

# **KASSON ECONOMIC DEVELOPMENT AUTHORITY**

Kasson City Hall  
Tuesday, March 7th, 2023  
12:00 PM

- I. Call Meeting to Order**
- II. Approve Minutes of the Previous Meeting**
- III. Financial Report**
- IV. Coordinators Report**
- V. City Administrators Report**
- VI. EDA Priorities for 2023**
- VII. Updates to the Kasson Comprehensive Plan**
- VIII. Other Business/Open Discussion**
- IX. Items for April EDA Meeting**
- X. Adjourn**

**The next EDA Board meeting will be held on Tuesday, April 4th, 2023.**

## KASSON ECONOMIC DEVELOPMENT AUTHORITY MEETING

Tuesday, January 3rd, 2023

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 3rd day of January 2023 at 12:00PM.

The following board members were present: Dan Eggler, Chris McKern, John Ehmke, Tom Monson – arrived at 12:09PM, and Michael Peterson – arrived at 12:11PM

Absent: Janice Borgstrom-Durst, and Kathy O'Malley

The following staff members were present: Tim Ibisch – City Administrator, and Ian Albers – Community Development Assistant

- I. Call Meeting to Order. Eggler called the meeting to order at 12:00PM.
- II. Business Spotlight – Home Federal Savings Bank. Matt Bradford, Market President, presented to the EDA on the history and current operations of Home Federal – focusing especially on various contributions made by the bank to the community. Following the presentation, members of the EDA board asked questions to Bradford on the housing market, the state of the economy, CD rates, and staffing. A certificate was then presented to Bradford.
- III. Approve Minutes of the Previous Meeting. Peterson motioned to approve the minutes. Monson seconded.  
  
Ayes (5), Nays (0). Motion carried.
- IV. Financial Report. No financial report available for January due to staff turnover.
- V. Coordinators Report. Albers presented the Coordinator's report.

### **Business visits, assistance, and community updates**

Over the last month, I have been involved with several inquiries on expansions for various businesses in Kasson, including MN Ag Group, LC Trucking, and Windsor Court among others. MN Ag Group has been in the process of transferring the ownership of the property and is interested in expanding their building, as well as improving access. LC Trucking is searching for a place to relocate their business as the new Kwik Trip comes to the existing site. Aside from expansion inquiries, this month I have also been involved with a conditional use permit for a new electronic sign at the Kasson State Theatre and the USDA RD funding application process for the new firehall project. Additionally, I represented the City at the internship fair at KMHS, and attended a meeting for the planned Dodge County Regional Park, and my second Southeast Economic Development Professionals meeting.

### **Business Spotlight – Home Federal Savings Bank**

The third business to be featured in the Business Spotlight program is Home Federal Savings Bank. Matt Bradford, Market President of the Home Federal Branch in Kasson, has been invited to attend the January meeting to accept the award certificate.

### **Business Façade Improvement Program – Caribou Enterprises, LLC**

A BFIP application was submitted to the EDA by Jerry Dallman, Owner and Managing Agent of Caribou Enterprises, LLC. Funds would be used to help cover the cost of removing exterior brick and replacing with new siding on the north, south, and east sides of the building at 501 Mantorville Ave South. This building is the site Domino's and Preferred Heating and Cooling. The total cost of the improvements completed in the spring of 2022 was \$41,350, and the full \$2,000 in funding is requested. The BFIP application with before and after photos is included in the meeting packet.

### **2023 Contribution to the Southern MN Initiative Foundation**

In mid-December, the City was contacted by Forest Ward, Philanthropy Coordinator at SMIF, to request an allocation for 2023. Contributions have been made to SMIF every year since 2008 in varying amounts: \$1,000 each year from 2008-2018, \$1,200 from 2019-2020, then \$500 from 2021-2022. A summary of contributions is included in the meeting packet.

### **Recap of 2022 Priorities and Setting 2023 Priorities**

At the February 2022 meeting, the EDA identified four priorities to focus on. These included the following: 1. Developing the Vail property; 2. Business attraction with a focus on retail; 3. Supporting businesses through the Hwy 57 project; 4. Housing. I believe that the Annual Report (to be presented in February) will be helpful in evaluating progress towards each of these priorities. In setting priorities for 2023, I would ask the EDA Board to consider ideas for new priorities to be defined at the February 2023 meeting.

### **Downtown Assessment Return Visit – Rethos**

The return visit and presentation of the final products of the downtown assessment has been rescheduled for the City Council meeting on January 11th, starting at 5:00 PM.

### **Tax Abatement Request – Mike Belew**

At the December 2022 meeting, the EDA voted to recommend to the City Council to approve tax abatement following the stepped-percentage plan proposed at that meeting. This stepped-percentage plan would abate 100% of the City's amount of property tax for years 1-5 of the program, then 50% for years 6-7, and finally 25% for years 8-9. The total amount abated would not exceed \$102,331.25. I have also been in contact with Laura Qualey of the Dodge County EDA, who has informed me that a tax abatement request was received and was brought before the Dodge County EDA on December 13th. The Dodge County EDA recommended to deny the request, citing their policy that retail businesses that compete with similar businesses in the area will not be considered for tax abatement unless the project creates substantial employment or tax base. On December 27th, the Dodge County Board of Commissioners denied the request. The public hearing and consideration for tax abatement from Kasson will occur during the City Council meeting on January 11th.

### **Downtown Lots – Petals2Metals**

I called Chosen Valley Testing on December 28th for a status update on the engineering report from the soil borings completed on November 16th. They informed me that the report was still under review, although they were planning to send it out on December 29th. I will follow up with Jill Bondhus to see if the report was received.

Albers shared that Jill Bondhus had responded with an update regarding the engineering report after the meeting packet was sent out. Based on what the report included, Bondhus stated that she would not be moving forward with the purchase of the lots. Peterson asked for clarification on the Dodge County EDA's policy for why the tax abatement request was denied. Albers stated that their policy wasn't explicit on what constituted substantial employment or tax base. Ibisich expanded into discussion on the approximately 40-acre property in SW Kasson and mentioned that he and Albers met with representatives of

Windsor Court to discuss the option of developing a portion of it with manufactured homes. There have been other discussions with additional developers that have expressed interest in the property.

- VI. City Administrators Report. Report included in meeting packet.
- VII. Business Façade Improvement Program – Caribou Enterprises, LLC. Albers presented the request for façade program funds from Caribou Enterprises, LLC. The eligible improvements included removing exterior brick and replacing with updated siding at the building which houses Domino's and Preferred Heating & Cooling. The work began in the spring of 2022, and the cost of the improvements was about \$41,000. The amount being requested is \$2,000. Ibisch expressed his belief that the request should be denied because work on the improvements began several months prior to submitting the request. Discussion followed on the eligibility of projects for which the work started prior to being approved for funds. At the December 2022 meeting, there was consensus that applications such as this would be considered so long as an application was submitted in the same calendar year, and that these applications would be considered less competitive than applications for which the work had not yet been started.
- VIII. 2023 Contribution to the Southern MN Initiative Foundation. Albers shared that a representative from SMIF inquired about a possible contribution for 2023. A summary of past contributions made to SMIF every year since 2008 was included in the meeting packet. The amount for each of the last two years was \$500. Ibisch stated that he reduced the budget line item for a contribution to \$400. Monson shared that SMIF gave a loan to Chaotic Good Brewing Co. Egger motioned to donate \$400 to SMIF. McKern seconded.

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

- IX. Recap of 2022 Priorities and Setting 2023 Priorities. Albers reminded the EDA of the four goals that were set for 2022: 1. Developing the Vail property; 2. Business attraction with a focus on retail; 3. Supporting businesses through the Hwy 57 project; 4. Housing. He then went through each of the goals and evaluated progress made towards each and noted that the annual report to be presented at the next meeting would show more detail. Albers stated that he wanted the EDA to set priorities for 2023 at the next meeting. Members discussed keeping the goals of supporting businesses through the Hwy 57 project and clarified that the goal for housing is geared toward expanding multifamily housing. A potential site for this would be in SW Kasson, which may also work in combination with commercial/industrial development in the area. Ibisch stated that revenue from a sale of the 40-acre property could be used for downtown beautification. Discussion followed on some ways to support businesses during the Hwy 57 project, which may include providing contact information of the workers to restaurants in town or improving communication/signage during construction impacts. Ibisch brought up the possibility of conducting a community survey to determine what type of restaurant Kasson residents would support. Monson discussed the growth of Chamber of Commerce events, which could involve more involvement by cottage industry businesses.
- X. Other Business/Open Discussion. None.
- XI. Items for February meeting. 4-5 priorities will be set for 2023. A draft copy of the annual report will be reviewed ahead of the first City Council meeting. The Downtown Assessment report from Rethos will be shared with the EDA members following the presentation on

January 11th. Monson asked for a copy of the 2023 budget to be included in the next meeting packet, and said that another priority for 2023 could be to create a plan for the downtown lots.

XII. Adjourn. Peterson motioned to adjourn the meeting. McKern seconded.

Ayes (5), Nays (0). Motion carried. Meeting adjourned at 12:58PM.

The next meeting will be held at 12:00PM on February 7th, 2023.

Minutes submitted by:

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Ian Albers, Community Development Assistant

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Dan Egger, EDA President

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15:08:17

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Fund=225,226,290

Fund/Account/ Doc/Line #		Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
225 EDA FED MIF							
1010 CASH-OPERATING							
CR 99734	1	Batch #: 13904 JAN '23 EDA LOAN PRINCIPAL	JAN '23 EDA LOAN	1/23	86.56		
CR 99735	1	Batch #: 13904 EDA LOAN INTEREST	EDA LOAN INTEREST	1/23	3.44		
CR 99737	1	Batch #: 13904 EDA INTEREST	EDA INTEREST	1/23	97.49		
CR 99739	1	Batch #: 13904 EDA LOAN INTEREST	EDA LOAN INTEREST	1/23	96.02		
CR 99744	1	Batch #: 13904 JAN. '23 EDA LOAN PRINCIPAL	JAN. '23 EDA LOAN	1/23	323.25		
CR 99745	1	Batch #: 13904 EDA LOAN INTEREST	EDA LOAN INTEREST	1/23	175.89		
CR 99844	1	Batch #: 13914 EDA LOAN INTEREST	EDA LOAN INTEREST	1/23	127.69		
CR 100258	1	Batch #: 13925 FEB. '23 EDA LOAN PRINCIPAL	FEB. '23 EDA LOAN	2/23	86.90		
CR 100259	1	Batch #: 13925 EDA LOAN INTEREST	EDA LOAN INTEREST	2/23	3.10		
CR 100266	1	Batch #: 13925 FEB '23 EDA LOAN PRINCIPAL	FEB '23 EDA LOAN	2/23	324.06		
CR 100267	1	Batch #: 13925 EDA LOAN INTEREST	EDA LOAN INTEREST	2/23	175.08		
CR 100281	1	Batch #: 13925 EDA LOAN INTEREST	EDA LOAN INTEREST	2/23	126.71		
Account Total:			164,433.03 DB		1,626.19		166,059.22 DB
1186 LOAN PRIN REC-WHITMARSH							
CR 99734	1	Batch #: 13904 JAN '23 EDA LOAN PRINCIPAL	JAN '23 EDA LOAN	1/23		86.56	
CR 100258	1	Batch #: 13925 FEB. '23 EDA LOAN PRINCIPAL	FEB. '23 EDA LOAN	2/23		86.90	
Account Total:			868.88 DB			173.46	695.42 DB
1187 LOAN PRIN REC- 1760 MILLWORK							
CR 99744	1	Batch #: 13904 JAN. '23 EDA LOAN PRINCIPAL	JAN. '23 EDA LOAN	1/23		323.25	
CR 100266	1	Batch #: 13925 FEB '23 EDA LOAN PRINCIPAL	FEB '23 EDA LOAN	2/23		324.06	
Account Total:			70,355.13 DB			647.31	69,707.82 DB

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Fund/Account/ Doc/Line #		Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
225 EDA FED MIF							
650 Community/Economic Development							
3621 INTEREST EARNED							
CR 99735	1	Batch #: 13904	EDA LOAN INTEREST	1/23		3.44	
		EDA LOAN INTEREST					
CR 99737	1	Batch #: 13904	EDA INTEREST	1/23		97.49	
		EDA INTEREST					
CR 99739	1	Batch #: 13904	EDA LOAN INTEREST	1/23		96.02	
		EDA LOAN INTEREST					
CR 99745	1	Batch #: 13904	EDA LOAN INTEREST	1/23		175.89	
		EDA LOAN INTEREST					
CR 99844	1	Batch #: 13914	EDA LOAN INTEREST	1/23		127.69	
		EDA LOAN INTEREST					
CR 100259	1	Batch #: 13925	EDA LOAN INTEREST	2/23		3.10	
		EDA LOAN INTEREST					
CR 100267	1	Batch #: 13925	EDA LOAN INTEREST	2/23		175.08	
		EDA LOAN INTEREST					
CR 100281	1	Batch #: 13925	EDA LOAN INTEREST	2/23		126.71	
		EDA LOAN INTEREST					
Account Total:						805.42	805.42 CR
Org Total						805.42	805.42 CR
Fund Total:					1,626.19	1,626.19	

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Fund/Account/ Doc/Line #		Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
226 EDA RLF							
1010 CASH-OPERATING							
CR 99736	1	Batch #: 13904	DEC '22 EDA LOAN	1/23	371.43		
		DEC '22 EDA LOAN PRINCIPAL					
CR 99738	1	Batch #: 13904	JAN '23 EDA LOAN	1/23	372.90		
		JAN '23 EDA LOAN PRINCIPAL					
CR 99843	1	Batch #: 13914	JAN '23 EDA LOAN	1/23	347.31		
		JAN '23 EDA LOAN PRINCIPAL					
CR 100280	1	Batch #: 13925	FEB. '23 EDA LOAN	2/23	375.49		
		FEB. '23 EDA LOAN PRINCIPAL					
Account Total:			83,342.35 DB		1,467.13		84,809.48 DB
1185 Crop Science Investigations, LLC							
CR 99736	1	Batch #: 13904	DEC '22 EDA LOAN	1/23		371.43	
		DEC '22 EDA LOAN PRINCIPAL					
CR 99738	1	Batch #: 13904	JAN '23 EDA LOAN	1/23		372.90	
		JAN '23 EDA LOAN PRINCIPAL					
Account Total:			24,630.04 DB			744.33	23,885.71 DB
1196 CHAOTIC GOOD BREWING LOAN-PRINCIPAL REC							
CR 99843	1	Batch #: 13914	JAN '23 EDA LOAN	1/23		347.31	
		JAN '23 EDA LOAN PRINCIPAL					
CR 100280	1	Batch #: 13925	FEB. '23 EDA LOAN	2/23		375.49	
		FEB. '23 EDA LOAN PRINCIPAL					
Account Total:			47,147.61 DB			722.80	46,424.81 DB
Fund Total:					1,467.13	1,467.13	



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Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
290 Economic Development						
1010 CASH-OPERATING						
PR 230100 79	Employer Contributions		1/23		359.62	
PR 230100 80	Payroll Expenditure		1/23		1,136.93	
PR 230102 76	Employer Contributions		1/23		365.86	
PR 230102 77	Payroll Expenditure		1/23		1,170.95	
SC 66207	BUSINESS FACADE IMPROV GRANT	CARIBOU ENTERPRISES LLC	1/23		2,000.00	
SC 66216	'23 CITY MEMBERSHIP	KASSON CHAMBER OF	1/23		75.00	
SC 66218	PHONES-EDA	KMTELECOM	1/23		42.90	
SC 66230	POSTAGE METER REFILL	RESERVE ACCOUNT	1/23		15.00	
SC 66283	WC 1001163-7 2023 RENEWAL	LMC INSURANCE TRUST WC	1/23		356.00	
SC 66311	2023 CONTRIBUTION	SOUTHERN MN INITIATIVE	1/23		400.00	
SC 66313	2023 INS AGT OF RECORD	STEVENSON INSURANCE INC	1/23		300.00	
PR 230200 76	Employer Contributions		2/23		369.40	
PR 230200 77	Payroll Expenditure		2/23		1,199.12	
PR 230201 73	Employer Contributions		2/23		367.43	
PR 230201 74	Payroll Expenditure		2/23		1,188.56	
SC 66373	PHONES-EDA	KMTELECOM	2/23		10.39	
SC 66432	BUS. FACADE IMPROV. GRANT	CHAOTIC GOOD BREWING	2/23		2,000.00	
SC 66454	1ST QTR INS-CMC 1001158-7	LMC INS TRUST P&C	2/23		73.39	
SC 66458	QTRLY MAINT-B&W 2/13-5/12/23	METRO SALES INC	2/23		24.67	
SC 66458	QTRLY MAINT-CLR 2/13-5/12/23	METRO SALES INC	2/23		22.29	
SC 66476	POSTAGE METER REFILL	RESERVE ACCOUNT	2/23		15.00	
SC 66484	BUS. FACADE IMPROV. GRANT	TAMMY'S PLACE	2/23		2,000.00	
Account Total:			40,331.85 DB		13,492.51	26,839.34 DB
2020 ACCOUNTS PAYABLE						
CL 40956 1	533 '23 CITY MEMBERSHIP	KASSON CHAMBER OF	1/23		75.00	
CL 40957 5	10144117 PHONES-EDA	KMTELECOM	1/23		42.90	
CL 40962 6	22870844-1 POSTAGE METER REFILL	RESERVE ACCOUNT	1/23		15.00	
CL 40966 1	BUSINESS FACADE IMPROV GRANT	CARIBOU ENTERPRISES LLC	1/23		2,000.00	
CL 41016 1	2023 CONTRIBUTION	SOUTHERN MN INITIATIVE	1/23		400.00	
CL 41018 3	4467 2023 INS AGT OF RECORD	STEVENSON INSURANCE INC	1/23		300.00	
CL 41065 5	WC 1001163-7 2023 RENEWAL	LMC INSURANCE TRUST WC	1/23		356.00	
SC 66207	BUSINESS FACADE IMPROV GRANT	CARIBOU ENTERPRISES LLC	1/23	2,000.00		
SC 66216	'23 CITY MEMBERSHIP	KASSON CHAMBER OF	1/23		75.00	
SC 66218	PHONES-EDA	KMTELECOM	1/23		42.90	
SC 66230	POSTAGE METER REFILL	RESERVE ACCOUNT	1/23		15.00	
SC 66283	WC 1001163-7 2023 RENEWAL	LMC INSURANCE TRUST WC	1/23	356.00		
SC 66311	2023 CONTRIBUTION	SOUTHERN MN INITIATIVE	1/23	400.00		
SC 66313	2023 INS AGT OF RECORD	STEVENSON INSURANCE INC	1/23	300.00		
CL 41144 5	10148124 PHONES-EDA	KMTELECOM	2/23		10.39	
CL 41211 5	2223306 QTRLY MAINT-B&W 2/13-5/1	METRO SALES INC	2/23		24.67	
CL 41211 23	2223306 QTRLY MAINT-CLR 2/13-5/1	METRO SALES INC	2/23		22.29	
CL 41225 6	22870844-2 POSTAGE METER REFILL	RESERVE ACCOUNT	2/23		15.00	
CL 41255 1	BUS. FACADE IMPROV. GRANT	CHAOTIC GOOD BREWING	2/23		2,000.00	
CL 41258 1	BUS. FACADE IMPROV. GRANT	TAMMY'S PLACE	2/23		2,000.00	
CL 41262 9	1ST QTR INS-CMC 1001158-7	LMC INS TRUST P&C	2/23		73.39	

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Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
290 Economic Development						
2020 ACCOUNTS PAYABLE						
SC 66373	PHONES-EDA	KMTELECOM	2/23	10.39		
SC 66432	BUS. FACADE IMPROV. GRANT	CHAOTIC GOOD BREWING	2/23	2,000.00		
SC 66454	1ST QTR INS-CMC 1001158-7	LMC INS TRUST P&C	2/23	73.39		
SC 66458	QTRLY MAINT-B&W 2/13-5/12/23	METRO SALES INC	2/23	24.67		
SC 66458	QTRLY MAINT-CLR 2/13-5/12/23	METRO SALES INC	2/23	22.29		
SC 66476	POSTAGE METER REFILL	RESERVE ACCOUNT	2/23	15.00		
SC 66484	BUS. FACADE IMPROV. GRANT	TAMMY'S PLACE	2/23	2,000.00		
	<b>Account Total:</b>			<b>7,334.64</b>	<b>7,334.64</b>	
650 Community/Economic Development						
4650 Community/Economic Development						
101 FULL-TIME EMPLOYEES - REGULAR						
PR 230100 81	Payroll Expenditure		1/23	1,136.93		
PR 230102 78	Payroll Expenditure		1/23	1,170.95		
PR 230200 78	Payroll Expenditure		2/23	1,199.12		
PR 230201 75	Payroll Expenditure		2/23	1,188.56		
	<b>Object Total:</b>			<b>4,695.56</b>		<b>4,695.56 DB</b>
121 EMPLOYER PERA CONTRIBUTIONS						
PR 230100 82	Employer Contributions		1/23	85.27		
PR 230102 79	Employer Contributions		1/23	87.82		
PR 230200 79	Employer Contributions		2/23	89.95		
PR 230201 76	Employer Contributions		2/23	89.14		
	<b>Object Total:</b>			<b>352.18</b>		<b>352.18 DB</b>
122 EMPLOYER FICA CONTRIBUTIONS						
PR 230100 83	Employer Contributions		1/23	67.20		
PR 230102 80	Employer Contributions		1/23	69.30		
PR 230200 80	Employer Contributions		2/23	71.05		
PR 230201 77	Employer Contributions		2/23	70.40		
	<b>Object Total:</b>			<b>277.95</b>		<b>277.95 DB</b>
123 EMPLOYER MEDICARE CONTRIBUTION						
PR 230100 84	Employer Contributions		1/23	15.71		
PR 230102 81	Employer Contributions		1/23	16.21		
PR 230200 81	Employer Contributions		2/23	16.62		
PR 230201 78	Employer Contributions		2/23	16.46		
	<b>Object Total:</b>			<b>65.00</b>		<b>65.00 DB</b>
130 EMPLOYER PAID INSURANCE						
PR 230100 85	Employer Contributions		1/23	191.44		
PR 230102 82	Employer Contributions		1/23	192.53		
PR 230200 82	Employer Contributions		2/23	191.78		
PR 230201 79	Employer Contributions		2/23	191.43		
	<b>Object Total:</b>			<b>767.18</b>		<b>767.18 DB</b>
150 WORKER'S COMPENSATION						
CL 41065 5 WC 1001163-7 2023 RENEWAL		LMC INSURANCE TRUST WC	1/23	356.00		
	<b>Object Total:</b>			<b>356.00</b>		<b>356.00 DB</b>

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Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
290 Economic Development						
4650 Community/Economic Development						
210 OPERATING SUPPLIES						
CL 41211 5 2223306	QTRLY MAINT-B&W 2/13-5/1	METRO SALES INC	2/23	24.67		
CL 41211 23 2223306	QTRLY MAINT-CLR 2/13-5/1	METRO SALES INC	2/23	22.29		
	Object Total:			46.96		46.96 DB
321 TELEPHONE						
CL 40957 5 10144117	PHONES-EDA	KMTELECOM	1/23	42.90		
CL 41144 5 10148124	PHONES-EDA	KMTELECOM	2/23	10.39		
	Object Total:			53.29		53.29 DB
325 COMMUNICATION-OTHER						
CL 40962 6 22870844-1	POSTAGE METER REFILL	RESERVE ACCOUNT	1/23	15.00		
CL 41225 6 22870844-2	POSTAGE METER REFILL	RESERVE ACCOUNT	2/23	15.00		
	Object Total:			30.00		30.00 DB
334 MEMBERSHIP DUES AND FEES						
CL 40956 1 533	'23 CITY MEMBERSHIP	KASSON CHAMBER OF	1/23	75.00		
	Object Total:			75.00		75.00 DB
360 INSURANCE						
CL 41262 9 1ST QTR INS-CMC 1001158-7		LMC INS TRUST P&C	2/23	73.39		
	Object Total:			73.39		73.39 DB
414 COMMERCIAL PROGRAMS						
CL 40966 1 BUSINESS FACADE IMPROV GRANT		CARIBOU ENTERPRISES LLC	1/23	2,000.00		
CL 41255 1 BUS. FACADE IMPROV. GRANT		CHAOTIC GOOD BREWING	2/23	2,000.00		
CL 41258 1 BUS. FACADE IMPROV. GRANT		TAMMY'S PLACE	2/23	2,000.00		
	Object Total:			6,000.00		6,000.00 DB
430 OTHER SERVICE/CHARGES-MISC.						
CL 41016 1 2023 CONTRIBUTION		SOUTHERN MN INITIATIVE	1/23	400.00		
	Object Total:			400.00		400.00 DB
440 PROFESSIONAL SERVICES						
CL 41018 3 4467 2023 INS AGT OF RECORD		STEVENSON INSURANCE INC	1/23	300.00		
	Object Total:			300.00		300.00 DB
	Account Total:			13,492.51		13,492.51 DB
	Org Total:			13,492.51		13,492.51 DB
	Fund Total:			20,827.15	20,827.15	
	Grand Total:			23,920.47	23,920.47	

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15:03:18

CITY OF KASSON  
Detail Ledger Query  
For the Accounting Periods: 2/23 - 2/23

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Report ID: L091

Fund=225, 226, 290

Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
225 EDA FED MIF						
1010 CASH-OPERATING						
CR 100258 1	Batch #: 13925 FEB. '23 EDA LOAN PRINCIPAL	FEB. '23 EDA LOAN	2/23	86.90		
CR 100259 1	Batch #: 13925 EDA LOAN INTEREST	EDA LOAN INTEREST	2/23	3.10		
CR 100266 1	Batch #: 13925 FEB '23 EDA LOAN PRINCIPAL	FEB '23 EDA LOAN	2/23	324.06		
CR 100267 1	Batch #: 13925 EDA LOAN INTEREST	EDA LOAN INTEREST	2/23	175.08		
CR 100281 1	Batch #: 13925 EDA LOAN INTEREST	EDA LOAN INTEREST	2/23	126.71		
	Account Total:	165,343.37 DB		715.85		166,059.22 DB
1186 LOAN PRIN REC-WHI TMARSH						
CR 100258 1	Batch #: 13925 FEB. '23 EDA LOAN PRINCIPAL	FEB. '23 EDA LOAN	2/23		86.90	
	Account Total:	782.32 DB			86.90	695.42 DB
1187 LOAN PRIN REC- 1760 MILLWORK						
CR 100266 1	Batch #: 13925 FEB '23 EDA LOAN PRINCIPAL	FEB '23 EDA LOAN	2/23		324.06	
	Account Total:	70,031.88 DB			324.06	69,707.82 DB
650 Community/Economic Development						
3621 INTEREST EARNED						
CR 100259 1	Batch #: 13925 EDA LOAN INTEREST	EDA LOAN INTEREST	2/23		3.10	
CR 100267 1	Batch #: 13925 EDA LOAN INTEREST	EDA LOAN INTEREST	2/23		175.08	
CR 100281 1	Batch #: 13925 EDA LOAN INTEREST	EDA LOAN INTEREST	2/23		126.71	
	Account Total:	500.53 CR			304.89	805.42 CR
	Org Total:	500.53 CR			304.89	805.42 CR
	Fund Total:			715.85	715.85	

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CITY OF KASSON  
Detail Ledger Query  
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Fund=225, 226, 290

Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
226 EDA RLF						
1010 CASH-OPERATING						
CR 100280 1	Batch #: 13925 FEB. '23 EDA LOAN PRINCIPAL	FEB. '23 EDA LOAN	2/23	375.49		
	Account Total:			84,433.99 DB	375.49	84,809.48 DB
1196 CHAOTIC GOOD BREWING LOAN-PRINCIPAL REC						
CR 100280 1	Batch #: 13925 FEB. '23 EDA LOAN PRINCIPAL	FEB. '23 EDA LOAN	2/23		375.49	
	Account Total:			46,800.30 DB	375.49	46,424.81 DB
	Fund Total:			375.49	375.49	

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CITY OF KASSON  
Detail Ledger Query  
For the Accounting Periods: 2/23 - 2/23

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Report ID: L091

Fund=225, 226, 290

Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
290 Economic Development						
1010 CASH-OPERATING						
PR 230200 76	Employer Contributions		2/23		369.40	
PR 230200 77	Payroll Expenditure		2/23		1,199.12	
PR 230201 73	Employer Contributions		2/23		367.43	
PR 230201 74	Payroll Expenditure		2/23		1,188.56	
SC 66373	PHONES-EDA	KMTELECOM	2/23		10.39	
SC 66432	BUS. FACADE IMPROV. GRANT	CHAOTIC GOOD BREWING	2/23		2,000.00	
SC 66454	1ST QTR INS-CMC 1001158-7	LMC INS TRUST P&C	2/23		73.39	
SC 66458	QTRLY MAINT-B&W 2/13-5/12/23	METRO SALES INC	2/23		24.67	
SC 66458	QTRLY MAINT-CLR 2/13-5/12/23	METRO SALES INC	2/23		22.29	
SC 66476	POSTAGE METER REFILL	RESERVE ACCOUNT	2/23		15.00	
SC 66484	BUS. FACADE IMPROV. GRANT	TAMMY'S PLACE	2/23		2,000.00	
Account Total:			34,109.59 DB		7,270.25	26,839.34 DB
2020 ACCOUNTS PAYABLE						
CL 41144 5	10148124 PHONES-EDA	KMTELECOM	2/23		10.39	
CL 41211 5	2223306 QTRLY MAINT-B&W 2/13-5/1	METRO SALES INC	2/23		24.67	
CL 41211 23	2223306 QTRLY MAINT-CLR 2/13-5/1	METRO SALES INC	2/23		22.29	
CL 41225 6	22870844-2 POSTAGE METER REFILL	RESERVE ACCOUNT	2/23		15.00	
CL 41255 1	BUS. FACADE IMPROV. GRANT	CHAOTIC GOOD BREWING	2/23		2,000.00	
CL 41258 1	BUS. FACADE IMPROV. GRANT	TAMMY'S PLACE	2/23		2,000.00	
CL 41262 9	1ST QTR INS-CMC 1001158-7	LMC INS TRUST P&C	2/23		73.39	
SC 66373	PHONES-EDA	KMTELECOM	2/23	10.39		
SC 66432	BUS. FACADE IMPROV. GRANT	CHAOTIC GOOD BREWING	2/23	2,000.00		
SC 66454	1ST QTR INS-CMC 1001158-7	LMC INS TRUST P&C	2/23	73.39		
SC 66458	QTRLY MAINT-B&W 2/13-5/12/23	METRO SALES INC	2/23	24.67		
SC 66458	QTRLY MAINT-CLR 2/13-5/12/23	METRO SALES INC	2/23	22.29		
SC 66476	POSTAGE METER REFILL	RESERVE ACCOUNT	2/23	15.00		
SC 66484	BUS. FACADE IMPROV. GRANT	TAMMY'S PLACE	2/23	2,000.00		
Account Total:				4,145.74	4,145.74	
650 Community/Economic Development						
4650 Community/Economic Development						
101 FULL-TIME EMPLOYEES - REGULAR						
PR 230200 78	Payroll Expenditure		2/23	1,199.12		
PR 230201 75	Payroll Expenditure		2/23	1,188.56		
Object Total:			2,307.88 DB	2,387.68		4,695.56 DB
121 EMPLOYER PERA CONTRIBUTIONS						
PR 230200 79	Employer Contributions		2/23	89.95		
PR 230201 76	Employer Contributions		2/23	89.14		
Object Total:			173.09 DB	179.09		352.18 DB
122 EMPLOYER FICA CONTRIBUTIONS						
PR 230200 80	Employer Contributions		2/23	71.05		
PR 230201 77	Employer Contributions		2/23	70.40		
Object Total:			136.50 DB	141.45		277.95 DB

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CITY OF KASSON  
Detail Ledger Query  
For the Accounting Periods: 2/23 - 2/23

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Fund=225, 226, 290

Fund/Account/ Doc/Line #	Description	Vendor/Receipt From	Acct. Period	Debit	Credit	Ending Balance
290 Economic Development						
4650 Community/Economic Development						
123 EMPLOYER MEDICARE CONTRIBUTION						
PR 230200 81	Employer Contributions		2/23	16.62		
PR 230201 78	Employer Contributions		2/23	16.46		
	Object Total:		31.92 DB	33.08		65.00 DB
130 EMPLOYER PAID INSURANCE						
PR 230200 82	Employer Contributions		2/23	191.78		
PR 230201 79	Employer Contributions		2/23	191.43		
	Object Total:		383.97 DB	383.21		767.18 DB
210 OPERATING SUPPLIES						
CL 41211 5 2223306	QTRLY MAINT-B&W 2/13-5/1	METRO SALES INC	2/23	24.67		
CL 41211 23 2223306	QTRLY MAINT-CLR 2/13-5/1	METRO SALES INC	2/23	22.29		
	Object Total:			46.96		46.96 DB
321 TELEPHONE						
CL 41144 5 10148124	PHONES-EDA	KMTELECOM	2/23	10.39		
	Object Total:		42.90 DB	10.39		53.29 DB
325 COMMUNICATION-OTHER						
CL 41225 6 22870844-2	POSTAGE METER REFILL	RESERVE ACCOUNT	2/23	15.00		
	Object Total:		15.00 DB	15.00		30.00 DB
360 INSURANCE						
CL 41262 9 1ST QTR INS-CMC 1001158-7		LMC INS TRUST P&C	2/23	73.39		
	Object Total:			73.39		73.39 DB
414 COMMERCIAL PROGRAMS						
CL 41255 1 BUS. FACADE IMPROV. GRANT		CHAOTIC GOOD BREWING	2/23	2,000.00		
CL 41258 1 BUS. FACADE IMPROV. GRANT		TAMMY'S PLACE	2/23	2,000.00		
	Object Total:		2,000.00 DB	4,000.00		6,000.00 DB
	Account Total:		5,091.26 DB	7,270.25		12,361.51 DB
	Org Total:		5,091.26 DB	7,270.25		12,361.51 DB
	Fund Total:			11,415.99	11,415.99	
	Grand Total:			12,507.33	12,507.33	

225 EDA FED MIF

	Actual Period to Date	%	Actual Year-To-Date	%	Annual Budget
Revenue					
Communi ty/Economi c Devel opment					
3621 INTEREST EARNED	304.89		805.42		0.00 805.42
Total Department	304.89		805.42		805.42
Total Revenue	304.89	100.00	805.42	100.00	0.00 805.42
Net Income(Loss)	304.89		805.42		



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15:01:39

CITY OF KASSON  
Income Statement by Department  
For the Accounting Period: 2 / 23

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290 Economic Development

	Actual			Actual			
	Period to Date	%		Year-To-Date	%	Annual Budget	
Revenue							
Communi ty/Economi c Devel opment							
3101 CURRENT AD VALOREM TAXES	0.00			0.00		89,506.00	-89,506.00
3621 INTEREST EARNED	0.00			0.00		500.00	-500.00
Total Department						90,006.00	-90,006.00
Total Revenue						0.00 100.00	0.00 100.00 90,006.00 -90,006.00
Expenses							
Communi ty/Economi c Devel opment							
Communi ty/Economi c Devel opment							
101 FULL-TIME EMPLOYEES - REGULAR	2,387.68	32.84		4,695.56	34.80	47,500.00	42,804.44
121 EMPLOYER PERA CONTRI BUTIONS	179.09	2.46		352.18	2.61	3,563.00	3,210.82
122 EMPLOYER FICA CONTRI BUTIONS	141.45	1.95		277.95	2.06	2,945.00	2,667.05
123 EMPLOYER MEDI CARE CONTRI BUTION	33.08	0.46		65.00	0.48	689.00	624.00
130 EMPLOYER PAID INSURANCE	383.21	5.27		767.18	5.69	6,900.00	6,132.82
150 WORKER' S COMPENSATION	0.00			356.00	2.64	110.00	-246.00
210 OPERATING SUPPLIES	46.96	0.65		46.96	0.35	500.00	453.04
303 ENGI NEERING 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	10.39	0.14		53.29	0.39	500.00	446.71
325 COMMUNI CATION-OTHER	15.00	0.21		30.00	0.22	200.00	170.00
333 STAFF MEETINGS & CONFERENCES	0.00			0.00		400.00	400.00
334 MEMBERSHIP DUES AND FEES	0.00			75.00	0.56	500.00	425.00
343 OTHER ADVERTI SING	0.00			0.00		5,000.00	5,000.00
351 LEGAL NOTICES PUBLI SHING	0.00			0.00		100.00	100.00
360 INSURANCE	73.39	1.01		73.39	0.54	300.00	226.61
414 COMMERCIAL PROGRAMS	4,000.00	55.02		6,000.00	44.47	10,000.00	4,000.00
416 Busi ness Subsidi y (MICJ)	0.00			0.00		3,000.00	3,000.00
430 OTHER SERVI CE/CHARGES-MISC.	0.00			400.00	2.96	3,000.00	2,600.00
440 PROFESSIONAL SERVI CES	0.00			300.00	2.22	800.00	500.00
Account Total							
						7,270.25 100.00	13,492.51 100.00 90,007.00 76,514.49
Total Department						7,270.25 100.00	13,492.51 100.00 90,007.00 76,514.49
Total Expenses						7,270.25 100.00	13,492.51 100.00 90,007.00 76,514.49
Net Income(Loss)							
						-7,270.25-100.00	-13,492.51-100.00

225 EDA FED MIF

Assets

Current Assets

CASH-OPERATING	166,059.22	
LOAN PRIN REC-WHI TMARSH	695.42	
LOAN PRIN REC- 1760 MILLWORK	69,707.82	
	-----	
Total Current Assets		236,462.46
		-----
Total Assets		236,462.46

Liabilities and Equity

Total Liabilities

Equity

UNRESERVED FUND BALANCE	235,657.04	
CURRENT YEAR INCOME/(LOSS)	805.42	
	-----	
Total Equity		236,462.46
		-----
Total Liabilities & Equity		236,462.46

290 Economic Development

Assets

Current Assets

CASH-OPERATING	26,839.34	
DUE FROM OTHER FUNDS	81,677.89	
PREPAID ITEMS	18.72	
	-----	
Total Current Assets		108,535.95
		-----
Total Assets		108,535.95

Liabilities and Equity

Current Liabilities

ACCRUED WAGE/SALARY PAYABLE	1,137.23	
	-----	
Total Current Liabilities		1,137.23
		-----
Total Liabilities		1,137.23

Equity

UNRESERVED FUND BALANCE	120,891.23	
CURRENT YEAR INCOME/(LOSS)	( 13,492.51)	
	-----	
Total Equity		107,398.72
		-----
Total Liabilities & Equity		108,535.95

## **Economic Development Authority Coordinators Report**

**Ian Albers  
March 2023**



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### **Business visits, assistance, and community updates**

Chaotic Good Brewing Company and Tammy's Place both received their \$2,000 façade improvement grants for new signage. On February 28th, I attended the soft opening at Tammy's Place and was very impressed with Kasson's newest restaurant – I would highly recommend visiting soon if you haven't already! On March 3rd, the final design for the environmental learning center at the proposed Dodge County Regional Park was revealed – more info will be available on Dodge County's EDA website. Coming up later in March, the St Paddy's Day event will take place on Saturday, March 11th from 2-4 PM. Additionally, three ribbon-cuttings are scheduled for new businesses in Kasson. These include Tammy's Place on the 10th, Chaotic Good on the 11th, and Creative Stars Academy (the new daycare at Plaza 57) on the 13th.

### **Business Spotlight**

There will be no Business Spotlight for March.

### **Rethos Downtown Assessment**

Rethos presented the Downtown Assessment on January 11th. Generally, the report finds that Kasson's downtown has a variety of business offerings that downtowns in other cities often lack. However, there are opportunities to make downtown better. Some of these opportunities may include providing more options for activities in the evening and for families, and improving parking/safety conditions and building aesthetics. The full report is included in the packet.

### **EDA Priorities for 2023**

The EDA Priorities for 2023 are included in the meeting packet.

### **Updates to the Kasson Comprehensive Plan**

Since the latest Kasson Comprehensive Plan was adopted, demographics have changed. Updates to the comp plan reflect these changes and will influence how we think about the future growth of Kasson. The slide deck is included in the packet.



# DOWNTOWN ASSESSMENT



Prepared by Minnesota Main Streets by Rethos, Made possible by funding from the Southern Minnesota Initiative Foundation



# ABOUT DOWNTOWN ASSESSMENTS



How would you tell your community's story? How would you talk about its distinct character? These can often be tough questions, and answering them is central to sustaining, activating, and promoting the vibrancy of your downtown district. Downtown Assessments help provide you with answers you can use to start building short- and long-term community vitality.

Rethos staff met with Kasson community members in focus groups as well as organic meetings throughout the community and shared a public online survey to understand and reveal the identity, personality, and opportunities in downtown Kasson. These conversations took many forms--meeting people in groups at places where they already gathered, such as the legion and restaurants, or at locations easy to access for the public like City Hall and the library. Speaking with a diverse group of residents, business owners, artists, government officials, and students, we identified distinct cultural assets of the neighborhood: the places, stories, features, and stories which make it unique. In these conversations, major themes emerged that told the story of downtown Kasson.

At its heart, this plan is a testament to what makes downtown Kasson unique. It articulates the past and the legacy of the downtown, the specific qualities that define it in the present, and a vision for growth that will carry it towards the future.

The usefulness of the strategies that come out of the Downtown Assessment extends beyond the recommendations listed here. The community can look at the information presented in this report and draw their own recommendations. The plan can be used as a framework to develop marketing and tourism initiatives; a platform for business and resident retainment and recruitment; a building block for seeking philanthropic, public, and private investment; or as a planning tool to build additional strategies for growth and revitalization.



# DOWNTOWN KASSON ASSET THEMES

Rethos Staff connected with Community Members from late June through October, 2023. Through these connections the following assets came up regularly. By defining assets, it's easier to leverage what's going well into wider revitalization activity.

01

## BASICS ARE COVERED

A grocery store, gym, clinic, hardware store, banks, hairstylists, theater, bars, and more still exist in downtown.

02

## LOTS OF LITTLE OPPORTUNITIES AND SPACES

There are great variations in spaces for people to try entrepreneurial ventures in downtown, from storefronts to stylist chairs.

03

## PEOPLE WANT TO DO MORE

Residents and business owners of all ages expressed the desire to partake in more activity in downtown, and Kasson in general, on a regular basis

04

## ABILITY TO KNOW YOUR AUDIENCE

Kasson can identify that they're a bedroom community, and their audience is their residents. You don't have to guess at who might be tourists or prospective visitors.





# COMMUNITY MEMBER PRIORITIES

These priorities are the most repeated and emphasized comments from in-community conversations and online survey responses. By tuning into top community priorities, economic development leaders can tailor plans that are most likely to succeed.

- 01 People want something to do in the evening--there's a captive audience.
- 02 Safer parking and access for pedestrians and drivers.
- 03 Fix the buildings, especially facades, before it's too late.
- 04 Newcomer welcoming efforts: let people know what's here and available when they decide to move to Kasson.
- 05 Create family friendly places to gather (not a bar).

“We can and need to do better! Make Kasson a place people not only sleep but LIVE!”  
-Survey Response”





## BY THE NUMBERS

### FOCUS GROUPS

**5 GROUPS**  
**27 PEOPLE**

Rethos Staff met with 5 focus groups around the following topics: Elected/Appointed Officials, Retail/Restaurant Owners, Downtown Stakeholders, Economic Development Officials. Conversations around topics specifically tailored to each group allowed individuals in particular activities to share their thoughts about downtown.

### POP IN CONVERSATIONS

**19 STOPS**

Rethos Staff spent significant time stopping in local businesses in the downtown and talking with owners, staff, shoppers, and visitors to gather off-the-cuff information about downtown activity, including spending time at the Legion and restaurants visiting with locals.

### ONLINE SURVEY RESPONSES

**211**

Following the in-community information gathering Rethos facilitated an online survey, open to anyone of any age who lived or worked in Kasson to gather specific information on pre-determined topics. Full details and comments will be available to view.



# RECOMMENDATIONS AND OPPORTUNITIES

*"Don't really consider it 'downtown' [it's a] quiet place to go get things or services when needed - not lots else to offer"*  
-Survey Response



These Cultural Activation Strategy Recommendations provide an evaluation of downtown Montgomery's existing cultural assets, as defined by community members and gathered by Rethos staff. Described herein are major themes amongst those assets, priorities for the neighborhood which community members identified, and concrete recommendations to utilize the community's existing assets to achieve those priorities.

## RECOMMENDATION 1:

Support entrepreneurship and rehabilitation efforts in downtown.

Starting revitalization activity can seem very daunting. However, getting the community on-board with activity doesn't have to be. Simple steps using existing assets and energy are the best way to start the ball rolling. Kasson already has great people doing good work planning special events for the community. Those events can be a catalyst for rethinking how the community interacts with downtown.

Kasson residents who remember previous decades reminisced about activity and celebrations taking part in downtown. In recent years, those same celebrations have either phased out or moved into areas of town away from the downtown core. There have been efforts to rekindle activity in downtown over special holidays, and that is a great place to continue momentum.

It's hard to encourage entrepreneurial and revitalization efforts without some matched energy from the city and community non-profits. Currently, downtown is an afterthought for most members of the community, but they don't want that to be the case. During conversations with locals it was brought up often that folks wanted a place to gather, celebrate, and just be in downtown, and they shared numerous examples of communities in the state that had a downtown they loved visiting and wished they could mimic in Kasson.

Downtowns people love to spend time in don't just happen overnight, and they aren't only built around locations for tourists. Kasson has a prime opportunity to redefine what their downtown is, and build it into a space tailored to Kasson residents, by Kasson residence. The rehabilitation of the dance studio is a great example of how locals can take the initiative into making a place into a place where people want to be.

A resident shared in the online survey "Don't really consider it "downtown" [it's a] quiet place to go get things or services when needed - not lots else to offer." This sentiment is very representative of how most people felt about downtown. Is this the type of central business district you want? Or are there ways to engage and activate people to do more?

Kasson residents seem very focused on looking to new retail opportunities as the way to revitalization. Downtowns have long been a retail hub, but the future of downtown is likely to be less retail-heavy and more experiential gathering places. While it's hard to magically wish specific types of businesses into existence, there are steps that local leaders can take to cultivate a business district in downtown that reflects the needs of the community.



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## RECOMMENDATION 1 CONTINUED:

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While it may require funding to be secured in new ways, city economic development offices can partner with other local business leaders to create business challenges, special areas for financial and technical support, and programs for entrepreneurs to succeed in your community.

Owatonna, MN, has a great example of a retail challenge, which can be found on the Owatonna.org website. This challenge offered an incentive package up to \$25,000 for a business to open or expand in downtown Owatonna. The award package required creation of concept, business plan, and a final pitch, with support coming from Main Street Owatonna, The Owatonna Economic Development Authority, the Owatonna Area Business Development Center, and South Central Minnesota SCORE. Business challenges for restaurants and retail in other communities like Red Wing have also included marketing training and support and specific media assistance as well. By creating a buzz around a challenge, a cohort of potential entrepreneurs will get involved and connected, likely increasing the number of businesses that open as a result of a challenge.

Support programs can extend beyond specific businesses as well. Red Wing created a Redevelopment Challenge, which focused on building rehab. Willmar, MN, worked to turn a portion of their downtown into a Renaissance Zone, which is using tax incentives for businesses and individuals to purchase, lease, or improve property in the defined corridor. These incentives include tax abatement, free building permits, loans for facade renovation, and zoning openings.

Creating a safe and habitable district is certainly a joint venture between the public and private sector, but when a downtown is seeking significant investment like Kasson, it's important for the public sector to take the lead. Kasson has already shown that they're investing in their future by having a now full-time Economic Development Role, with conversations about investment and financial support in downtown continuing. Transferring that conversation to the greater community is crucial, and can be done by tailoring programs, meetings, and development updates to messaging that is accessible to the community and understandable by folks not deeply involved in civic jargon.

Kasson has good bones. There are great buildings, strong businesses, and big ideas that can truly grow into something incredible. The desire for rehabilitation is there, and the biggest challenge will be defining exactly how the city of Kasson can take the lead.

## RECOMMENDATION 2:

Leverage special events and programming into regular activity for locals.

Many survey respondents were focused in on the desire for more specialty stores, restaurants, and entrepreneurial ventures. However, it's hard to entice new businesses to open up in a district that feels uninviting or unwelcoming. In order to attract the attention of potential businesses, downtown Kasson needs to focus on creating spaces and events that showcase the audiences that new businesses could attract. Most people that Rethos staff spoke with in person and surveyed online were under retirement ages. This means that their ability to be out and about in downtown is limited to after work and school hours.

Kasson is a bedroom community, which is ok! It means people are *choosing* to live there, that they want to be in Kasson. Folks in the community and in the online survey responded that they want more opportunities to participate in activity and opportunities in downtown, especially on evenings and weekends and with their families.

Rethos staff heard great comments about the special events that have taken place already, and that community members are stepping up to aid in the planning of special holiday events for families and kids. These folks are leading the way in changing community member's perceptions on what can happen in downtown.

Many small towns and bedrooms communities around the country are doing great things to keep families entertained, and Kasson can certainly leverage their ideas into community activation.



The school district was a frequent topic of conversation. Kasson has an incredible school that people want their kids to attend. How can that help the downtown? There are often events throughout the school year that downtown can celebrate. Could the downtown and school district work together to host a Homecoming Parade in downtown and local businesses put up banners in tandem with school groups?

Another great example of celebrating local students is Graduation Banners. Red Wing's Downtown Main Street started this initiative during the pandemic lockdown, and it's become an annual event. Banners are posted in downtown with local graduate's pictures, and a stationary parade for graduates takes place.

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## RECOMMENDATION 2 CONTINUED:

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A Book Walk is another great example of an ongoing activity that is free and moves people throughout downtown. Faribault's Library has a StoryWalk in downtown, and regularly updates which books are posted. While their presentation is very elaborate, there are simpler ways to print a book walk, for example on yard signs or in business windows that aren't open to the elements.

There can also be more short-term options, like chalk art competitions, street dances for a ballroom or line dance with instructors, costume parades at Halloween, and so much more! It's highly likely that people in your community have great ideas for how to activate downtown, but perhaps need information on how to start or where to go for support. As Kasson explores options for downtown revitalization, it's important to include residents and their ideas. Change cannot come without broad-based community support, and by welcoming input the City shows that they value what residents care about within the community.



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## RECOMMENDATION 3:

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Leverage food trucks as a potential to fill restaurant spaces and support food businesses already in downtown.

Restaurants were an incredibly popular point of in-person conversation as well as a priority shared in focus groups and online survey work. While it's more difficult to encourage entrepreneurial activity than to implement plans completely executed by the city or volunteer groups, it is possible to direct energy into economic development efforts in a specific area.

Food trucks are a very low-risk opportunity to encourage restaurant growth in a community. Food trucks can be a great way to introduce potential restauranteurs into a community, build a following, and funnel that energy into a physical space. How is that possible?

Taqueria El Jefe in Faribault, MN, did just that. For years the Taqueria El Jefe folks operated a food truck in downtown, serving the community and popping up at special events. With a menu that locals came to love, Taqueria El Jefe took a chance and moved into a physical space.

The number one need of community members was a place to dine and gather that was family friendly. Restaurants are notoriously hard to start, but by fostering food trucks from surrounding communities, building up an audience, and helping those entrepreneurs get into a restaurant space in downtown, the community will be much more likely to support them and in turn the restaurant will succeed.

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## RECOMMENDATION 3 CONTINUED:

How can food truck events start? Include one to two food trucks at each classic car evening, during holiday events, and even during one lunch hour each month with publicity. Regularity is key--make it an event that residents come to expect and plan for.

An additional bonus of leveraging food trucks to create an increase in not only available options but filling vacant spaces is industry knowledge. Typically folks in the food truck business have some restaurant experience that helps them become more successful in business creation, rather than going into the industry blind. In addition, by slowly scaling up a business there's a greater threshold for long-term success.

One point of concern for Rethos staff was the amount of times people were either unaware or disregarded business that exist. For example, there is a bakery in downtown, and a bakery is a business that was mentioned as a big wish for downtown. How people find out about what is available can be tricky with social media algorithms, but it's critical to support existing businesses in order for new businesses to feel there is a space for them to begin and prosper.

Rethos staff had no trouble finding dining and beverage options while visiting downtown Kasson. While there wasn't a huge number, there were options at breakfast, lunch, and dinner. It is fair to say that due to parking and building styles it was hard to see business signs, and there was a major disconnect between hours listed online and what was actually open in reality.

While it may feel like there are "no restaurants" in downtown, there are in fact, several. By working with these private businesses and entities like the Chamber of Commerce, sharing the news on "we've got that here" changes peoples' perceptions on lack into how to grow what exists. Leveraging these places with new food trucks "trying out" Kasson, local options are likely to grow significantly.





## OPPORTUNITIES

The following opportunities are places where Rethos staff see potential for activation. There aren't step by step resources to implement, but rather general ideas to cultivate growth.

- Conduct a parking survey. While Rethos typically doesn't usually suggest efforts to be focused around parking (as local perceptions of lack are more likely due to issues of regulation and type), staff did see some concerns around parking safety in downtown. The diagonal parking led to unsafe pedestrian practices, as well as difficulty navigating a vehicle downtown. Alternative parking options could really help to make the downtown feel safer for cars, drivers, and pedestrians. For as many great walking and biking trails and routes that Kasson has, downtown is certainly lacking in people using modes other than cars to get there. over 90% of people surveyed drive downtown, and it's due to not feeling safe to move about without a car.
- It's ok to be a bedroom community! Everyone has to live somewhere, and creating a community that people want to live in is more important than focusing on how to get people to visit. Embrace the nature of your community, and hone in on what efforts locals are interested in and need. The time that locals have to spend in downtown is after regular work hours, and that's also when they do most of their shopping. How can Kasson capitalize on an audience that's around during non-traditional business hours?
- Approach big challenges with lots of little efforts. While it may seem like major issues need one big answer, it's much more sustainable (financially, physically, and timely). Lots of little can be offering multiple small grants for facade work rather than one big fund. It could also mean activating local non-profits to host one event per year in downtown rather than one group managing all the planning. Lots of little helps stretch both energy and imaginations.
- Activate a community calendar that is populated with information from all major stakeholders in the community. Folks in Kasson seemed hard to reach and responded to questions with questions, as they themselves perhaps didn't know where or how to find information. Consider partnerships between the City, EDA, Chamber, or other entities to have a unified community calendar and info page. Make sure that calendar stays updated, and easy to provide events and information to. It's also important to make it easy to find and share!



## CONCLUSION

Kasson has a solid base, but it's important to start with the basics. Fixing the infrastructure of the district and making residents and workers feel welcome and safe is critical. Once those pieces are handled, understanding how the future of downtown can celebrate the past but adapt to a changing population and world will make for more effective economic development.

## REMEMBER:

Sustainable and successful district revitalization takes time and multiple players. The City, private businesses, non-profits, civic clubs, and residents all have a stake in the future of downtown Montgomery. Continue to find ways to invite residents and workers to the conversation about downtown. Making a plan with goals, timelines and priorities along with who are important partners can make all the difference in success. Rather than focusing on everything all at once, hone in on one challenge at a time to see steps of sustainable revitalization.





To: City Council  
Date: 3/8/2023

**Agenda Heading:** City Administrator's Report

““Never worry about criticism from someone you wouldn't seek advice from.”  
~ **Coach Dabo Swinney**

- **House and Senate Assembling Capital Investment Bills.** The Senate Capital Investment Committee on Feb. 16 took testimony on identical bills as amendments to SF 676 and SF 677, both authored by Senate Capital Investment Committee Chair Sen. Sandra Pappas (DFL-St. Paul). Many stakeholders are eager to see early passage of a bonding package, particularly because the Legislature did not pass bonding bills in the last two years. The proposal faces an uphill climb because it will require a supermajority vote in the House and Senate to reach the governor's desk. This means it will need bipartisan support, and the Republicans in the minority in both bodies have not indicated whether they intend to support the measure. The package is smaller than the \$3.3 billion proposal Gov. Tim Walz unveiled on Jan. 26. Also, because the proposal does not include many projects that have been introduced this year, there is speculation leaders are planning a second bonding bill later in the session should the existing proposal pass. We will continue monitoring this.
- **Library Board Updates.** Recently the Library Board held their meeting. They have begun planning for the 125<sup>th</sup> Anniversary in 2024. They are meeting with the Mantorville Arts Guild and have decided to form a committee of 10 to plan the anniversary celebration with displays and programming. I recommended that they try to do a library day at the Aquatic Center, the crossover with the children would be beneficial and the costs would be low. If you're interested in being on the committee please let the Library Director know. The exterior SW service door and cracked lobby window have been replaced however they're still working out some of the kinks in the new roofing system. Overall, the previous leaks seem to be repaired, time will tell if the system is completely viable. It will be under warranty for the remainder of 2023 and the contractor will have to make any needed repairs. Kelly Bell has been out on some medical leave this spring, and the Library and staff are looking forward to having her back in the middle of March. I have gone through the budget with the new director and advised her regarding the process for 2024.
- **Earned Sick and Safe Time Bill Passes House.** A bill to require that employers provide employees with one hour of paid sick and safe time for every 30 hours worked passed off the House floor on Feb. 16 after more than seven hours of debate. Under this bill, HF 19 (Rep. Liz Olson, DFL-Duluth) /SF 34 (Sen. Sandra Pappas, DFL-St. Paul) workers could earn up to 48 hours a year and carry over up to 80 unused hours from year to year. The bill would cover employees, including part-time and seasonal, working at least 80 hours in a year for an employer and would provide employees their regular hourly rate of pay.



Employers would not be required to pay earned sick and safe time upon separation. If an employee is separated from employment for more than 180 days from an employer, previously accrued leave does not need to be reinstated. This bill is not intended to impact employers that offer accrued leave that meets or exceeds the bill's requirements, including paid time off and other paid leave systems. SF 34 was heard and passed by the Senate Labor, State and Local Government and Veterans, and Judiciary and Public Safety Committees. It was referred to the Senate Finance Committee and hasn't been scheduled yet for a hearing. We will make the argument that our policies are already exceeding this.

- **Fire Hall Bonding and Bidding.** As indicated last month, the USDA funding will likely not be a viable option so we will plan on bonding for the Fire Hall project. The resolution for bonding is included in your packet and I am also looking for a motion to authorize the project to go out for bidding. We have reviewed options at a staff level will likely use some reserves to lower the amount needed to bond for this year. However, you'll note the resolution covers the amount we expect to have to borrow in case rates are favorable and the Council directs us to retain the reserve balances. In addition, we may be able to do some interfund loans in lieu of investing reserves outside of the City. This will generate additional return, it's possible due to the fact that MSA dollars will cover a larger portion of the 16<sup>th</sup> street project and also the fact that transmission investment in the 5-8 year time frame is unlikely. Please let me know if you've got any questions.
- **Bill Authorizing Cities to License Hotels Moves in the House and Senate.** The bill would create a general authorization for a statutory or home rule charter city to adopt an ordinance requiring hotels operating within their jurisdiction to have a valid license issued by the city. A city with an adopted ordinance may refuse to issue a license or may revoke an existing license if a hotel fails to comply with the conditions of the license. Both bills were amended to have an annual license fee cap of \$150.

Some cities have struggled with certain hotel establishments that continue to drain public resources with an overwhelming number of emergency calls to police and fire departments. Currently, cities are limited in what tools they can use to address these establishments. The city of Waite Park in 2017 successfully passed a bill at the Legislature authorizing the city to put a hotel licensing ordinance in place, but other cities do not have this authority. At this time, I do not expect to execute this authority unless advised by Council or the relevant department heads.

- **2022 Audit and Financials.** After meeting with the auditors this week, we will be finalizing the 2022 Audit Report for the City of Kasson. This report will highlight our financials over the past year along with key debt and budget information. Since joining the Kasson team in January 2020, we have made strides to make the city run more effectively. It gives me great pride to work alongside staff who act with resilience and determination, and consistently meet the needs of the community to enhance their quality of life. There have been many goals set over the last several years that align well with the City's vision and priorities. As we move into the next budget cycle, we will continue to implement the City Council's top priorities, and balance current revenues and expenses while maintaining acceptable reserve levels. The 2023 Audit will create a foundation to maintain a balanced budget in 2024 while still maintaining the high quality of services that our residents demand. The Finance Director expects to have numbers to review during the Annual Worksession.


**FYI: I will be out of the office at the APPA conference part of next week.**

**Meetings or Events Attended or Planned**

February 9	DRC City Engineer
February 13	PZ Board
February 14	Library Board
February 16	Council of Governments Technical Review City Engineer
February 17	Kasson Fire Station-Contracting Review-USDA
February 21	MCMA Member Connect Rochester Area Builders-John Wade Park Board
February 22	City Council
February 23	DRC/Technical Review
March 2	City Engineer PW meeting Department Heads meeting
March 3	Mission Square Meeting info
March 7	City Auditors EDA
March 8	Solar Stone Annexation meeting-Gordy Simanton Chamber of Commerce City Council

## **Kasson EDA Priorities for 2023**

1. Support businesses through the Hwy 57 project
  - Share contact info between construction workers and Kasson restaurants
  - Improve signage during construction impacts
2. Expand multifamily housing options and promote a greater diversity of housing types
  - Research housing needs and consider updating the housing study from 2019
  - Issue a request for proposal to develop the Cemetery land in SW Kasson
3. Create a plan for downtown + EDA lots
  - Explore options for beautification and improved safety downtown
  - Conduct a parking study to gather data on current utilization



# Kasson Demographics Update

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JANUARY 2023

# Summary Observations (preliminary)

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Since 2017 Comprehensive Plan, Kasson's growth has exceeded projections.

Young families – largest cohorts are kids under 5 and adults 30-34: In 10-15 years...

- Kids will be in high school
- Parents will likely be buying cars and owning their largest homes
- Parents will have some leisure time (kids become more independent)
- Demand for athletic fields/programs
- Demand for arts and cultural programs
- High school kids looking for jobs (service sector labor pool)

Senior aged population is growing.

- Health care
- Active Senior Living – trails, pickleball, bocce ball, etc.
- Senior housing options – independent (maintenance free, one level, senior community) and continuum of care (assisted living, nursing home, specialized care)
- Senior center – programming and socializing



# Summary Observations (cont.)

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Greater number of households with greater incomes. Potential discretionary spending.

Potential for households with higher levels of education to leverage opportunities for diversifying industry/business.

More workers traveling further for work represents opportunity.

- Can Kasson create jobs to keep people closer to Kasson and thus improve quality of life, or...
- Is Kasson more of a bedroom community
- Can a stronger daytime population (workers) help fuel greater levels of commercial services and entertainment in Kasson?

Is there a health care economic opportunity in Kasson?

Other opportunities?

# Table of Contents

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1. Population
2. Age Distribution
3. Households
4. Education
5. Jobs and Commutes
6. Housing

# COVID-19 Pandemic

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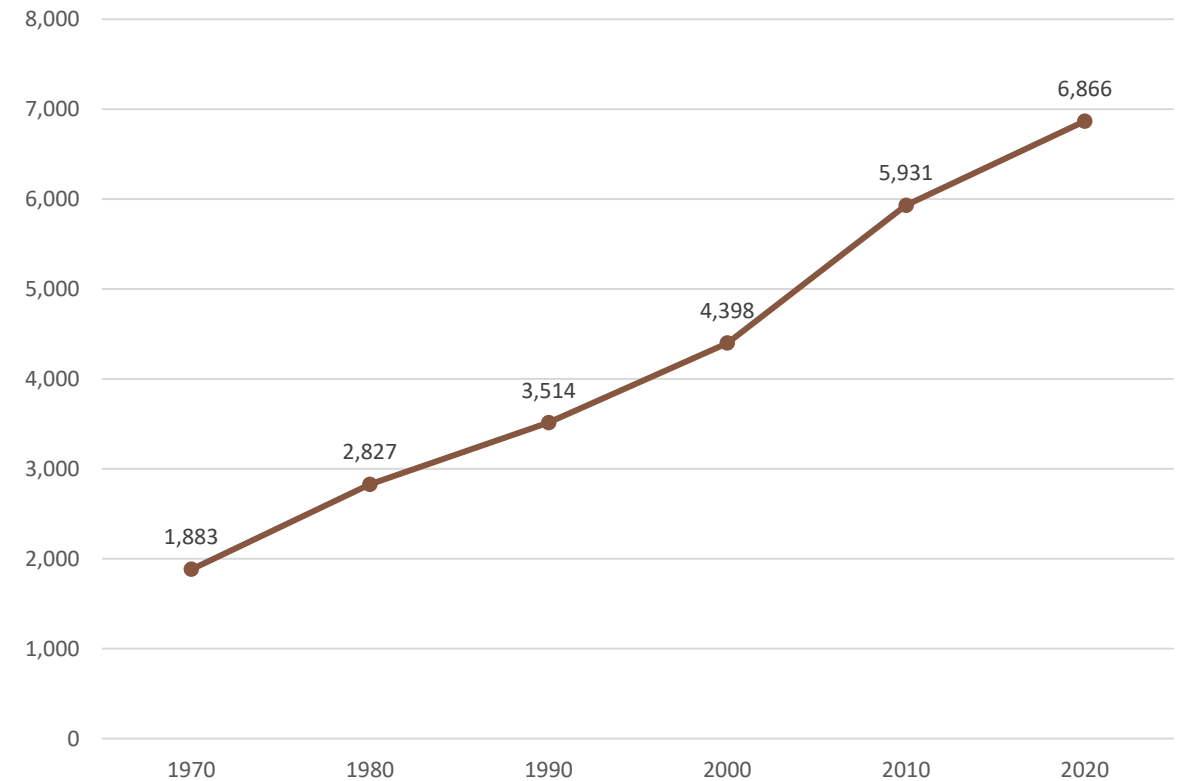
- THE COVID-19 PANDEMIC STARTED IN 2020 AND IMPACTED EVERY ASPECT OF LIFE. WE RECOGNIZE THAT THIS WILL ALSO HAVE A SIGNIFICANT IMPACT ON TRENDS GOING FORWARD.

# 1 Population

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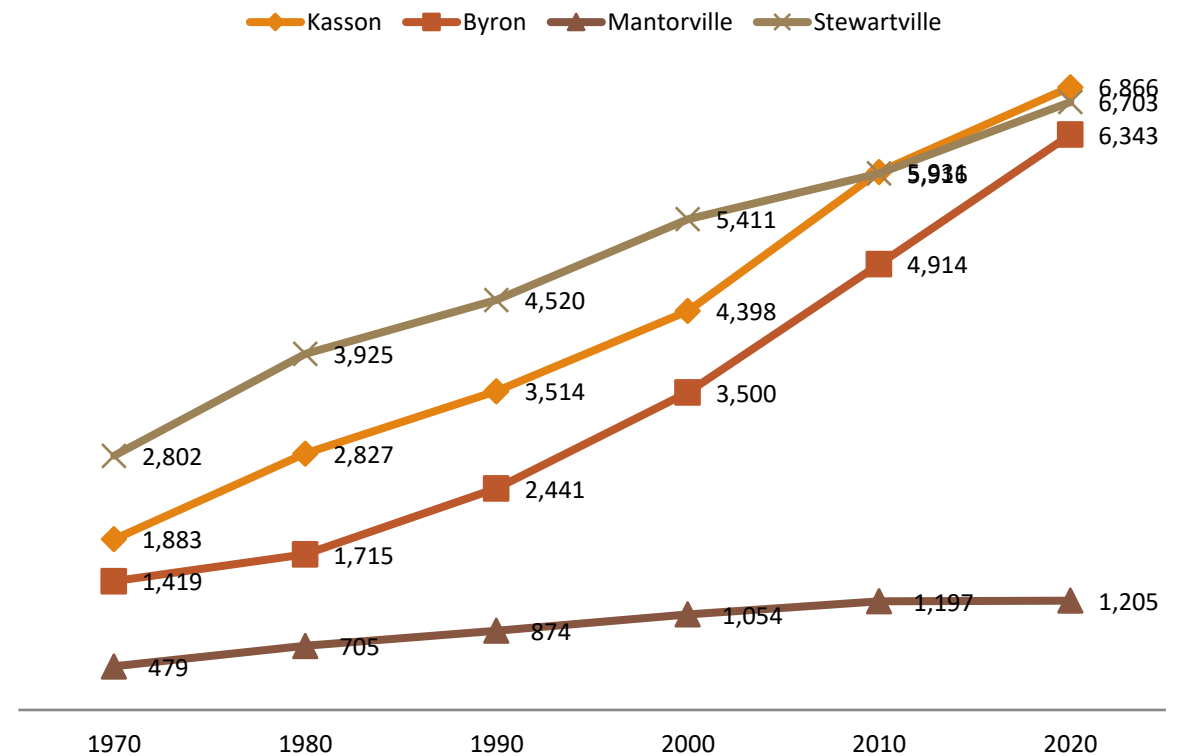
# Historic Population

- THE POPULATION OF KASSON CONTINUES TO INCREASE STEADILY
- STATE DEMOGRAPHER ESTIMATED KASSON'S POPULATION IN 2021 WAS 6,921



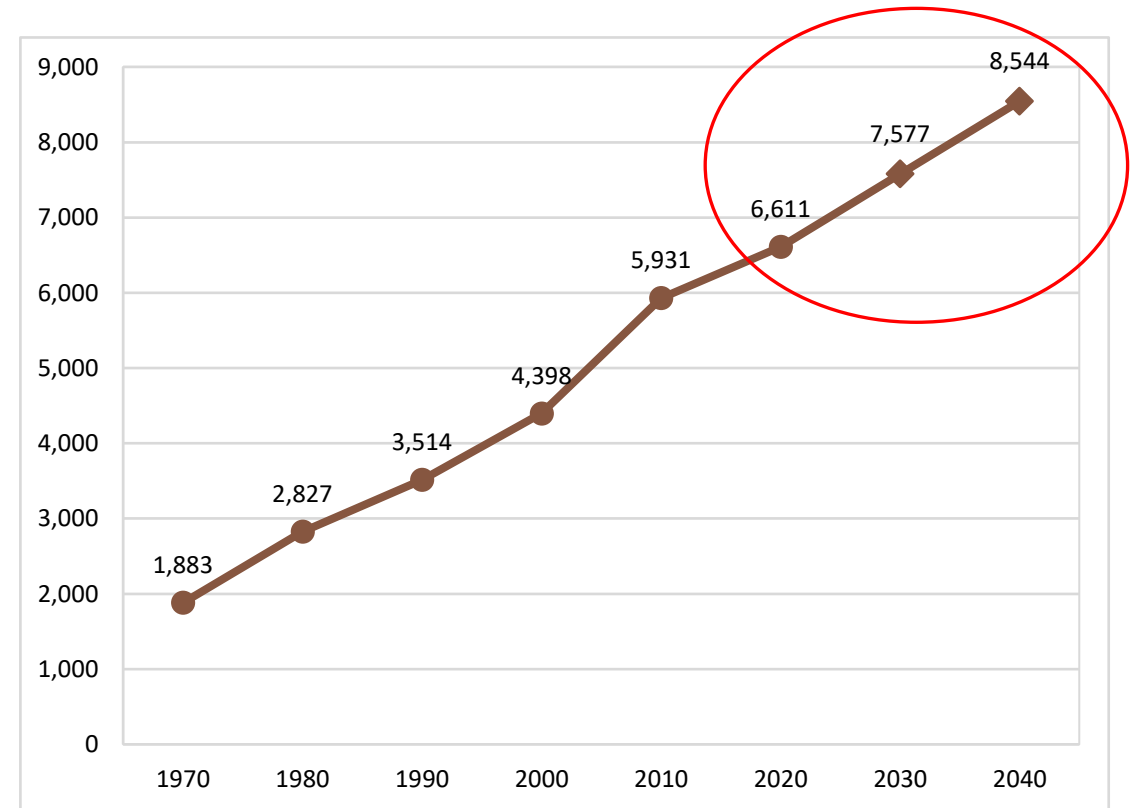
# Population Comparisons

- THE POPULATION OF KASSON CONTINUES TO GROW AT A SIMILAR RATE TO THE SURROUNDING CITIES OF BYRON AND STEWARTVILLE



# Population Projections

- THE 2017 COMPREHENSIVE PLAN...
  - Projected a 2020 population of 6,611 which is 255 persons short of the official 2020 census count
  - Projected a 2040 population of 8,544 (see chart at right from current Comprehensive Plan)
  - Adjusting for actual 2020 census counts suggests a 2040 population projection adjustment between 9,175 and 8,751 or a midpoint of 8,963



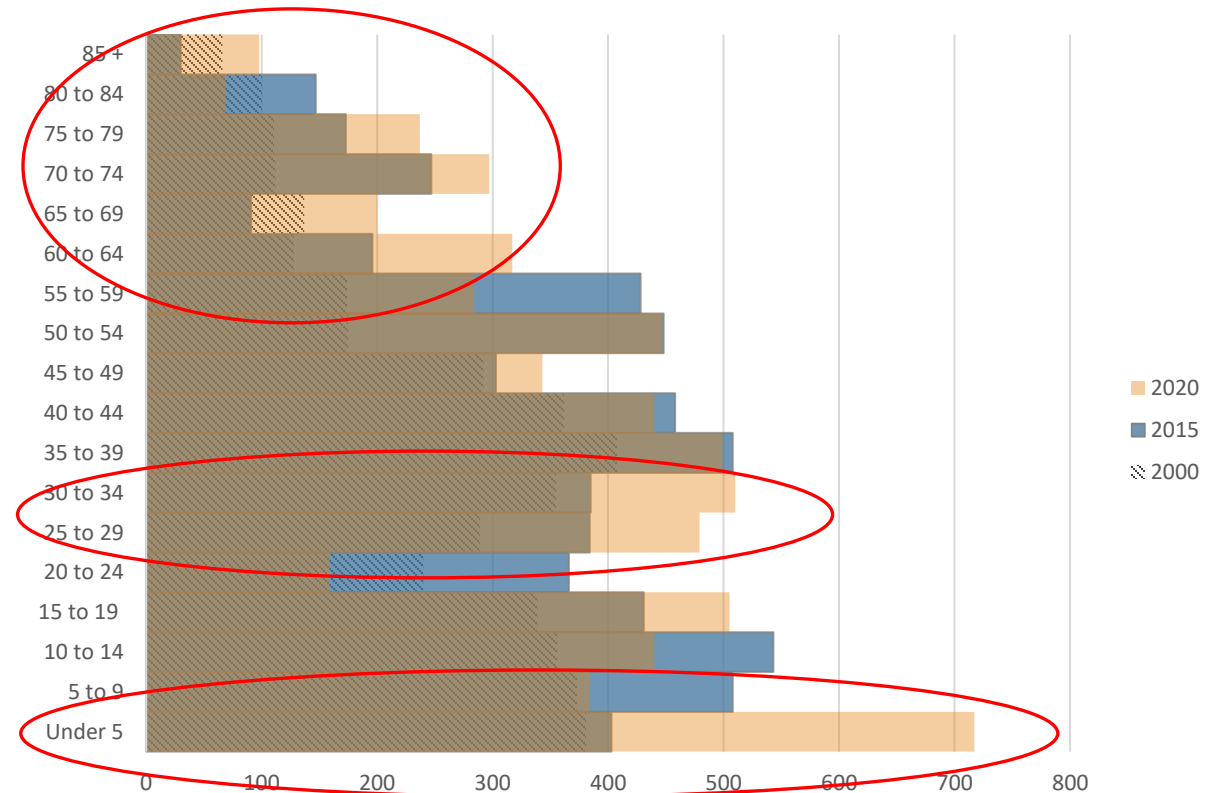
# 2 Age Distribution

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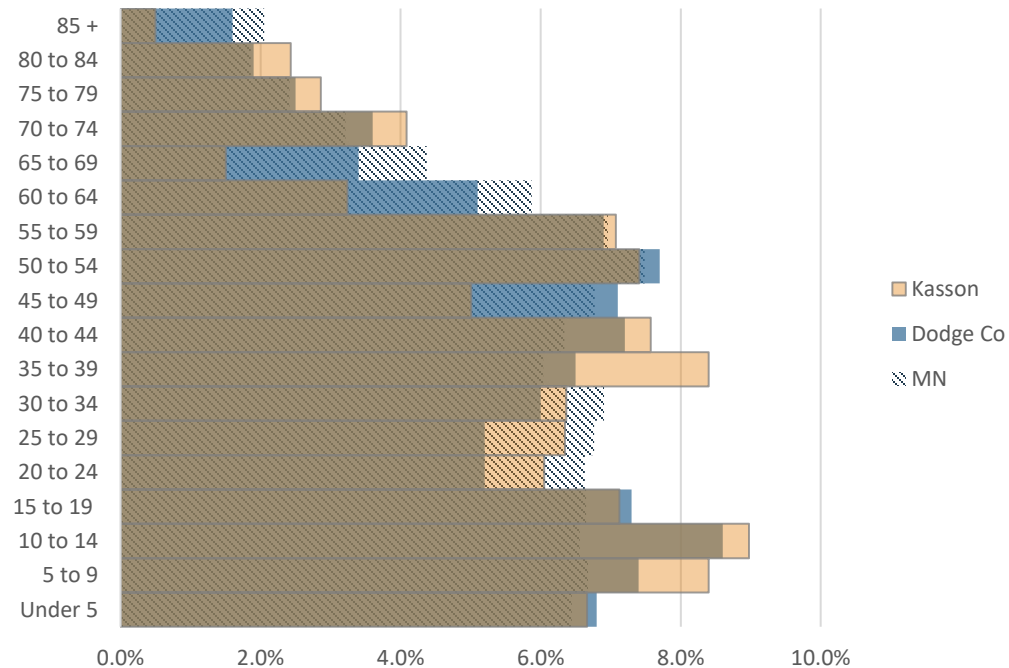
# Age Distribution

- YOUNG FAMILIES AND SENIORS MAKE UP THE LARGEST COHORTS IN 2020
- HOW DOES THIS AFFECT GROWTH AND DEVELOPMENT IN THE NEXT 10 YEARS? OR 20 YEARS?

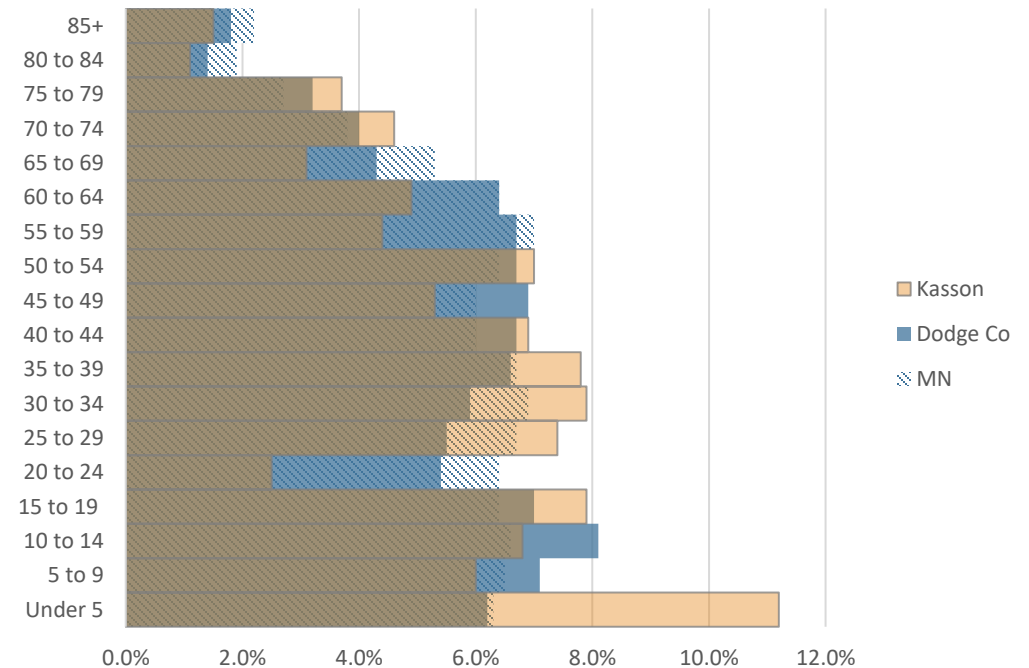


# Age Distribution (comparison of Dodge Co and the State of Minnesota)

2015



2020



# 3 Households

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# Average Household and Family Size

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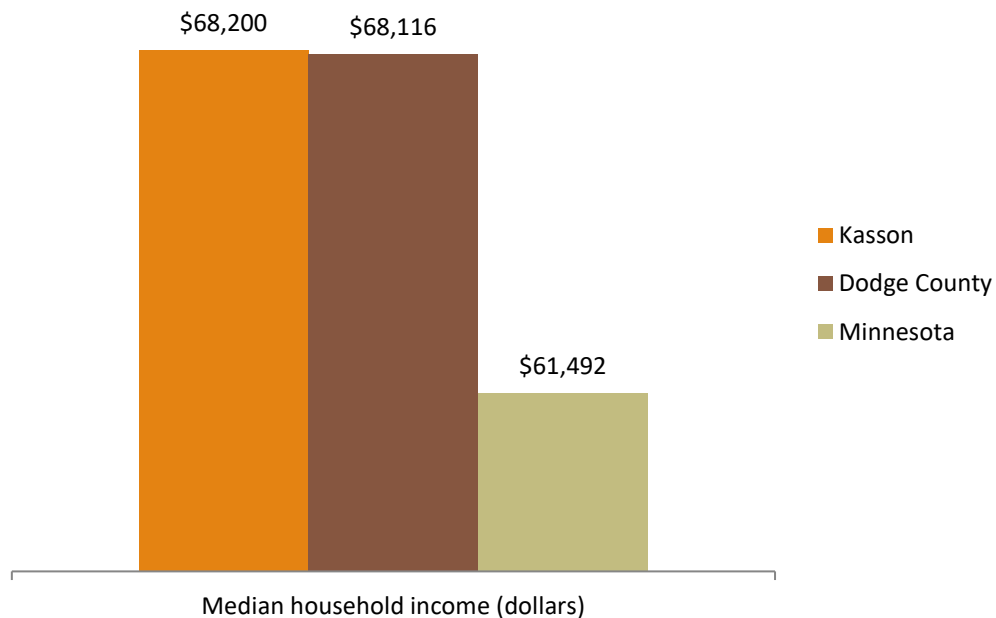
- AVERAGE HOUSEHOLD SIZE AND FAMILY SIZE HAVE BOTH INCREASED SLIGHTLY SINCE 2015. STATEWIDE AND NATIONAL TRENDS GENERALLY SEE A DECREASING HOUSEHOLD SIZE.

	2020	2015	2000
Average Household Size	2.74	2.63	3
Average Family Size	3.17	3.1	3

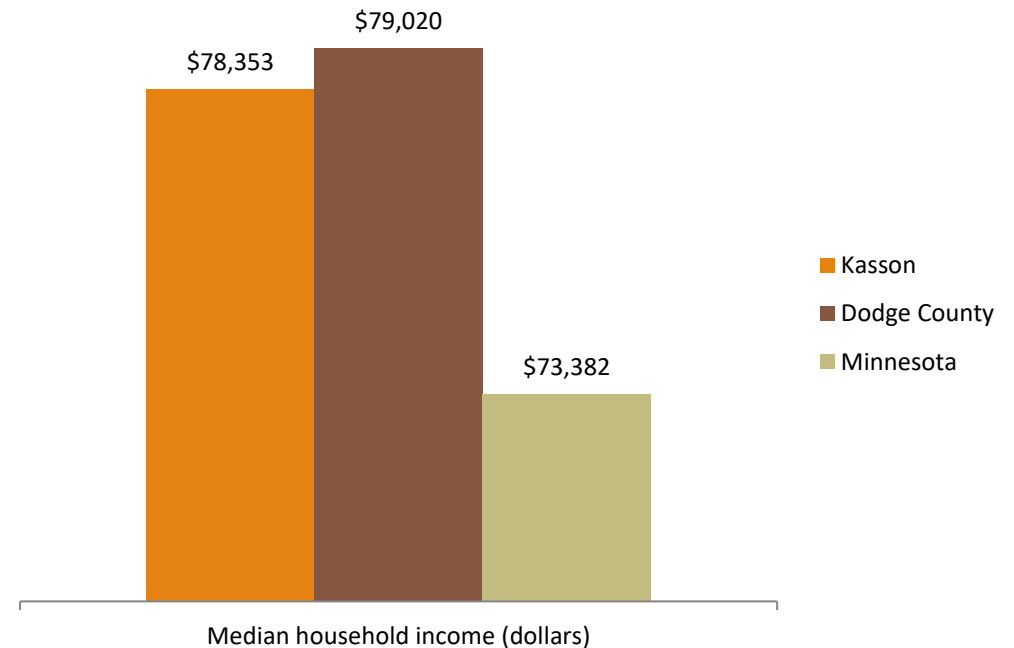
# Median Household Income

- 2022 ESTIMATES FROM ESRI PUT KASSON'S MEDIAN HH INCOME AT \$83,059. A GROWING NUMBER OF HOUSEHOLDS ARE IN THE UPPER INCOME BRACKETS. INDICATING A POSSIBLE INCREASE OF DISCRETIONARY SPENDING.

2015



2020



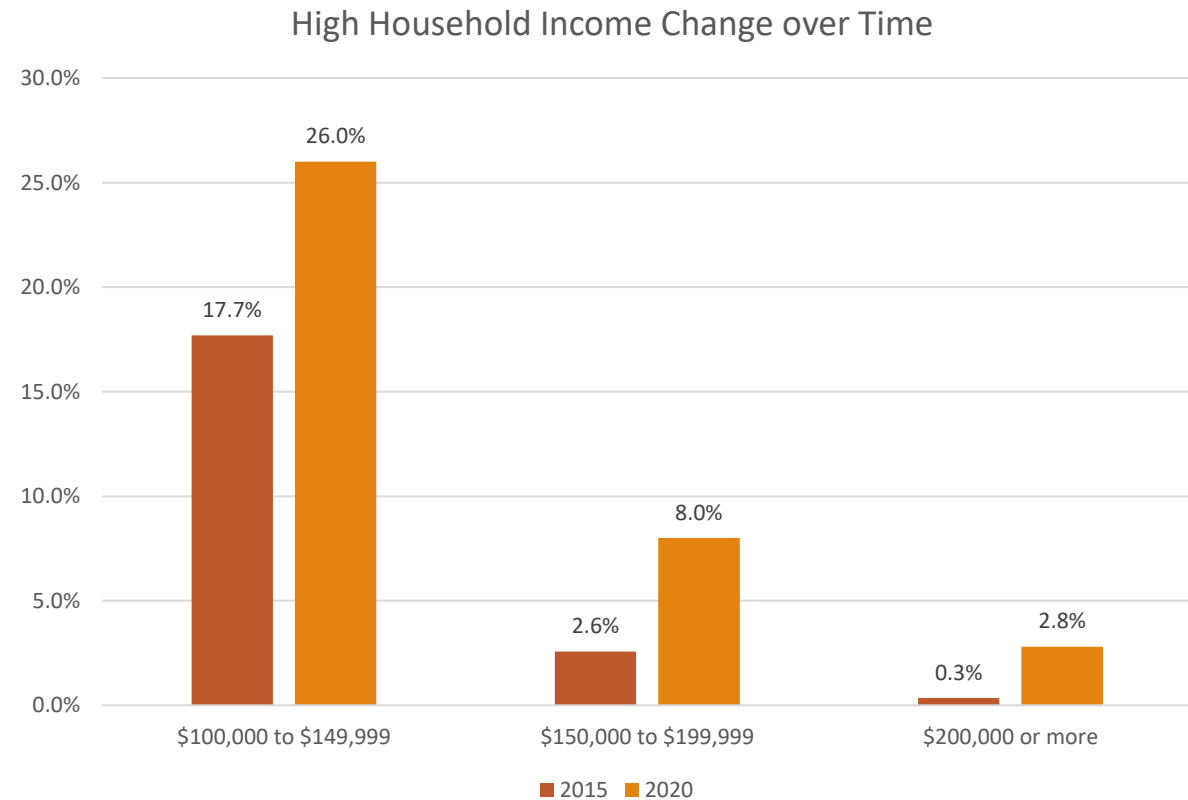
# Household Income

	2020		2015	
	Number	Percentage	Number	Percentage
Total households	2,337	-	2,288	-
Less than \$10,000	13	0.6%	20	0.9%
\$10,000 to \$14,999	66	2.8%	52	2.3%
\$15,000 to \$24,999	105	4.5%	223	9.7%
\$25,000 to \$34,999	105	4.5%	191	8.3%
\$35,000 to \$49,999	255	10.9%	270	11.8%
\$50,000 to \$74,999	547	23.4%	545	23.8%
\$75,000 to \$99,999	386	16.5%	515	22.5%
\$100,000 to \$149,999	607	26.0%	405	17.7%
\$150,000 to \$199,999	187	8.0%	59	2.6%
\$200,000 or more	66	2.8%	8	0.3%



# Household Income

- HIGH EARNING HOUSEHOLDS HAVE INCREASED SINCE 2015
- THE PERCENTAGE OF HOUSEHOLDS EARNING BETWEEN \$150,000 AND \$199,999 IS OVER TRIPLE WHAT IT WAS IN 2015
- THOSE MAKING \$200,000 OR MORE HAS GROWN NEARLY TEN TIMES SINCE 2015

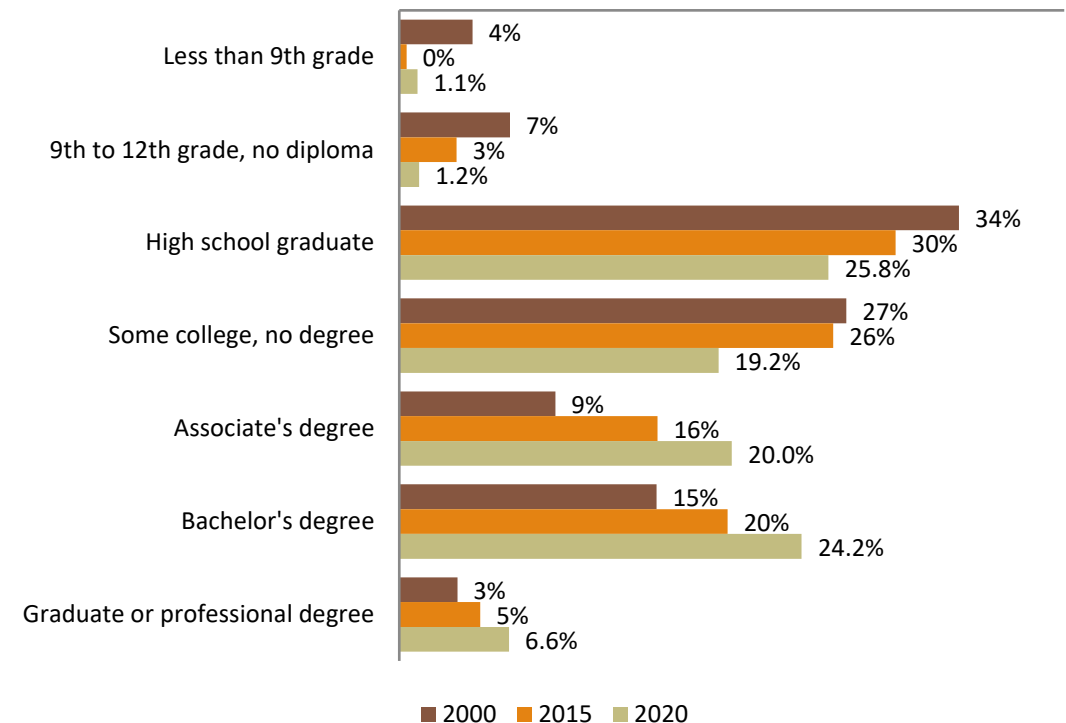
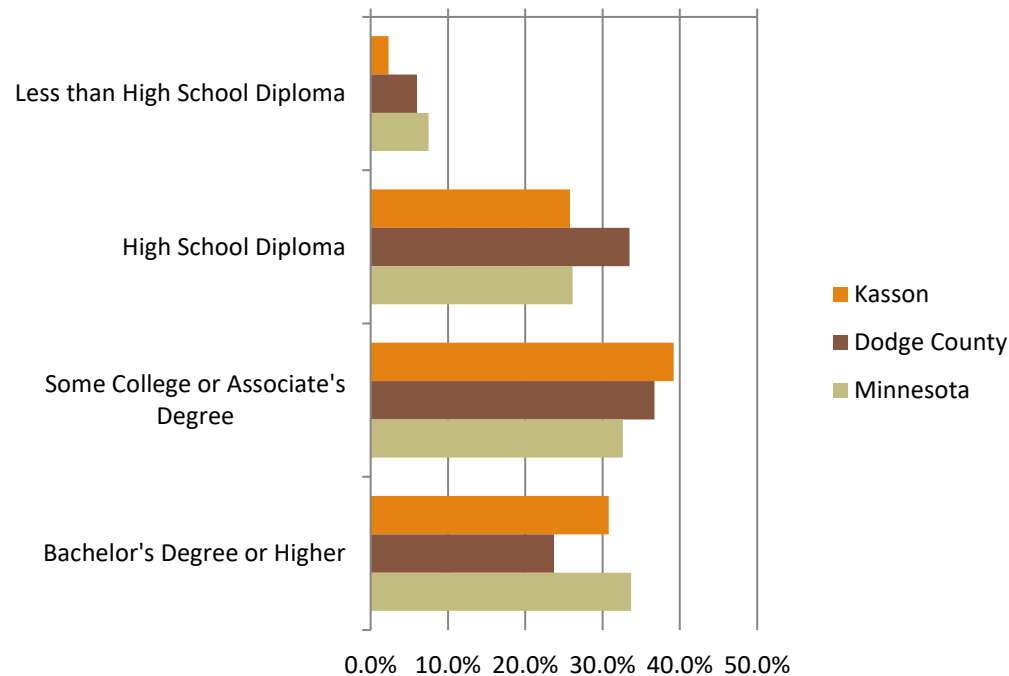


# 4 Education

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# Educational Attainment

- EDUCATION ATTAINMENT DATA REFERS TO MEMBERS OF THE POPULATION AGE 25 AND ABOVE
- EDUCATION ATTAINMENT HAS INCREASED IN 2020 IN KASSON AND CONTINUES TO SURPASS THAT OF DODGE COUNTY



# 5 Jobs and Commutes

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# Trade Market Demographics

- THE MAP BELOW FROM ESRI BUSINESS ANALYST SHOWS THE TRADE MARKET, WHICH IS THE AREA WITHIN A 20 MINUTE DRIVE TIME FROM KASSON'S RETAIL AREA

Population: 43,929

Workplace Population: 25,785

Population Growth ('10-'20): 62%

Projected Population Growth ('20-'27): 4%

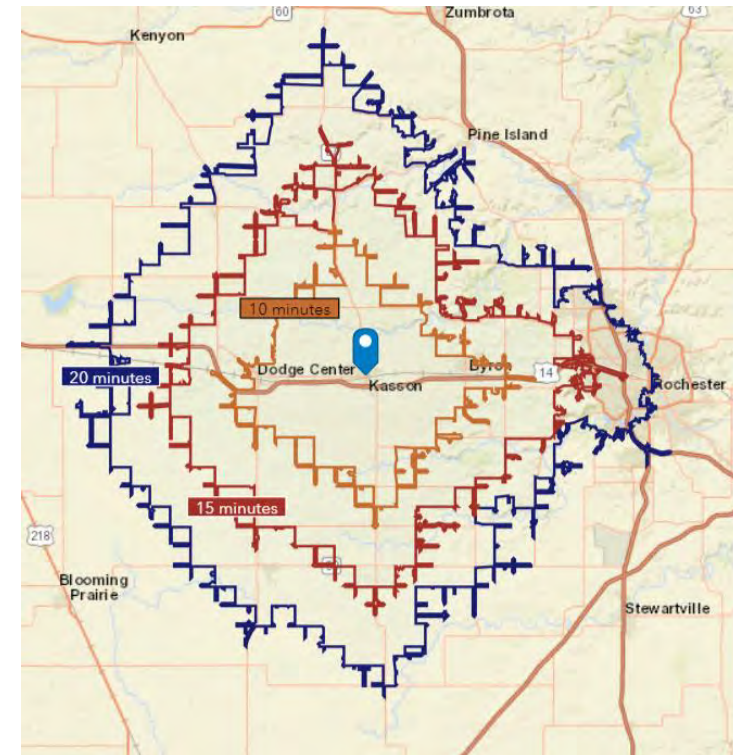
Households: 16,989

Avg. HH Income: \$115,092

Median HH Income: \$92,925

Household Growth ('10-'20): 72%

Projected HH Growth ('20-'27): 5%



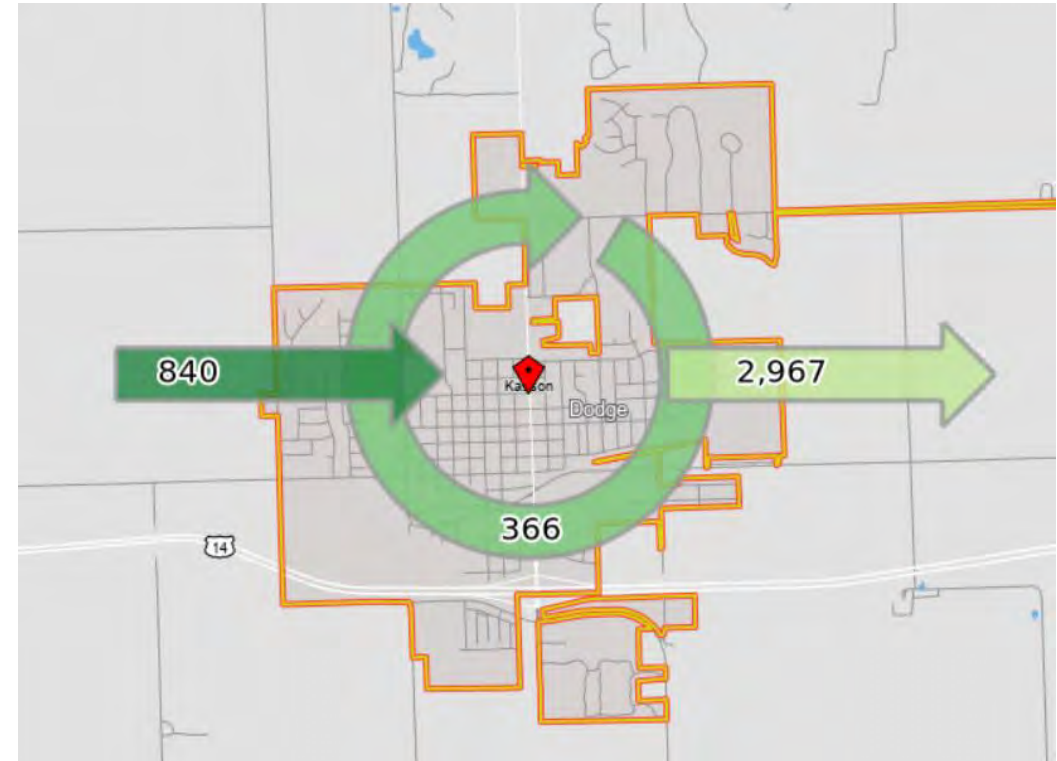
# Travel Time

- THE NUMBER OF PEOPLE CARPOOLING AND USING FORMS OF PUBLIC TRANSIT HAS INCREASED AS HAS THE MEAN TRAVEL TIME TO WORK.

	2020		2015		2000	
Status	Number	Percentage	Number	Percentage	Number	Percentage
Workers 16 years and over	3,271	-	3,252	-	2,335	-
Car, truck, or van -- drove alone	2,472	75.6%	2,720	83.6%	1,923	82.4%
Car, truck, or van -- carpooled	508	15.5%	272	8.4%	238	10.2%
Public transportation (excluding taxicab)	96	2.9%	38	1.2%	28	1.2%
Walked	13	0.4%	21	0.6%	67	2.9%
Other means	15	0.5%	39	1.2%	5	0.2%
Worked at home	167	5.1%	162	5.0%	74	3.2%
Mean travel time to work (minutes)	25.1	-	20.9	-	19.9	-
Source: 2011-2015 ACS, 2016-2020 ACS, 2000 Census						

# In Flow- Out Flow of Workers

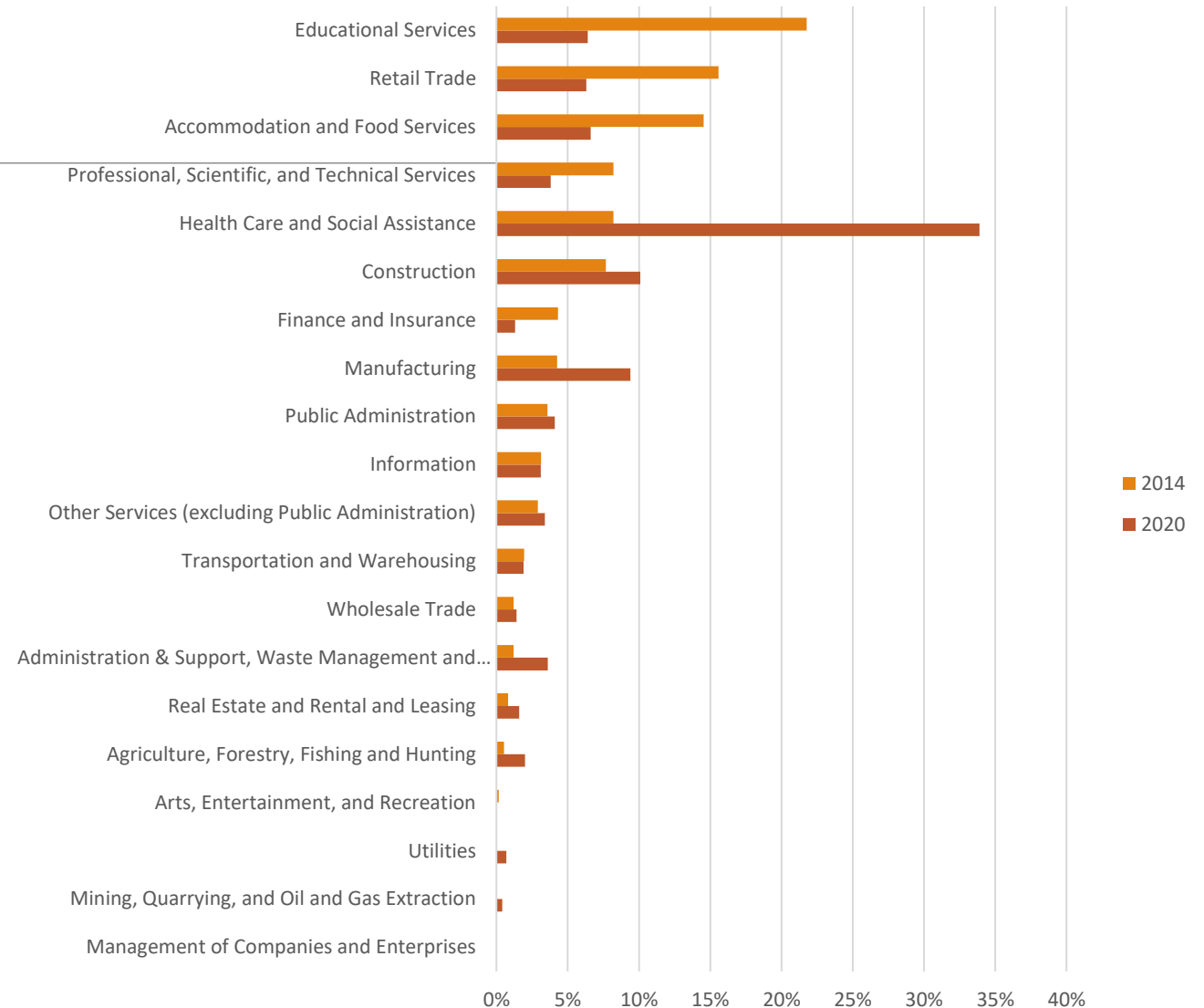
- MOST KASSON RESIDENTS (2,967) ARE LEAVING KASSON TO WORK WITH ONLY 366 BOTH LIVING AND WORKING IN KASSON
- 840 PEOPLE ARE LIVING OUTSIDE OF KASSON AND COMMUTING IN FOR WORK





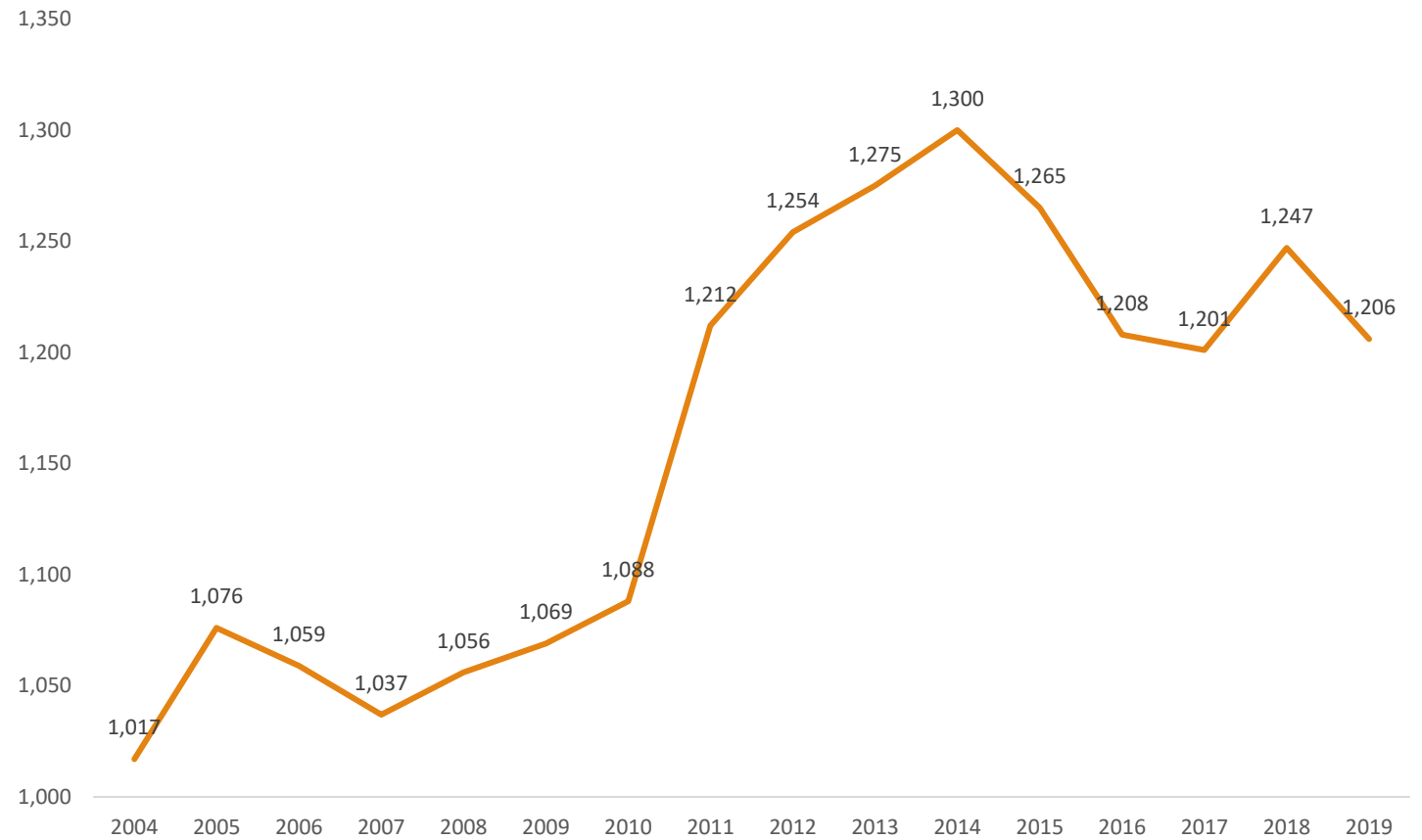
# Industry Profile

- INDUSTRY IS THE TYPE OF ACTIVITY AT A PERSON'S PLACE OF WORK
- THE HEALTH CARE INDUSTRY HAS INCREASED DRAMATICALLY IN KASSON



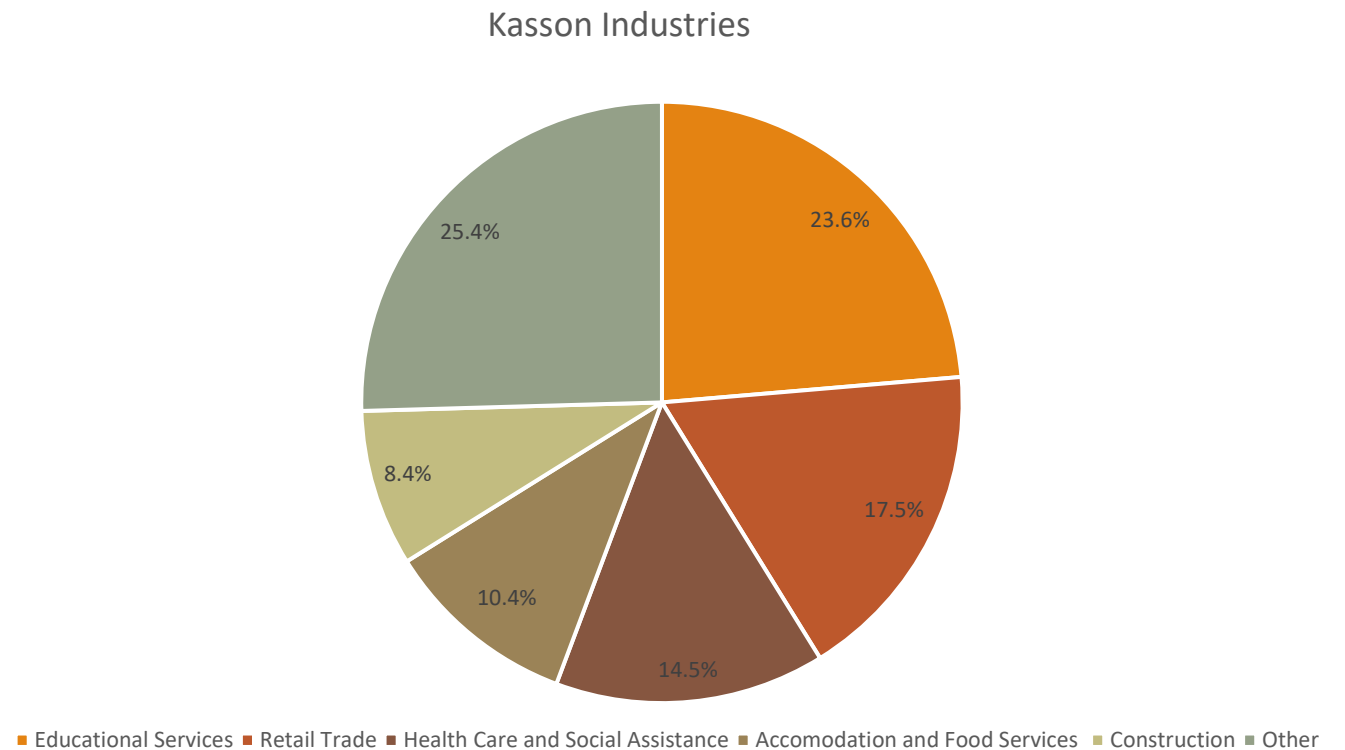
# Primary Jobs

- THIS GRAPH SHOWS THE NUMBER OF PRIMARY JOBS WITHIN THE KASSON CITY LIMITS.



# Top Employers In Kasson

Top Employers	# of Employees
Kasson- Manorville Public School	248
Erdman Supermarket, Inc.	130
Kasson-Mayo Family Practice	50
City of Kasson	35
Daniel's Restaurant	35
KM Telecom	22
Comfort Home Health Care	21
Shopko Hometown	20
Home Federal Bank	18

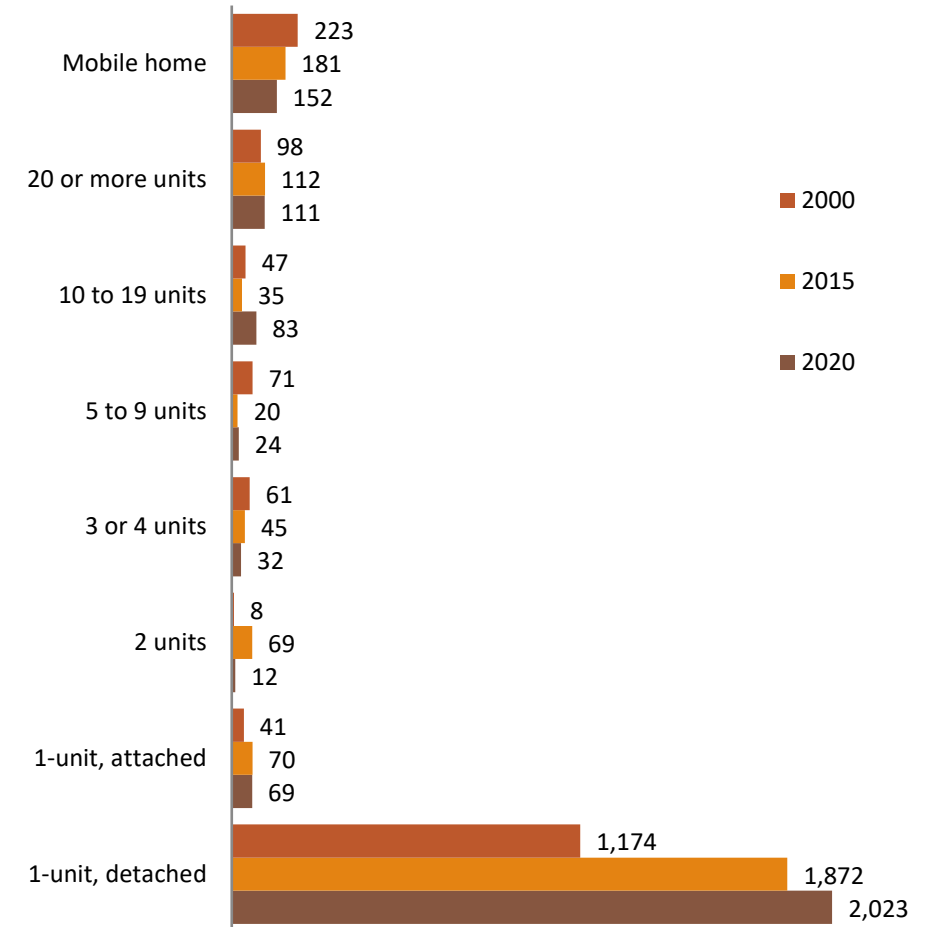


# 6 Housing

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# Housing Units in Structure

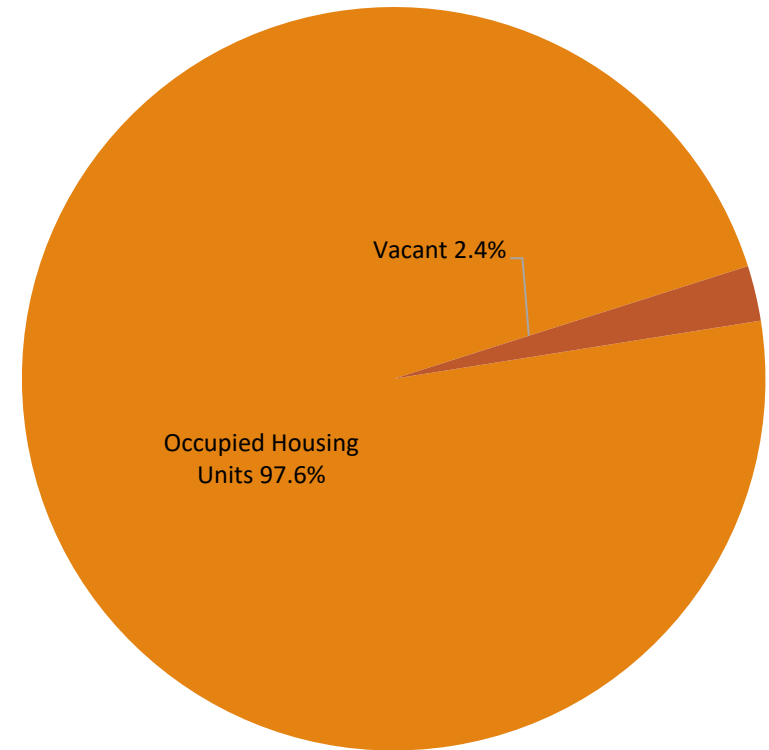
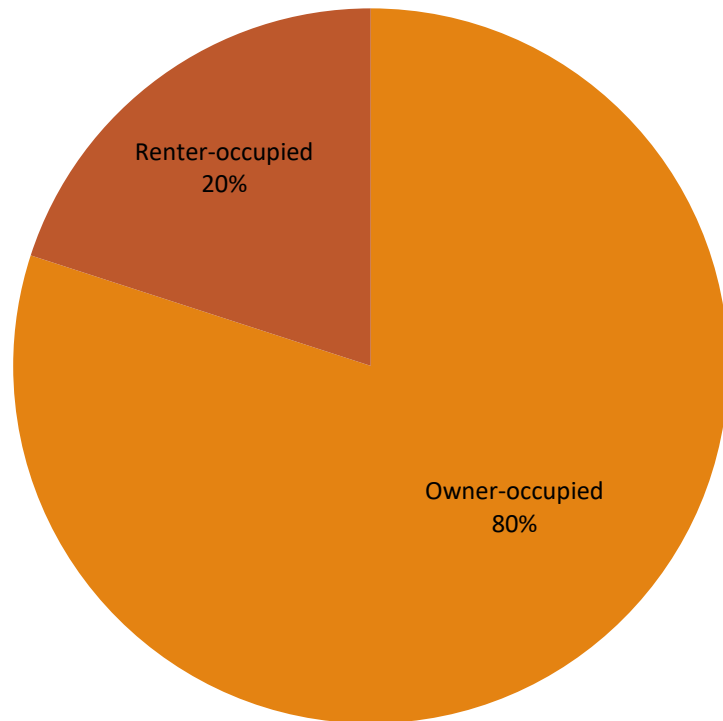
- SINGLE UNIT DETACHED STRUCTURES STILL REMAIN THE MOST POPULAR FORM OF HOUSING IN KASSON.
- THERE IS AN INCREASE IN THE NUMBER OF 10-19 UNIT STRUCTURES IN THE CITY.



# Housing Tenure and Vacancy

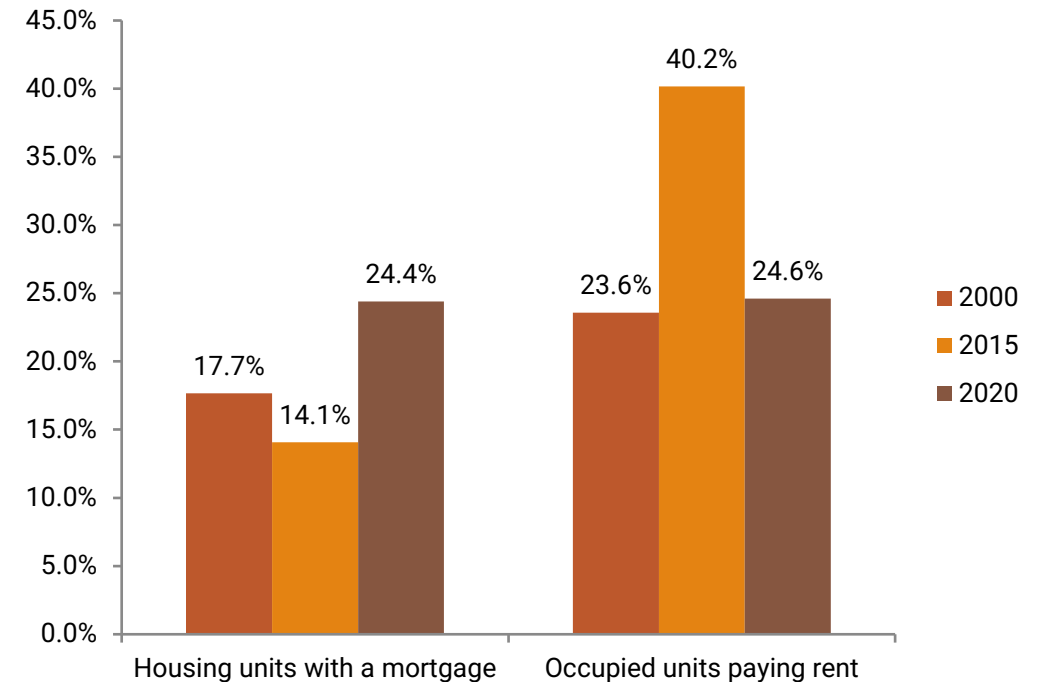
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- A HOUSING UNIT IS VACANT IF NO ONE IS LIVING IN IT AT THE TIME OF INTERVIEW BY THE US CENSUS



# Cost Burdened Households

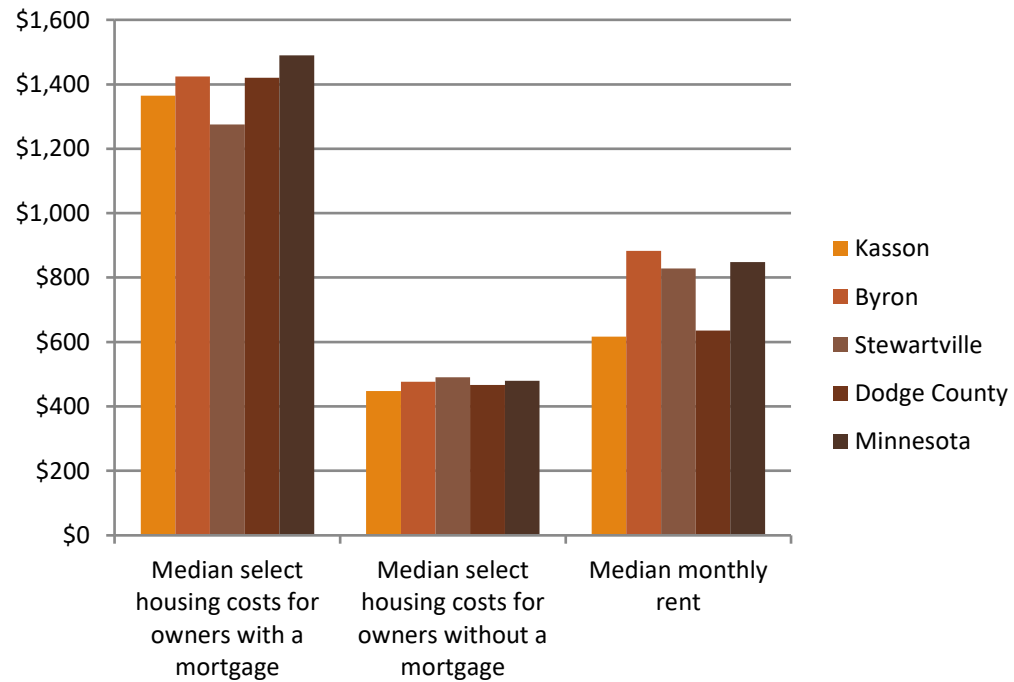
- COST BURDENED IS DEFINED AS SPENDING MORE THAN 30% OF YOUR INCOME ON HOUSING COSTS
- VASTLY MORE PEOPLE WITH MORTGAGES ARE SPENDING OVER 30% OF THEIR INCOME ON HOUSING
- PEOPLE WITH MORTGAGES AND THOSE PAYING RENT ARE ALMOST EQUALLY COST BURDENED IN 2020



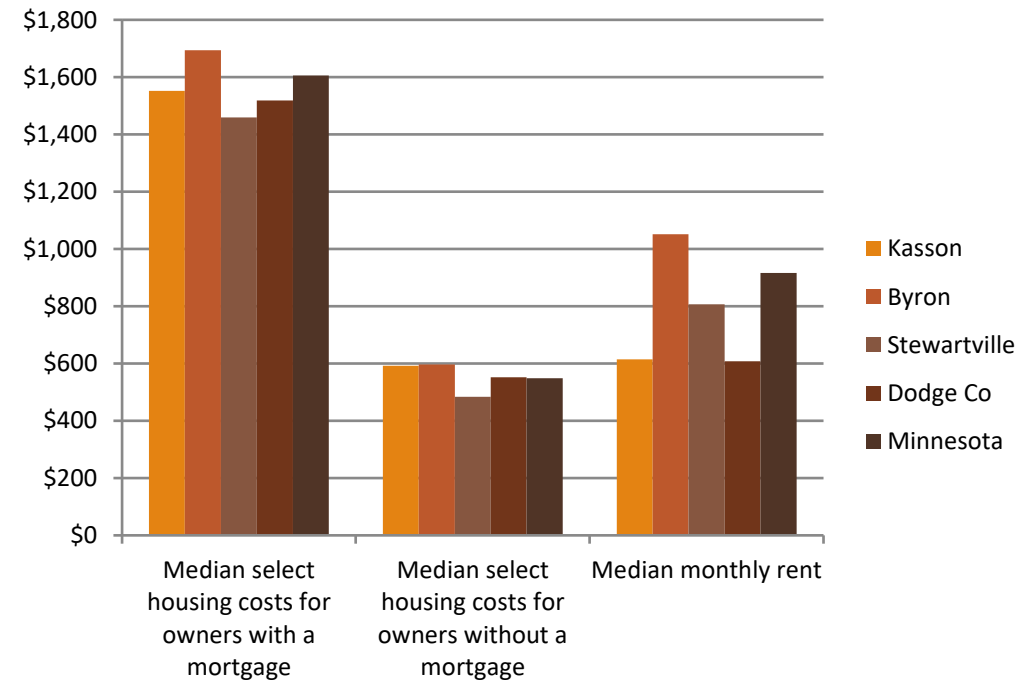


# Monthly Housing Costs

2015

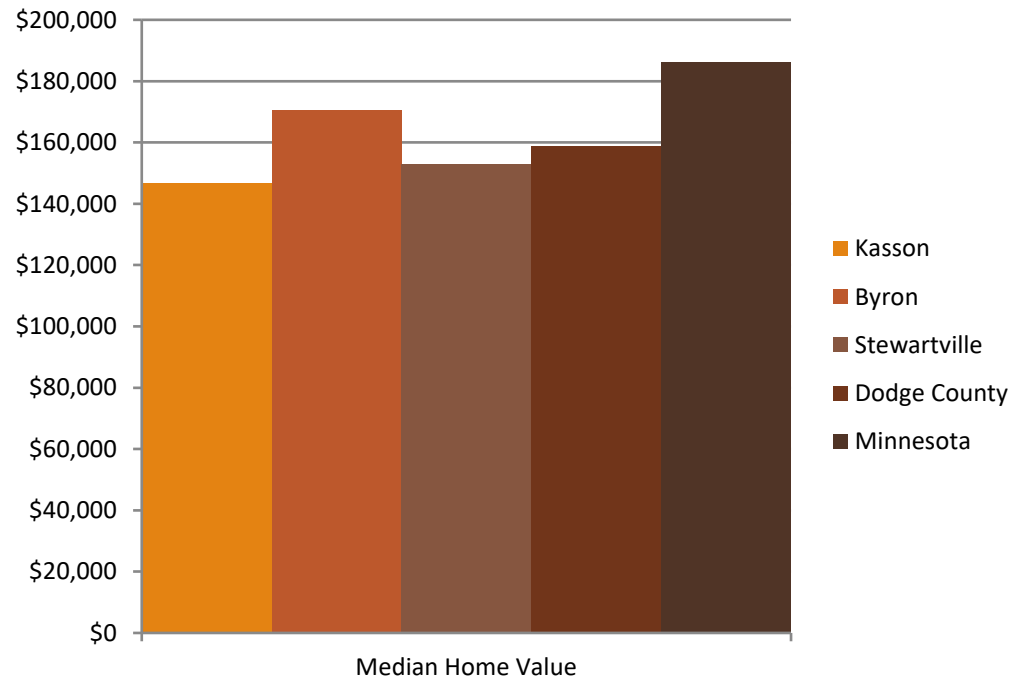


2020

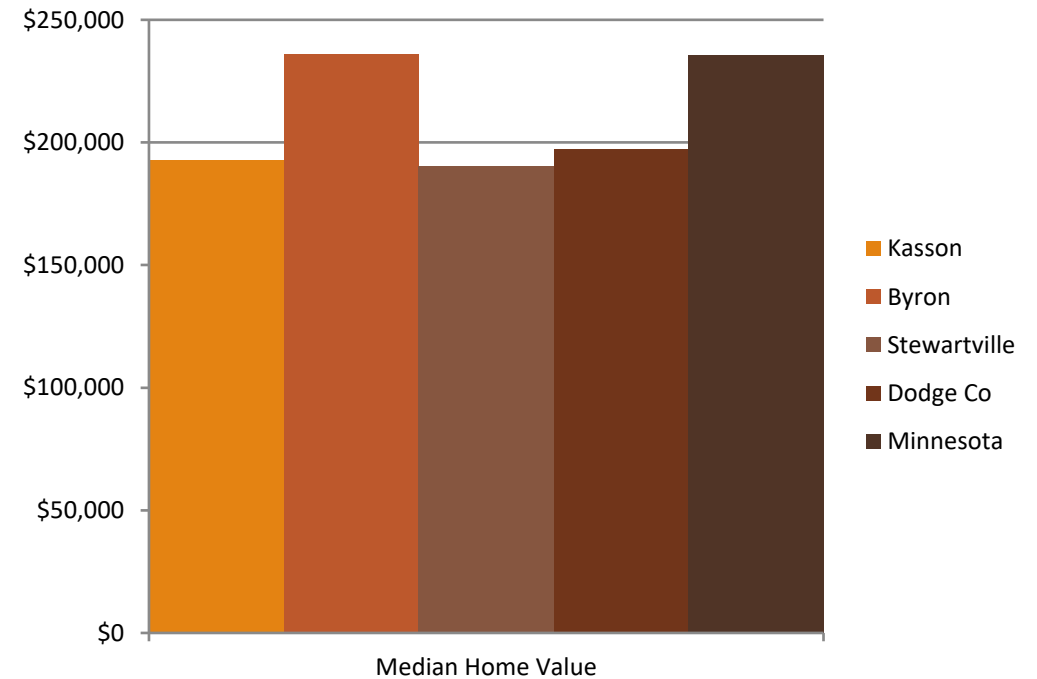


# Median Home Value

2015



2020



# Tapestry: Lifestyle and Psychographics

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The Tapestry Segmentation tool is a part of ESRI Business Analyst and uses a system of 67 population segments found in neighborhoods across the US. These population segments identify consumer markets by understanding lifestyle demography and local geography. Neighborhoods are grouped together creating a segmentation system that integrates consumer traits with residential characteristics.

The following are segments that have been identified in the Kasson market area.

# Tapestry: Lifestyle and Psychographics



## LifeMode Group: Family Landscapes **Middleburg**

4C

**Households:** 3,511,200

**Average Household Size:** 2.75

**Median Age:** 36.1

**Median Household Income:** \$59,800

### WHO ARE WE?

*Middleburg neighborhoods transformed from the easy pace of country living to semirural subdivisions in the last decade, as the housing boom spread beyond large metropolitan cities. Residents are traditional, family-oriented consumers. Still more country than rock and roll, they are thrifty but willing to carry some debt and are already investing in their futures. They rely on their smartphones and mobile devices to stay in touch and pride themselves on their expertise. They prefer to buy American and travel in the US. This market is younger but growing in size and assets.*

### OUR NEIGHBORHOOD

- Semirural locales within metropolitan areas.
- Neighborhoods changed rapidly in the previous decade with the addition of new single-family homes.
- Include a number of mobile homes (Index 150).
- Affordable housing, median value of \$175,000 (Index 84) with a low vacancy rate.
- Young couples, many with children; average household size is 2.75.

### SOCIOECONOMIC TRAITS

- Education: 65% with a high school diploma or some college.
- Labor force participation typical of a younger population at 66.7% (Index 107).
- Traditional values are the norm here—faith, country, and family.
- Prefer to buy American and for a good price.
- Comfortable with the latest in technology for convenience (online banking or saving money on landlines) and entertainment.

# Tapestry: Lifestyle and Psychographics



## LifeMode Group: Family Landscapes **Workday Drive**

4A

**Households:** 3,541,300

**Average Household Size:** 2.97

**Median Age:** 37.0

**Median Household Income:** \$90,500

### WHO ARE WE?

*Workday Drive* is an affluent, family-oriented market with a country flavor. Residents are partial to new housing away from the bustle of the city but close enough to commute to professional job centers. Life in this suburban wilderness offsets the hectic pace of two working parents with growing children. They favor time-saving devices, like banking online or housekeeping services, and family-oriented pursuits.

### OUR NEIGHBORHOOD

- *Workday Drive* residents prefer the suburban periphery of metropolitan areas.
- Predominantly single family, homes are in newer neighborhoods, 34% built in the 1990s (Index 236), 31% built since 2000.
- Owner-occupied homes have high rate of mortgages at 68% (Index 164) and low rate vacancy at 4%.
- Median home value is \$257,400.
- Most households are married couples with children; average household size is 2.97.
- Most households have two or three vehicles; long travel time to work including a disproportionate number commuting from a different county (Index 132).

### SOCIOECONOMIC TRAITS

- Education: 40.5% college graduates; more than 72% with some college education.
- High labor force participation rate at 71%; two out of three households include two plus workers (Index 124).
- Connected, with a host of wireless devices—anything that enables convenience, like banking, paying bills, or even shopping online.
- Well insured and invested in a range of funds, from savings accounts or bonds to stocks.
- Carry a higher level of debt, including first (Index 149) and second mortgages (Index 154) and auto loans (Index 149).



# Tapestry: Lifestyle and Psychographics



## LifeMode Group: Cozy Country Living **Green Acres**

6A

**Households:** 3,923,400

**Average Household Size:** 2.70

**Median Age:** 43.9

**Median Household Income:** \$76,800

### WHO ARE WE?

The Green Acres lifestyle features country living and self-reliance. Avid do-it-yourselfers, they maintain and remodel their homes with all the necessary power tools to accomplish the jobs. Gardening, especially growing vegetables, is a priority, again with the right tools, tillers, tractors, and riding mowers. Outdoor living features a variety of sports: hunting and fishing, motorcycling, hiking and camping, and even golf.

### OUR NEIGHBORHOOD

- This large segment is concentrated in rural enclaves in metropolitan areas.
- Primarily (not exclusively) older homes with acreage; new housing growth in the past 15 years.
- Single-family, owner-occupied housing, with a median value of \$235,500.
- An older market, primarily married couples, most with no children.

### SOCIOECONOMIC TRAITS

- Education: More than 60% are college educated.
- Labor force participation rate is high at 66.8% (Index 107).
- Income is derived not only from wages and salaries but also from self-employment (more than 13% of households), investments (27% of households), and increasingly, from retirement.
- They are cautious consumers with a focus on quality and durability.
- Comfortable with technology, more as a tool than a trend: banking or paying bills online is convenient; but the internet is not viewed as entertainment.
- Economic outlook is professed as pessimistic, but consumers are comfortable with debt, primarily as home and auto loans. and investments.

# Tapestry: Lifestyle and Psychographics



LifeMode Group: Sprouting Explorers

## Up and Coming Families

7A

**Households:** 2,901,200

**Average Household Size:** 3.12

**Median Age:** 31.4

**Median Household Income:** \$72,000

### WHO ARE WE?

*Up and Coming Families* is a market in transition—residents are younger and more mobile than the previous generation. They are ambitious, working hard to get ahead, and willing to take some risks to achieve their goals. The recession has impacted their financial well-being, but they are optimistic. Their homes are new; their families are young. And this is one of the fastest-growing markets in the country.

### OUR NEIGHBORHOOD

- New suburban periphery: new families in new housing subdivisions.
- Building began in the housing boom of the 2000s and continues in this fast-growing market.
- Single-family homes with a median value of \$194,400 and a lower vacancy rate.
- The price of affordable housing: longer commute times (Index 217).

### SOCIOECONOMIC TRAITS

- Education: 67% have some college education or degree(s).
- Hardworking labor force with a participation rate of 71% (Index 114).
- Most households (61%) have two or more workers.
- Careful shoppers, aware of prices, willing to shop around for the best deals and open to influence by others' opinions.
- Seek the latest and best in technology.
- Young families still feathering the nest and establishing their style.



# Tapestry: Lifestyle and Psychographics



LifeMode Group: Middle Ground

## Old and Newcomers

8F

**Households:** 2,859,200

**Average Household Size:** 2.12

**Median Age:** 39.4

**Median Household Income:** \$44,900

### WHO ARE WE?

This market features singles' lifestyles, on a budget. The focus is more on convenience than consumerism, economy over acquisition. *Old and Newcomers* is composed of neighborhoods in transition, populated by renters who are just beginning their careers or retiring. Some are still in college; some are taking adult education classes. They support charity causes and are environmentally conscious. Age is not always obvious from their choices.

### OUR NEIGHBORHOOD

- Metropolitan city dwellers.
- Predominantly single households (Index 148), with a mix of married couples (no children); average household size lower at 2.12.
- 55% renter occupied; average rent is lower than the US (Index 85).
- 45% of housing units are single-family dwellings; 45% are multiunit buildings in older neighborhoods, built before 1980.
- Average vacancy rate at 11%.

### SOCIOECONOMIC TRAITS

- An average labor force participation rate of 62.6%, despite the increasing number of retired workers.
- 32% of households are currently receiving income from Social Security.
- 31% have a college degree (Index 99), 33% have some college education (Index 114), 9% are still enrolled in college (Index 121).
- Consumers are price aware and coupon clippers but open to impulse buys.
- They are attentive to environmental concerns.
- They are comfortable with the latest technology.

# Tapestry: Lifestyle and Psychographics



LifeMode Group: GenXurban

## Rustbelt Traditions

5D

**Households:** 2,716,800

**Average Household Size:** 2.47

**Median Age:** 39.0

**Median Household Income:** \$51,800

### WHO ARE WE?

The backbone of older industrial cities in states surrounding the Great Lakes, *Rustbelt Traditions* residents are a mix of married-couple families and singles living in older developments of single-family homes. While varied, the workforce is primarily white collar, with a higher concentration of skilled workers in manufacturing, retail trade, and health care. *Rustbelt Traditions* represents a large market of stable, hardworking consumers with modest incomes but an average net worth of nearly \$400,000. Family oriented, they value time spent at home. Most have lived, worked, and played in the same area for years.

### OUR NEIGHBORHOOD

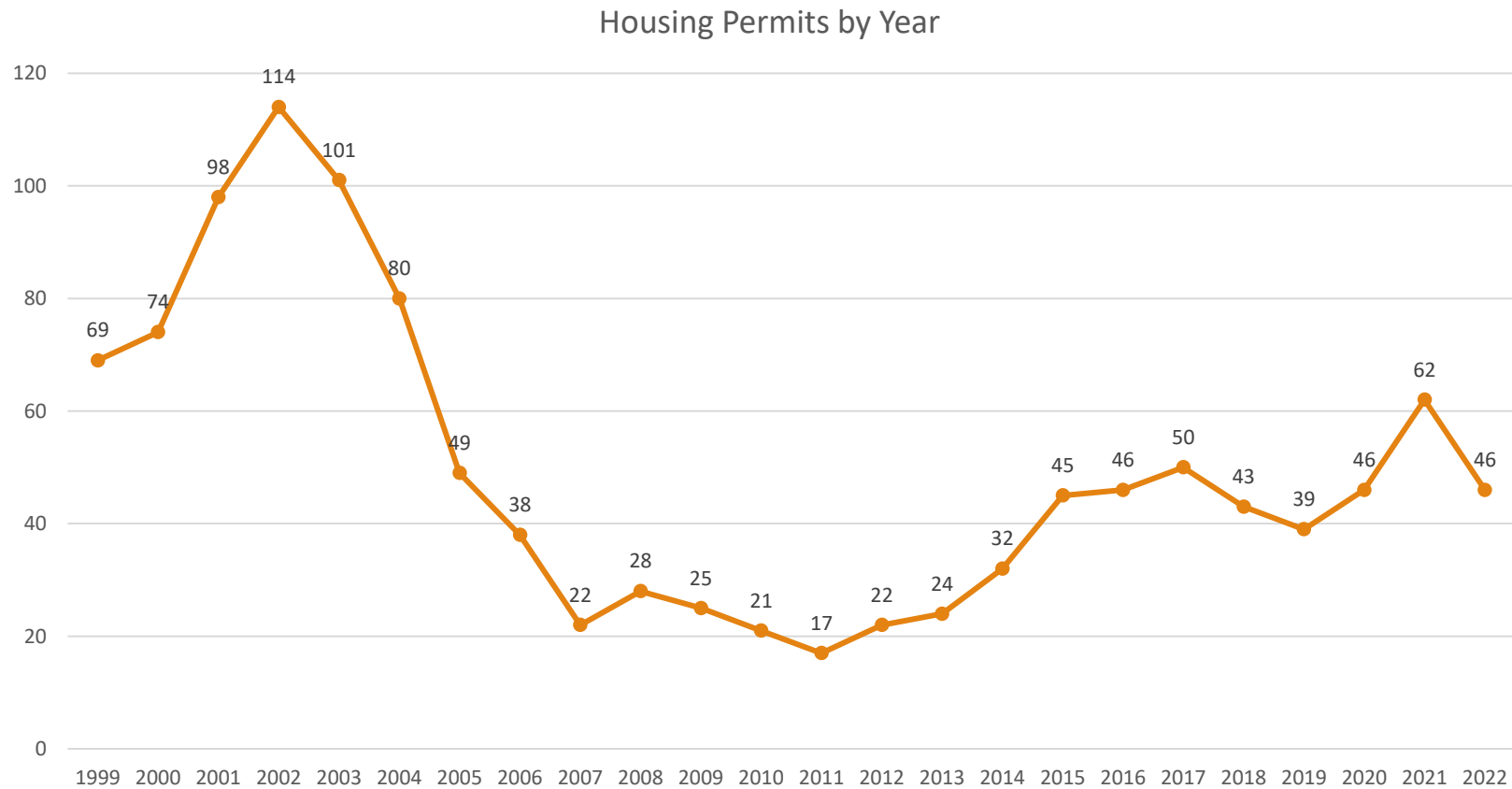
- Almost half (46%) of the households are married-couple families, similar to the US (48%), most without children (also similar to the US); the slightly higher proportion of singles (Index 105) reflects the aging of the population.
- Average household size is slightly lower at 2.47.
- They are movers, slightly more mobile than the US population (Index 109), but over 70% of householders moved into their current homes before 2010.
- Most residents live in modest, single-family homes in older neighborhoods built in the 1950s (Index 224).
- Nearly three quarters own their homes; nearly half of households have mortgages.
- A large and growing market, *Rustbelt Traditions* residents are located in the dense urban fringe of metropolitan areas throughout the Midwest and South.

### SOCIOECONOMIC TRAITS

- Most have graduated from high school or spent some time at a college or university.
- Labor force participation slightly higher than the US at 67%.
- While most income is derived from wages and salaries, nearly 31% of households collect Social Security and nearly 20% draw income from retirement accounts.
- Family-oriented consumers who value time spent at home.
- Most have lived, worked, and played in the same area for years.
- Budget-aware shoppers that favor American-made products.

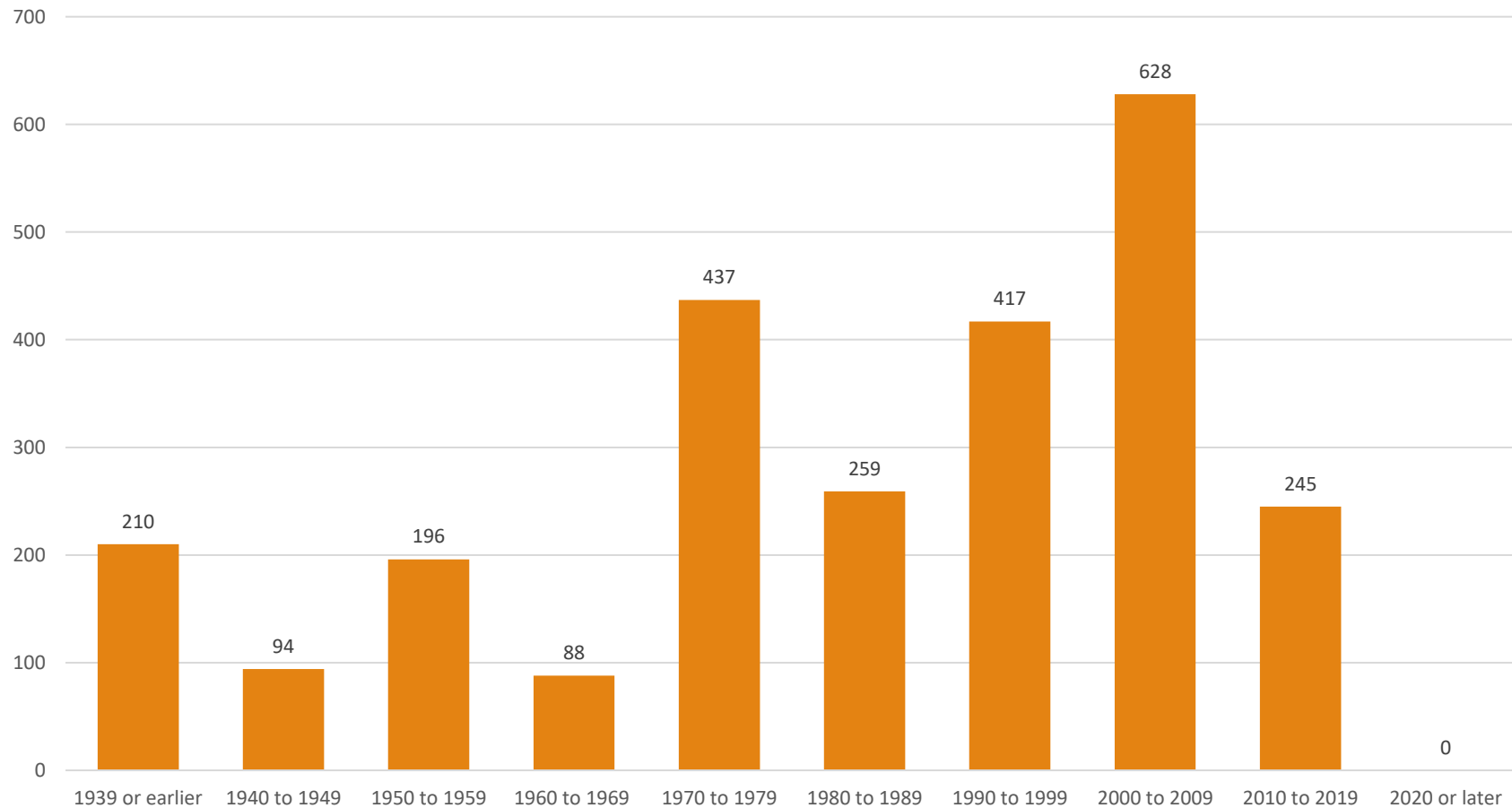
# Housing Permits

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# Year Structure Built

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# Year Structure Built - By Type

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- MEDIAN YEAR OWNER OCCUPIED UNITS WERE BUILT: 1996
- MEDIAN YEAR RENTER OCCUPIED UNITS WERE BUILT: 1974

	1 Unit Detached or Attached	2 to 4 Units	5 to 19 Units	20 or More	Mobile Homes
1939 or earlier	91	0	0	0	0
1940 to 1959	182	0	41	18	0
1960 to 1979	341	14	16	61	8
1980 to 1999	694	0	29	47	75
2000 to 2019	741	0	0	0	103
2020 or later	0	0	0	0	0

# Lot Inventory and pipeline projects

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## LOT INVENTORY (BASED ON RECENT PLATS)

Roughly 110 vacant lots

- Komet Acres (larger lots SF)
- Bigelow Voigt 8<sup>th</sup> (mix Twin home and SF)
- Kasson Meadows 7th (SF)
- Meadowbrooke 2<sup>nd</sup> (SF)

Apartments under construction

- Vail Apts. Phase 1

## PROJECT PROSPECTS

Englestad (35 SF units)

Southpoint (47 SF units)

Thompson Addition (34 apt units and 12 TH)

Kwik Trip

Schutte property (commercial/residential)

Marti property (Business park)

Commercial lots south of 14

Sand Co Apartments

Vail Apts. Phase 2

# Permit trends

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In the last 6 years

- Averaged 42 new single family home permits per year
- 14 Townhome permits (all in 2021 and 2022)
- 1 new apartment building (vail)
- 17 manufactured homes (replaced or moved in? )
- 18 new commercial or institutional building projects

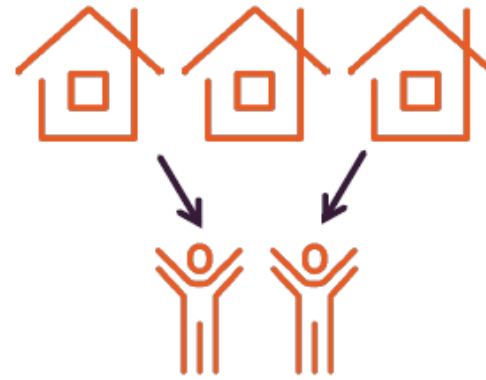


# Understanding Months Supply of Inventory (a.k.a. Absorption Rate)



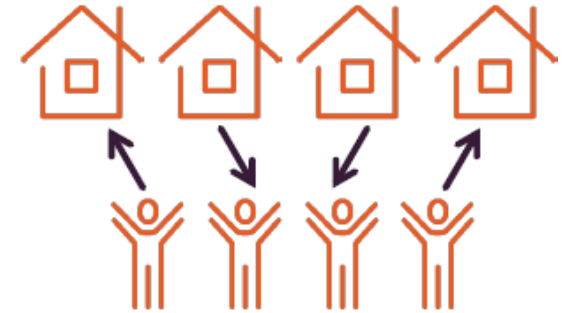
**Seller's market**  
(less than 5 MSI)

- Low supply, high demand
- Seller at relative advantage
- Shorter market times
- More robust price appreciation
- Multiple offers common
- Sale prices closer to/above asking price



**Buyer's market**  
(More than 6 MSI)

- High supply, low demand
- Buyer at relative advantage
- Longer market times
- Relatively slower price appreciation or declines
- Buyer has more price negotiation power



**Balanced market**  
(5-6 MSI)

- Neither side has market advantage
- Price growth and market times in line with steady, historical norms

There are three factors driving  
nearly everything:

(Covid)

(the Fed)

(supply & demand)