

NEON Minutes  
May 14, 2015, Biotechnology Advancement Center

Meeting began with the Pledge of Allegiance.

Robin Weis, Economic Development Director of Southwest Regional Development Commission, presented information on Property Assessed Clean Energy, also know PACE. PACE is a financing tool used to assist commercial and industrial businesses (including agri-business) with improvements to existing facilities that substantially increase energy efficiency. PACE allows business to make these fixture improvements without the up-front capital outlay. Costs for the improvements are paid back through a special assessment on their property taxes. The increase in property taxes is offset by the decrease in energy costs so that the business sees no change in their bottom line. The loan parameter is between \$5,000 and \$100,000.

Ms. Weis reviewed some of the main requirements of the program which include: property must be classified as Commercial or Industrial; applicant(s) is/are the legal owner of the property described in the application; property must be located in the RMEB Area; property owner is current on all mortgages - property owner is not in bankruptcy and the property is not an asset in bankruptcy; there are no federal or state income e lines, judgment lines, or similar involuntary liens on the property; must have an Energy Audit performed by pre-approved energy auditor. must show significant cost savings; minimum PACE loan will be \$5,000 and the maximum PACE loan will be up to 20% of the assess property value or \$100,000; maximum of 20 years to repay loan - loan term must not exceed life expectancy of improvement; and the interest rate is determined by RMEB Review Committee.

If you should have any questions regarding the program or know of a commercial or industrial business that would benefit from this program, please contact Ms. Weis at the SWRDC in Slayton. More information is also available at <http://www.rmeb.org/pace.htm>.

Mark Johnson, CEO of Lincoln Pipestone Rural Water, presented Lincoln Pipestone Rural Water's Capital Improvement Plan Priorities as well as a map of the distribution system. Mr. Johnson explained that the Lincoln Pipestone Rural Water Board is committed to Priority #1 on the plan which includes the Verdi Water Source, electrical system upgrades and control improvements for the Holland water source, and the SCADA system. The LPRW Board is waiting for legislation to pass to get started on a reverse osmosis system change out. Mr. Johnson explained that he will continue to monitor this legislative session.

Cheryl Janssen provided an update in the area of the Blandin Broadband Communities. Nobles County has been awarded \$30,000 in grants which has enabled the NC Collaborative to purchase Google Chrome notebooks, the Community Education office to hold a smarter marketing event and the Minnesota West Community and Technical College to begin an Intro to Digital Technology class for up to 20 students.

Ms. Janssen reviewed the need for the feasibility study in Nobles County and the committee is reviewing options for wireless internet which would utilize grain elevators and anything high enough to use.

Ms. Janssen advised Rock County had completed their feasibility study years ago and was ready when a provider came in from South Dakota. The Rock County Broadband FTTP Project was awarded \$5 million of the total project cost of \$12.85 million. The provider agreed to pay approximately \$7 million (Rock County is paying to include any non-serviced areas). The impact was service to 1,261 homes and farms, 68 businesses and 21 community institutions in Rock County.

Commissioner Demuth requested to go around the room and that each entity share a quick update.

- Barbara McDonald/MN West advised college held 5<sup>th</sup> commencement; Jackson campus met goals with state of the art welding lab, students marched 142 miles from Mankato to St. Paul for the need for funding for operational costs; foundation is moving ahead for a Director.
- Abraham Algadi/WREDC advised \$50million tax credit in legislation for commercial housing; all locks at the mall were changed and the closing is anticipated for Monday.
- Darlene Macklin/Chamber of Commerce advised retail assessment completed and a Market Smarter+workshop will be held.
- Courtland Baumgard/City of Round Lake advised on the AGCO/Sather building and renovating the old high school for a Community Center.

- Bruce Heitkamp/City of Adrian advised Adrian is one of 8 communities in Minnesota that need to treat their water; economic development creating new Main Street retail business; and gathering information on tax forfeited property issues.
- Scott Hain/Worthington Public Utilities advised he spoke with the Chair of the Senate Committee and advised that they don't think they will have a tax bill or transportation bill; deadline is 12:01 a.m. Tuesday and they expect to be shut down all of the next session.
- Brad Meester/City of Bigelow advised looking for a PT Clerk/Treasurer; Grain Elevator demolition still on hold; interested in Nobles County Tax Forfeited Land Sale.
- Rod Sankey/City of Worthington advised of Bioverse groundbreaking for a new 12,000 sq. ft. warehouse along with 3,800 sq. ft. office space.
- Donald Linssen/Nobles County advised of Nobles County Tax Forfeited Land Sale on Wednesday, June 3<sup>rd</sup> at 10:00 a.m. in the Farmers Room of the Government Center.
- Gene Metz/Nobles County advised of the finalization of the Armory Business Center purchase.
- Robert Demuth Jr./Nobles County advised that there is an incentive for the demolition/rehabilitation of purchased tax forfeited properties.
- Robin Weis/SWRDC advised of comments heard at Bio Conference wondering if the area had a program like Fast Track for education in Bio; advised of a call received from the EDA that money is available for construction in water, sewer and roads.
- Barbara McDonald/MN West advised that with Fast Track, the prep for math and science is the challenge; Fast Track programs attract students whom are underprepared; college held a lab day the day before the Bio Conference as a mini (1 day) internship.

The meeting adjourned.

Next Meeting:

June 11<sup>th</sup>, 5:30 . 7:00 pm  
BioTechnology Advancement Center  
1527 Prairie Drive, Worthington, MN 56187