

KASSON ECONOMIC DEVELOPMENT AUTHORITY

Kasson City Hall
Tuesday, September 1st, 2020
12:00 PM

I.	Call Meeting to Order	
II.	Approve Minutes of the Previous Meeting	1
III.	Financial Report	
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IV.	Oath of Office – Kathy O’Malley	
V.	Business Façade Improvement Grant	
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X.	Other Business	
XI.	Items for October EDA Meeting	
	a. Downtown Lots TIF	
XII.	Adjourn	

Next meeting will be held on Tuesday October 6th, 2020

KASSON ECONOMIC DEVELOPMENT AUTHORITY MEETING

Tuesday, August 4th, 2020

12:00PM

DRAFT MINUTES

Pursuant to due call and notice thereof, a regular meeting of the Kasson Economic Development Authority (EDA) was held at City Hall this 4th day of August 2020 at 12:00PM.

The following board members were present: Dan Eggler, Liza Larsen, Tom Monson, Michael Peterson, Chris McKern, and Janice Borgstrom-Durst.

Absent: None.

The following staff members were present: Timothy Ibisch - City Administrator, Nicholas Ouellette - EDA Staff.

- I. Call Meeting to Order. Eggler called the meeting to order at 12:00PM.
- II. Approve Minutes of the Previous Meeting. McKern motioned to approve the July 14th minutes. Larsen seconded.
- III. Financial Report. Ouellette reported major updates in the financial report and all loans were being repaid. McKern motioned to approve the Financial Report. Peterson seconded.

Ayes (4), Nays (0). Motion carried.

Ayes (4), Nays (0). Motion carried.

Ibisch discussed the issue of a negative fund balance from a Tax Increment Financing (TIF) district on two EDA owned lots in Downtown Kasson. Ibisch mentioned the issue could be addressed by deferring interest and ultimately decertifying the TIF district. This issue will be discussed at the next EDA meeting with the Finance Director.

Monson and Borgstrom-Durst arrived at the meeting.

- IV. EDA Board Seat Application. The Board reviewed the application. Borgstrom-Durst motioned to recommend to the Mayor to appoint Kathy O'Malley to the open EDA Board seat. Eggler seconded.

Ayes (6), Nays (0). Motion carried.

The EDA Board recommended describing the EDA, its purpose and activities, on the application materials so applicants can submit their application responses in the context of the EDA.

- V. Business Façade Improvement Grant. Ouellette reviewed a grant application from Full Circle Wellness for a new sign and reimbursement requests from Stage by Staige for a new sign and Janice Borgstrom-Durst for a new mural. Ibisich mentioned Ouellette had reached out to media outlets to bring attention to the new mural. Ouellette noted with the completion of Borgstrom-Durst's mural, all projects from the 2019 program had been completed. Ouellette noted the 2019 program had granted \$9,847.50 to façade improvement projects which matched cost projections based on applications.

McKern motioned to approve the application from Full Circle Wellness. Peterson seconded.

Ayes (6), Nays (0). Motion carried.

Peterson motioned to approve the request for reimbursement from Stage by Staige. Borgstrom-Durst seconded.

Ayes (6), Nays (0). Motion carried.

Peterson motioned to approve the request for reimbursement from Borgstrom-Durst. Larsen seconded. Borgstrom-Durst abstained from the vote.

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

- VI. 2021 Budget. Ouellette highlighted the increase and decreases to the EDA budget, noting the most significant proposed change was a \$5,000 increase to advertising. Ibisich told the Board the \$5,000 decrease from the overall budget was in line with the City Council request that all City departments decrease their budgets. Monson brought up the Downtown Lots activation and whether the EDA could budget some aesthetic improvements to the property. Ouellette noted the TIF discussion from earlier in the meeting and that future plans for the lots should be saved for the larger discussion of the lots at the next meeting. Ibisich requested Board members submit any feedback by the end of the month. The proposed EDA budget will on the September agenda for approval.
- VII. City-Owned Land (SW). Ouellette discussed the City-owned land as a potential project and priority for the EDA should the Board choose to pursue various types of development on the property. Ibisich mentioned this discussion was predicated by the previous meetings discussion of developing workforce housing for new workers in Dodge County. Ibisich discussed that once the EDA identifies an intended use it allows City staff to work on projects that support the overall goal, such as infrastructure development and development grants. Ouellette reviewed various types of development that the EDA could encourage as well as the context for developing the property from the 2040 Comprehensive Plan. Board members discussed future plans for the cemetery and how it could impact development on the property. McKern stressed that the development of this property should be a priority for the EDA. Ibisich envisions three components to the development of the property: retail commercial and light industrial space, high density housing such as fourplexes, and low-density residential. Ibisich noted commercial space could be used for businesses that have

outgrown their current locations or have higher traffic counts. A main role for the city will be providing support to potential developers and building infrastructure to the property. Peterson asked whether there have been any discussions about access to Mantorville Avenue from the property. Ibisch noted there was a pending plan in place and McKern added that there is room for access. Monson asked whether the 2019 engineering budget could be used to have WHKS conduct a survey of the property to better understand how feasible development would be. Monson motioned to request an estimate for a development survey of the property from WHKS. McKern seconded.

Ayes (6), Nays (0). Motion carried.

- VIII. Coordinators Report. Ouellette discussed the items in the Coordinators Report. Ouellette discussed Dodge County's plan to create a Small Business Relief Fund program with CARES Act funds to provide grants of up to \$10,000 to small businesses to cover COVID-19 related expenses. As part of the program, Dodge County hopes each city will commit 10% of their CARES Act funds to the program. Ouellette will share more information with the Board as the program is developed.
- IX. City Administrators Report. Ibisch discussed the items in the Administrators Report.
- X. Other Business. None.
- XI. Items for the September EDA Meeting. Downtown TIF, CARES Act program, SW Land, EDA Budget, new Board member, and Coworking Survey results.
- XII. Adjourn. Peterson motioned to adjourn the meeting. McKern seconded.

Ayes (6), Nays (0). Motion carried. Meeting adjourned at 12:45PM.

The next meeting will be held at 12:00PM on September 1st, 2020.

Minutes Submitted by: _____
Nicholas Ouellette, EDA Coordinator

Dan Egger, EDA President

09/01/20
07:51:14

CITY OF KASSON
Income Statement by Department
For the Accounting Period: 8 / 20

Page: 1 of 3
Report ID: L140

225 EDA FED MIF

	Actual		Actual		Annual Budget
	Period to Date	%	Year-To-Date	%	
Revenue					
Community/Economic Development					
3611 SPECIAL ASSESSMTS - PRINC	0.00		2,927.05		0.00 2,927.05
3612 SPECIAL ASSESSMT-PENALTY/	0.00		263.42		0.00 263.42
3621 INTEREST EARNED	455.18		4,853.08		0.00 4,853.08
3626 MONEY MARKET INTEREST	0.00		7.00		0.00 7.00
Total Department	455.18		8,050.55		8,050.55
Total Revenue	455.18	100.00	8,050.55	100.00	0.00 8,050.55
Net Income (Loss)	455.18		8,050.55		

09/01/20
07:51:14

CITY OF KASSON
Income Statement by Department
For the Accounting Period: 8 / 20

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Report ID: L140

226 EDA RLF

	Actual		Actual		Annual Budget	
	Period to Date	%	Year-To-Date	%		
Revenue						
Community/Economic Development						
3621 INTEREST EARNED	0.00		2.00	5.00	0.00	2.00
3921 TRANSFER FROM OTHER FUNDS	0.00		80,000.00****.**		0.00	80,000.00
Total Department			80,002.00****.**			80,002.00
Total Revenue	0.00	100.00	80,002.00	100.00	0.00	80,002.00
Expenses						
Community/Economic Development						
Community/Economic Development						
430 OTHER SERVICE/CHARGES-MISC.	0.00		40.00	100.00	0.00	-40.00
Account Total			40.00	100.00		-40.00
Total Department			40.00	100.00		-40.00
Total Expenses	0.00		40.00	100.00	0.00	-40.00
Net Income (Loss)	0.00		79,962.00****.**			

09/01/20
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CITY OF KASSON
Income Statement by Department
For the Accounting Period: 8 / 20

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290 Economic Development

	Actual		Actual		Annual Budget	
	Period to Date	%	Year-To-Date	%		
Revenue						
Community/Economic Development						
3101 CURRENT AD VALOREM TAXES	0.00		45,266.50	62.50	90,533.00	-45,266.50
3107 ABATEMENT LEVY	0.00		115.00	0.16	0.00	115.00
3621 INTEREST EARNED	0.00		65.00	0.09	2,000.00	-1,935.00
Total Department			45,446.50	62.75	92,533.00	-47,086.50
Total Revenue	0.00	100.00	45,446.50	100.00	92,533.00	-47,086.50
Expenses						
Community/Economic Development						
Community/Economic Development						
101 FULL-TIME EMPLOYEES - REGULAR	918.40	13.18	7,117.61	9.83	11,700.00	4,582.39
121 EMPLOYER PERA CONTRIBUTIONS	68.88	0.99	533.79	0.74	878.00	344.21
122 EMPLOYER FICA CONTRIBUTIONS	56.58	0.81	439.13	0.61	725.00	285.87
123 EMPLOYER MEDICARE CONTRIBUTION	13.23	0.19	102.71	0.14	170.00	67.29
130 EMPLOYER PAID INSURANCE	78.21	1.12	491.44	0.68	2,000.00	1,508.56
150 WORKER'S COMPENSATION	0.00		47.76	0.07	100.00	52.24
210 OPERATING SUPPLIES	38.65	0.55	196.54	0.27	400.00	203.46
303 ENGINEERING FEES	0.00		0.00		3,000.00	3,000.00
304 LEGAL FEES	0.00		0.00		4,000.00	4,000.00
321 TELEPHONE	22.25	0.32	153.93	0.21	500.00	346.07
325 COMMUNICATION-OTHER	15.00	0.22	191.67	0.26	200.00	8.33
333 STAFF MEETINGS & CONFERENCES	0.00		0.00		500.00	500.00
334 MEMBERSHIP DUES AND FEES	0.00		396.00	0.55	500.00	104.00
351 LEGAL NOTICES PUBLISHING	0.00		50.70	0.07	0.00	-50.70
360 INSURANCE	0.00		291.21	0.40	360.00	68.79
414 COMMERCIAL PROGRAMS	5,757.00	82.62	7,757.00	10.71	20,000.00	12,243.00
430 OTHER SERVICE/CHARGES-MISC.	0.00		1,654.43	2.28	4,500.00	2,845.57
440 PROFESSIONAL SERVICES	0.00		285.00	0.39	500.00	215.00
444 OTHER CONTRACTUAL SERVICES	0.00		32,721.00	45.18	42,500.00	9,779.00
720 OPERATING TRANSFERS	0.00		20,000.00	27.61	0.00	-20,000.00
Account Total	6,968.20	100.00	72,429.92	100.00	92,533.00	20,103.08
Total Department	6,968.20	100.00	72,429.92	100.00	92,533.00	20,103.08
Total Expenses	6,968.20	100.00	72,429.92	100.00	92,533.00	20,103.08
Net Income (Loss)	-6,968.20	-100.00	-26,983.42	-37.25		

09/01/20
07:57:22

CITY OF KASSON
Balance Sheet
For the Accounting Period: 8 / 20

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225 EDA FED MIF

Assets

Current Assets

CASH-OPERATING	40,553.20
MONEY MARKET-SMITH BARNEY	159.25
INVESTMENT INTEREST RECEIVABLE	72.00
LOAN PRIN REC-WHITMARSH	3,158.81
LOAN PRIN REC- 1760 MILLWORK	75,418.89
LOAN PRIN REC-GIBBS	46,290.70
LOAN PRIN REC- L & A (MAIN STREET FITNESS)	38,050.35
LOAN PRIN REC- DOLLAR VIDEO	15,599.86
SPECIAL ASSESSMENTS--DEFERRED	11,708.17

Total Current Assets 231,011.23

Total Assets 231,011.23

Liabilities and Equity

Current Liabilities

Deferred Revenue Assessments	11,708.69
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Total Current Liabilities 11,708.69

Total Liabilities 11,708.69

Equity

UNRESERVED FUND BALANCE	211,251.99
CURRENT YEAR INCOME/(LOSS)	8,050.55

Total Equity 219,302.54

Total Liabilities & Equity 231,011.23

09/01/20
07:57:22

CITY OF KASSON
Balance Sheet
For the Accounting Period: 8 / 20

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Report ID: L150

226 EDA RLF

Assets

Current Assets

CASH-OPERATING	72,562.00
GADIENT-PRIN RECEIVABLE	5,000.00
DAISY MAE CONSIGN PRIN RECEIVABLE	2,400.00

Total Current Assets	79,962.00
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Total Assets	79,962.00
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Liabilities and Equity

Total Liabilities

Equity

CURRENT YEAR INCOME/(LOSS)	79,962.00
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Total Equity	79,962.00
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Total Liabilities & Equity	79,962.00
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09/01/20
07:57:22

CITY OF KASSON
Balance Sheet
For the Accounting Period: 8 / 20

Page: 3 of 3
Report ID: L150

290 Economic Development

Assets

Current Assets

CASH-OPERATING	42,640.02
DUE FROM OTHER FUNDS	82,677.89
PREPAID ITEMS	30.00

Total Current Assets	125,347.91
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Total Assets	125,347.91
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Liabilities and Equity

Current Liabilities

ACCRUED WAGE/SALARY PAYABLE	0.31
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Total Current Liabilities	0.31
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Total Liabilities	0.31
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Equity

UNRESERVED FUND BALANCE	152,331.02
CURRENT YEAR INCOME/(LOSS)	(26,983.42)

Total Equity	125,347.60
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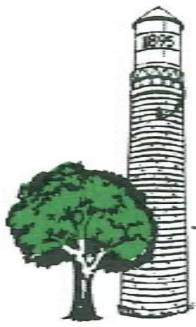
Total Liabilities & Equity	125,347.91
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EDA Loans

Loan Name	Origination Date	Original Amount	Interest Rate	Monthly Payment	Term/ Due Date	12.31.19 Balance	Prin Recvd YTD	8.31.20 Balance
Klampe	3/1/2005	\$ 8,293	2.0%	53.37	15 years 2/1/2020	106	106	0
L & A(Main Street Fitness)	4/29/2009	\$ 75,000	3.0%	415.95	20 years 4/29/2029	40,589	2,539	38,050
Dollar Video	8/1/2009	\$ 50,000	3.0%	345.29	14 years 9/1/2024	18,023	2,423	15,600
Gibbs	10/14/2015	\$ 80,000	3.0%	772.49	10 years 1/1/2026	52,128	5,838	46,290
Millwork	7/1/2016	\$ 90,000	3.0%	499.14	20 years 6/1/2036	77,876	2,457	75,419
Whitmarsh	6/28/2018	\$ 5,000	4.75%	90	5 years 7/1/2023	3,768	609	3,159

EDA RLF Loans

Loan Name	Origination Date	Original Amount	Interest Rate	Monthly Payment	Term/ Due Date	Loan	Prin Recvd YTD	5.31.2020 Balance
Gadient	4/27/2020	\$ 5,000	0.0%	100	1/1/2025	5,000	0	5,000
Daisie Mae Consignements	5/1/2020	\$ 2,400	0.0%	100	11/1/2022	2,400	0	2,400



TREE
CITY
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KASSON

401 FIFTH STREET SE
KASSON, MINNESOTA 55944-2204
PHONE: (507) 634-7071
FAX: (507) 634-4737

MEMO

To: Economic Development Authority Board

From: Nicholas Ouellette, EDA Staff

Date: August 25, 2020

Re: Business Façade Improvement Program

Full Circle Wellness Application

Full Circle Wellness has submitted a reimbursement request for their 2020 BFIP project to install a sign for their new business. A photo of the sign installed by National Fleet Graphics has been included in the packet as well as proof of payment from Full Circle Wellness. The reimbursement request is for **\$212.00**. The total project cost to install the new sign was \$424.13.

Action Requested:

It is requested the EDA Board approve the \$212.00 reimbursement request from Full Circle Wellness.

NFG
National Fleet Graphics
507-374-7069

318 South St SE
PO Box 193
Dodge Center, MN 55927

Invoice

Date	Invoice #
8/7/2020	30701

PAID
8.10.2020

Bill To
Full Circle Wellness
Anne Schwanke

2035
8/10/2020
\$ 424.13

Full Circle Wellness, LLC
ANNE SCHWANKE
11 E SCHWAB ST
DODGE CENTER MN 55927
NFG
Pay to the
Order of
Full Circle Wellness

HOH FEDERAL
400 S. MARSHALL AVE
DODGE CENTER MN 55927

2035

Rate	Amount	Terms
270.00	270.00	
125.00	125.00	
7.575%	29.13	
	Total	\$424.13

Thank you for your business.





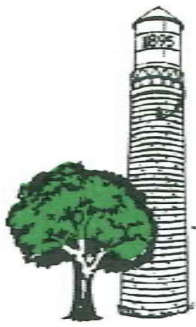
318 South St SE
PO Box 193
Dodge Center, MN 55927

Date	Invoice #
8/7/2020	30701

P.O. No.	Terms

Thank you for your business.		Total	\$424.13
		Payments/Credits	\$0.00
<i>A Finance Charge of 1.5% per month will be charged on balances over 30 days old. This is an annual rate of 18%</i>		Balance Due	\$424.13

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KASSON, MINNESOTA 55944-2204
PHONE: (507) 634-7071
FAX: (507) 634-4737

MEMO

To: Economic Development Authority Board

From: Nicholas Ouellette, EDA Staff

Date: August 25, 2020

Re: 2021 EDA Budget

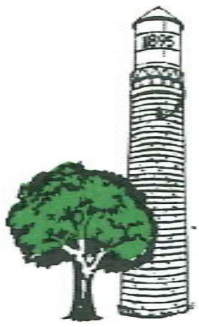
Summary:

Attached is the proposed EDA Budget for 2021. Key changes to note in the budget are a \$10,000 decrease to the commercial programs and a \$5,000 increase in the advertising budget. Given the level of funds granted through commercial programs in the previous years, a \$10,000 budget will be adequate to maintain programs such as the Business Façade Improvement Program. The \$5,000 advertising budget will provide the EDA with the ability to promote Kasson businesses and EDA projects. This will be beneficial to help offset the impacts of Highway 57 reconstruction and COVID-19.

Action Requested:

It is requested the Board approve the proposed EDA budget for 2021 to submit to City Council.

ECONOMIC DEVELOPMENT									
COMMUNITY/ECONOMIC DEVELOPMENT									
	BUDGET		ACTUAL		BUDGET		ACTUAL		COMMENTS
	2018		2019		2020		thru 6/30		
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	PROPOSED 2021
290.4650.101 FULL-TIME EMPLOYEES - REGULAR	40,450	10,799	11,500	6,782	11,700	5,281	11,700		
290.4650.121 FULL-TIME EMPLOYEES - OVERTIME									
290.4650.121 EMPLOYER PERA CONTRIBUTIONS	3,034	799	863	488	878	396	878		
290.4650.122 EMPLOYER FICA CONTRIBUTIONS	2,508	634	713	423	725	326	725		
290.4650.123 EMPLOYER MEDICARE CONTRIBUTION	587	148	167	99	170	76	170		
290.4650.130 EMPLOYER PAID INSURANCE	4,000	959	1,100	538	2,000	335	4,300		
Personnel Subtotal	50,578	13,339	14,342	8,330	15,473	6,414	17,773		
290.4650.150 WORKER'S COMPENSATION	300	41	300	(36)	100	48	100		
290.4650.210 OPERATING SUPPLIES	400	516	400	465	400	135	500		
290.4650.216 PERIODICALS		-		-		-			
290.4650.240 SMALL TOOLS/MINOR EQUIP		-		-		-			
290.4650.303 ENGINEERING FEES	3,000	-	3,000	-	3,000	-	1,000		
290.4650.304 LEGAL FEES	4,000	454	4,000	1,350	4,000	-	2,500		
290.4650.321 TELEPHONE	500	410	500	329	500	109	500		
290.4650.325 COMMUNICATION-OTHER	200	120	200	227	200	177	200		Postage
290.4650.333 STAFF MEETINGS & CONFERENCE	2,000	-	500	16	500	-	400		
290.4650.334 MEMBERSHIP DUES AND FEES	3,150	356	500	416	500	396	500		
290.4650.343 ADVERTISING	-	-	-	-	-	-	5,000		
290.4650.351 LEGAL NOTICES PUBLISHING	-	180	-	75	-	51	100		
290.4650.352 GENERAL NOTICE/PUBLIC INFO	-	-	-	-	-	-	-		
290.4650.360 INSURANCE	360	314	360	339	360	291	400		
290.4650.380 UTILITY SERVICES		-		-		-			
290.4650.414 PROGRAMS			20,000	2,000	20,000	2,000	10,000		Commercial Programs
290.4650.413 Rental Expenses	2,000	-	-	-	-	-	-		
290.4650.430 OTHER SERVICE/CHARGES-MISC.	4,500	3,076	4,500	1,265	4,500	1,654	3,500		includes \$500 SMIF
290.4650.440 PROFESSIONAL SERVICES	500	270	500	2,967	500	285	800		Marketing
290.4650.444 OTHER CONTRACTUAL SERVICES		41,124	42,500	42,355	42,500	21,814	43,750		CEDA
290.4650.720 OPERATING TRANSFERS						20,000			
Operations Subtotal	20,910	46,859	77,260	51,767	77,060	46,960	69,250		
Total ECONOMIC DEVELOPMENT	71,488	60,198	91,602	60,098	92,533	53,374	87,023		



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PHONE: (507) 634-7071
FAX: (507) 634-4737

MEMO

To: Economic Development Authority Board

From: Nicholas Ouellette, EDA Staff

Date: August 27, 2020

Re: SW Land – WHKS Proposal & Planning Exercise

WHKS has submitted a proposal to survey the City-owned land in the Southwest. WHKS will survey the development potential of the property and feature preliminary plans for roadways, utilities, ponds, and potential zoning. The full Scope of Services is included in the packet for the Board to review.

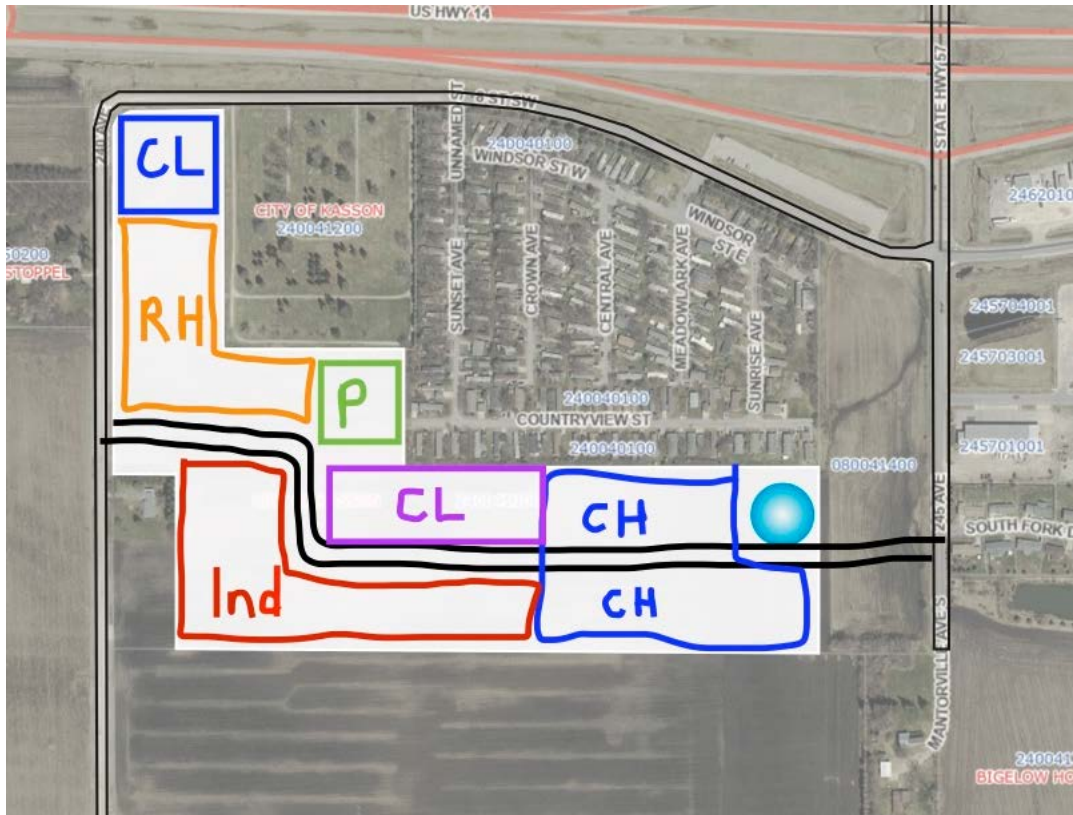
Action Requested:

It is requested the Board approve the Proposal submitted by WHKS to survey development potential on the City-owned land in the Southwest.

I have included a planning worksheet in this packet for each Board member to complete. This exercise will highlight the types of development you would like to see and where you believe that development type belongs. Some things to consider are the types of development you would like to see in the NW corner by the highway, in the middle of the parcel, and towards the Eastern section that will connect with Mantorville Ave. With your responses, I can better understand the development goals the EDA aims to achieve with the Southwest property. The EDA's development priorities may be compared to the survey results from WHKS and help guide the project forward. I have included a sample response to help illustrate the exercise. You may fill out the map prior to the meeting or submit your map after the meeting. Here are some loose definitions for the different types of uses:

- High Traffic Commercial – businesses that generate high levels of customer traffic, such as grocery stores, gas stations, sports facilities, gyms, and restaurants
- Low Traffic Commercial – businesses that do not generate high levels of customer traffic, such as greenhouses, hotels, offices, and other businesses considered to be light industrial

- Light Industrial – small manufacturers or businesses with off-site work that require space for materials and fleet storage, such as landscapers, plumbers, electricians.
- High Density Residential – apartments, mixed use buildings, or townhomes with shared green space
- Low Density Residential – single family residences with private green spaces
- Park – Recreational open space



From: Brandon Theobald BTheobald@Whks.com
Subject: RE: City Owned Land - Preliminary Survey
Date: August 28, 2020 at 1:50 PM
To: Nicholas Ouellette nicholas.ouellette@cedausa.com
Cc: Timothy Ibisch cityadministrator@cityofkasson.com

Tim/Nicholas,

Below is the proposed scope to assist with the City owned property. We recommend developing a preliminary concept figure to show the potential development.

- Scope of Services

The project consists of developing a figure to be used for reviewing potential development of the proposed property. The figure will feature the planned lots, roadways, utilities, pond, potential zoning and site characteristics. We would develop the figure from GIS parcel, contour and utility information.

We anticipate two (2) iterations of your review.

A topographic survey, construction plans, specifications and cost estimating will not be prepared as part of this agreement.

- Basis of Compensation

Billed Hourly under our city engineering agreement with an estimated fee of \$3,500.

Please reply back via e-mail with authorization to begin.

Let me know if you have any questions.

Thanks,

Brandon W. Theobald, P.E.
2905 South Broadway | Rochester, MN 55904
Voice: 507.288.3923 | www.whks.com



From: Nicholas Ouellette <nicholas.ouellette@cedausa.com>
Sent: Tuesday, August 4, 2020 4:07 PM
To: Brandon Theobald <BTheobald@Whks.com>
Cc: Timothy Ibisch <cityadministrator@cityofkasson.com>
Subject: City Owned Land - Preliminary Survey

Hi Brandon,

The EDA held a meeting today and discussed targeting this city owned land (see attached) for future development in the next year or two. The EDA identified the need to have a preliminary survey done to better understand how any kind of development would look on the land (if/where a pond would go, how utilities might connect, etc.). Could

WHKS give us an estimate on what it would cost to conduct a survey of this parcel?

Thanks,
Nicholas



Nicholas Ouellette
*Community and Business Development
Specialist*
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Economic Development Authority Coordinators Report

Nicholas Ouellette

August 4, 2020 – September 1, 2020



Meetings

1. Dodge County Youth Hockey
2. Nancy Zaworski – Finance Director
3. Events Sports Bar & Grill
4. Retail Strategies
5. Kathy O'Malley

Office Space Needs Survey

A total of 12 responses were received to the Co-Working & Office Space Needs survey. The results are included in this packet. I will be passing these results on to Ed & Tina Butler. If they move forward with the Co-Working Concept, I will provide assistance towards creating a business plan for the project.

Open EDA Board Seat

Kathy O'Malley will be taking the Oath of Office and joining the EDA Board at the September meeting.

Proposed 2021 EDA Budget

City Administrator Ibisch and I have reviewed and proposed changes to the 2021 EDA Budget. Those changes will be reviewed by the EDA during the August meeting.

2020 Business Façade Improvement Program

Full Circle Wellness has submitted a request for reimbursement for their new sign.

CARES Act Funds

Attached are the guidelines and application for the Dodge County Small Business & Nonprofit Relief Funds Program established with CARES Act funds. I am hoping to spread the word about this program as much as possible and will appreciate if Board members could share with the program information in our community.

Dodge County CARES Act

Small Business & Nonprofit Relief Funds Program

- Grants of up to \$10,000 for COVID-19 related expenses
- Eligible small business & nonprofits may apply
- Now accepting applications from August 26 to October 1
- To learn more about the program, review the guidelines, or download an application, please visit:

<https://bit.ly/3aS0Clc>

Kasson Co-Working Demand Survey Results

Survey mailed out to approximately 120 businesses registered to residential addresses and posted on Facebook. 12 responses were recorded.

Where do you currently conduct the work of your business?

Answer Choices	Responses
Rented office space	0
Owned office space	1
In my Home	10
Other	1

Would you consider working at a co-working space if one opened up in Kasson?

Answer Choices	Responses
Yes	1
No	6
Maybe	5

What advantages do you see in using a coworking space? (Select all that apply)

Answer Choices	Responses
Low cost, efficient space	4
Sense of community	5
Flexibility of time and workspace	4
Conference room with flat screen TV	2
Private meeting rooms	2
Business events and programs	2
Access to printer/fax machine	1
Other (set up a content creation studio and space for teleconferences)	1

What other types of workspace would you like to see in Kasson?

- “I do part-time independent consulting and mostly do my work on-site or from my home. I would, however value the opportunity to build my professional network.”
- “A Community Kitchen would be most helpful- the closest ones are in the twin cities.”
- “Conference rooms”

Do you have any thoughts, suggestions, or questions about a co-working space in Kasson?

- “Access to a shared receptionist”
- “I imagine it is a low-cost way for the city to help business, but with the overall trend towards “work from home” and virtual conferencing, I would not imagine many would find a great value to this offering.”
- “I have a great work from home setup. But over the last few weeks I thought that if I were more of an entrepreneur, I'd set up a co-working space, maybe in the old Shopko,

for those not set up as well as I am, for those who work on a laptop on the kitchen table... I think it would be a great plus for Kasson if either the City or an entrepreneur would get a co-working space available.”

- “Would love to discuss how a studio could be incorporated into the plan. Live production is a huge resource. Also allows for a space where community outreach can be incorporated, similar to a local access station, but online. In these times of distancing, it's a great opportunity to embrace the future of communication.”
- “Hard to even consider this during the pandemic”

Dodge County Small Business & Nonprofit Relief Funds Guidelines

To provide emergency assistance to local small businesses in Dodge County adversely impacted by the COVID-19 pandemic, the Dodge County Small Business & Nonprofit Relief Funds will provide grants of up to \$10,000 to small businesses and nonprofits most in need of support.

Funds will help small businesses and nonprofits pay for critical expenses such as rent payments, mortgage payments, utility payments, payments to suppliers, and costs associated with reopening. Providing this support will increase the capacity of small businesses and nonprofits with a physical location in Dodge County to survive the current crisis and will help prevent potential future blight scenarios. We understand there is a cost to reopening your business or nonprofit safely. These grant funds can also be used to ensure your business can afford to operate while maintaining social distancing guidelines for the safety of your employees and customers.

Due to restrictions placed on Dodge County's CARES Act funds, eligible expenses reimbursed by this grant must comply with all Federal and State guidelines. **These funds can only be used to cover business or nonprofit expenses for which other financial assistance was not provided. In order to receive funding under this program, you must document other assistance received and detail the additional, unmet need.** A business owner or nonprofit agrees that by signing and submitting an application they will be subject to a random audit by Dodge County for accuracy in expenses, demonstration of business or nonprofit loss, or any other statements or information requested. Dodge County reserves the right to reject or modify any application or portions thereof if it feels do not meet the guidelines or application process requirements. If applications exceed the funding available, Dodge County will prioritize grant recipients based on impact.

This program will be administered by Dodge County Economic Development. For questions or clarifications please contact Nicholas Ouellette, Economic Development Coordinator, at nicholas.ouellette@cedausa.com.

Terms

- Up to \$10,000 grant based on economic injury from COVID-19 and eligible expenses.
- Grant applications must exceed a minimum amount of \$1,000.
- Funds can be used for operating expenses, including rent payments, mortgage payments, utilities, payments to suppliers, or other critical non-payroll business expenses (including expenses related to reopening and staying safe) as approved by the fund administrator.
Funds may be used only for eligible expenses.

Eligible Entities

Organizations must meet all of the following criteria as of March 1, 2020 to be eligible.

- Must be a business or nonprofit with a physical, commercial location, whether owned or leased, that is located in Dodge County
- Must have been operating prior to March 1, 2020
- Must have appropriate licenses, in good standing with the Minnesota Secretary of State, and current on property taxes as of August 1, 2020, if applicable

- Must demonstrate an eligible loss since March 15, 2020
- Must demonstrate that any funds received through this program were not used for expenses that were covered with assistance received from other sources (e.g. PPP, EIDL, MN DEED, other city/county CARES Act funding, etc.)

Certain businesses are ineligible, including:

- Home-based businesses; those without a physical establishment, (except in-home childcare providers and ag-related businesses will be eligible)
- Corporate chains, multi-state chains
- Businesses in default conditions prior to February 29, 2020
- Businesses that primarily derive income from gambling
- Businesses that derive any income from adult entertainment
- Businesses that primarily sell pawned merchandise, guns, tobacco or vaping products
- Businesses that derive income from passive investments; business-to-business transactions; real estate transactions; property rentals or property management; billboards; or lobbying

Eligible Uses of Program Grant Funds:

- Costs of business interruption caused by required closure due to COVID-19
- Rents, utility, and insurance costs
- Costs incurred during reopening process
- Costs for the purchase of items meant to protect the public and employees, such as protective masks and hand sanitizer, and other costs incurred by installing required safety measures in order to reopen a business
- Costs incurred for building modifications due to COVID-19
- Costs for marketing of safe business practices
- Other expenditures related to the cost of business interruption caused by COVID-19

In addition to the Dodge County Small Business & Nonprofit Relief Fund, applicants are strongly encouraged to apply for all available COVID-related funding. However, due to the limited amount of funding and in order to serve as many organizations as possible, applicants are ineligible to receive duplicative funds from the Dodge County Small Business & Nonprofit Relief Funds AND city, state, or other federal funds. Businesses receiving city, state, or federal relief funds are still eligible for the Dodge County Small Business & Nonprofit Relief Funds but must use County funds for eligible expenses other than those covered by city, state, or federal funds.

Application Process

- Application Forms will be accepted beginning August 26, 2020 and the initial application reviews will begin October 1, 2020. Applications received after October 1, 2020 will be reviewed for approval if the program has unused funds from the initial review.
- Completed Application Forms can be emailed to Dodge.CARES@co.dodge.mn.us.
- Upon notice of an approved application, applicants will be required to submit the following within 10 business days:

- o 2019 Federal Business/Nonprofit Tax Return or appropriate Business/Nonprofit Tax Schedule- based on entity type. Businesses that have not yet completed a 2019 Federal Return are eligible to apply and substitute other documentation of revenue.
- o Evidence of revenue loss related to the COVID 19 emergency. Applicants should submit documentation that best demonstrates the impact and is deemed acceptable to Program Administrator. Some examples of acceptable documentation include Profit & Loss Statements, Sales Tax Reporting, Period Statements from 3rd-party Sales Platforms, Merchant Services Statements, and Point of Sale or Register reports.
- o A copy of the business current filing with the Minnesota Secretary of State Office.
- o Any additional documentation or information deemed necessary by the fund administrator to determine eligibility, generate documents, disburse grant proceeds, or meet program reporting requirements.
- o Failure to submit required documentation will result in forfeiture of the grant award.

Note: The Dodge County Board of Commissioners reserves the right to revise these guidelines as needed to best address the impact of the current pandemic.

Dodge County

Small Business & Nonprofit Relief Funds Application

To provide emergency assistance to small local businesses in Dodge County adversely impacted by the COVID-19 pandemic, the Dodge County Small Business & Nonprofit Relief Funds will provide grants of up to \$10,000 to small businesses and nonprofits most in need of support. Grant applications must exceed a minimum amount of \$1,000 of eligible expenses to be considered. Application Forms will be accepted beginning August 26, 2020.

Businesses and non-profits must meet all of the criteria listed in the Dodge County Small Business & Nonprofit Relief Funds Guidelines to be eligible.

The application may be filled out digitally, text boxes are next to each item.

First Name:

Last Name:

Phone Number:

Email:

Legal Name of Business:

Business City:

Business State:

Business Zip:

Legal Structure:

☐

Corporation For-Profit

☐

Limited Liability Company (LLC)

☐

Partnership

☐

Cooperative

☐

Sole Proprietor

☐

Other:

Grants are up to \$10,000 and must be supported by evidence of eligible expenses paid between March 15, 2020 through August 31, 2020.

Total Business Loss (Expenses over Revenue) Since March 15, 2020 (\$):

Grant amount requested (\$):

Type of Entity/Industry:

Total Revenue Your Entity Earned in 2019 before any expenses:

Please describe the direct and indirect ways that COVID-19 has impacted your revenue to-date and projected revenue, including how you arrived at your answer to the previous question.

Can the Applicant demonstrate an eligible loss since March 15 due to the COVID emergency?

☐

Yes

☐

No

Is the Applicant in compliance with all relevant ordinances and licensing requirements? i.e. there are no adverse actions or open violations.

☐

Yes

☐

No

Applicants are strongly encouraged to seek funding or relief from all available resources. Is this statement true: the Applicant has pursued or intends to pursue other forms of funding and/or relief from expenses during the COVID emergency?

☐

Yes

☐

No

Is this statement true: the applicant's business does not derive its income from gambling, adult entertainment, registered lobbying, billboards, passive investments, real estate transactions, property rentals or property management? A local owner of a franchise is eligible to apply.

☐

Yes

☐

No

Which of the following forms of funding and /or relief from expenses during the COVID19 emergency has the applicant received?

SBA Paycheck Protection Program Loan (PPP)	\$	
SBA Economic Injury Disaster Loan (EIDL)	\$	
State of Minnesota Small Business Emergency Loan (SBEL)	\$	
Assistance from their municipality	\$	
Other: <input type="text"/>	\$	
Other: <input type="text"/>	\$	
Other: <input type="text"/>	\$	
Total Assistance Received:	\$	

Applicants are encouraged to seek all available sources of funding. If selected to receive a Dodge County Small Business & Nonprofit Relief Funds Grant, will you agree to notify the fund administrator of any additional federal, state, or local funding award?

☐ Yes

☐ No

Grant Requirements and Required Documentation

No documentation is required for the preliminary application. However, if the applicant is notified of selection for funds, Applicant will be required to provide the following within 10 business days or forfeit the grant award. Please check the boxes if you will be able to provide the following documentation prior to disbursement of grant funds. All boxes must be checked in order to qualify:

☐ 2019 Federal Business Tax Return or appropriate Business Tax Schedule – based on entity type. Businesses that have not yet completed a 2019 Federal Return are eligible to apply and must substitute other documentation or revenue.

☐ Evidence of revenue loss related to COVID-19 emergency. Applicants should submit documentation that best demonstrates the impact and is deemed acceptable to the Program Administrator. Some examples of acceptable documentation include Profit & Loss Statements, Sales Tax Reporting, Period Statements from 3rd-party Sales Platforms, Merchant Services Statements, and Point of Sale or Register reports.

While not required for submittal at this time, will you be able to provide a grant agreement signed by all owners of 20% or more as Co-Applicants?

☐ Yes ☐ N/A (nonprofit applicants only)

☐ No

APPLICANT CERTIFICATION:

Applicant acknowledges that they are making application for a Grant, and that Dodge County may rely on the applicant's warranties and self-certification of eligibility in the approval process of a grant. Applicant certifies that only one application per business location was submitted. Dodge County reserves the right to verify whether duplicate applications were submitted, and to eliminate duplicate applications from consideration, in Dodge County's sole discretion. This information and the information provided on all accompanying documents is provided for the purpose of obtaining a grant for the Applicant. Applicant acknowledges that representations made in this application are accurate, truthful and all grant funds will be utilized for reimbursement of business expenses and losses related to COVID-19 and not used as a revenue replacement. Applicant acknowledges that representations made in this application will be relied on by Dodge County in its decision to grant such grant. Dodge County or its representatives are authorized to make all inquiries it deems necessary to verify the accuracy of the information contained herein. The Applicant will promptly notify Dodge County of any subsequent changes which would affect the accuracy of this information and the information provided on all accompanying documents. The Applicant understands that it is a crime to make a false representation as to their or their company's financial ability for the purpose of securing a grant. The Applicant declares under penalty of perjury that all information provided herein and on accompanying documents is true in every detail and accurately represents the financial condition of the applicant and the Business on the date given below, and that the Applicant has authorization to sign this form.

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Applicant Signature

Title

Date

Applicant Printed Name

Please submit your application and supporting documents to Dodge.Cares@co.dodge.mn.us



To: City Council

Date: 8/26/2020

Agenda Heading: City Administrator's Report

“To say it was a beautiful day would not begin to explain it. It was that day when the end of summer intersects perfectly with the start of fall.”

–Ann Patchett

- **Third Special Session Lasts One Day, Produces Little.** The Legislature did not accomplish much during the special session, but it did pass two bills, including one that makes minor changes to the new police reform law. During the one-day special session on Aug. 12, the Legislature made a few minor changes to the Police Accountability Act that was passed in the second special session in July. As expected, the DFL-controlled House extended Gov. Tim Walz's pandemic-related emergency powers, which have been in place since March. Like the special sessions in June and July, the Republican-controlled Senate passed a resolution to end that emergency. But a House motion to take up its own resolution to end the emergency was again unsuccessful. Both chambers must vote to end a peacetime emergency.

The Legislature also passed two bills, and in a surprise move, the Senate took up and rejected the confirmation of one of Gov. Walz's cabinet members, Department of Labor Nancy Leppink. This means the Commissioner must leave her position. As anticipated, the House and Senate did not take up a bonding bill. They most likely did not have the votes in either body to meet the supermajority threshold need to pass a borrowing bill. The passage of a bonding bill in August would have interfered with the Minnesota Management and Budget (MMB) August 2020 bond sale. MMB annually sells bonds in August to meet cash flow needs for previously authorized projects.

- **2021 Budgets.** Included in your packets is a first look at the 2021 budgets. Overall, it's coming together efficiently and that this preliminary look falls below what you've seen the past few years. Debt service makes up a large chunk as does wage and salary allocations. We should be on track to finalize a preliminary levy at the second meeting in September. Tonight's feedback will help us dictate the preliminary levy set next month. I expect to set the preliminary levy above what we will finish with in December however, the changes are entirely up to the Council's will. Nancy and I will be presenting this first look tonight during the WorkSession.
- **Park Board Update.** The Park and Rec Board met to discuss various projects including the Aquatic Center and its summer operations. Use has been strong, though as is typical,

its tailing off in August. The big highlight of the meeting was the conversation regarding the historic wall at Veteran's Park. The Board reviewed information provided by Ron Unger. All totaled up the costs are between \$61-66k. This includes required work on the wall and cement work in the base and sidewalk. This expense is far better than the one from last year. However, it still would require an additional 2% levy increase to fund, if further cuts were not made. The Council will be reviewing this item at its September 9th meeting.

- **Organized Waste Hauling and Recycling.** Recently I have been asked why the City does not have unified Waste Hauling or Recycling. I am sure that the Council has discussed this topic in the past however, it seemed prudent to review the options once again. The goal of the organized waste hauling system is to reduce the number of waste hauling trucks on City streets; to reduce wear and tear on roads; to reduce noise and air pollution; as well as to reduce the costs of trash hauling services for most residents. Additionally, an organized system is expected to increase recycling options and improve the quality of customer service to the community.

Through a competitive proposal process, the City would negotiate an agreement with a waste hauling company that fulfills the project requirements. Council would consider the proposed agreement and the related ordinance as part of the regular meeting, and the Public Hearing would provide tons of feedback from constituents. In many communities these services are best used as a collective and indeed this would likely provide a better price for the residents. Please let me know if you have any thoughts on this issue.

- **CMPAS Updates.** Last Wednesday the CEO of our electric purchasing agency partner CMPAS, was separated from active employment. This was based upon a number of factors including a difference in opinion in the direction of the organization. This was authorized and approved unanimously by the CMPAS Board of Directors. Currently, the CFO Malinda Hibben is the acting CEO and I have been asked to serve on the CEO hiring committee. I expect this process to take several months, but it should not have a significant impact on my time management. I also want to stress that the City of Kasson should not see any material impacts in terms of quality or service. Jarrod Nelson, our Electric Supervisor, will continue working with other staff to facilitate the 3 reports that we are expecting, the distribution study, transmission study and generation study.
- **Facility Upgrade Proposals.** At our last Council meeting there were 2 proposals/pitches the Council heard, one from ICS and one from Market Johnson. In response to some Councilmember questions, both companies have provided some examples of projects they have worked on in the recent past. Additionally, the folks from ICS also indicated that if the Council preferred, they could use the Five Bugles designers for the fire hall portion itself. Councilmembers received that info last week. I expect a good discussion tonight and which way the Council would like to proceed.
- **Rural Broadband Speed Test Initiative.** The Minnesota Rural Broadband Coalition announced on Aug. 3 the launch of the Minnesota Speed Test Initiative. The statewide testing initiative, mapped by GEO partners, expands on the successful mapping pilot program in St. Louis, Koochiching, and Itasca counties led by the Range Association of Municipalities and Schools. The initiative seeks to provide more granular house-by-house

house broadband speed data to address a longstanding concern from underserved and unserved cities across the state that vague mapping at the census block, township, and county level has led to inaccurate broadband speed mapping.

I took the test here at City Hall and our own KM Telcom has nothing to be ashamed of. Try it yourself here: <http://mnruralbroadbandcoalition.com/speedtest>

- **Natural Gas Franchise**. Included in your packet is an update regarding the charges that other area cities have for their natural gas fees. Paul O’Sullivan provided information regarding their preferred methodology. It’s likely some sort of base fee and usage amount could be the best way to facilitate implementation. I believe that segmenting out this revenue would provide us the most prudent solution and make this an easier progression. Stewartville’s would be an interesting one, however many other examples also exist. Overall, this would allow us to offset the costs of have debt service related to a Public Safety Facility update.

FYI, budget review tonight during the Worksession, and the Capital items list will also be available. One item that is capital but not general fund is a new bucket truck for the Electric Department. It is estimated to come in at \$250,000.

Meetings and Events Attended or Planned

August 3	Budget Meetings
August 4	Budget Meetings CMPAS Conference Call EDA DC Youth Hockey
August 5	Budget Meetings EMS Committee
August 6	Budget Meetings City Engineer Bigelow Voight 8 th prelim Review South Pointe Review
August 10	P&Z Board
August 11	Sump Pump Discussion
August 12	Chamber of Commerce Worksession Regular Council
August 13	Safety Inspection-Liquor Store
August 18	Electric Service Territory call-Xcel Brian Todd-Post Bulletin Park Board
August 19	CMPAS Meeting-Mankato, MN
August 20	City Engineer Brad Scheib-P&Z
August 24	City Hall Contractor Review
August 25	City Code Finalization
August 26	CEO search Committee