

KASSON ECONOMIC DEVELOPMENT AUTHORITY

Kasson City Hall
Tuesday, March 2nd, 2021
12:00 PM

I.	Call Meeting to Order	
II.	Approve Minutes of the Previous Meeting	1
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IX.	Adjourn	

The next EDA Board meeting will be held on Tuesday April 6th, 2021

KASSON ECONOMIC DEVELOPMENT AUTHORITY MEETING

Tuesday, February 2nd, 2021

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 2nd day of February 2021 at 12:00PM.

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

Absent: None.

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

- I. Call Meeting to Order. Egglar called the meeting to order at 12:00PM.
- II. Approve Minutes of the Previous Meeting. Borgstrom-Durst motioned to approve the October minutes. O'Malley seconded.

Ayes (6), Nays (0). Motion carried.
- III. Financial Report. Ouellette noted no income for fund 225 and that the EDA had received its first budget allocation for 2021. Ouellette noted Gibbs Partnership paid off its remaining loan balance and all other loans had posted regular payments.
- IV. Annual Report. Ouellette presented the report to the EDA. Ibisch plans to present the annual report to City Council pending EDA Board approval. McKern motioned to approve the Annual Report. O'Malley seconded.

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

Ibisch brought up the tax abatement for Gibbs Partnership and whether that transferred to the new owners. Ouellette will review the tax abatement agreement for an answer.

- V. 2021 Priorities. Ouellette reviewed some of the potential EDA priorities to achieve in 2021. Ouellette asked the Board to determine priorities for 2021 to direct his work through the year. Ibisch mentioned one of the priorities he had raised would be to clean up and redevelop the Hindermann Concrete site. Borgstrom-Durst recommended Ouellette reach out to the property owner to discuss their interest in such a project. O'Malley brought up the project to preserve the WPA wall and whether Ouellette had been in touch with community members raising funds for the project. Ouellette had been in touch with some members of the community raising funds for the project and will investigate possible grant opportunities to help raise funds for the project. Ibisch raised the subject of community foundations and how re-establishing such a group in Kasson could be used to help support efforts such as this. McKern discussed that a community foundation had existed in the past

and could be easily re-established. Monson agreed a community foundation would be a good priority to pursue. Monson also discussed the possibility to identify and train community members to be leaders through a leadership training program. Monson also noted it would be beneficial to reach out to other communities impacted by the Highway 57 reconstruction project. For priorities, Monson would like to see relief efforts for COVID-19 and Highway 57 reconstruction and work on a community foundation. McKern agreed a community foundation should be a priority for the EDA. McKern also expressed interest in exploring what opportunities exist to clean up and redevelop the Hindermann parcel. O'Malley brought up Main Street as a priority for discussion. McKern discussed his observations of Main Street in Kasson, and how community members and property owners get out what they put into Main Street. Peterson noted Kasson's Main Street is heavily dominated by service businesses and is not as attractive for retail businesses. Ibisch brought up that with Main Street it's really up to the EDA how far they want to take it. Outside of a large-scale intervention, Ibisch noted it would be difficult to effect major change without buy-in from property and business owners. Ouellette will begin work on the priorities of Hinderman parcel redevelopment, reestablishing a community foundation, and programs to assist businesses during Highway 57 reconstruction.

- VI. Downtown TIF Fees. Ouellette reviewed the annual fees for TIF District 1-17, which include an administration fee and publication fee. Ouellette requested the Board motion to approve payment for these fees. McKern motioned approve payment for the TIF District fees. Borgstrom-Durst seconded.

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

- VII. Coordinators Report. Ouellette reviewed the following items from his Coordinators report:
- i. State-County business and nonprofit relief grants outreach conducted in Kasson;
 - ii. Research into grants to preserve the WPA wall, with plans to submit grant applications this month;
 - iii. Meeting with Trail Creek Coffee Roasters regarding a purchase of the Old Library Building;
 - iv. Dodge County Youth Hockey subcommittee;
 - v. Butler coworking space project updates;
 - vi. Post Bulletin article on Kasson businesses; and
 - vii. EDA election results.

- VIII. City Administrators Report. Ibisch presented his Administrators Report. Ibisch mentioned a public engagement meeting scheduled for February 10th over zoom to collect input on priorities to upgrade public facilities.

- IX. Other Business/Open Discussion. Ouellette discussed the creation of a subcommittee to manage discussions with Dodge County Youth Hockey. Ibisch recommended Ouellette reach out to the new EDA board member to see if this would interest him. Ouellette also requested the Board approve a \$500 contribution to the Southern Minnesota Initiative Foundation. Eggler motioned to approve a \$500 contribution to SMIF. Peterson seconded.

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

X. Items for the March EDA Meeting. Business Façade Improvement Program application, Butler coworking, 2021 priorities, Gibbs Tax abatement, and possible updates on wall preservation grants.

XI. Adjourn. McKern motioned to adjourn the meeting. Monson seconded.

Ayes (6), Nays (0). Motion carried. Meeting adjourned at 12:49PM.

The next meeting will be held at 12:00PM on March 2nd, 2021.

Minutes Submitted by: _____
Nicholas Ouellette, EDA Coordinator

Dan Egger, EDA President

02/26/21
17:01:31

CITY OF KASSON
Balance Sheet
For the Accounting Period: 2 / 21

Page: 1 of 3
Report ID: L150

225 EDA FED MIF

Assets

Current Assets

CASH-OPERATING	103,312.04	
LOAN PRIN REC-WHITMARSH	2,689.21	
LOAN PRIN REC- 1760 MILLWORK	73,543.65	
LOAN PRIN REC-GIBBS	0.02	
LOAN PRIN REC- L & A (MAIN STREET FITNESS)	32,613.34	
LOAN PRIN REC- DOLLAR VIDEO	13,750.60	
SPECIAL ASSESSMENTS--DEFERRED	5,854.07	

Total Current Assets		231,762.93

Total Assets	-----	231,762.93
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Liabilities and Equity

Current Liabilities

Deferred Revenue Assessments	5,854.59	

Total Current Liabilities		5,854.59

Total Liabilities	-----	5,854.59
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Equity

UNRESERVED FUND BALANCE	225,138.93	
CURRENT YEAR INCOME/(LOSS)	769.41	

Total Equity		225,908.34

Total Liabilities & Equity	-----	231,762.93
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02/26/21
17:01:31

CITY OF KASSON
Balance Sheet
For the Accounting Period: 2 / 21

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Report ID: L150

226 EDA RLF

Assets

Current Assets

CASH-OPERATING	77,862.00
DAISY MAE CONSIGN PRIN RECEIVABLE	2,100.00

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

UNRESERVED FUND BALANCE	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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02/26/21
17:01:31

CITY OF KASSON
Balance Sheet
For the Accounting Period: 2 / 21

Page: 3 of 3
Report ID: L150

290 Economic Development

Assets

Current Assets

CASH-OPERATING	53,272.37
DUE FROM OTHER FUNDS	81,677.89
PREPAID ITEMS	10.00

Total Current Assets	134,960.26
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Total Assets	134,960.26
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Liabilities and Equity

Current Liabilities

ACCRUED WAGE/SALARY PAYABLE	413.59
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Total Current Liabilities	413.59
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Total Liabilities	413.59
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Equity

UNRESERVED FUND BALANCE	149,942.91
CURRENT YEAR INCOME/(LOSS)	(15,396.24)

Total Equity	134,546.67
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Total Liabilities & Equity	134,960.26
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02/26/21
17:01:49

CITY OF KASSON
Income Statement by Department
For the Accounting Period: 2 / 21

Page: 1 of 2
Report ID: L140

225 EDA FED MIF

	Actual Period to Date	%	Actual Year-To-Date	%	Annual Budget "	Variance
Revenue						
Community/Economic Development						
3621 INTEREST EARNED	321.86		769.41		0.00	769.41
Total Department	321.86		769.41			769.41
Total Revenue	321.86	100.00	769.41	100.00	0.00	769.41
Net Income (Loss)	321.86		769.41			

02/26/21
17:01:49

CITY OF KASSON
Income Statement by Department
For the Accounting Period: 2 / 21

Page: 2 of 2
Report ID: L140

290 Economic Development

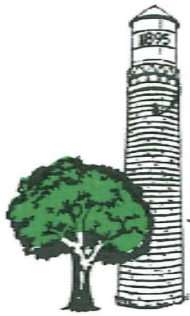
	Actual		Actual			
	Period to Date	%	Year-To-Date	%	Annual Budget "	Variance
Revenue						
Community/Economic Development						
3101 CURRENT AD VALOREM TAXES	0.00		0.00		88,223.00	-88,223.00
3621 INTEREST EARNED	0.00		0.00		500.00	-500.00
Total Department					88,723.00	-88,723.00
Total Revenue					0.00 100.00	0.00 100.00 88,723.00 -88,723.00
Expenses						
Community/Economic Development						
Community/Economic Development						
101 FULL-TIME EMPLOYEES - REGULAR	988.65	52.94	1,919.65	12.47	11,700.00	9,780.35
121 EMPLOYER PERA CONTRIBUTIONS	74.15	3.97	143.98	0.94	878.00	734.02
122 EMPLOYER FICA CONTRIBUTIONS	59.22	3.17	114.86	0.75	725.00	610.14
123 EMPLOYER MEDICARE CONTRIBUTION	13.85	0.74	26.86	0.17	170.00	143.14
130 EMPLOYER PAID INSURANCE	178.55	9.56	357.11	2.32	5,500.00	5,142.89
150 WORKER'S COMPENSATION	0.00		73.00	0.47	100.00	27.00
210 OPERATING SUPPLIES	30.65	1.64	56.62	0.37	500.00	443.38
303 ENGINEERING FEES	0.00		0.00		1,500.00	1,500.00
304 LEGAL FEES	0.00		0.00		2,500.00	2,500.00
321 TELEPHONE	22.58	1.21	45.16	0.29	500.00	454.84
325 COMMUNICATION-OTHER	0.00		155.00	1.01	200.00	45.00
333 STAFF MEETINGS & CONFERENCES	0.00		0.00		400.00	400.00
334 MEMBERSHIP DUES AND FEES	0.00		75.00	0.49	500.00	425.00
343 OTHER ADVERTISING	0.00		0.00		5,000.00	5,000.00
351 LEGAL NOTICES PUBLISHING	0.00		0.00		100.00	100.00
360 INSURANCE	0.00		0.00		400.00	400.00
414 COMMERCIAL PROGRAMS	0.00		375.00	2.44	10,000.00	9,625.00
430 OTHER SERVICE/CHARGES-MISC.	500.00	26.77	520.00	3.38	3,500.00	2,980.00
440 PROFESSIONAL SERVICES	0.00		300.00	1.95	800.00	500.00
444 OTHER CONTRACTUAL SERVICES	0.00		11,234.00	72.97	43,750.00	32,516.00
Account Total						
	1,867.65	100.00	15,396.24	100.00	88,723.00	73,326.76
Total Department					88,723.00	73,326.76
Total Expenses					88,723.00	73,326.76
Net Income (Loss)					-1,867.65-100.00	-15,396.24-100.00

EDA Loans

Loan Name	Origination Date	Original Amount	Interest Rate	Monthly Payment	Term/ Due Date	12.31.20 Balance	Prin Recvd YTD	1.31.21 Balance
L & A(Main Street Fitness)	4/29/2009	\$ 75,000	3.0%	415.95	20 years 4/29/2029	36,762	4,149	32,613
Dollar Video	8/1/2009	\$ 50,000	3.0%	345.29	14 years 9/1/2024	14,370	620	13,751
Gibbs	10/14/2015	\$ 80,000	3.0%	772.49	10 years 1/1/2026	43,653	43,653	0
Millwork	7/1/2016	\$ 90,000	3.0%	499.14	20 years 6/1/2036	74,172	628	73,544
Whitmarsh	6/28/2018	\$ 5,000	4.75%	90	5 years 7/1/2023	2,847	158	2,689

EDA RLF Loans

Loan Name	Origination Date	Original Amount	Interest Rate	Monthly Payment	Term/ Due Date	Loan 12.31.20	Prin Recvd YTD	1.31.21 Balance
Daisie Mae Consignements	5/1/2020	\$ 2,400	0.0%	100	11/1/2022	2,300	100	2,200



TREE
CITY
USA

CITY OF
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: February 25, 2021

Re: Business Façade Improvement Program Application

Kasson United Methodist Church Application

Kasson United Methodist Church has submitted a BFIP application to add handicap door openers to the office and main entrances. Work on this project will be conducted by G-Matic Systems, Inc. The total project cost is \$8,740, and the matching grant request is for \$2,000. The project is not located on a commercial building or lot. Attached are the application and supporting documents.

Action Requested:

It is requested the EDA motion to approve or deny the project application from Kasson United Methodist Church for the installation of two handicap accessible door openers.

Business Façade Improvement Program – Application
Kasson Economic Development Authority

Name: Kasson United Methodist Church Date: 1-27-2021

Business: Church

Email: gonefishin2125@gmail.com Phone: 507-635-2411

Mailing Address: PO Box 523

City/State/ZIP: Mantorville, MN 55955

Project Address: 801 5th Ave NW Kasson, MN 55944

Project Summary: Handicap door openers

Total Project Cost: 8740.⁰⁰
+ wiring

Total Amount Requested: 2000.⁰⁰

Application Certification

We, the undersigned certify that the information submitted is true and accurate to the best of our knowledge, that we have read, understand, and will comply with the program guidelines. We understand that this application will be reviewed based on the information provided herein and that if the final project does not meet minimum program guidelines, the City reserves the right to deny payment. We confirm that if approved, the City may use the approved company's name and information in promotional/publicity materials, events, etc.

But for the assistance provided through this program by the Kasson Economic Development Authority, we would not have the resources to complete this project to the extent that we will with assistance.

LARRY BERGMAN'S TRUST MARV Jensen Finance Chairman
Name/Title (printed) Name/Title (printed)

Larry Bergman 1-27-21 A. Marv Jensen 1-27-2021
Signature Date Signature Date

NO WORK MAY BEGIN PRIOR TO EDA APPROVAL



G-MATIC SYSTEMS, INC.
2635 Highway 14 West
Rochester, MN 55901 7597
(507) 280 8580 Fax (507) 280 8340

Automatic Door Sales and Service

Kasson United Methodist Church
Attention: Marv Jensen

January 26th, 2021
Quote # 21-313

Re: Office Entrance
Low-Energy Door Operators

Mr. Jensen,

To furnish and install the following Automatic Door Equipment we quote: Four Thousand Three Hundred Seventy Dollars (\$4,370.00). This price includes freight and one-year warranty on material and workmanship. (This price is in effect for 30 days.)

Equipment Includes:

- | | |
|---|--|
| 2 | Stanley Magic-Force Operator-Dark Bronze |
| 2 | 900MHz Wireless Push Plate Switch |

Equipment will be installed by AAADM Certified Technicians.

Exclusions:

- 115 Volt Circuit to Header
- Backing for Header Mounting if Needed
- Doors, Frames and Hardware
- Push Plate Bollards

If you have any questions, please don't hesitate to call.

Sincerely,

Daniel S. Martinmaki
President/CEO



G-MATIC SYSTEMS, INC.
2635 Highway 14 West
Rochester, MN 55901 7597
(507) 280 8580 Fax (507) 280 8340

Automatic Door Sales and Service

Kasson United Methodist Church
Attention: Marv Jensen

January 26th, 2021
Quote # 21-314

Re: Main Entrance
Low-Energy Door Operators

Mr. Jensen,

To furnish and install the following Automatic Door Equipment we quote: Four Thousand Three Hundred Seventy Dollars (\$4,370.00). This price includes freight and one-year warranty on material and workmanship. (This price is in effect for 30 days.)

Equipment Includes:

- | | |
|---|--|
| 2 | Stanley Magic-Force Operator-Dark Bronze |
| 2 | 900MHz Wireless Push Plate Switch |

Equipment will be installed by AAADM Certified Technicians.

Exclusions:

- 115 Volt Circuit to Header
- Backing for Header Mounting if Needed
- Doors, Frames and Hardware
- Push Plate Bollards

If you have any questions, please don't hesitate to call.

Sincerely,

Daniel S. Martinmaki
President/CEO

1/27/2021

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1/27/2021

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Economic Development Authority Coordinators Report

Nicholas Ouellette

February 2, 2021 – March 2, 2021



State/County Business Relief Grants

The deadline for the Dodge County Business and Nonprofit Relief Grant Program has been extended to March 1 and eligibility requirements have been lowered. The County EDA Committee will meet the week of March 1st to review all applications and recommend grant awards.

WPA Wall & Pillars Preservation

I reached out to Senator Senjem's office with a request the WPA Wall and Pillars preservation project be considered for funding through a Legacy Bill. Senator Senjem is a member of the Legacy Finance Committee. A bill has been drafted to allocate funds towards the preservation project. The bill will be up for consideration by the Legacy Finance Committee in March.

I have prepared an application for People's Coop Operation Round-Up grant program. Once I am able to determine the level of funding attained for the project, I will submit the application. Approximately \$22,500 in private donations have been collected by community members, with an additional \$10,000 in pledges.

Business Façade Improvement Program

I shared a copy of the program guidelines and application with the Smiling Moose gift shop and café, and plan to follow up by phone if they have any questions. It is important to share the program with new and prospective businesses in Kasson. An application from the Kasson United Methodist Church has been included in the packet for review.

CEDA Market Intelligence Dashboard Tool

I have requested an update on the status of the market study for Kasson. At the time of writing this report I have not received a response.

Butler – Coworking

City Administrator Ibsich and myself met with Beth Sherden, who is managing the coworking space project on behalf of the Butlers. I will be researching programs and funding opportunities that could support the project.

Property Listings & LOIS

I received and posted a property listing for 21 West Main Street. I will also begin posting property listings to the Location One Information System (LOIS) database. The City has free access to the service, and listings could possibly be integrated into the new website.

Next Move Group

City Administrator Ibsich and myself met representatives from Next Move Group, an economic consultancy group, for a presentation on their services. Some services of interest included website banner ads and economic development webinars.

SW Land Concept Plan - Newsletter Article

An article on the concept plan for development on the SW parcel has been submitted for the CEDA newsletter. If you haven't already, please sign up for the CEDA newsletter on the CEDA website: <https://www.cedausa.com>.

Hindermann Concrete Plant

The Hindermann Concrete plant is listed for sale by Edina Realty for \$295,000. I have arranged for a tour following the March 2nd EDA meeting. All Board members are invited to attend the tour.

Kasson Chamber of Commerce

I will attend the March Chamber of Commerce meeting to share the EDA's programs and priorities for 2021. I will also discuss Highway 57 reconstruction with respect to how the EDA can support businesses through the project.

Dodge County Youth Hockey

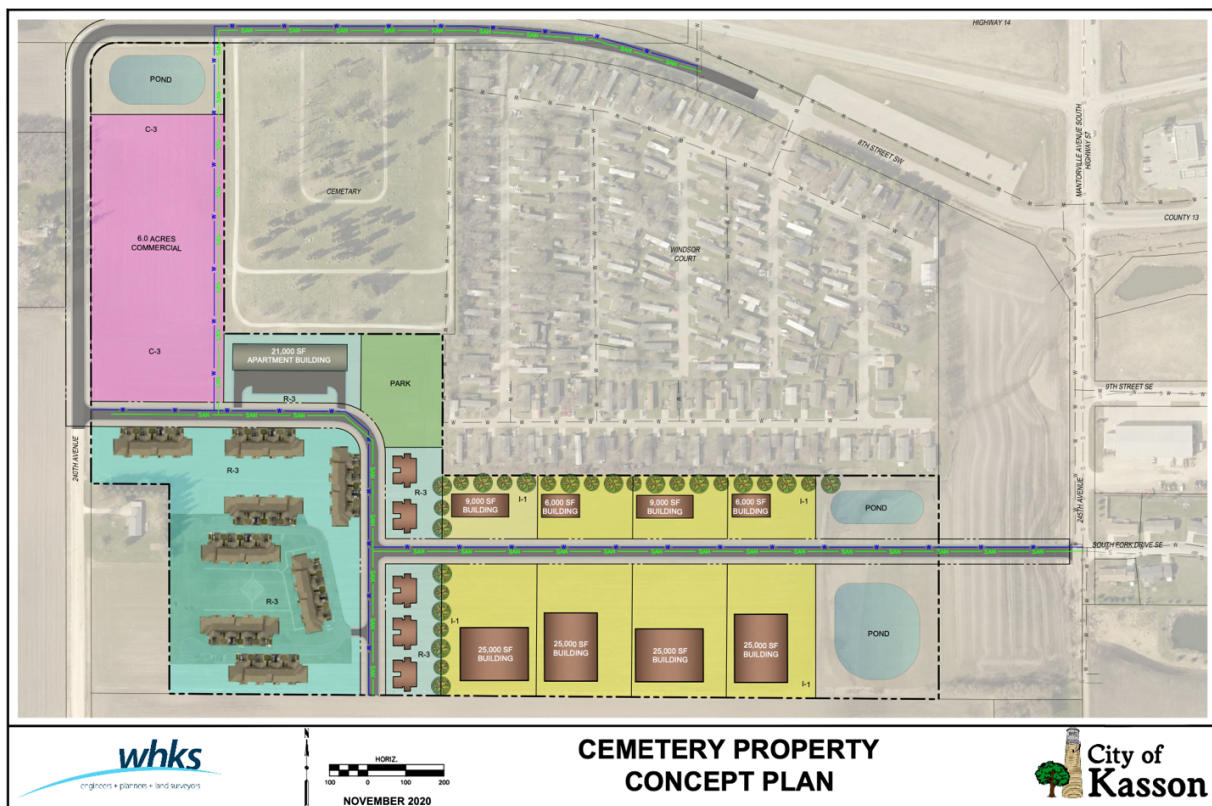
I plan to set some time aside to search for other grants or other resources that might assist with a market study.

Other Meetings

I met with a business potentially moving into Kasson to discuss potential business subsidies. I also met with a business to share information on available commercial rental space on Main Street.

Kasson EDA Completes Concept Plan for City-Owned Land

Following months of discussion and consideration, the Kasson EDA has finalized a concept plan for City-owned land in Southwest Kasson. The EDA Board set a goal to create a marketable project for the 44-acre parcel. The City-owned parcel allows the Kasson EDA to effectuate their vision for future commercial, industrial, and workforce housing development in the city. CEDA team member Nicholas Ouellette coordinated planning and design exercises with the EDA Board to generate discussion and ultimately organize the EDA's vision for future development on the parcel. The concept plan "meets the City of Kasson's ready for growth mantra" says City Administrator Timothy Ibsch, "which the EDA could decide to implement now in the future". The concept plan breaks development of the parcel into two phases, one phase for commercial and industrial development, and a second phase for residential and/or commercial development. The northwest portion of the parcel could be an attractive location for commercial businesses as it has high visibility from Highway 14. The purpose for seeking industrial development on the parcel is the availability of grants to assist with the cost of infrastructure development. The project was a positive exercise for the Kasson EDA to consider what future development could be and how the EDA might involve itself.





To: City Council

Date: 2/24/2021

Agenda Heading: City Administrator's Report

"Give me a one-handed economist! All of them say, "On the one hand...but on the other..."
--Harry S. Truman

- **State Revenue Collections Exceed Forecast in January.** The state received additional positive budgetary news last week as Minnesota Management and Budget (MMB) released its monthly Revenue Review. The strong showing offers continued assurance that cities will receive their expected local government aid in 2021. According to the report, Minnesota's net general fund receipts for the month of January are now estimated to total \$2.403 billion, which is \$296 million (14.1%) more than projected in the last full state budget forecast in December. For fiscal year 2021, year-to-date receipts are now \$459 million (3.5%) more than forecast. The higher-than-expected revenues were achieved because individual income tax, sales tax, and corporate income tax collections exceeded the forecast.

The December state budget forecast had already reported considerably better budget news, largely due to higher-than-projected revenues. A deficit projected in May 2020 for the remainder of the current biennium was erased, and a positive budgetary balance of \$636 million was projected. The Legislature reduced that positive balance to \$393.5 million in December with a supplementary pandemic relief bill that appropriated \$242 million. The money went largely to businesses impacted by the pandemic. MMB will issue the next full state budget forecast around March 1. It will serve as the foundation for any short-term budget changes and for the 2022-2023 biennial budget. Optimistically we budgeted for LGA shortfall, if that does not occur, we should have the resources necessary to handle the Library exterior reconstruction without looking at outside financial sources.

- **Dodge County Board Review.** The City Engineer and I attended the Dodge County Board meeting this week. We discussed a number of items with them including the Water Tower easement, County fairgrounds water connection extension, fairgrounds trail addition, the 16th street retention pond and easement for the extension of 16th Street, and the accessibility concerns regarding the 16th Street roundabout. We will need to continue collaborations with the County in order to move many of these projects forward in a timely manner. We know that the Water Tower and 16th Street projects will likely move forward next year, and I will be budgeting to complete the other components as well. Right now, it seems likely that next year will also include the 57-highway reconstruction and we should be starting the public engagement part of that project in the near future. Fortunately, most residents are now familiar with the project

and its scope as well as the roundabout portion. However, I believe it will come down to the MN DOT to determine the final concept. I am not sure what that will look like. We also are expecting to assess for a part of this project and those calculations will need to be completed before we hold our public hearings in the fall of 2021.

- **CMPAS Update.** Kasson hosted the February meeting and our new space was very well received. Many of the members commented on how nice it looked. The meeting was very in-depth and a big topic of discussion was the power issues raging throughout the southern part of the US. We also reviewed the City's power portfolio at length. I have included a document for your review. We will have a need to add renewable over the next 5 years, but right now we are in full compliance based on the current laws and rules. Another area that we discussed was the increased costs of power as the government mandates a switch from coal, oil and natural gas to solar and wind. These power sources are approximately 3 times more expensive and cannot currently provide baseline power. Hopefully, capacity technology will continue to improve or the nationwide grid will not be sustainable. Passing along the heightened costs of power to our customers is also not something that is realistic in my opinion. In 2021, we should be able to maintain our 25% return on equity, however it will continue to narrow over the 5-year period. The implementation of the AMI package should enable us to increase efficiency and I will be pursuing increasing our customer base this year as well. We have a number of customers in our service area that we could serve that we are not served and acquiring the service territory would be a good investment in my view.

The CEO search will hopefully be coming to an end soon. I am scheduled to be in the metro for much of March 10-12th. At the end of that process, they should have a new leader. All 3 of the finalists seem very qualified.

- **COVID-19 Relief Package Includes Direct Aid to Cities.** The House Oversight and Reform Committee last week released bill text that will form the framework for what is expected to be a \$1.9 trillion COVID-19 relief package. For cities across the country, the local aid section of the reconciliation provision includes \$350 billion in aid to states, cities, counties, tribes, and territories. This has been a key priority for the League of Minnesota Cities and the National League of Cities. From the \$350 billion, \$130 billion will be set aside for local governments, equally divided between municipalities and counties. The \$65 billion for municipalities will be allocated to all 19,000 cities, towns, and villages according to a modified Community Development Block Grant (CDBG) formula. Under that formula:
 - \$45.5 billion will be split among all municipalities that are designated CDBG entitlement cities (generally, cities with populations above 50,000).
 - \$19.5 billion will be split among cities not designated CDBG entitlement cities (generally, cities with populations below 50,000) and will be allocated based on population.
 - There are no deadlines for the funds to be expended, and eligible expenditures will include the replacement of lost revenue.

Other provisions in separate sections of the bill framework that are notable to cities include: \$29 billion in additional federal assistance for homeowners and renters, with utility payments included as an eligible use. \$19.05 billion in funding to the Department of Treasury for emergency rental and utility assistance allocated to states, territories,

counties, and cities to assist renters and property owners. \$30 billion to assist with transit operating costs, payroll, and personal protective equipment. The committee is likely to advance the state and local aid section, which will then be referred to the House Budget Committee, where it will be added to other sections that will form the overall aid package. I have some serious concerns about the long-term effects of this monetary stimulus, and its impact on inflation and the national debt load, however in the short-term it will benefit the City and its residents.

- **Ice Area Meeting.** Earlier today we had an Ice Arena meeting. The Ice Arena fund faced many challenges this year with a difficult working environment and several requirement shutdowns. It did not perform inline with budget expectations. However, considering the circumstances I believe that the staff did a very good job and they maintained a professional attitude as well. I am not sure that the long-term prognosis for this venture is entirely suitable for the City to continue in, it does not seem to be a revenue generator and has had a positive ROI only once in the last 5 years. I advise the Council to review its options and make efforts to clarify the status of this fund. One avenue would be to enlist the support of additional partners whether public (ISD) or private (hockey associations). This might make operational viability as a going concern more likely and practical. Dodge County's continued involvement is also something that must remain in order that we can operate successfully, if that were to cease then we would need to look for other options.

Meetings and Events Attended or Planned

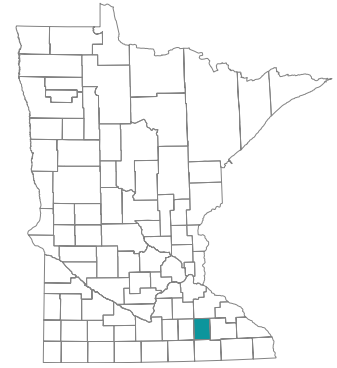
February 2	EDA Meeting about Co-working space-Beth Sherden
February 4	City Engineer Kasson Meadows review-Les Conway
February 5	Margit Barot-Energy Efficiency project
February 8	Planning and Zoning
February 9	MNSU Career Day Library Board
February 10	MMUA Legislative Conference (virtual) Chamber of Commerce Regular City Council
February 11	City Engineer
February 16	MCMA Member Connect Dodge County Staff review
February 17	CMPAS meeting
February 18	City Engineer Call TIF training
February 19	City Attorney/Justin Templin
February 23	Dodge County Board Community & Economic Development Associates
February 24	CEO Assessment-Dr. Baumann Ice Arena Meeting Regular City Council

2021 County Profile

Dodge

7,756 Households

| SOUTHERN REGION



Access to safe, affordable homes builds a strong foundation for families and communities. But too many Minnesotans lack good housing options.

Mirroring the state trend, the price of rent continues to rise and incomes are not keeping up, making it increasingly challenging for renters to make ends meet.


The income for families is not rising at the same pace as home values, making it more difficult for families to purchase and own a home.



RENTER HOUSEHOLDS

1,246 | 16% of all households


Median rent, 2000: \$571
Median rent, 2019: \$653  rent up **14%**


Renter income, 2000: \$39,102
Renter income, 2019: \$39,225  no change **0%**



OWNER HOUSEHOLDS

6,510 | 84% of all households

Home value, 2000: \$146,816
Home value, 2019: \$183,900  value up **25%**

Owner income, 2000: \$77,148
Owner income, 2019: \$83,695  income up **8%**

HOUSING STOCK: While a significant portion of the rental and owner-occupied housing is aging (built before 1970), new construction is not keeping up with demand. Of particular concern is the gap between the number of available units for extremely low income households – and the number of people who need them.

Disparities: Disparities are stark for BIPOC residents of all 87 counties. Homeownership disparities are above 65% in every county in Minnesota with most over 90%. Cost-burden is higher for BIPOC renters (52%) than white renters (44%) in Greater MN.



% of homes built before 1970 **37%**

Single-family units permitted in 2019 **83**



% of rental units built before 1970 **43%**

Multi-family units permitted in 2019 **0**

Number of extremely low income households **320**

Units affordable to extremely low income households **179**

Gap between ELI households and units in Dodge county **141**

Greater MN	Renter Cost Burden	Severe Renter Cost Burden
White	44%	22%
Black	59%	36%
Indigenous	48%	24%
Hispanic	51%	29%

Homeownership in Dodge County

BIPOC Homeowners **215**



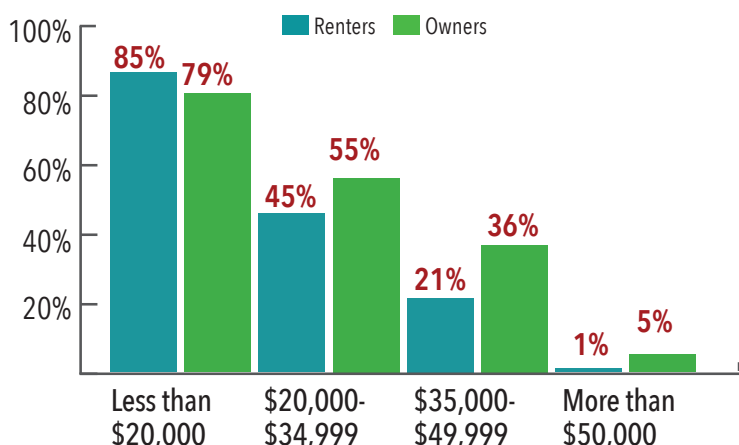
3%

97%
White Homeowners **6,295**

1,360 households in Dodge County pay more than 30 percent of their income toward housing costs, putting them at risk of being unable to afford basic needs like food and medicine. 433 are severely cost-burdened and pay more than 50 percent of their income on housing.

COST BURDEN

Percentage of households paying more than 30% of their income toward housing.



Number of households paying more than 30% of their income toward housing

	RENTERS	OWNERS
Under \$20,000	198	237
\$20,000-34,999	123	249
\$35,000-49,999	53	238
Over \$50,000	3	259
Seniors	124	259
All cost-burdened households	377	983

SEVERE COST BURDEN

Number and percent of households paying more than 50% of their income toward housing.

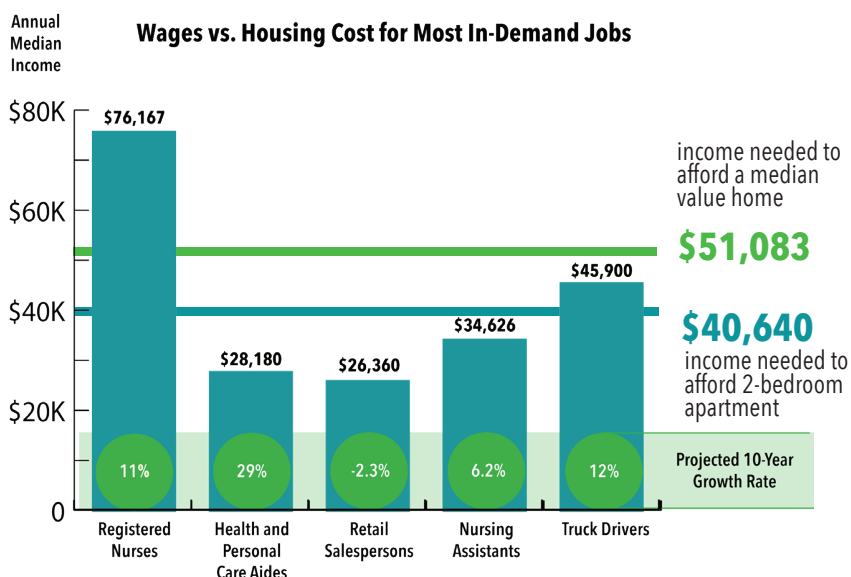
Severe Renter Cost Burden **169** households or **15%** of all renter households

Severe Owner Cost Burden **264** households or **4%** of all owner households

WAGES: Housing remains a challenge even for Minnesotans who are fully employed. The median earnings for most of the top in-demand and high-growth jobs in the Southeast region do not cover housing costs at an affordable level. Those working at the median wage – and especially those earning the minimum wage – cannot afford a two-bedroom apartment or the mortgage for a median price home.

HOMELESSNESS: In the Southern region, too many families, seniors and children are still suffering the devastating consequences of having no place to call home.

Southeast Region Data



Median household income for county **\$74,575** Hours / week minimum wage employee must work to afford 1- bd apartment **60**

of homeless on a given night in 2018 **589**

Change in homeless since 2000 **3%**

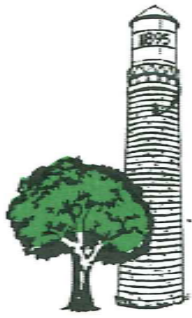
Number of homeless children **240**

Number of homeless seniors **41**



SOURCES – Renter households: Rent and income adjusted for inflation. U.S. Census Bureau, American Community Survey 2019, 5 year estimates | Owner households: Home value and income adjusted for inflation. U.S. Census Bureau, American Community Survey 2019, 5 year estimates | Cost burden: U.S. Census Bureau, American Community Survey 2019, 5 year estimates | ELI Units and Renters: MHP Analysis of HUD's CHAS Portal Data using the NLIHC methodology | Wages: Minnesota Department of Employment and Economic Development (MN DEED), Occupations in Demand, November 2020; Employment Outlook, MN DEED | Housing Stock: U.S. Census Bureau, American Community Survey 2019, 5 year estimates, U.S. Census Bureau, Building Permits Survey, 2019 | Homelessness: Wilder Research Center, 2018 Minnesota Homeless Study

2019, 5 year estimates | Owner households: Home value and income adjusted for inflation. U.S. Census Bureau, American Community Survey 2019, 5 year estimates | Cost burden: U.S. Census Bureau, American Community Survey 2019, 5 year estimates | ELI Units and Renters: MHP Analysis of HUD's CHAS Portal Data using the NLIHC methodology | Wages: Minnesota Department of Employment and Economic Development (MN DEED), Occupations in Demand, November 2020; Employment Outlook, MN DEED | Housing Stock: U.S. Census Bureau, American Community Survey 2019, 5 year estimates, U.S. Census Bureau, Building Permits Survey, 2019 | Homelessness: Wilder Research Center, 2018 Minnesota Homeless Study



TREE
CITY
USA

CITY OF
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

Date: February 26, 2021

Re: Community Foundation Materials

Attached are documents from SMIF that review the services they can provide in support of the Community Foundation. Please review these materials and we may discuss further exploring a partnership with SMIF at the meeting.



Community Foundation Startup Process

Meeting 1- Introduction

- What is a community foundation?
- SMIF's role as the fiscal host
- SMIF technical assistance, trainings and incentives
- Overview of board members (board diversity, requirements, application process)
 - Take home work- Board member application and recruitment

Meeting 2- Leadership Session

- Leadership training
- Develop mission and vision statements
- Developing a case statement
- Collective impact model
 - Take home work- Finish mission and vision statement, case statement

Meeting 3- Board Training

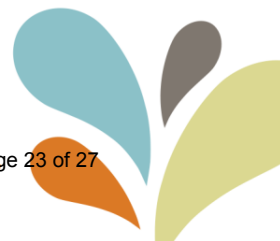
- Discuss SMIF requirements
- Discuss bylaws and governance requirements
- Sign documents (declaration and MOA, must have \$5,000)
- Broad overview of strategic planning, focus on goal setting for next 5 years
- Succession planning
- Overview of grantmaking
- Start planning for community gathering
 - Take home work- review case statement and complete annual calendar

Meeting 4- Fundraising, Communications and Marketing Training

- Overview of communications and marketing strategies
- Elevator speech
- Examples of marketing materials
- Discuss fundraising essentials
- Review case statement
- Goal setting
 - Take home work- complete communications and fundraising calendar, advertise for community gathering

Meeting 5- Community Gathering

- Asset mapping
- Project list





Community Foundation Startup Process

Research & development

A community foundation often grows out of the interest of a few community members. Initial steps in exploring the feasibility of creating a community foundation include identify the community assets; discussion with businesses, community and nonprofit leaders; and research structure options for a community foundation-independent or affiliation with another foundation.

Implementation

There are four key steps to moving a community foundation ahead – [planning](#), [governance](#), [communications](#), and [fundraising](#). The following highlights key activities within each area:

Planning

- Form a Leadership Group (10–12 people) to develop a plan to organize and launch the community foundation and create the mission & vision statements. This can be done by the group as a whole, or by small teams (2–3 people) working on particular activities.
- Create a 3–5 year plan that includes fundraising goals and strategies, grant making processes, and current/future project ideas.
- A successful strategy to bring quick visibility and build community support is to start with small projects that are easy to manage.

Governance

- Execute the paperwork to establish the community foundation (signing a Declaration Establishing a Community Foundation Agreement in the case of affiliation with Southern Minnesota Initiative Foundation)
- Establish a board of directors (include people who are committed to the area, understand its needs and opportunities and are prepared to be advocates for the area)
- Identify ways to serve as the community – sponsor research or convene conferences on issues important to the community; provide seed money or matching grant money to move major community initiatives forward





Communication

- Develop the case for a community foundation including key messages
- Create initial visibility – brochure, news release, website
- Develop a brief presentation and speak to civic, professional, social and other groups in community
- Create an annual marketing/communication plan

Fundraising

- Create an annual fundraising plan to raise unrestricted endowment funds and project funds – annual campaigns, direct mail solicitation, special project appeals, and planned giving options
- Identify key prospective donors to contact as soon as possible and introduce the community foundation to each of them
- Develop and implement donor acknowledgments – thank you letter, annual report, hosting a grant awards luncheon, or philanthropy day event, creating a legacy society (to honor those who have created a bequest or planned gift to the foundation).
- Work towards building a permanent endowment with contributions from individuals, corporations, government, private-sector funds and other donors such as private foundations
- Meet with key estate planning and financial advising firms and individuals; perhaps host a seminar for these advisors which could be presented by Southern Minnesota Initiative Foundation
- Consider a Family of Funds model – donors can create funds to accomplish a specific purpose within the community (up to 5 – see Basic Organizing Chart)





SOUTHERN MINNESOTA
INITIATIVE FOUNDATION

Collaborating for Regional Vitality

Community Foundation Partner Roles and Benefits

SMIF Organizational Operations Services	Donor Services	Community Foundation
<ul style="list-style-type: none">• Serves as the legal entity 501(c)3 nonprofit corporation & fiscal agent• Provides oversight and management of fund development, investment and grant making activities• Provide start up and ongoing organizational development and fundraising support and tools for related fund participants• Complies with all relevant state and federal charitable giving rules and regulations• Manages documentation and filing, certified audits and liability protection• Provides ethical and fiduciary responsibility in managing charitable contributions appropriately	<ul style="list-style-type: none">• Provide asset-based community planning and organizing assistance to community foundation boards and communities• Provide regional and issue expertise to community foundation boards and communities• Make SMIF programs, technical assistance and resource opportunities available to community foundation participant communities• Meet at least annually with the community foundation• Involve community foundation volunteers and trustees in regional events• Provide grant program design and review assistance as requested• Provides assistance in marketing, fundraising and planned giving	<ul style="list-style-type: none">• Establish and maintain community foundation governance structure and operations• Design and implement endowment and project fundraising campaigns• Meet annually with SMIF representative• Opportunity for participation in SMIF sponsored trainings and networking events• Right to utilize draft and sample organizational, grant making, promotional and campaign materials developed by SMIF• The ability to establish up to five funds and facilitate discussions between SMIF and designated and donor advised funds within the community foundation's area.• Ongoing phone and email access to designated SMIF professional and resource people• Proportionately share in fees and expenses as established through the Community Foundation agreement



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

MEMO

To: Economic Development Authority Board

From: Nicholas Ouellette

Date: February 26, 2021

Re: 2021 EDA Priorities

The following are priorities for the EDA to address in 2021:

- Increasing the EDA's profile in the community.
 - Attend Chamber of Commerce meeting, promote EDA programs and priorities.
 - Business visits.
 - Revamped EDA webpage on new City of Kasson website.
 - Submit articles on Kasson for the CEDA Newsletter.
- Hindermann Concrete Lot.
 - Tour Hindermann Concrete property.
 - Do the owners have plans for property?
 - Explore options for the EDA to purchase the property.
 - Explore opportunities to clean and redevelop the property.
- 2022 Highway 57 Reconstruction.
 - Reach out to Chamber of Commerce to discuss possible impact on local businesses and programs to assist businesses through the reconstruction.
 - Opportunity to engage in Main Street façade improvement program.
 - Potential assistance program: Short-Term business Interruption Loan Program.
 - Reach out to other communities that have recent experience with major construction projects impacting their businesses.
- Community Foundation.
 - Reach out to SMIF to understand what assistance they could provide with the restart of a community foundation.
 - Explore programs to support the community foundation.
 - Provide staff support to restart the community foundation.