy of PL insurance shall apply to the extent of, but not as a limitation upon or in satisfaction of, the indemnity provisions herein. All retentions and deductibles under such policies of insurance shall be paid by Contractor. Each such policy of insurance shall contain a clause providing that such policy shall not be cancelled by the issuing insurance company without at least 30 days' written notice to the CDA of intent to cancel.

Certificates. Prior to or concurrent with execution of this Contract, Contractor shall file certificates of such policies of insurance with the CDA.

Failure to Provide Proof of Insurance. The CDA may withhold payments or immediately terminate this Contract for failure of Contractor to furnish proof of insurance coverage or to comply with the insurance requirements as stated above.

INDEMINFICATION

MCCD agrees to defend, indemnify, and hold harmless the County, the CDA, the Local Government Entities, and each of their respective officials, agents, volunteers and employees from any liability, claims, causes of action, judgements, damages, losses, costs, or expenses, including reasonable attorney's fees, resulting directly or indirectly from any act or omission of MCCD, its subcontractors, anyone directly or indirectly employed by MCCD or any if its subcontractors, and/or anyone for whose acts and/or omissions MCCD may be liable in the performance of the services required by this Agreement, and against all loss by reason of failure of MCCD to perform any obligation under this Agreement.

NOTICES

A notice, demand, or other communication under the Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by mail, portage prepaid, return receipt requested, or delivered personally; and

(a) In the case of MCCD is addressed or delivered personally to:

Tyler Hilsabeck
Metropolitan Consortium of Community Developers
3137 Chicago Avenue South
Minneapolis, MN 55407

(b) In the case of the CDA is addressed or delivered personally to:

Lisa Alfson, Director of Community and Economic Development
Dakota County Community Development Agency
1228 Town Centre Drive
Eagan, MN 55123

Or at such other address with respect to any party as that party may designate in writing and forward to the other as provided in this Section.

MODIFICATION

This Agreement may not be modified, changed, or amended in any manner whatsoever without the prior written approval of all the parties hereto.

NON-DISCRIMATION

In connection with its activities under this Agreement, MCCD will not violate any Federal or State laws against discrimination.

DEFAULT AND CANCELLATION

Failure of the MCCD to perform any of its obligations under this Agreement to the satisfaction of the CDA will constitute in a default hereunder.

If a default occurs, MCCD will have 60 days to cure any and all defaults and come into compliance with this Agreement. MCCD will immediately notify the CDA of any default. MCCD and the CDA will develop agreed upon milestones that must be met within the 60-day period to avoid cancellation of this Agreement.

The primary default would be the loss of Ms. Mouilso as the dedicated MCCD Program advisor. If Ms. Mouilso is no longer the dedicated MCCD Program advisor, MCCD will be expected to meet the following milestones within the 60-day period –

1. MCCD will inform the CDA within 48 hours of Ms. Mouilso's employment departure notice.
2. The name and contact information of the interim MCCD Program advisor for Dakota County will be shared with CDA and Local Government Entities within three business days of Ms. Mouilso's departure notice.
3. MCCD will continue to actively work with Dakota County clients on a full-time basis in the event of a default and respond to client communication in a timely manner as defined elsewhere in this Agreement.
4. MCCD will continue to track and input client data to ensure the quarterly report is accurate when generated (see REPORTING section, page 2, for details).
5. MCCD staff, including the interim MCCD Program advisor, will meet with CDA staff weekly (at a minimum) to provide updates on clients, Program work in Dakota County, etc. Local Government Entities will be invited to these meetings.
6. MCCD will continue to actively market the MCCD Program in the same capacity as prior to the default.
7. Hiring a new dedicated MCCD Program advisor for Dakota County is not expected within 60 days of the default; however, steps to secure a new, qualified, full-time MCCD Program advisor will occur within the 60 days. Steps taken to secure a new advisor will be regularly communicated to CDA.

If a default is not remedied in 60 days, and/or the agreed upon milestones are not met within the 60 days, the CDA may cancel this Agreement in its entirety by five additional days' written notice to MCCD.

MINNESOTA LAWS GOVERN

The Laws of the State of Minnesota shall govern all questions and interpretations concerning the validity and construction of this Agreement and the legal relations between the parties and their performance. The appropriate venue and jurisdiction for any litigation will be those courts located within the County. Litigation, however, in the federal courts involving the parties will be in the appropriate federal court within the State of Minnesota. If any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions will not be affected.

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY

By: DocuSigned by: Tony Schertler BF02AF57B6724CE...

Tony Schertler, Executive Director

Date: 12/29/2023

MCCD

By: DocuSigned by: Elena Gaarder A53A31057C55436...

Printed Name: Elena Gaarder

Printed Title: Chief Executive Officer

Date: 12/29/2023

Exhibit A
2024, 2025 & 2026 Local Government Entity Annual Participation Fee Schedule

Municipality	**Local Government Entity**	**Total Fee**	**CDA Share of Fee**	**Local Government Entity Participation Fee**
Lakeville	City of Lakeville	$21,380	$10,690	$10,690
Eagan	Eagan Economic Development Authority	$21,280	$10,640	$10,640
Burnsville	Burnsville Economic Development Authority	$21,000	$10,500	$10,500
Apple Valley	Apple Valley Economic Development Authority	$18,000	$9,000	$9,000
Inver Grove Heights	Inver Grove Heights Economic Development Authority	$14,000	$7,000	$7,000
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Farmington	Farmington Economic Development Authority	$11,000	$5,500	$5,500
Hastings	Hastings Economic Development and Redevelopment Authority	$11,000	$5,500	$5,500
South St. Paul	South St. Paul Economic Development Authority	$10,800	$5,400	$5,400
West St. Paul	West St. Paul Economic Development Authority	$10,800	$5,400	$5,400
Mendota Heights	City of Mendota Heights	$6,000	$3,000	$3,000
Small Cities and Townships	n/a	$8,440	$8,440	$0
Total		$165,000	$86,720	$78,280

Exhibit B
Dakota Open To Business Program Scope of Services

Open To Business ("OTB") Technical Assistance Services
MCCD will provide intensive one-on-one technical assistance to Municipalities' and Small Cities' and Townships' businesses, residents and aspiring entrepreneurs intending to establish, purchase, or improve a business in Municipalities and Small Cities and Townships within Dakota County. MCCD will dedicate one full time staff person based in Dakota County to provide the Technical Assistance Services ("Dakota OTB Staff"). In addition, MCCD will make available the expertise of all MCCD technical and support staff in the delivery of services to Dakota Open to Business Program. Technical assistance includes, but is not limited to, the following:

- Business plan development
- Feasibility analysis
- Marketing
- Cash flow and other financial projection development
- Operational analysis
- City and State licensing and regulatory assistance
- Loan packaging, and other assistance in obtaining financing
- Help in obtaining competent legal advice

MCCD Dakota OTB Staff will be available to meet clients at the CDA office building, various Municipality city halls, County libraries, or at the client's place of business. Client meetings may also be held virtually and/or on the phone.

Open To Business Access to Capital
Access to capital will be provided to qualifying businesses through MCCD's Emerging Small Business Loan Program (see **Exhibit C** Small Business Loan Program Guidelines below). MCCD also provides it's financing in partnership with other community lenders, banks or Local Government Entities interested in making capital available to residents and/or businesses in their community.

Ribbon Cuttings & Grand Openings
MCCD Dakota OTB staff will assist the CDA and Local Government Entities with the coordination of ribbon cuttings and grand openings for Program clients within Dakota County who wish to participate to ensure that all Program clients receive the option of this introduction into their communities. Coordinating efforts may include promoting the event, finalizing date/time of event with Program client, sending out invitations, and taking photographs.

EXHIBIT C
Small Business Loan Program Guidelines

Loan Amounts:

- Up to $25,000 for start-up businesses
- Larger financing packages for established businesses
- Designed to leverage other financing programs as well as private financing provided by the commercial banking community.

Eligible Projects:

- Borrowers must be a "for-profit" business.
- Business must be complimentary to existing business community.
- Borrowers must have equity injection as determined by fund management.

Allowable Use of Proceeds:

- Loan proceeds can be used for working capital, inventory, building and equipment and general business operations.

Interest Rates:

- The loan interest rate is dependent on use, term and other factors, not to exceed 7%.

Loan Term Length:

- Loan repayment terms will generally range from three to five years but may be substantially longer for major asset financing such as commercial property.

Fees and Charges:

- Borrowers are responsible for paying all customary legal and other loan closing costs.

Board of Commissioners

Request for Board Action

Meeting Date: December 19, 2023 Agenda #: 5D

DEPARTMENT: Community and Economic Development
FILE TYPE: Regular - Consent

TITLE
Approval Of Three-Year Participation Agreement For Open To Business Program

PURPOSE/ACTION REQUESTED
- Approve participation in the Open To Business program for 2024, 2025 and 2026.
- Authorize Executive Director to enter into a contract with Metropolitan Consortium of Community Developers for the Open To Business program, and enter into joint powers agreements with participating cities.

SUMMARY
The CDA and the 11 largest cities in Dakota County launched Open To Business (OTB) in 2013, a program that provides business advisory services and access to capital for entrepreneurs and small businesses in Dakota County. The participating cities and CDA share the cost of the program. The CDA enters into a joint powers agreement (JPA) with the 11 participating cities to act as the fiduciary agent and to administer the contract with the Metropolitan Consortium of Community Developers (MCCD), the OTB non-profit service provider.

Natalie Mouilso has been the Dakota County OTB business advisor since August 2020. Ms. Mouilso provides one-on-one technical assistance to business owners and aspiring entrepreneurs on a wide range of topics including business plan development, feasibility analysis, marketing, licensing, and cash flow and other financial projection development. The participating cities have expressed enthusiastic support for Ms. Mouilso continuing as the dedicated OTB advisor for the next three years.

The annual cost of the OTB program for the next three years is $165,000. This reflects a 10 percent increase from the last contract; however, the annual contract amount has been $150,000 since 2018. The cost covers the direct and indirect staffing needs for the program. The CDA's portion of the fee will not exceed $78,280 to match the 11 participating cities' fees plus the $8,440 to cover service for the small cities and townships for a total CDA investment not to exceed $86,720 (Attachment A).

The CDA's continued financial support of the countywide OTB program is supported by the CDA's economic development powers which were established by the Minnesota Legislature and the Dakota County Board of Commissioners in 2000. The OTB program is consistent with several Economic Development Strategy Guiding Principles including: (1) it is a collaborative approach to economic development; (2) it serves a need located in more than one community; (3) it responds to the need for specialized expertise and economies of scale; and (4) it is non-duplicative of other services.

RECOMMENDATION
Staff recommends entering into an agreement with MCCD for Open To Business services for 2024, 2025 and 2026, and executing joint powers agreements with the 11 participating cities.

EXPLANATION OF FISCAL/FTE IMPACTS

The annual cost for the OTB program is $165,000. The costs will be split between the CDA and the 11 participating cities, with the CDA's portion of $78,280 to match the 11 participating cities' fees plus the $8,440 to cover service for the small cities and townships for a total CDA investment not to exceed $86,720. Participating cities will be invoiced for their portions of the cost.

☒ None ☐ Current budget ☐ Other ☐ Amendment Requested ☐ New FTE(s) requested

RESOLUTION

WHEREAS, the Dakota County Community Development Agency (CDA) was granted the powers of an economic development authority in 2000 by Minnesota Law and an authorizing resolution adopted by the Dakota County Board of Commissioners (Resolution No. 00-543); and

WHEREAS, the CDA in conjunction with the 11 largest cities in Dakota County launched the countywide Open To Business program in 2013 to provides business advisory services and access to capital to entrepreneurs and small businesses in Dakota County; an

WHEREAS, the CDA and 11 cities have annually renewed participation in the Open To Business program since 2013, with the CDA acting as the fiduciary agent and administrator of the contract with the Metropolitan Consortium of Community Developers and joint powers agreements executed between each participating city and the CDA; and

WHEREAS, the annual cost for the Open To Business program for 2024 – 2026 is $165,000; and

WHEREAS, the CDA portion of the annual cost of the program is fifty percent (50%) to match each participating city, as well as to cover the total cost of serving the small cities and townships; and

WHEREAS, the Open To Business program is consistent with the Economic Development Strategy and Guiding Principles adopted by the Dakota County CDA Board of Commissioners, in that it is a collaborative approach; it is a response to a need for specialized expertise and economies of scale; it serves a need that is located in more than one community; and it is non-duplicative of other services.

NOW, THEREFORE BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners hereby:

1. Approves CDA participation in the Open To Business program for 2024, 2025 and 2026 subject to participation of the Dakota County cities.
2. Authorizes the Executive Director to execute a three-year contract with the Metropolitan Consortium of Community Developers for an amount not to exceed $165,000 annually, of which the CDA's portion of the fee shall not exceed $86,720.
3. Authorizes the Executive Director to execute a joint powers agreement between the CDA and the participating cities, designating the CDA as fiscal agent for the contract with the Metropolitan Consortium of Community Developers and requiring each city to submit a participation fee to the CDA.

PREVIOUS BOARD ACTION

12-5128; 9-18-2012
13-5290; 10-17-2013
14-5467; 12-16-2014

15-5655; 12-15-2015
17-5830; 1-24-2017
17-5945; 12-12-2017
21-6387; 2-16-2021
21-6500; 12-14-2021

ATTACHMENTS
Attachment A: Proposed 2024-2026 agreement and fee schedule

BOARD GOALS

☐ Focused Housing Programs ☒ Collaboration
☐ Development/Redevelopment ☐ Financial Sustainability ☐ Operational Effectiveness

PUBLIC ENGAGEMENT LEVEL

☐ Inform and Listen ☐ Discuss ☐ Involve ☐ N/A

CONTACT
Department Head: Lisa Alfson, Director of Community and Economic Development
Author: Lisa Alfson

Contract for Services
for the
Open To Business Program

THIS AGREEMENT is dated ______, 2023, and is between the Dakota County Community Development Agency ("CDA") and Metropolitan Consortium of Community Developers, a Minnesota nonprofit corporation ("MCCD").

WHEREAS, the CDA, on behalf of itself and the 11 political subdivisions of the State of Minnesota listed on Exhibit A here to (the "Local Government Entities"), which each have powers with respect to a city with a population over 10,000 (collectively the "Municipalities"), wishes to engage MCCD to render services under the model known as "Open To Business," a program providing small business technical assistance and capital to existing businesses and residents and other parties interested in opening a business within Dakota County (the "County") (the "Program"); and

WHEREAS, MCCD has successfully provided the services required to administer and carry out the Program in Dakota County from 2013 – 2023; and

WHEREAS, pursuant to CDA Resolution No.____, adopted on ____________ (the "Resolution"), the CDA is authorized to enter into this agreement with MCCD for the Program; and

WHEREAS, pursuant to the Resolution and certain joint powers agreements to be entered into between the CDA and the Local Government Entities (the "Joint Powers Agreements"), the CDA will act as fiscal agent for the Local Government Entities in connection with this Agreement; and

WHEREAS, the CDA will pay from its own funds 50 percent of the fee charged by MCCD for the Program in the Municipalities and 100 percent of the fee charged by MCCD for the Program in the small cities and townships within the County with populations less than 10,000 residents ("Small Cities and Townships"), as further described herein and in Exhibit A; and

WHEREAS, pursuant to the Joint Powers Agreements, the Local Government Entities will be required to pay a Participation Fee to the CDA in accordance with the schedule in Exhibit A, representing the remaining 50 percent of the fee charged by MCCD for the Program in the Municipalities.

Now therefore, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows"

TIME OF PERFORMANCE

The term of this Agreement and the period during which MCCD will provide services hereunder will commence upon the first day of January 2024, and automatically renew January 1, 2025, and January 1, 2026. This agreement will terminate on December 31, 2026, subject to earlier termination as provided herein. MCCD will perform the services necessary to carry out the Program as promptly as possible, and with the fullest due diligence.

COMPENSATION

The CDA will compensate MCCD for its services hereunder an amount equal to One Hundred Sixty-Five Thousand Dollars ($165,000) ("Contract Amount"). The CDA will pay such amount in two equal installments, the first no earlier than March 1st and the second no earlier than September 30th, upon receipt of invoices from MCCD. Subject to the limits above, payments will be due within 15 days of receipt of the respective invoices. The portion of the Contract Amount payable from Participation Fees will be payable by the CDA only from and to the extent such Participation Fees are paid by the respective Local Government Entities.

In the event a Local Government Entity does not pay the CDA its Participation Fee in amounts and by deadline described in Exhibit A, the CDA will notify MCCD, and MCCD will immediately cease the Program in that Municipality. Upon such termination, the Contract Amount will be reduced by an amount equal to the Participation Fee which such Local Government Entity did not pay and the amount the CDA would have paid as a matching payment.

SCOPE OF SEVICES

MCCD will provide technical assistance and access to capital to existing businesses, residents and those parties interested in starting a business in any of the Municipalities, Small Cities, and Townships within Dakota County as further described on Exhibit B and Exhibit C hereto, which sets forth the Dakota Open To Business Program Scope of Services.

REPORTING

MCCD will submit quarterly reports to the CDA in form and substance acceptable to the CDA. Reports will provide information in the agreement for County and will include a sub-report for each Municipality and each of the Small Cities and Townships Reports will include the following information:

- Number of inquiries, entrepreneurs, and businesses served
- Hours of technical assistance provided
- Hours of dedicated program (including but not limited to – city initiatives, program outreach, public events, city meetings, research, client follow-up, general inquiries)
- Type of business/industry
- Annual sales revenue
- Number of businesses opened

- Number of businesses expanded/stabilized
- Number and amount of financing packages
- Demographic information on entrepreneurs
- Business city and/or resident city

The required reporting schedule is as follows:
1st quarter January – March, report due April 30th
2nd quarter April – June, report due July 31st
3rd quarter July – September, report due October 31st
4th quarter October – December, report due January 31st

In addition to the foregoing, MCCD will provide additional reports as reasonably requested by the CDA or Local Government Entities.

Client confidentiality being a core component of the service model, MCCD will not typically report specific client/business information in its regular reporting, However, with permission from the client, MCCD will produce profiles of successful clients for publication dissemination and media release.

PERSONNEL

MCCD represents that it has, or will employ or contract for, at its own expense, all personnel required to perform the services necessary to carry out the Program. Such personnel will not be employees of, or have any contractual relationship with, the County, the CDA, or any of the Local Government Entities. No tenure or any other rights or benefits, including worker's compensation, unemployment insurance, medical care, sick leave, vacation pay, severance pay, or any other benefits available to County, CDA, or any of the Local Government Entities' employees shall accrue to MCCD or employees of MCCD performing services under this Agreement. MCCD is an independent contractor.

All of the services required to carry out the Program will be performed by MCCD and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such work.

Natalie Mouislo shall be the dedicated MCCD Program advisor for the County, CDA, and Local Government Entities for the duration of this Agreement. If there are material[1] changes to Ms. Mouilso's position with MCCD during the time of this Agreement, the CDA will be informed by MCCD immediately.

[1] Material is defined as any event or events that would prohibit Ms. Mouislo from being the full-time Program Advisor for Dakota County.

USE OF CDA OFFICE SPACE

The CDA will make available a cubicle space for MCCD personnel at the CDA office building for use by MCCD in carrying out the Program. MCCD personnel will have access to the CDA meeting rooms, wireless internet services, copy machines, and printers. MCCD personnel shall comply with all CDA office rules and policies regarding the use of CDA office space, equipment, and internet access. If the CDA, in its sole direction, determines that MCCD personnel has failed to comply with CDA office rules and policies, MCCD personnel will be required to vacate the CDA office and the CDA will cease to provide MCCD office space to carry out the Program.

INTEREST OF MEMBERS OF THE CDA AND OTHERS

No officer, member, or employee of the CDA and no member of its governing body, and no other public official or governing body of any locality in which the Program is situated or being carried out, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the Program, will participate in the decision relating to this Agreement which affects he/she is, directly or indirectly, interested or has any personal or pecuniary interest, direct or indirect, in this Agreement.

ASSIGNABILITY

MCCD will not assign any interest in this Agreement and will not transfer any interest in the same without the prior written approval of the CDA.

COMPLIANCE WITH LOCAL LAWS

MCCD agrees to comply with all federal laws, statutes, and applicable regulations of the State of Minnesota and the ordinances of the Local Government Entities.

INSURANCE

<u>General Terms</u>. In order to protect itself and to protect the CDA under the indemnity provisions set forth above Contractor shall, at Contractor's expense, procure and maintain a policy of Professional Liability (PL) insurance covering the term of this Contract. Such policy of PL insurance shall apply to the extent of, but not as a limitation upon or in satisfaction of, the indemnity provisions herein. All retentions and deductibles under such policies of insurance shall be paid by Contractor. Each such policy of insurance shall contain a clause providing that such policy shall not be cancelled by the issuing insurance company without at least 30 days' written notice to the CDA of intent to cancel.

<u>Certificates</u>. Prior to or concurrent with execution of this Contract, Contractor shall file certificates of such policies of insurance with the CDA.

<u>Failure to Provide Proof of Insurance</u>. The CDA may withhold payments or immediately terminate this Contract for failure of Contractor to furnish proof of insurance coverage or to comply with the insurance requirements as stated above.

INDEMINFICATION

MCCD agrees to defend, indemnify, and hold harmless the County, the CDA, the Local Government Entities, and each of their respective officials, agents, volunteers and employees from any liability, claims, causes of action, judgements, damages, losses, costs, or expenses, including reasonable attorney's fees, resulting directly or indirectly from any act or omission of MCCD, its subcontractors, anyone directly or indirectly employed by MCCD or any if its subcontractors, and/or anyone for whose acts and/or omissions MCCD may be liable in the performance of the services required by this Agreement, and against all loss by reason of failure of MCCD to perform any obligation under this Agreement.

NOTICES

A notice, demand, or other communication under the Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by mail, portage prepaid, return receipt requested, or delivered personally; and

(a) In the case of MCCD is addressed or delivered personally to:

Tyler Hilsabeck
Metropolitan Consortium of Community Developers
3137 Chicago Avenue South
Minneapolis, MN 55407

(b) In the case of the CDA is addressed or delivered personally to:

Lisa Alfson, Director of Community and Economic Development
Dakota County Community Development Agency
1228 Town Centre Drive
Eagan, MN 55123

Or at such other address with respect to any party as that party may designate in writing and forward to the other as provided in this Section.

MODIFICATION

This Agreement may not be modified, changed, or amended in any manner whatsoever without the prior written approval of all the parties hereto.

NON-DISCRIMATION

In connection with its activities under this Agreement, MCCD will not violate any Federal or State laws against discrimination.

DEFAULT AND CANCELLATION

Failure of the MCCD to perform any of its obligations under this Agreement to the satisfaction of the CDA will constitute in a default hereunder.

If a default occurs, MCCD will have 60 days to cure any and all defaults and come into compliance with this Agreement. MCCD will immediately notify the CDA of any default. MCCD and the CDA will develop agreed upon milestones that must be met within the 60-day period to avoid cancellation of this Agreement.

The primary default would be the loss of Ms. Mouilso as the dedicated MCCD Program advisor. If Ms. Mouilso is no longer the dedicated MCCD Program advisor, MCCD will be expected to meet the following milestones within the 60-day period –

1. MCCD will inform the CDA within 48 hours of Ms. Mouilso's employment departure notice.
2. The name and contact information of the interim MCCD Program advisor for Dakota County will be shared with CDA and Local Government Entities within three business days of Ms. Mouilso's departure notice.
3. MCCD will continue to actively work with Dakota County clients on a full-time basis in the event of a default and respond to client communication in a timely manner as defined elsewhere in this Agreement.
4. MCCD will continue to track and input client data to ensure the quarterly report is accurate when generated (see REPORTING section, page 2, for details).
5. MCCD staff, including the interim MCCD Program advisor, will meet with CDA staff weekly (at a minimum) to provide updates on clients, Program work in Dakota County, etc. Local Government Entities will be invited to these meetings.
6. MCCD will continue to actively market the MCCD Program in the same capacity as prior to the default.
7. Hiring a new dedicated MCCD Program advisor for Dakota County is not expected within 60 days of the default; however, steps to secure a new, qualified, full-time MCCD Program advisor will occur within the 60 days. Steps taken to secure a new advisor will be regularly communicated to CDA.

If a default is not remedied in 60 days, and/or the agreed upon milestones are not met within the 60 days, the CDA may cancel this Agreement in its entirety by five additional days' written notice to MCCD.

MINNESOTA LAWS GOVERN

The Laws of the State of Minnesota shall govern all questions and interpretations concerning the validity and construction of this Agreement and the legal relations between the parties and their performance. The appropriate venue and jurisdiction for any litigation will be those courts located within the County. Litigation, however, in the federal courts involving the parties will be in the appropriate federal court within the State of Minnesota. If any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions will not be affected.

DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY

By:________________________________
Tony Schertler, Executive Director

Date: ______________________________

MCCD

By: ____

Printed Name: Elena Gaarder

Printed Title: Chief Executive Officer

Date: _______________________________________

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MCCD Dakota OTB Staff will be available to meet clients at the CDA office building, various Municipality city halls or at the client's place of business. During the COVID-19 pandemic, MCCD Dakota OTB staff will only meeting clients in-person if the MCCD Dakota OTB staff are comfortable; otherwise, client meetings will be held virtually and/or on the phone.

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- Designed to leverage other financing programs as well as private financing provided by the commercial banking community.

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- Borrowers must be a "for-profit" business.
- Business must be complimentary to existing business community.
- Borrowers must have equity injection as determined by fund management.

Allowable Use of Proceeds:

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Interest Rates:

- Loan interest rate is dependent on use, term and other factors, not to exceed 7%.

Loan Term Length:

- Loan repayment terms will generally range from three to five years, but may be substantially longer for major asset financing such as commercial property.

Fees and Charges:

- Borrowers are responsible for paying all customary legal and other loan closing costs.

Dakota County CDA

Board of Commissioners

Request for Board Action

Meeting Date: December 19, 2023	Resolution #: 23-6776
Motion by Commissioner Hamann-Roland	Second by Commissioner Atkins

Approval Of Three-Year Participation Agreement For Open To Business Program

WHEREAS, the Dakota County Community Development Agency (CDA) was granted the powers of an economic development authority in 2000 by Minnesota Law and an authorizing resolution adopted by the Dakota County Board of Commissioners (Resolution No. 00-543); and

WHEREAS, the CDA in conjunction with the 11 largest cities in Dakota County launched the countrywide Open To Business program in 2013 to provide business advisory services and access to capital to entrepreneurs and small businesses in Dakota County; and

WHEREAS, the CDA and 11 cities have annually renewed participation in the Open To Business program since 2013, with the CDA acting as the fiduciary agent and administrator of the contract with the Metropolitan Consortium of Community Developers and joint powers agreements executed between each participating city and the CDA; and

WHEREAS, the annual cost for the Open To Business program for 2024 – 2026 is $165,000; and

WHEREAS, the CDA portion of the annual cost of the program is fifty percent (50%) to match each participating city, as well as to cover the total cost of serving the small cities and townships; and

WHEREAS, the Open To Business program is consistent with the Economic Development Strategy and Guiding Principles adopted by the Dakota County CDA Board of Commissioners, in that it is a collaborative approach; it is a response to a need for specialized expertise and economies of scale; it serves a need that is located in more than one community; and it is non-duplicative of other services.

NOW, THEREFORE, BE IT RESOLVED by the Dakota County Community Development Agency Board of Commissioners hereby;

STATE OF MINNESOTA

County of Dakota

	YES	NO	ABSENT	ABSTAIN
Slavik	☒	☐	☐	☐
Atkins	☒	☐	☐	☐
Halverson	☐	☐	☒	☐
Droste	☒	☐	☐	☐
Workman	☒	☐	☐	☐
Holberg	☒	☐	☐	☐
Hamann-Roland	☒	☐	☐	☐

I, Sarah Jacobson, as designee of the Executive Director, pursuant to the Dakota County Community Development Agency bylaws, do hereby certify that I have compared the foregoing copy of a resolution with the original minutes of the proceedings of the Dakota County Community Development Agency Board of Commissioners, at their regular session held on the 19th day of December, 2023 now on file in the in the CDA Administration Department, and have found the same to be a true and correct copy thereof. Witness my hand and official seal of Dakota County CDA this 20th day of December, 2023.

Sarah Jacobson

Administrative Coordinator

1. Approves CDA participation in the Open To Business program for 2024, 2025, and 2026 subject to participation of the Dakota County cities.

2. Authorizes the Executive Director to execute a three-year contract with the Metropolitan Consortium of Community Developers for an amount not to exceed $165,000 annually, of which the CDA's portion of the fee shall not exceed $86,720.

3. Authorizes the Executive Director to execute a joint powers agreement between the CDA and the participating cities, designating the CDA as fiscal agent for the contract with the Metropolitan Consortium of Community Developers and requiring each city to submit a participation fee to the CDA.

JOINT POWERS AGREEMENT

Open to Business Program

THIS JOINT POWERS AGREEMENT (this "**Agreement**"), is made as of January 1, 2024, by and between the DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY (the "**CDA**"), a public body corporate and politic organized and existing under the laws of the State of Minnesota (the "**State**"), and each of the BURNSVILLE ECONOMIC DEVELOPMENT AUTHORITY, CITY OF LAKEVILLE, CITY OF MENDOTA HEIGHTS, INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY, APPLE VALLEY ECONOMIC DEVELOPMENT AUTHORITY, EAGAN ECONOMIC DEVELOPMENT AUTHORITY, HASTINGS ECONOMIC DEVELOPMENT AND REDEVELOPMENT AUTHORITY, ROSEMOUNT PORT AUTHORITY, FARMINGTON ECONOMIC DEVELOPMENT AUTHORITY, SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY, AND WEST ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY, MINNESOTA (each individually a **"Local Government Entity"** and together the **"Local Government Entities"**), each a political subdivision of the State.

RECITALS:

A. In order to pursue common goals of fostering economic development, the CDA and the Local Government Entity Cities desire to engage the Metropolitan Consortium of Community Developers, a Minnesota non-profit corporation ("**MCCD**") to undertake the "Open To Business Program" (the "**Program**") within Dakota County (the "**County**").

B. Pursuant to the Program, MCCD will provide technical assistance and access to capital to small business and potential entrepreneurs in the County.

C. The CDA and the Local Government Entities propose to jointly exercise their common economic development powers to undertake the Program.

NOW, THEREFORE, in consideration of the mutual covenants and obligations of the CDA and each of the Local Government Entities, each party does hereby represent, covenant and agree with the others as follows:

Section 1. **Representations**. Each of the Local Government Entities and the CDA makes the following representations as to itself as the basis for the undertaking on its part herein contained:

(a) It is a political subdivision of the State of Minnesota with the power to enter into this Agreement and carry out its obligations hereunder.

(b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any restriction or any evidences of indebtedness, agreement or instrument of whatever nature to which it is now a party or by which it is bound, or constitutes an event of default under any of the foregoing.

Section 2. **Powers to be Exercised**. The powers to be jointly exercised pursuant to this Agreement are the powers of the CDA and the Local Government Entities under Minnesota Statutes, Chapter 469, to undertake activities to promote economic development within their respective jurisdictions.

Section 3. **Method for Exercising Common Powers; Funds.** The CDA, on its own behalf and on behalf of the Local Government Entities, will initially enter into an agreement with MCCD in substantially the form attached hereto as Exhibit A (the "**Agreement**") to engage MCCD to operate the Program within Dakota County. The CDA and each of the Local Government Entities will make payments to MCCD as described in Exhibit A of the Agreement.

The CDA may from time to time execute and deliver documents amending, modifying, or extending the Agreement as it deems necessary or convenient, provided, that no such document will adversely affect services provided to, or amounts payable by, any Local Government Entity without the prior written consent of such Local Government Entity.

Section 4. **Limited Liability**. Neither the CDA nor any of the Local Government Entities shall be liable for the acts or omissions of the other in connection with the activities to be undertaken pursuant to this Agreement. To the extent permitted by law, (a) the CDA hereby indemnifies the Local Government Entities for costs associated with claims made against the Local Government Entities directly relating to actions taken by the CDA, and (b) each Local Government Entity hereby indemnifies the CDA for costs associated with claims made against the CDA directly relating to actions taken by such Local Government Entity. Nothing herein shall be deemed a waiver by the indemnifying party of the limits on liability set forth in Minnesota Statutes, Chapter 466; and the indemnifying party shall not be required to pay, on behalf of the indemnified party, any amounts in excess of the limits on liability set forth in Minnesota Statutes, Section 466.04, less any amounts the indemnifying party is required to pay on behalf of itself, its officers, agents and employees for claims arising out of the same occurrence.

Section 5. **Conflict of Interests; Representatives Not Individually Liable**. The CDA and each of the Local Government Entities, to the best of its knowledge, represents and agrees that no member, official or employee of their respective bodies shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly interested. No member, official or employee of the CDA or any Local Government Entity shall be personally liable with respect to any default or breach by any of them or for any amount which may become due to the other party or successor or on any obligations under the terms of this Agreement.

Section 6. **Term; Distribution of Property**. The term of this Agreement shall expire on December 31, 2026. There is no property which will be acquired by the CDA or any Local Government Entity pursuant to the Program which would need to be distributed at the end of the term hereof.

Section 7. **Notices and Demands**. A notice, demand or other communication under this Agreement by any party to another shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested or delivered personally to the person and at the addresses identified on each signature page hereto, or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this Section.

Section 8. **Counterparts**. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the CDA and the Local Government Entities have caused this Agreement to be duly executed in their respective names and behalf as of the date first above written, with actual execution on the dates set forth below.

DAKOTA COUNTY COMMUNITY
DEVELOPMENT AGENCY

Dated:_____________________

By _______________________________
Its Executive Director

Notice Address:

Dakota County Community Development Agency
1228 Town Centre Drive
Eagan, MN 55123
Attn: Lisa Alfson, Director of Community and Economic Development

EAGAN ECONOMIC DEVELOPMENT AUTHORITY

Dated: ________________

By ___________________________________
Its ___________________________________

By ___________________________________
Its ___________________________________

Notice Address:

3830 Pilot Knob Road
Eagan, MN 55122
Attn: ________________________________

BURNSVILLE ECONOMIC DEVELOPMENT AUTHORITY

Dated: _______________

By ___________________________________
Its City Manager

By ___________________________________
Its ___________________________________

Notice Address:

100 Civic Center Parkway
Burnsville, MN 55337
Attn: City Manager

CITY OF LAKEVILLE, MINNESOTA

Dated: ___________________ By ___________________________________
Its Mayor

By ___________________________________
Its City Clerk

Notice Address:

20195 Holyoke Avenue
Lakeville, MN 55044
Attn: Community and Economic Development Director

CITY OF MENDOTA HEIGHTS, MINNESOTA

Dated: _______________ By _________________________________
Its _________________________________

By _________________________________
Its _________________________________

Notice Address:

1101 Victoria Curve
Mendota Heights, MN 55118
Attn: ______________________________

APPLE VALLEY ECONOMIC DEVELOPMENT AUTHORITY

Dated: ___________________

By ___________________________________
Its ___________________________________

By ___________________________________
Its ___________________________________

Notice Address:

7100 147th Street W.
Apple Valley, MN 55124
Attn: ________________________________

INVER GROVE HEIGHTS ECONOMIC
DEVELOPMENT AUTHORITY

Dated: ______________ By ___________________________________
Its __________________________________

By ___________________________________
Its __________________________________

Notice Address:

8150 Barbara Avenue
Inver Grove Heights, MN 55077
Attn: ________________________________

HASTINGS ECONOMIC DEVELOPMENT AND
REDEVELOPMENT AUTHORITY

Dated: ___________________

By ___________________________________
Its:___________________________________

By ___________________________________
John Hinzman
Its Executive Director

Notice Address:

101 East 4th Street
Hastings, Minnesota 55033
Attn: Executive Director

ROSEMOUNT PORT AUTHORITY

Dated: ___________________

By ______________________________________
Its ____________________________________

By ______________________________________
Its ____________________________________

Notice Address:

2875 145th Street
Rosemount, MN 55068
Attn: _________________________________

FARMINGTON ECONOMIC DEVELOPMENT AUTHORITY

Dated: ________________

By ___________________________________
Its ___________________________________

By ___________________________________
Its ___________________________________

Notice Address:

430 Third Street
Farmington, MN 55024
Attn: ______________________________

SOUTH ST. PAUL ECONOMIC
DEVELOPMENT AUTHORITY

Dated: ___________________

By ___________________________________
Its __________________________________

By ___________________________________
Its __________________________________

Notice Address:

125 Third Ave. No.
South St. Paul, MN 55075
Attn: Executive Director

WEST ST. PAUL ECONOMIC
DEVELOPMENTAUTHORITY

Dated: ______________

By ___________________________________
Its ___________________________________

By ___________________________________
Its ___________________________________

Notice Address:

1616 Humboldt Avenue
West St. Paul, MN 55118
Attn: Executive Director

ROSEMOUNT
MINNESOTA

EXECUTIVE SUMMARY

Port Authority Regular Meeting: March 19, 2024

AGENDA ITEM: Project Updates	**AGENDA SECTION:** OLD BUSINESS
PREPARED BY: Eric Van Oss, Economic Development Coordinator	**AGENDA NO.** 7.a.
ATTACHMENTS:	**APPROVED BY:** LJM
RECOMMENDED ACTION: Information Item	

BACKGROUND

Ongoing and New Projects

Israelson properties: Preliminary and final plats will be considered in April by the Planning Commission.

Akron/42: Staff is meeting with several other users interested in the remaining parcels adjacent to Life Time. State Bank of Rosemount has submitted an application for a development on the Lennar side. This development will include a new bank facility with a large community gathering space. This will also include a coffee shop and lounge area. They will not be closing the downtown location, this will be a second spot for them in town.

Enclave of Rosemount: A proposal for rental townhomes will be considered at the March 18th Planning Commission meeting. This includes a request to rezone the site from R4 to R3.

Speedway: The Minnesota Pollution Control Agency has completed the final environmental review and has not referred the site for additional remediation. Wells Fargo is planning to foreclose on the property and take it into Wells Fargo's REO portfolio. Staff is working with Lighthouse management to engage directly with Wells Fargo on next steps.

CA Gear: The request for additional expansion space was approved in February. Construction is planned for spring 2024.

Ribbon Cuttings and Events

Bigfoot/Jimnist: A kickoff ceremony hosted by the City's partner Greater MSP was held on March 14th.

Spectro Alloys: A ground-breaking for the 75 million expansion will be held on March 27th at 1:30pm.

New Horizon Academy: A ground-breaking will be held on April 10th at 2pm.

Schafer Richardson: A ground-breaking ceremony will be held on April 16th at 3:30pm.

MREJ: The City of Rosemount has been nominated for two awards by the Minneapolis Real Estate Journal. The event will take place from 4-7:30pm on April 18th. Staff would like to confirm Port attendance before reserving table.

General Updates

Downtown Updates: Staff will update the Port on ongoing discussions regarding downtown.

RFI Trends: Staff will update the Port on recent RFI user trends and current site status.

MVTA Update: Staff will update Port on recent engagements with MTVA.

Rosemount Expo Recap: The revamped Rosemount Community Expo was a success. There were over 860 attendees this year, which is the highest number recorded for this event. Overall, the vendors and workshop organizers gave positive feedback. All the survey responses ranked the event as either "excellent" or "very good." The majority of vendors found the event length of 5 hours to be "about right." Staff has provided a handout of the budget break down for Port members. Looking towards next year, staff would like to build upon this success and continue to transition the Business Expo to a Community Expo focused on local businesses, community groups and performances/classes.

RECOMMENDATION

None