



Legislation Details (With Text)

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Title: Micro-Grant Application (Northfield Yarn)

Sponsors:

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Attachments: 1. 1 - Northfield Yarn Micro-Grant Application, 2. 2 - Loan Committee Minutes 2-13-18

Date	Ver.	Action By	Action	Result
2/22/2018	1	Economic Development Authority	approve	Pass

Date: February 22, 2018

To: Members of the Economic Development Authority

From: Nate Carlson, Economic Development Coordinator
Chris Heineman, Community Development Director

Micro-Grant Application (Northfield Yarn)

Summary and Action Requested:

Consideration of a recommendation from the EDA Loan Sub-Committee regarding a \$4,995 Micro-Grant application from Northfield Yarn.

Background:

Northfield Yarn is requesting a \$4,995 Micro-Grant from the Clement Shearer EDA Micro-Grant Program. The owner, Cynthia Gilbertson, has provided an application for the funds, which can be found attached to this report. Ms. Gilbertson introduced her project to Economic Development Coordinator, Nate Carlson. Both Nate and Ms. Gilbertson worked to refine the project and complete the application to EDA Board standards. This application was provided to staff on February 8. Staff has reviewed the Micro-Grant application thoroughly.

Northfield Yarn has been in operation since September of 2011 located at 314 Division St. S., Northfield, MN. The business specializes in yarn product sales and educating interested people on knitting and crocheting. The primary business model for Northfield yarn is selling knitting and crocheting materials through a retail presence in Downtown Northfield. Northfield yarn also provides in-person training classes and hosts events at its location.

At this time, Ms. Gilbertson has identified an expansionary opportunity for her company. She has requested funding to assist with expanding capacity for the business, making improvements to class facilities and streamlining operations. This expansion will require a significant amount of miscellaneous materials to make

the expansion possible. Ms. Gilbertson has identified the project cost breakdown in her application. Here is the breakdown of the project costs:

POS Software Upgrade:	\$ 980
Online registration software:	\$3,199
Remodel:	\$3,033
Technology:	\$2,778
Total Project	\$9,990

The EDA Loan Sub-Committee met on February 13 to review the submitted application. The minutes of the meeting are attached. Committee members have made the following recommendation to the EDA Board:

“The EDA Loan Sub-Committee recommends granting Northfield Yarn \$4,995 for the purpose of EDA assistance with business expansion efforts.”

Options:

The EDA Board has the following options:

- 1) Approve the recommendation of the EDA Loan Sub-Committee to fully fund the Micro-Grant application of \$4,995.00.
- 2) Decline the recommendation of the EDA Loan Sub-Committee and provide an alternative amount.
- 3) Decline to approve the Micro-Grant application.

Recommendation:

Staff recommends approval of an EDA Micro-Grant in the amount of \$4,995 to Cynthia Gilbertson for expansion of Northfield Yarn.