

KASSON ECONOMIC DEVELOPMENT AUTHORITY MEETING

Tuesday, December 6th, 2022

Kasson City Hall

12:00PM

MINUTES

Pursuant to due call and notice thereof, a regular meeting of the Kasson Economic Development Authority (EDA) was held at Kasson City Hall this 6th day of December 2022 at 12:00PM.

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

Absent: None

The following staff members were present: Ian Albers – Community Development Assistant

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

Ayes (7), Nays (0). Motion carried.
- III. Financial Report. Albers presented the financial report. The financials were reviewed and accepted.
- IV. Coordinators Report. Albers presented the Coordinator's report. McKern asked Albers if anyone from the Smiling Moose had asked contacted him about the business being for sale. Albers responded that no one had contacted him directly. Egger shared that Clem's Cups and Cones had sold over the weekend.

Business visits and assistance

Visiting businesses in Kasson has become one of the aspects of my position as EDA Coordinator that I appreciate the most. I really do enjoy the opportunity to visit with businesses and learn more about the interests and needs of the community. Over the last couple of months, there has been interest from existing businesses looking to expand within Kasson. I believe this reflects very well on the business community within Kasson and I look forward to seeing the coming growth. The growth of Kasson is not limited to existing businesses, however, as there has also been interest from new businesses coming to Kasson. I will continue to promote the EDA's programs and hope that more businesses utilize the financing options that are available.

Business Façade Improvement Program – Tammy's Place

A BFIP application was submitted to the EDA by Travis Dee, who is the owner of a new restaurant that will be known as Tammy's Place. The restaurant is planned to open in the spring of 2023 at 111 West Main St in downtown Kasson. BFIP funds would be used to help cover the cost of two signs on the exterior of the building – one of which will be on the roof of the overhang, and the other will hang below the overhang. The cost of the eligible improvements is \$4,810 according to the proposal submitted with the application, and the

full \$2,000 funding is being requested. Travis Dee has confirmed his attendance of the December EDA meeting. The BFIP application is included in the meeting packet.

Tax Abatement Request – Mike Belew

Mike Belew and Matt Crawford of US Federal Properties attended the November EDA meeting to present an application for tax abatement submitted by Belew. Tax abatement is being requested to help cover the cost of required public infrastructure improvement for a new combination Dollar Tree and Family Dollar, valued at \$192,647.50. The amount requested for tax abatement from the City of Kasson was 100% for 9 years – a value of approximately \$143,325. No recommendation from the EDA was made. I followed up with Mike Belew after that meeting with questions from the EDA regarding the number of staff and wages. Belew informed me that there would be 20 staff (combination of FT and PT). Wages would start at \$55,000 for management and \$12-\$16 for management. I also guided Belew to submit an application for tax abatement to the Dodge County EDA. On November 23rd, City Administrator Tim Ibisch shared information with the City Council, which will consider a recommendation from the EDA on December 14th if one is made at the December EDA meeting. Since the November EDA meeting, I have been in contact with Laura Qualey of the Dodge County EDA.

Qualey let me know that as of November 30th, no application had been submitted. I also shared with Qualey a proposal for shared tax abatement between the City of Kasson and Dodge County. The construction cost estimates and the abatement proposal are included in the meeting packet.

Downtown Lots – Petals2Metals

At the November EDA meeting, the EDA voted to take the cost of the soil borings and geotechnical evaluation out of the accepted purchase price (\$11,500) if and when the purchase agreement is executed. After that meeting, I informed Jill Bondhus of the EDA's solution and she agreed. I then extended authorization from the EDA to Chosen Valley Testing, and they completed the soil borings at the downtown lots on November 16th. As of December 1st, CVT had not yet finished their analysis, but they intend to have it finished and returned to Bondhus during the week of December 5th.

Business Spotlight

There will be no Business Spotlight for the month of December. The program will continue in January, 2023.

Downtown Assessment Return Visit – Rethos

Emily Kurash Casey, Director of Community Programs at Rethos, reached out to me at the end of October to schedule a date for a return visit to Kasson. The purpose of this visit is to present the final products of the downtown assessment that was conducted in early June of 2022. The return visit and presentation are scheduled for December 14th at 5:00 PM preceding the City Council meeting.

Crop Science Investigation RLF

Repayments on the RLF loan began on November 15th and will continue until October 15th, 2027. I have confirmed with the realtor and Jeff Littrell that the project site at 18 E Veterans Memorial Hwy has been sold to Crop Science Investigation, LLC.

Kasson-Mantorville High School Internship Opportunity

Next school year, seniors at Kasson-Mantorville High School will have the opportunity to enroll in an internship program for one quarter. City Administrator Tim Ibisch presented the idea of the City accepting an intern through this program at the City Council meeting on November 23rd, and the idea was accepted. The intern would be able to learn from multiple City departments depending on the interests of the student. I will be attending an event on December 7th at the high school where interested students will have the opportunity to meet with potential internship program hosts. The program flyer is included in the meeting packet.

New EDA Board Member – Jon Ehmke

At the City Council meeting on November 9th, Mayor McKern recommended Jon Ehmke to fill the vacant position to the EDA Board. Ehmke will join the EDA at its meeting in December 2022. I believe Ehmke will make a great addition and I look forward to his service as an EDA Board member.

- V. City Administrators Report. No presentation of the Administrator's report. Report included in meeting packet.
- VI. Business Façade Improvement Program – Tammy's Place. Albers presented the application for the Business Façade Improvement Program submitted by Travis Dee, who is one of the new owners of Tammy's Place. Tammy's Place is a restaurant set to open in downtown Kasson. Albers shared that BFIP funds are being requested to help cover the costs of two eligible improvements – a sign mounted on the roof of the overhang and another mounted beneath. The total cost of the improvements is \$4,810, and the amount of BFIP funds being requested is \$2,000. Dee introduced himself to the EDA and shared that construction has started on the interior of the old Misplaced Magnolia site, with a lot of the work being performed by local Kasson businesses and himself. Egger motioned to grant BFIP funds to Tammy's Place in the amount of \$2,000. Monson seconded.

Ayes (7), Nays (0). Motion carried.

- VII. Tax Abatement Request – Mike Belew. Albers gave a recap of the tax abatement request submitted by Mike Belew, who virtually attended the previous meeting along with Matt Crawford. Albers presented a stepped-percentage tax abatement proposal, which included an example of the City's amount of property tax to be abated as well as an example of Dodge County's amount of property tax to be abated if the applicants were to apply for it. Albers reported that he had been in contact with Laura Qualey of the Dodge County EDA, who shared that the applicant had not yet applied for tax abatement from Dodge County. Albers walked through the stepped-percentage tax abatement proposal, which would be 100% of the City's amount for years 1-5, then 50% for years 6-7, and then 25% for years 8-9. Some discussion by the EDA Board followed, which involved tax abatement through Dodge County and the demand for jobs in Kasson that the proposed business to receive tax abatement would provide. McKern motioned to recommend to the City Council to approve tax abatement following the stepped-percentage proposal. O'Malley seconded.

Ayes (7), Nays (0). Motion carried.

- VIII. Other Business/Open Discussion. McKern thanked Albers for attending Christmas in Kasson the previous weekend. Additional discussion about Christmas in Kasson from the EDA Board included remarks that the event was well attended despite the cold temperature (300 children estimated). Borgstrom-Durst asked about the status of the old library building, which is the current site of Trail Creek Coffee Roasters. Borgstrom-Durst also asked about granting Business Façade Improvement Program funds for improvements completed prior to submitting an application. After some discussion, it was accepted that BFIP funds could potentially be granted retroactively so long as the improvements were completed within the same program year. Monson discussed some potential ribbon-cuttings for Chaotic Good Brewing Company and The Studio. Monson also shared that the Chamber of Commerce Annual Meeting is scheduled for the end of January, and that a Shop Local Passport is planned to be introduced as a new incentive for shopping locally.
- IX. Items for January meeting. Borgstrom-Durst shared that she will not be attending the January EDA meeting. Albers will anticipate a BFIP application from Domino's before the end 2022.
- X. Adjourn. McKern motioned to adjourn the meeting. Monson seconded.

Ayes (7), Nays (0). Motion carried. Meeting adjourned at 12:30PM.

The next meeting will be held at 12:00PM on January 3rd, 2023.

Minutes submitted by:

Ian Albers, Community Development Assistant

Dan Egger, EDA President