

## KASSON ECONOMIC DEVELOPMENT AUTHORITY MEETING

Tuesday, November 3<sup>rd</sup>, 2020

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 3<sup>rd</sup> day of November 2020 at 12:00PM.

The following board members were present: Dan Egger, Chris McKern, Liza Larsen, Tom Monson, Kathy O'Malley, and Michael Peterson.

Absent: Janice Borgstrom-Durst.

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

- I. Call Meeting to Order. Egger called the meeting to order at 12:00PM.
- II. Approve Minutes of the Previous Meeting. Peterson motioned to approve the October minutes. Monson seconded.  
  
Ayes (6), Nays (0). Motion carried.
- III. Financial Report. Ouellette reported no major changes to note in the financial report. Ouellette clarified all EDA loans were being repaid on time.
- IV. Dodge County Youth Hockey. CJ Reiner, a Board Member with Dodge County Youth Hockey, introduced himself to the EDA Board. Reiner provided some background on the history and growth of youth hockey in Dodge County. Reiner presented the concept of constructing a new ice rink arena complex on city-owned land in Southwest Kasson. Reiner noted approximately \$12,900,000 would be needed to build the entire ice arena complex, but it is expected to be constructed in phases over a number of years. Phase 1 would consist of an ice rink with seating for at least 1,000 spectators and cost approximately \$9,000,000. Phase 2 would see the construction of a second ice rink and cost approximately \$4,000,000. Dodge County Youth Hockey is exploring all options to finance the project, such as raising private capital through sponsorships, grants, and subsidies available through the EDA. Monson discussed possible tools the hockey association could explore to save funds for the project. City Administrator Ibisch discussed the upgrades needed to service possible land for the ice arena complex. City Engineer Brandon Theobald noted it would take a significant amount of infrastructure upgrades to make the proposed site developable.
- V. Downtown Lots – Tax Increment Financing District. Ouellette reviewed discussion from the last meeting and presented a resolution to suspend the accrual of interest on a loan from the EDA to TIF District 1-17. Ouellette requested further discussion on what the EDA would like to do with the lots moving forward.

Monson motioned to approve EDA Resolution #11.03-20 to Suspend Interest Payments Due to the City of Kasson Economic Development Authority by Tax Increment Financing District No. 1-17. McKern seconded.

Ayes (6), Nays (0). Motion carried and Resolution #11.03-20 approved.

Discussion on this agenda item continued following approval of the resolution. Ouellette noted there was no benefit to decertifying the TIF district and that leaving it in place leaves the possibility that the EDA loan could be paid back by the TIF district. Ouellette plans to reconvene a meeting of the Downtown Lots subcommittee to move forward with plans to improve the space for a park. Ouellette will also repost the lots on the EDA webpage for available commercial lots.

- VI. Southwest Land Discussion. City Engineer Brandon Theobald was in attendance to present a concept plan for the Southwest Land to the EDA Board. Ibisch noted zoning on the concept plan was changeable, and would likely be delineated as a “development holding district” under the City’s new zoning definitions. Theobald reviewed some of the major considerations from an engineering standpoint and how the project breaks up into two phases. Theobald defined the two phases as commercial/industrial development (first) and residential development (second) as the Board had requested both types of development be considered for the land. Theobald described some of the challenges to development in the western portion of the parcel such as the condition of 8<sup>th</sup> Street, extension of utilities, and the varied topography. Theobald continued to describe how he considered development of the parcel would tie into surrounding parcels and existing infrastructure. Theobald noted the ponds on the concept plan were not sized and have the potential to be smaller than expected. He also noted that road access to the eastern portion of the parcel would have to cross privately owned land, this could affect the cost and feasibility of the project and an agreement would have to be reached with the property owner. Theobald explained the purpose for seeking industrial development on the parcel is the availability of grants to cover the cost of infrastructure for industrial development.

Monson discussed the benefit of segmenting different types of development, especially developing industrial parcels in a single phase which would work well for a BDPI program grant from DEED. Ibisch brought up that the ice arena development would not be considered eligible for a BDPI grant as it is considered an entertainment venue. Monson noted it could be eligible for a USDA community facilities program. Peterson noted his concern that residential could end up between an ice arena and industrial development which could hinder marketability of the residential segment. Ibisch recalled that at the last meeting the Board had considered developing high-density development on the north-side of the road through the prospective industrial development area. Ibisch described the importance of developing industrial and commercial parcels in Kasson, especially so close to the major transit node of Highway 57 and Highway 14. Ouellette noted the residential development doesn’t have to be low density, where this space could be considered for intermediate housing for residents not quite ready to afford or move into single family homes. Ibisch continued that he sees this development as similar to those on West Circle

Drive in Rochester, where there are commercial/industrial developments that transition into large apartments, which then transition into single family residential properties. Moving forward it will be important to identify an end user for the industrial development. Ouellette requested Theobald to come up with more accurate estimates for the cost of infrastructure development for both phases. Theobald will also update the concept plan to reflect the Board's vision for development.

- VII. Coordinators Report. Ouellette reviewed the items in his Coordinator's report. Ouellette brought up Trail Creek Roasters request to enter a contract to deed agreement on the building they currently rent from the City. The Board was open to entering discussion with Trail Creek Coffee roasters.
  - VIII. City Administrators Report. No discussion.
  - IX. Other Business/Open Discussion. No other business was discussed.
  - X. Items for the December EDA Meeting. Updates on the SW Land development project, 2020 tax abatement approval.
  - XI. Adjourn. Peterson motioned to adjourn the meeting. McKern seconded.
- Ayes (6), Nays (0). Motion carried. Meeting adjourned at 1:05PM.

The next meeting will be held at 12:00PM on December 1<sup>st</sup>, 2020.

Minutes Submitted by: \_\_\_\_\_  
Nicholas Ouellette, EDA Coordinator

\_\_\_\_\_  
Dan Egger, EDA President