



Legislation Text

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Date: October 26, 2017

To: Members of the Economic Development Authority

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

Micro-Grant Application (Ziemann Agency)

Summary and Action Requested:

Consideration of a recommendation from the EDA Loan Sub-Committee regarding a \$3,000 Micro-Grant application from Ziemann Agency.

Background:

Sonja Ziemann Agency requested a \$5,000 Micro-Grant from the Clement Shearer EDA Micro-Grant Program. The owner, Sonja Ziemann, has provided an application for the funds, which can be found attached to this report. Ms. Ziemann introduced her project to NEC Director, Chris Whillock. Chris found that this project may be a suitable recipient for the EDA's Micro-Grant program. Both Chris and Ms. Ziemann worked to refine the project and complete the application to EDA Board standards. This application was provided to staff on October 9th. Staff has reviewed the Micro-Grant application thoroughly.

Ziemann Agency has been in operation since 2008 located at 220 Division St. S., Northfield, MN. The business offers insurance products to clientele, as illustrated in the attached Business Plan.

Recently, Ziemann Agency began a campaign to expand and relocate the business to 1066 Highway 3 S. This expansion project entails upgrades to office equipment, remodeling office space, updating the website, initiating a marketing campaign and hiring part-time staff. Ms. Ziemann is requesting EDA Grant dollars to assist with the relocation and expansion of her business. Here is the breakdown of the expansion project costs:

Software update:	\$ 250
Office equipment (Computers):	\$1,700
New signage:	\$2,800
Online presence improvement:	\$3,000
Marketing Campaign:	\$4,400
Admin Assistant:	\$3,500
 Total Project	 \$15,650

The EDA Loan Sub-Committee met on October 18th 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 Ziemann Agency \$3,000 for the purpose of EDA assistance with signage to improve business presence in the community.”

Committee members found a lack of demonstrated need in the application related to normal operating expenses of the project. Hence the decrease in grant funding to \$3,000.

Options:

The EDA Board has the following options:

- 1) Approve the recommendation of the EDA Loan Sub-Committee to fund the Micro-Grant application of \$3,000.00.
- 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 for \$3,000 to Sonja Ziemann for expansion of Ziemann Agency.