

MINUTES OF KASSON ECONOMIC DEVELOPMENT AUTHORITY MEETING

February 6th, 2018

Pursuant to do call and notice thereof, a regular meeting of the Kasson EDA was held City Hall this 6th Day of February, 2018 at 12:00p.m.

The following members were present: Mayor Chris McKern, Dan Egger, Rich Wegner, Mike Peterson, Janice Borgstrom-Durst & Liza Larsen
Absent: Tom Monson

The following staff members were present: Rebecca Charles, EDA Director, Theresa Coleman, City Administrator and Nancy Zaworski, City Financial Director.

CALL TO ORDER: D. Egger called the meeting to order at 12:00 p.m.

INTRODUCTION OF NEW EDA BOARD MEMBERS: New board members Liza Larsen and Janice Borgstrom-Durst took a moment to introduce themselves. They also took the oath of office which were notarized by Nancy Zaworski, Notary Public. Tom Monson is the final new EDA member; his first meeting will be on March 6th.

J. Borgstrom-Durst made a request at this time, for a statement as to what the EDA's purpose is. Direction was given as to where on the website this information could be located.

BUDGET AND EDA FINANCIALS: D. Egger directed members to the budget and financial documents, asked if anyone had any questions or needed any clarification on the report. There were none.

MINUTES OF THE PREVIOUS MEETING: D. Egger asked if any additions or corrections were needed for any of the minutes from last month's regular meeting. Motion to Approve the Minutes as submitted was made by R. Wegner, Second by C. McKern. J. Borgstrom-Durst Abstained from the vote with all other members voting Aye.

EDA ELECTIONS FOR CHAIR AND VICE CHAIR: D. Egger opened the floor for nominations for EDA Chair. The previous chair is no longer with the EDA. D. Egger nominated himself for the position of chair, Seconded by M. Peterson. Vote was unanimous in favor of Dan Egger as the new Chair for the City of Kasson EDA.

The floor was opened for nominations for EDA Vice-Chair. M. Peterson nominated himself for the position, seconded by L. Larsen. Vote was unanimous in favor of Mike Peterson as the Vice-Chair for the City of Kasson EDA.

UPDATE ON DRAFT PURCHASE DOCUMENTS (city lot by Shopko): T. Coleman informed the board that the updates are from a recent Council meeting. In the EDA packets was a timeline showing the city's contacts with Shopko and where the project currently stands. As it is, there is currently no agreement between Shopko and the City of Kasson. A closed session will be held by the City Council with additional information.

CEDA UPDATE & ANNUAL REPORT: R. Charles began by giving a brief overview of the annual report, which was broken down by month and highlighted accomplishments and projects. She noted that she spent the first few months getting to know the community and EDA members with one-on-one meetings. A fair amount of time was also spent working on creating a new Revolving Loan Fund application and updating the EDA Policy & Procedures Manual. R. Charles additionally created a promotional materials packet that was utilized for the ISCS Conference. A few other items to note would be the Dodge County Housing Study, working with Buxton, planning the November Marketing in the Morning event, and working on a USDA grant with Images.

Since the first of the year, R. Charles has taken on two additional communities within Dodge County. She will also now be attending the bi-monthly meetings of the Dodge County EDA, and both Board and Regular meetings of the Kasson Chamber of Commerce.

R. Charles has also reached out to Jim Checkel with the Kasson Lions Club to work towards funding a shelter at Lions Park. She is working to obtain an Outdoor Recreation Grant from the Minnesota Department of Natural Resources.

CEDA and Journey to Growth will be hosting the 3rd annual SE Minnesota Regional Development Tour. This year, Kasson has been selected as one of the participating cities. The tour will host individuals and organizations that are potentially interested in the development of the region. Examples of individuals identified to receive invitations include site selectors, businesses looking at expansion, real estate agents and brokers, developers, bankers and architecture and engineering firms. She emphasized what a great opportunity it will be to showcase the city's commercial and industrial lots. The tour will take place this July.

Mayor McKern asked if the EDA or community can have a chance to speak with them or get the city's information out to them? R. Charles informed him that for the most part the event will keep everyone on the bus. CEDA will also be providing thumb drives for each attendee with a promotional package provided by each of the communities. She also informed the board that the Mayor and City Administrators of each community are encouraged to attend and speak on the bus along with their CEDA Representative.

DOWNTOWN TIF 5 YEAR RULE EXPIRES MARCH 22ND, 2018: R. Charles informed the board that this item is a note to ensure the board is aware that the two lots owned by the city on Main Street are in a TIF District. The five-year agreement will be expiring this year on March 22nd.

J. Borgstrom-Durst asked for clarification on TIF and the 'five-year rule'. T. Coleman clarified that the EDA actually purchased the lots when there were still buildings on them, and then paid for the buildings to be demolished. As a TIF district, it would provide the tax increment as an offset to developers financing to redevelop the lots. This does not preclude the EDA from using Tax Abatement as an incentive for development, and also does not preclude the EDA themselves from collecting the tax increment back to pay for the 70 odd thousand dollars that the EDA spent on the initial development of the properties.

Mayor McKern asked if all TIF Districts come with an expiration date once they are set up? T. Coleman clarified that yes they do, as the program is not developed to remove those taxes from the city indefinitely.

2018 EDA PRIORITIES: R. Charles asked the board what they would like to see as the goals for the EDA for 2018. These included:

- Façade Improvement Programs/Downtown Development
 - Small Town Grants Program. Not available until summer, but could possibly be utilized to create a fund to start a façade program. It was determined that the program would not be just for downtown.
 - R. Charles will have a draft of the program ready by the April EDA Meeting.

J. Borgstrom-Durst asked how one could find out what lots are for sale? T. Coleman stated that they are all in a promotional packet that R. Charles created this past year. This includes not just city owned property, but other commercial and industrial lots being sold by others in the city as well. These packages are available in both electronic and paper copies.

J. Borgstrom-Durst additionally asked how the EDA knows what lots are for sale. R. Charles stated that she keeps track of them through the real estate websites and checking with individual developers.

- Mayor McKern stated that he would like to see the retail recruitment continue as well.
- Mayor McKern asked what someone would need to include in a Development Plan to purchase one of the city owned lots. R. Charles stated that there needs to be a plan for the type of construction that they want. What type of business they are going to fill it with? Do they have the money to do the project? The City does not want to see someone purchase the property and leave it vacant. If they want to purchase, they could have their attorney draft an offer to purchase. They would not need the actual building specs.
- Affordable/Workforce Housing. R. Charles asked the board what they thought about more affordable housing in the city. The community is doing well with single family homes with an average of 53 homes a year, but lacking on more affordable housing. Board showed interest in learning more about what can be done at affordable costs. R. Charles will look more into the housing programs that are available.

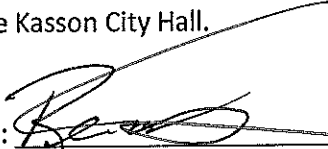
CONTRACTOR/DEVELOPER FORUM: R. Charles informed the group that her and Mayor McKern had a discussion previously regarding a form with contractors and developers in the community. Coordinating with Hoisington Kogler Group to set up a meeting with contractors, developers, land owners, etc. We would like to see how we can move forward working together to potentially benefit the community. Mayor McKern and R. Charles agreed that EDA members should be there to facilitate the open forum. An evening meeting would be best, in order to encourage the most participation possible.

EDA members showed a lot of interest in doing so. Would like to have it done by Mid-March before contractors get too busy.

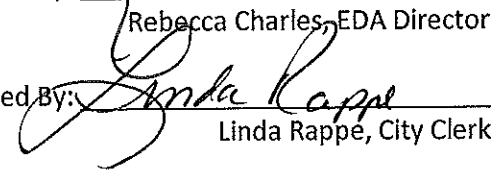
OTHER BUSINESS: None

ADJOURNED: Motion to adjourn was made by J. Borgstrom-Durst, second by Mike Peterson with all voting aye. Meeting was adjourned at 12:58 pm.

Next Meeting will be held on Tuesday, March 6th, 2018 at the Kasson City Hall.

Minutes Submitted By: 

Rebecca Charles, EDA Director

Attested By: 

Linda Rappe, City Clerk