

**KASSON ECONOMIC DEVELOPMENT AUTHORITY  
MEETING**

Tuesday, September 7th, 2021

12:00PM

MINUTES

Pursuant to due call and notice thereof, a regular meeting of the Kasson Economic Development Authority (EDA) was held at City Hall this 3rd day of August 2021 at 12:00PM.

The following board members were present: Chris McKern, Tom Monson, Michael Peterson, Janice Borgstrom-Durst and Kathy O'Malley.

Absent: Dan Egger

The following staff members were present: Timothy Ibisch - City Administrator, Robert Harris III - EDA Staff.

- I. Call Meeting to Order. Peterson called the meeting to order at 12:00PM.
  
- II. Approve Minutes of the Previous Meeting. McKern motioned to approve the May minutes. Borgstrom-Durst seconded.  
  
Ayes (5), Nays (0). Motion carried.
  
- III. Financial Report. Harris presented the financial report. McKern motioned to approve the financials. O'Malley seconded.  
  
Ayes (5), Nays (0). Motion carried.
  
- IV. Millwork Revolving Loan forbearance. Harris updated the group that Millwork had been impacted by a fire in August. The building was a total loss. Mr. Joe Lonzo, owner of Millwork, joined to give an update on his situation and future plans. Millwork is planning to build back on the same site and possible expand. McKern motioned to place a total pause on Millwork revolving loan fund payments for 12 months with a formal update a month 6. Borgstrom-Durst seconded.  
  
Ayes (5), Nays (0). Motion carried.
  
- V. Coordinators Report. Robert Harris III, CEDA, presented the coordinator's report.

**Old School Site**

Mr. Warshauer presented the project at the August 11th City Council Meeting. The presentation went smoothly and there wasn't much discussion from the council. Mr. Warshauer is continuing to develop his architectural plans and documentation for the phase 2 historic structure deadline in November. There's a lawsuit that has been filed from another potential buyer of the building which has yet to be resolved.

**Workforce Housing (Sand Companies)**

No major updates on this project. Harris has spoken with Mike Bubany at David Drown and Associates about the project, so he is aware that the city is looking at supporting the project with a TIF.

### **Industrial Park**

Project is on pause until the wetland delineation study is completed in the Spring of 2022.

### **Downtown Lots**

Trow Lot Purchase – Mr. Trow has submitted a signed purchase agreement and submitted earnest money.

Harris has pulled together a mixed-use building concept for the remaining 3 empty lots. The concept is a three-story building with commercial on the main level, a co-working space on the second level, and housing on the third level. Harris has spoken with a few developers about the feasibility of this project and some challenges have been identified. Harris is proposing that the EDA submit grant proposals to the Federal EDA and the MN DEED to support the project. There may also be the opportunity to place the project in another regional grant application.

Anne Schwanke, Owner of Full Circle Wellness Clinic, inquired about the available downtown lots as potential building site to expand their clinic operations. I have sent her all the requested info and she is working with a SBDC counselor to explore if new construction could work for their plans.

### **Entrepreneur assistance**

The Baymont by Wyndom reached out to Harris about grant programs to assist with renovations of the property. They are looking at an estimated \$750,000 worth of renovations and requested assistance applying for the DEED Main Street Revitalization program. Harris is working with them to pull together an application for the March deadline and exploring other possible sources.

Robert spoke with Zach Cruse about opening a specialty gym/ gym equipment sales room in the old Images building. Mr. Cruse has an offer in on the building and is finalizing his business plan. I will be helping him to refine his business plan and working closely with him as he moves forward.

### **LOIS – Location One Services System**

Harris has created a LOIS account for the City of Kasson to market available commercial sites.

### **SEMMCHRA – HRA**

Harris spoke with Karen DuCharme about the status of our current Small Cities Development Fund. There is about \$100,000 left in the fund for single family renovations and they are conducting another round of outreach.

We also discussed applying in 2022 for Small Cities Funds to support multi-family housing.

### **Housing development**

Robert received an inquiry from Hamilton Real Estate Group about potential development opportunities in Kasson. We have just had some initial conversations.

- VI. City Administrators Report. Ibisch presented his Administrators Report. Report included in meeting packet.
- VII. Downtown lot purchase agreement. Harris presented a signed purchase agreement

from Trow Properties LLC to purchase the EDA owned lot immediately adjacent to his property. Monson motioned to accept the purchase agreement. McKern seconded.

Ayes (5), Nays (0). Motion carried.

- VIII. ARPA Economic Adjustment Assistance grant program. Harris presented a concept for a mixed-use building along Main Street and recommended that the EDA pursue an application with the federal EDA to fund up to 80% of construction costs. Harris presented the group with a quote for grant writing services from the CEDA grants department. Monson motioned to approve up to \$7,120 for grant writing services. Borgstrum-Durst seconded.

Ayes (5), Nays (0). Motion carried.

- IX. Updating City's Visitor and Resource Guide. Ibisch talked about the need to update the City's visitor's guide. The current guide is at least 4 years old. The group agreed that the guide should be updated in partnership with the Kasson Chamber of Commerce. Ibisch agreed to bring it up at the next chamber meeting.

- X. Revisiting 2021 EDA priorities. Harris presented the list of project priorities approved earlier in 2021. After some discussion, the group decided to remove the Hinderman Concrete project and the Community Foundation project. The group added the Main Street mixed-use building to the list of priorities.

- XI. Other Business/Open Discussion. No other discussion.

- XII. Items for October meeting. The group identified an update on the EDA grant application and Cherished Antiques revolving loan fund application.

- XIII. Adjourn. Monson motioned to adjourn the meeting. McKern seconded.

Ayes (5), Nays (0). Motion carried. Meeting adjourned at 12:59 PM.

The next meeting will be held at 12:00PM on Oct. 5th, 2021.

Minutes Submitted by:

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Robert Harris III, EDA Coordinator

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Dan Egger, EDA President