

MINUTES OF KASSON ECONOMIC DEVELOPMENT AUTHORITY MEETING

Tuesday, June 5th, 2018

Pursuant to do call and notice thereof, a regular meeting of the Kasson EDA was held City Hall this 5th Day of June, 2018 at 12:00p.m.

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

Absent: None

The following staff members were present: Rebecca Charles, EDA Coordinator

Also Present: Crystal Whitmarsh, of Trail Creek Coffee Roasters; Stephanie Lawson, CEDA & Dodge County EDA Director.

CALL TO ORDER: Vice President M. Peterson called the meeting to order at 12:00 p.m.

MINUTES OF THE PREVIOUS MEETING: M. Peterson 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 T. Monson, second by C. McKern, with all members voting aye.

TRAIL CREEK COFFEE ROASTERS – REVOLVING LOAN REQUEST:

R. Charles introduced Crystal Whitmarsh, who is co-owner, along with her husband James, of Trail Creek Coffee Roasters. They will be renting the old city Library building and will be taking ownership of the building in following the June 13th City Council meeting. The request is for \$5,000.00 from the EDA's Revolving Loan Fund. These funds would be put towards new flooring and other essential upgrades to the building. R. Charles stressed that the funds would be putting more equity back into a city owned building.

C. Whitmarsh addressed the board and explained her plan to start out as a coffee roastery and then evolve into a coffee shop further down the line. She stated that they were looking for the loan money to assist with the upgrades to the current facility. Whitmarsh also went on to discuss their financial plans, and her intention to have the loan paid off in the first year.

Rich Wegner, asked if they were planning to get other business in town to sell their coffee. C. Whitmarsh stated that yes, under the Cottage Food Law, they are currently able to sell their product at farmer's markets, community events, etc. This is because they are currently operating out of a garage. In order to expand the business and get online sales, or orders for restaurants, retail and grocery stores, they will need to move their roaster into a commercial space and get their wholesale food licensing. This is where they are currently at. She has had conversations with at least one local business and will be looking to have additional conversations. But they don't want to move too fast ahead of the licensing process. They also intend to provide their coffee at Erdman's County Market in Kasson for retail sale.

After some discussion, regarding interest rates and other terms of the loan, discussion came to a close. A motion was made by R. Wegner, to approve a \$5,000.00 loan at the current prime interest rate. Terms will be, according to by-laws, for 5 years at \$90.00 per month with a final balloon payment of the balance on the 60th month. Borrowers will secure the loan with a personal guarantee. Second was made by T. Monson, with all members voting Aye.

REVIEW OF FINANCIAL REPORT: Nancy Zaworski, with the City Financial Department, came to address the EDA Board Members and the members request at the May monthly meeting. N. Zaworski explained how the current accounts are funded and monitored. She explained the current expenses and how the annual budget for the board is decided as well.

CEDA UPDATE: R. Charles went over a number of items regarding her work in Kasson over the past few months. This included:

- a) **Dodge County EDA:** R. Charles introduced Stephanie Lawson, CEDA representative and Dodge County EDA Director. R. Charles went to on point out the packet insert of the final budget for the county housing study. The study is expected to take approximately 120 days to completion.

S. Lawson explained that Maxfield Research has asked for specific information from each city within the county. Once that information is provided, they will hold a formal kickoff meeting at the end of June. Maxfield will take over the study from there.
- b) **Kasson Chamber of Commerce:** R. Charles attended the May Chamber meeting. Current membership it at 64 members.
- c) **CEDA Annual Meeting:** R. Charles attended the CEDA Annual Meeting in St. Charles on May 17th. City Administrator Theresa Carlson, and EDA Board Member Tom Monson were also in attendance.
- d) **O'Reilly Auto Parts:** Still looking for a possible location in Kasson. R. Charles has given them contact information for the Real Estate Agent who manages Kwik Trips in the area. They are currently interested in the possibility of utilizing the old location.
- e) **Regional Development Tour:** Trail Creek Coffee Roasters have offered to donate 55 4oz bags of coffee to be distributed as gifts to bus tour guests on behalf of the City of Kasson. She will also reach out to John Erdman to see if they would be interested in donating beef sticks towards the tour as well. R. Charles and City Administrator T. Carlson have driven the route and gotten down the timing, stops and discussion points for the Kasson portion of the tour.

COMPREHENSIVE PLAN UPDATE: R. Charles updated the board that the planning commission has officially recommended that the comprehensive plan be approved by City Council. The item will go before the City Council on June 13th.

LONG TERM CAPITAL PLANNING: T. Monson would like to open a discussion within the EDA about a long term plan for the board's projects as well as how to plan financially for them. He

would like to see the city plan to create a program for the community. An example would include a façade improvement program. C. McKern agreed that looking at other ways that the EDA can work to benefit local businesses would be a great direction to go.

Following a time of discussion, it was decided that each member would send at least two different ideas to Rebecca prior to the next EDA meeting to be considered for further research.

OTHER BUSINESS: R. Charles asked the board if they would like to cancel or move the July EDA meeting which is currently scheduled on Tuesday, July 3rd. Motion was made by C. McKern to move the July EDA Meeting one week to Tuesday, August 10th. Motion was seconded by D. Egglar.

ITEMS FOR JUNE EDA AGENDA: R. Charles has added this section to the agenda to encourage better planning for future EDA meetings.

ADJOURNED: Motion to adjourn was made by T. Monson second by D. Egglar with all voting aye. Meeting was adjourned at 1:00 pm.

Next Meeting will be held on Tuesday, July 10th, 2018 at Kasson City Hall.

Minutes Submitted By: _____
Rebecca Charles, EDA Director

Attested By: _____
Linda Rappe, City Clerk