

KASSON ECONOMIC DEVELOPMENT AUTHORITY

Kasson City Hall
Tuesday, November 1st, 2022
12:00 PM

- I. Call Meeting to Order**
- II. Approve Minutes of the Previous Meeting - September**
- III. Financial Reports – September and October**
- IV. Coordinators Report**
- V. City Administrators Report**
- VI. Business Spotlight – Anytime Fitness**
- VII. Tax Abatement Request – Mike Belew**
- VIII. Downtown Lots – Petals2Metals**
- IX. Business Façade Improvement Program**
- X. Other Business/Open Discussion**
- XI. Items for December EDA Meeting**
- XII. Adjourn**

The next EDA Board meeting will be held on Tuesday, December 6th, 2022.

KASSON ECONOMIC DEVELOPMENT AUTHORITY MEETING

Tuesday, September 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 September 2022 at 12:00PM.

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

Absent: Jill Moosbrugger, and Janice Borgstrom-Durst

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. Approve Minutes of the Previous Meeting. Monson motioned to approve the minutes. O'Malley seconded.

Ayes (5), 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.

Business visits and assistance

I have started to visit businesses in Kasson since the August EDA meeting. So far, I have visited four businesses along Main St and I intend to perform business visits more regularly going forward. As of now, my focus is on introducing myself as the new Community Development Assistant for the City of Kasson, as well as providing information on the various EDA programs for which I am available to assist. I am looking forward to meeting more business owners/managers as I continue to perform business visits in the future, and I hope to gain a lot of useful knowledge about the community through everyone I meet.

Business Spotlight – KMTelecom

The very first business to be featured in the Business Spotlight program is KMTelecom. I have invited a representative from KMTelecom to attend the September EDA meeting to accept a certificate of recognition, and to give a brief presentation on any accomplishments, recent updates, or future goals for KMTelecom. Jon Ehmke, Marketing Coordinator, has confirmed his attendance of the September EDA meeting.

Downtown Lots – offer to purchase from Petals2Metals, LLC

I have received a few inquiries about the EDA lots for sale downtown since the August EDA meeting. On August 23rd, I received an offer from Jill Bondhus to purchase both lots for the amount of \$11,500. Bondhus runs her business, Petals2Metals, LLC out of her home in rural Mantorville

and is seeking the opportunity to expand into the downtown lots in order to open a shop for flowers and upcycled items. Bondhus has been invited to and has confirmed her attendance of the September EDA meeting. The offer to purchase is included in the meeting packet.

Crop Science Investigation RLF request

As discussed at the July and August EDA meetings, Jeff Littrell, CFO/CEO of Crop Science Investigation LLC, has requested revolving loan fund assistance in the amount of \$25,000. Littrell was present at the August EDA meeting, during which he gave an update on the project. Littrell also shared that the purchase of the project site is set to finalize on or before September 15th, and that a loan from People's Energy Cooperative had been approved. Following the August EDA meeting, I have been in contact with Marty Walsh of People's to confirm and verify the loan information. Walsh has sent a document which includes the amount, interest rate, length, and date of closure. This document is included in the meeting packet along with a resolution to authorize the RLF loan.

Update on Kwik Trip North

Kwik Trip, Inc has submitted applications to the Planning Commission in order to construct a convenience store, carwash, and a fueling canopy at the intersection of Mantorville Ave N and 16th St NE. When completed, the second Kwik Trip location in Kasson will add an estimated 20-25 jobs to the community and will be open to the public 24 hours a day. The site plan and elevation drawings are included in the meeting packet.

Albers to attend Connecting Entrepreneurial Communities Conference

On September 8th and 9th, I will attend the 2022 Connecting Entrepreneurial Communities Conference in Red Wing. This conference is being led by the University of Minnesota Extension Center for Community Vitality and will include four different breakout sessions with speakers from Minnesota Small Business Development Centers, Rethos, Launch Minnesota, MN DEED, and other entrepreneurship supporting organizations. I am grateful for the opportunity to attend this conference and look forward to learning more about entrepreneurship as an economic development strategy. The conference registration information and agenda are included in the meeting packet.

Chaotic Good Brewing Company loan update

On August 17th, I had a conversation with Diane Lewis, Lending Officer at SMIF, and Laura Qualey of the Dodge County EDA about the status of the loan subordination. At that time, Lewis informed me that the recording data still had not been received. I have not received any updates regarding the recording data, and I am expecting a subordination agreement from SMIF to follow once the recording data has been received.

1760 Millwork update

Joe Lonzo informed me that the construction process has been slower than expected, but the goal for 1760 Millwork is to be operational by September 19th. Lonzo was unable to attend the September EDA meeting, but I will invite him to attend the October EDA meeting to give an update.

- V. City Administrators Report. Ibisch presented the Administrator's report. Report included in meeting packet.
- VI. Business Spotlight – KMTelecom John Ehmke, Marketing Coordinator at KMTelecom, presented to the EDA on the history, current operations, and future goals of the company. Following the presentation, Ehmke answered questions from EDA board members before accepting a certificate of recognition on behalf of KMTelecom as the Business Spotlight for the month of September.
- VII. Downtown Lots – offer to purchase from Petals2Metals, LLC Jill Bondhus, Chief Manager of Petals2Metals, LLC presented to the EDA about her business and interest in purchasing both of the downtown EDA lots. Bondhus explained that she currently runs Petals2Metals out of her home in rural Mantorville - selling floral bouquets and upcycled items – and is interested in opening a storefront. Bondhus was asked about her timeframe for the project, which Ibisch further elaborated on by stating that a condition to develop the site by a certain time may be included in the purchase agreement. Bondhus also shared that she does not have plans to hire additional employees, and that the store would likely be open on a seasonal basis. Albers will follow up with Bondhus on her question regarding the existence of any remnant building structures left buried following the demolition of the previous buildings. Motion from McKern to enter negotiations for the purchase of the downtown lots with continued involvement from staff, seconded by Monson.

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

- VIII. Crop Science Investigation RLF request Albers shared that a document from Marty Walsh of People's Energy Cooperative outlining the terms of its loan to Crop Science Investigation had been received, and that a resolution to authorize the RLF loan for the amount of \$25,000 had been prepared for approval by the EDA. Ibisch noted that the 4.75% interest rate of the loan from People's would match the interest rate of the RLF loan. Motion from McKern to authorize the RLF loan, seconded by Peterson.

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

- IX. Update on Kwik Trip North Albers shared that Kwik Trip, Inc has submitted various applications to be reviewed by the Planning Commission at its October meeting for a second location in Kasson. The new location would be located at the intersection of Mantorville Ave N and 16th St NE, bring 20-25 jobs to the community, and be open 24 hours a day. Ibisch continued with comments relating to the construction of a roundabout at that same intersection, utilities, and future growth along the Hwy 57 corridor. Monson stated that the Chamber would like to arrange for a ribbon cutting to happen at a later date.
- X. Albers to attend Connecting Entrepreneurial Communities Conference Albers explained that the Connecting Entrepreneurial Communities conference that he will attend on September 8th and 9th will take place in Red Wing and is offered through the University of Minnesota Extension. There will be four different breakout sessions to choose from, one of which will focus on restaurants and retail entrepreneur experiences. Albers will report on the conference at the October EDA meeting.

XI. Other Business/Open Discussion. Ibisch and Monson discussed the merging of the Chamber of Commerce President and Liaison into one position, which would leave a vacancy on the board. McKern shared that he knew of a few possible options to fill the vacancy as well as on other city department boards and will report on those at the October EDA meeting. Ibisch also shared that StableFeed was featured in an article in the Post Bulletin. Monson will coordinate a groundbreaking event for the new apartment complex on 8th Ave SW. Ibisch reported that the Hwy 57 project is moving forward steadily and is on schedule to be finished around October 29th.

XII. Items for October meeting. None.

XIII. Adjourn. McKern motioned to adjourn the meeting. O'Malley seconded.

Ayes (5), Nays (0). Motion carried. Meeting adjourned at 12:40PM.

The next meeting will be held at 12:00PM on October 4th, 2022.

Minutes submitted by:

Ian Albers, Community Development Assistant

Dan Egger, EDA President

09/30/22
10:50:04

CITY OF KASSON
Balance Sheet
For the Accounting Period: 9 / 22

Page: 1 of 3
Report ID: L150

225 EDA FED MIF

Assets

Current Assets

CASH-OPERATING	161,961.73
LOAN PRIN REC-WHITMARSH	1,126.52
LOAN PRIN REC- 1760 MILLWORK	71,320.06

Total Current Assets	234,408.31
----------------------	------------

Total Assets	234,408.31
--------------	------------

Liabilities and Equity

Total Liabilities

Equity

UNRESERVED FUND BALANCE	233,494.57
CURRENT YEAR INCOME/(LOSS)	913.74

Total Equity	234,408.31
--------------	------------

Total Liabilities & Equity	234,408.31
----------------------------	------------

09/30/22
10:50:04

CITY OF KASSON
Balance Sheet
For the Accounting Period: 9 / 22

Page: 2 of 3
Report ID: L150

226 EDA RLF

Assets

Current Assets

CASH-OPERATING	106,782.51	
CHAOTIC GOOD BREWING LOAN-PRINCIPAL REC	48,224.49	

Total Current Assets		155,007.00

Total Assets	-----	155,007.00
--------------	-------	------------

Liabilities and Equity

Total Liabilities

Equity

UNRESERVED FUND BALANCE	79,999.00	
CURRENT YEAR INCOME/(LOSS)	75,008.00	

Total Equity		155,007.00

Total Liabilities & Equity	-----	155,007.00
----------------------------	-------	------------

09/30/22
10:50:04

CITY OF KASSON
Balance Sheet
For the Accounting Period: 9 / 22

Page: 3 of 3
Report ID: L150

290 Economic Development

Assets

Current Assets

CASH-OPERATING	1,003.87
DUE FROM OTHER FUNDS	81,677.89

Total Current Assets	82,681.76
----------------------	-----------

Total Assets	82,681.76
--------------	-----------

Liabilities and Equity

Current Liabilities

ACCRUED WAGE/SALARY PAYABLE	486.23
-----------------------------	--------

Total Current Liabilities	486.23
---------------------------	--------

Total Liabilities	486.23
-------------------	--------

Equity

UNRESERVED FUND BALANCE	158,457.63
CURRENT YEAR INCOME/(LOSS)	(76,262.10)

Total Equity	82,195.53
--------------	-----------

Total Liabilities & Equity	82,681.76
----------------------------	-----------

09/30/22
10:50:25

CITY OF KASSON
Income Statement by Department
For the Accounting Period: 9 / 22

225 EDA FED MIF

	Actual		Actual		Annual Budget "	Variance
	Period to Date	%	Year-To-Date	%		
Revenue						
Community/Economic Development						
3621 INTEREST EARNED	315.47		913.74		0.00	913.74
Total Department	315.47		913.74			913.74
Total Revenue	315.47	100.00	913.74	100.00	0.00	913.74
Net Income (Loss)	315.47		913.74			

09/30/22
10:50:25

CITY OF KASSON
Income Statement by Department
For the Accounting Period: 9 / 22

Page: 2 of 3
Report ID: L140

226 EDA RLF

	Actual		Actual		Annual Budget "	Variance
	Period to Date	%	Year-To-Date	%		
Revenue						
Community/Economic Development						
3621 INTEREST EARNED	0.00		8.00		0.00	8.00
3921 TRANSFER FROM OTHER FUNDS	0.00		75,000.00		0.00	75,000.00
Total Department			75,008.00			75,008.00
Total Revenue	0.00	100.00	75,008.00	100.00	0.00	75,008.00
Net Income (Loss)	0.00		75,008.00			

09/30/22
10:50:25

CITY OF KASSON
Income Statement by Department
For the Accounting Period: 9 / 22

Page: 3 of 3
Report ID: L140

290 Economic Development

	Actual			Actual		Annual Budget "	Variance
	Period to Date	%	Year-To-Date	%			
Revenue							
Community/Economic Development							
3101	CURRENT AD VALOREM TAXES	0.00		51,222.00	40.18	102,444.00	-51,222.00
3621	INTEREST EARNED	0.00		0.00		500.00	-500.00
Total Department				51,222.00	40.18	102,944.00	-51,722.00
Total Revenue		0.00	100.00	51,222.00	100.00	102,944.00	-51,722.00
Expenses							
Community/Economic Development							
Community/Economic Development							
101	FULL-TIME EMPLOYEES - REGULAR	3,410.76	44.27	13,845.81	10.86	12,500.00	-1,345.81
121	EMPLOYER PERA CONTRIBUTIONS	255.81	3.32	1,038.44	0.81	938.00	-100.44
122	EMPLOYER FICA CONTRIBUTIONS	205.30	2.66	824.82	0.65	775.00	-49.82
123	EMPLOYER MEDICARE CONTRIBUTION	48.00	0.62	192.90	0.15	181.00	-11.90
130	EMPLOYER PAID INSURANCE	545.83	7.08	2,120.70	1.66	6,000.00	3,879.30
150	WORKER'S COMPENSATION	0.00		118.00	0.09	100.00	-18.00
210	OPERATING SUPPLIES	0.00		425.17	0.33	500.00	74.83
240	SMALL TOOLS/MINOR EQUIPMENT	0.00		561.50	0.44	0.00	-561.50
303	ENGINEERING FEES	0.00		0.00		1,500.00	1,500.00
304	LEGAL FEES	2,567.50	33.32	5,716.00	4.48	2,500.00	-3,216.00
321	TELEPHONE	21.99	0.29	202.65	0.16	500.00	297.35
325	COMMUNICATION-OTHER	0.00		90.00	0.07	200.00	110.00
331	TRAVEL/MILEAGE	20.44	0.27	20.44	0.02	0.00	-20.44
333	STAFF MEETINGS & CONFERENCES	217.19	2.82	240.59	0.19	400.00	159.41
334	MEMBERSHIP DUES AND FEES	0.00		75.00	0.06	500.00	425.00
343	OTHER ADVERTISING	150.00	1.95	150.00	0.12	8,000.00	7,850.00
351	LEGAL NOTICES PUBLISHING	0.00		0.00		100.00	100.00
360	INSURANCE	64.00	0.83	266.86	0.21	450.00	183.14
400	REPAIRS & MAINTENANCE	0.00		93.50	0.07	0.00	-93.50
414	COMMERCIAL PROGRAMS	0.00		0.00		17,000.00	17,000.00
430	OTHER SERVICE/CHARGES-MISC.	197.72	2.57	1,799.22	1.41	3,500.00	1,700.78
440	PROFESSIONAL SERVICES	0.00		1,562.50	1.23	800.00	-762.50
444	OTHER CONTRACTUAL SERVICES	0.00		23,140.00	18.15	46,500.00	23,360.00
720	OPERATING TRANSFERS	0.00		75,000.00	58.83	0.00	-75,000.00
Account Total		7,704.54	100.00	127,484.10	100.00	102,944.00	-24,540.10
Total Department		7,704.54	100.00	127,484.10	100.00	102,944.00	-24,540.10
Total Expenses		7,704.54	100.00	127,484.10	100.00	102,944.00	-24,540.10
Net Income (Loss)		-7,704.54	-100.00	-76,262.10	-59.82		

EDA Loans

FUND 225

Loan Name	Origination Date	Original Amount	Interest Rate	Monthly Payment	Term/ Due Date	12.31.21 Balance	Prin Recvd YTD	9.30.22 Balance	
Millwork	7/1/2016	\$ 90,000	3.0%	499.14	20 years 6/1/2	71,640	320	71,320	No paymnts 9/21 to 8/22
Whitmarsh	6/28/2018	\$ 5,000	4.75%	90	5 years 7/1/20	1,881	755	1,126	

FUND 226

EDA RLF Loans

Loan Name	Origination Date	Original Amount	Interest Rate	Monthly Payment	Term/ Due Date	Loan Balance 12.31.21	Loan	Prin Recvd YTD	9.30.22 Balance
Chaotic Good Brewing	4/15/2022	\$ 50,000	3.3%	488.6	4/15/2032	0	50,000	1,776	48,224

EDA Loans

FUND 225

Loan Name	Origination Date	Original Amount	Interest Rate	Monthly Payment	Term/ Due Date	12.31.21 Balance	Prin Recvd YTD	10.31.22 Balance	
Millwork	7/1/2016	\$ 90,000	3.0%	499.14	20 years 6/1/2	71,640	641	70,999	No paymnts 9/21 to 8/22
Whitmarsh	6/28/2018	\$ 5,000	4.75%	90	5 years 7/1/20	1,881	840	1,041	

FUND 226

EDA RLF Loans

Loan Name	Origination Date	Original Amount	Interest Rate	Monthly Payment	Term/ Due Date	Loan Balance 12.31.21	Loan	Prin Recvd YTD	10.31.22 Balance
Chaotic Good Brewing	4/15/2022	\$ 50,000	3.3%	488.6	4/15/2032	0	50,000	2,134	47,867
Crop Science	9/21/2022	\$ 25,000	4.8%	468.92	10/15/2027	0	25,000	0	25,000

10/31/22
11:50:34

CITY OF KASSON
Balance Sheet
For the Accounting Period: 10 / 22

225 EDA FED MIF

Assets

Current Assets

CASH-OPERATING	162,735.48	
LOAN PRIN REC-WHITMARSH	1,040.98	
LOAN PRIN REC- 1760 MILLWORK	70,999.22	

Total Current Assets		234,775.68

Total Assets 234,775.68

Liabilities and Equity

Total Liabilities

Equity

UNRESERVED FUND BALANCE	233,494.57	
CURRENT YEAR INCOME/(LOSS)	1,281.11	

Total Equity		234,775.68

Total Liabilities & Equity 234,775.68

10/31/22
11:50:34

CITY OF KASSON
Balance Sheet
For the Accounting Period: 10 / 22

226 EDA RLF

Assets

Current Assets

CASH-OPERATING	82,171.50	
Crop Science Investigations, LLC	25,000.00	
CHAOTIC GOOD BREWING LOAN-PRINCIPAL REC	47,866.50	

Total Current Assets		155,038.00

Total Assets 155,038.00

Liabilities and Equity

Total Liabilities

Equity

UNRESERVED FUND BALANCE	79,999.00	
CURRENT YEAR INCOME/(LOSS)	75,039.00	

Total Equity		155,038.00

Total Liabilities & Equity 155,038.00

10/31/22
11:50:34

CITY OF KASSON
Balance Sheet
For the Accounting Period: 10 / 22

290 Economic Development

Assets

Current Assets

CASH-OPERATING	(2,876.73)
DUE FROM OTHER FUNDS		81,677.89

Total Current Assets	78,801.16
----------------------	-----------

Total Assets	78,801.16
--------------	-----------

Liabilities and Equity

Current Liabilities

ACCRUED WAGE/SALARY PAYABLE	486.23
-----------------------------	--------

Total Current Liabilities	486.23
---------------------------	--------

Total Liabilities	486.23
-------------------	--------

Equity

UNRESERVED FUND BALANCE	158,457.63
CURRENT YEAR INCOME/(LOSS)	(80,142.70)

Total Equity	78,314.93
--------------	-----------

Total Liabilities & Equity	78,801.16
----------------------------	-----------

10/31/22
11:50:54

CITY OF KASSON
Income Statement by Department
For the Accounting Period: 10 / 22

Page: 1 of 3
Report ID: L140

225 EDA FED MIF

	Actual		Actual		Annual Budget "	Variance
	Period to Date	%	Year-To-Date	%		
Revenue						
Community/Economic Development						
3621 INTEREST EARNED	313.37		1,281.11		0.00	1,281.11
Total Department	313.37		1,281.11			1,281.11
Total Revenue	313.37	100.00	1,281.11	100.00	0.00	1,281.11
Net Income (Loss)	313.37		1,281.11			

10/31/22
11:50:54

CITY OF KASSON
Income Statement by Department
For the Accounting Period: 10 / 22

226 EDA RLF

	Actual		Actual		Annual Budget "	Variance
	Period to Date	%	Year-To-Date	%		
Revenue						
Community/Economic Development						
3621 INTEREST EARNED	0.00		39.00		0.00	39.00
3921 TRANSFER FROM OTHER FUNDS	0.00		75,000.00		0.00	75,000.00
Total Department			75,039.00			75,039.00
Total Revenue	0.00	100.00	75,039.00	100.00	0.00	75,039.00
Net Income (Loss)	0.00		75,039.00			

10/31/22
11:50:54

CITY OF KASSON
Income Statement by Department
For the Accounting Period: 10 / 22

Page: 3 of 3
Report ID: L140

290 Economic Development

	Actual		Actual		Annual Budget "	Variance
	Period to Date	%	Year-To-Date	%		
Revenue						
Community/Economic Development						
3101 CURRENT AD VALOREM TAXES	0.00		51,222.00	38.99	102,444.00	-51,222.00
3621 INTEREST EARNED	0.00		1.00		500.00	-499.00
Total Department			51,223.00	38.99	102,944.00	-51,721.00
Total Revenue	0.00	100.00	51,223.00	100.00	102,944.00	-51,721.00
Expenses						
Community/Economic Development						
Community/Economic Development						
101 FULL-TIME EMPLOYEES - REGULAR	2,273.84	58.58	16,119.65	12.27	12,500.00	-3,619.65
121 EMPLOYER PERA CONTRIBUTIONS	170.54	4.39	1,208.98	0.92	938.00	-270.98
122 EMPLOYER FICA CONTRIBUTIONS	135.36	3.49	960.18	0.73	775.00	-185.18
123 EMPLOYER MEDICARE CONTRIBUTION	31.66	0.82	224.56	0.17	181.00	-43.56
130 EMPLOYER PAID INSURANCE	492.90	12.70	2,613.60	1.99	6,000.00	3,386.40
150 WORKER'S COMPENSATION	0.00		118.00	0.09	100.00	-18.00
210 OPERATING SUPPLIES	125.92	3.24	551.09	0.42	500.00	-51.09
240 SMALL TOOLS/MINOR EQUIPMENT	0.00		561.50	0.43	0.00	-561.50
303 ENGINEERING FEES	0.00		0.00		1,500.00	1,500.00
304 LEGAL FEES	116.00	2.99	5,832.00	4.44	2,500.00	-3,332.00
321 TELEPHONE	25.55	0.66	228.20	0.17	500.00	271.80
325 COMMUNICATION-OTHER	15.00	0.39	105.00	0.08	200.00	95.00
331 TRAVEL/MILEAGE	2.50	0.06	22.94	0.02	0.00	-22.94
333 STAFF MEETINGS & CONFERENCES	0.00		240.59	0.18	400.00	159.41
334 MEMBERSHIP DUES AND FEES	0.00		75.00	0.06	500.00	425.00
343 OTHER ADVERTISING	0.00		150.00	0.11	8,000.00	7,850.00
351 LEGAL NOTICES PUBLISHING	0.00		0.00		100.00	100.00
360 INSURANCE	4.00	0.10	270.86	0.21	450.00	179.14
370 MAINTENANCE/SUPPORT FEES	467.98	12.06	467.98	0.36	0.00	-467.98
400 REPAIRS & MAINTENANCE	0.00		93.50	0.07	0.00	-93.50
414 COMMERCIAL PROGRAMS	0.00		0.00		17,000.00	17,000.00
430 OTHER SERVICE/CHARGES-MISC.	20.35	0.52	1,819.57	1.39	3,500.00	1,680.43
440 PROFESSIONAL SERVICES	0.00		1,562.50	1.19	800.00	-762.50
444 OTHER CONTRACTUAL SERVICES	0.00		23,140.00	17.61	46,500.00	23,360.00
720 OPERATING TRANSFERS	0.00		75,000.00	57.09	0.00	-75,000.00
Account Total	3,881.60	100.00	131,365.70	100.00	102,944.00	-28,421.70
Total Department	3,881.60	100.00	131,365.70	100.00	102,944.00	-28,421.70
Total Expenses	3,881.60	100.00	131,365.70	100.00	102,944.00	-28,421.70
Net Income (Loss)	-3,881.60	-100.00	-80,142.70	-61.01		

Economic Development Authority Coordinators Report

**Ian Albers
October 2022**



Business visits and assistance

I have had some very effective conversations with business owners over the past two months, during which I have been promoting our EDA programs and learning more about businesses in town. I believe that I am building positive relationships with business owners and managers, and I hope to see more positive outcomes from the experiences that I have had. There has been some interest from a couple of businesses that I have visited who would like to explore some of our EDA programs, particularly to Business Façade Improvement program. While I have not yet received any applications for this program, there is a possibility that I will receive some soon. Other than this, I plan to continue visiting businesses to learn more and share with them any assistance opportunities that I can offer.

Business Spotlight – Anytime Fitness

The second business to be featured in the Business Spotlight program is Anytime Fitness. I have invited Melonie Croney, Club Manager of Anytime Fitness in Kasson, to attend the November EDA meeting to accept a certificate, and to give a brief presentation on any accomplishments, recent updates, or future goals for Anytime Fitness.

Tax Abatement Request – Mike Belew

An application for tax abatement was submitted by Mike Belew for the construction of a new retail store located off Mantorville Ave, directly north of Dollar General. The applicant is requesting tax abatement to help pay for required public infrastructure needs. Mike Belew will attend the November EDA meeting virtually. The application, site plans, and a letter of consent from the current landowner of the project site, Dean Schuette, are included in the meeting packet.

Downtown Lots – Petals2Metals, LLC

At the September EDA meeting, there was a motion to enter negotiations for the purchase of the downtown lots by Jill Bondhus of Petals2Metals. Bondhus had visited the EDA at that meeting to present her plans to construct a building for her business, which sells floral bouquets and upcycled items. Later in September, a purchase agreement was sent to Bondhus for review. Bondhus expressed concerns over increased building costs associated with the possibility of

structure from prior buildings remaining at the site. To move forward with the purchase, Bondhus is requesting that the EDA covers the cost of soil borings and a geotechnical evaluation, estimated at \$2,340. The proposal, prepared by Chosen Valley Testing, Inc, is included in the meeting packet. Bondhus is unable to attend the November EDA meeting.

Business Façade Improvement Program

Currently, the BFIP program is a matching grant where the EDA funds 50% of eligible projects up to \$2,000. Based on the low number of applications that have been received, this program is underutilized. However, I have had some recent interest from a couple of existing businesses in Kasson as well as a new business that will be coming to Kasson soon. As of now, the last date to submit a BFIP application is November 29th. My recommendation is that this program is continued into 2023.

Update on Crop Science Investigation RLF

A resolution to authorize an RLF loan in the amount of \$25,000 to Crop Science Investigation, LLC, was approved at the September EDA meeting. Following that meeting, a loan agreement, amortization schedule, and promissory note were shared with and signed by Jeff Littrell, CFO/CEO of Crop Science Investigation, LLC. A UCC filing was completed to secure collateral for the loan. Loan repayments are set to begin on November 15th and will continue until maturity on October 15th, 2027.



To: City Council
Date: 10/26/2022

Agenda Heading: City Administrator's Report

“Life starts all over when it gets crisp in the fall.” – **F. Scott Fitzgerald**

- **General Election Coming up.** The Nov. 8 general election will include thousands of city, county, and school board positions, along with local ballot questions, eight congressional seats, five constitutional offices, 134 House of Representatives seats, 67 Senate seats, not to mention dozens of judicial seats. For Minnesota cities, 713 mayoral seats will be decided, along with 1,837 city council seats, 35 city treasurers, 33 city clerks, eight city clerk-treasurers, and a handful of public works board, sanitary board, and utility board positions. In total, there are 2,633 elected Minnesota city positions on the November ballot. Based on current information from the Minnesota Secretary of State, more than 3,500 candidates have filed for these city positions. In Kasson the ballot positions are unopposed however the KM School board has a number of positions to fill. We will review the election results at the November 9th Council meeting.
- **Park and Rec updates.** At the recent Park and Rec meeting we were joined by reps from KMGSA. They are interested in having an additional batting cage installed at NE Park. It was noted that the cost would likely exceed \$10k. The Board likes the proposal however, costs and location need to be figured in. It is not currently in the 2023 budget. I presented information regarding the tennis court options that I am following up on. The information included in their packet indicates that the courts could be finished for approximately \$120k-\$261k. There were some questions and I will follow up with the company in terms of what their warranties are. The Christmas tree lighting will be held in conjunction with Christmas in Kasson and they anticipate using the vacant lots on Main Street. Finally, they made some revisions to the proposed rates, hours of operations and programming for the Aquatic Center next year. Those items are in the Council packet for finalization.
- **CMPAS Info.** The CMPAS board met last week. One major discussion was on the congestion that currently exists in the transmission markets. Some of the additional planned power lines will help with that and stabilize prices. Info is attached. I am working on a PCA rider for Council approval to protect the electric utility from the significant losses that it will be bearing for the next 6 months. Additionally, we are attempting to go long on capacity by purchasing some of the excess from one or more of our utility partners. Springfield and Sleepy Eye both have some additional and it could be a cheaper fix than going to the auction next year for the full amount. Until the capacity

market becomes a fixed slope, we could face these challenges. Please let me know if you have any questions.

- **Congressman Finstad Visit recap.** U.S Rep. Brad Finstad visited Kasson and several other communities in the area last Thursday in a listening session tour. Here, city and business leaders from Mantorville, Dodge Center, Byron and Kasson met with him to discuss healthcare costs for rural residents, Medicare reimbursement rates for rural ambulance services, controlling inflation, workforce development, protecting Social Security for seniors, and our City Engineer presented the Kasson Flood Relief Improvements Plan to him, it included a request for assistance on flood relief infrastructure. As you know, in 2019, Kasson was hit by a major flooding event that closed nearby highways and flooded several properties. So far, the City has invested in small-scale flood control and sanitary sewer mitigation projects and are looking to continue that momentum into larger-scale solutions for flooding.
- **City Healthcare Costs.** All signs are pointing toward significantly higher health costs in the employer market next year, which will translate into larger-than-normal premium increases. There are a number of factors but one for our experience multiplier is chronic disease, such as asthma, heart disease, high blood pressure, or diabetes, which all drive up health insurance costs. PEIP has issued a guidance of 48% increase in healthcare. Staff have been reviewing other options in light of this information. Included in your packet is a breakdown from the City Clerk on some possible alternatives. We think that it will be possible to get close to the 20% target the Council set in September. Overall, some of these options would be manageable and not change the level of care dramatically. After review, staff will need direction on this issue because the Insurance roundup will be in early November.
- **Fire Hall Informational Meeting.** In response to resident questions, the EMS Committee will be hosting an informational meeting on November 2 at 6 pm here at City Hall. There will be a presentation of current info and a Q&A period. The EMS is hoping that we get some residents to come and ask questions. This will be held before the regular EMS meeting that month.
- **General Fund Revenue Collections Exceed Forecast.** Last week, Minnesota Management and Budget (MMB) published its quarterly Revenue and Economic Update. The report included short-term positive news with continued strong state tax collections. However, that news was tempered by an updated economic outlook from the state's economic advisory firm released earlier this month that includes a likely recession lasting three quarters.

Although the roughly \$3.2 billion in higher-than-expected revenue collections since the February forecast suggest the surplus could be approaching \$10 billion, these reports only look at actual collections compared to forecast, and do not look ahead at a possible near-term recession, which would impact future revenue collections, or at any of the state spending obligations, which could increase should a recession materialize. The next full state budget forecast, which will consider all economic and expenditure forecasts, will be released around Dec. 1.

Meetings or Events Attended or Planned

Oct. 5	EMS meeting
	Energy Conservation meeting
Oct. 6	PZ discussion
	Union-Todd Ingalls
	Dodge Center FD discussion
	Ice Arena Board
Oct. 11	Christmas in Kasson
	Library Board
Oct. 12	DC Ambulance Meeting
	Chamber of Commerce
	SRTS meeting
	City Council
Oct. 13	DRC review
	Finstad Roundtable
Oct. 14	EDA review
Oct. 18	MMBA meeting-Pine Island
	Park and Rec Board
Oct. 19	CMPAS-Blue Earth
Oct. 20	Engineering Review
	TAC Update-Rolling Hills Transit
Oct. 21	Peoples Coop-Mike Henke
Oct. 25	Dodge Center Ambulance meeting
Oct. 26	SRTS update
	City Council

City of Kasson
Economic Development Authority

November 2022 Business Spotlight

Awarded to

Anytime Fitness

On this 6th day of September 2022

Ian Albers
Community Development Assistant



Dan Egger
Kasson EDA President

Tax Abatement Guidance



1. What are the requirements? All new projects approved by the City of Kasson should meet the following mandatory minimum approval criteria:

- a. The assistance shall be provided within state restrictions, guidelines, and requirements.
- b. The project must comply with the Comprehensive Land Use Plan and Zoning Ordinances.
- c. The property is located in Kasson and zoned properly.
- d. The applicant cannot have received other local financial assistance.
- e. Construction must start no later than 6 months from date of approval, which includes obtaining building permit(s).
- f. Property taxes are up to date.
- g. Approval must be obtained prior to the start of construction.

2. How does one submit an application? A complete application for Abatement shall consist of (1) a letter requesting abatement for eligible housing project(s) addressed to the City Administrator, (2) a completed Tax Abatement application from the City, (3) a set of construction plans for the proposed development, including site plan.

3. What happens next? The City will forward the application to the County and School District, for each entity to consider whether they want to participate. Following this, the City Council will adopt a resolution outlining the details of the abatement program and authorize staff to enter into a tax abatement agreement with developer/builder/owner. The City Council will grant final approval or denial of the request.

4. How will I get reimbursed for taxes paid? Tax abatement assistance will be refunded to the property owner upon receipt of payment to the City by the County, otherwise referred to as the "pay-as-you-go" method. The property owner shall provide to the City evidence of real estate taxes paid by November 15th annually. The City will reimburse the owner of record for real estate taxes paid in one single payment by December 30th for that calendar year.

5. What happens if I sell the building?

The agreement will be transferable to the new owner(s).

TAX ABATEMENT APPLICATION

(Application Period 8-1-22 through 12-31-2023)

Property Owner/Applicant: _____

Current Address: _____

Telephone: _____ Email: _____

Has applicant ever defaulted on property taxes? ☐ Yes ☐ No *If Yes, provide details on separate page(s).*

Are property taxes current? ☐ Yes ☐ No

Proposed Project: ☐ New Construction ☐ Rehabilitation

Project Type: ☐ Commercial ☐ Industrial ☐ Residential Development

Project Address: _____

Project Legal Description: _____

Parcel Number: _____ Estimated Project Valuation: \$ _____

Applicant Statement: (Please provide a statement as to why you are requesting an abatement of property taxes.)

I / We as applicant(s) for the Tax Abatement certify that no construction has begun or will begin prior to the taxing authority's decision on my/our application. For the purposes of this provision, construction shall include the installation of footings, slab, foundation, posts, walls or other portions of a building. Site preparation, land clearing or the installation of utilities shall not constitute construction.

Certification Signature of Applicant(s):  Date: _____

Attach building plans, site map, parcel information and parcel number. (Include letter of consent from property owner if subject to purchase agreement.)

Signature of Applicant(s):  Date: _____

FOR OFFICE USE ONLY: ELIGIBLE/APPLICABLE APPROVALS

Dodge County _____ Date: _____

City of Kasson _____ Date: _____

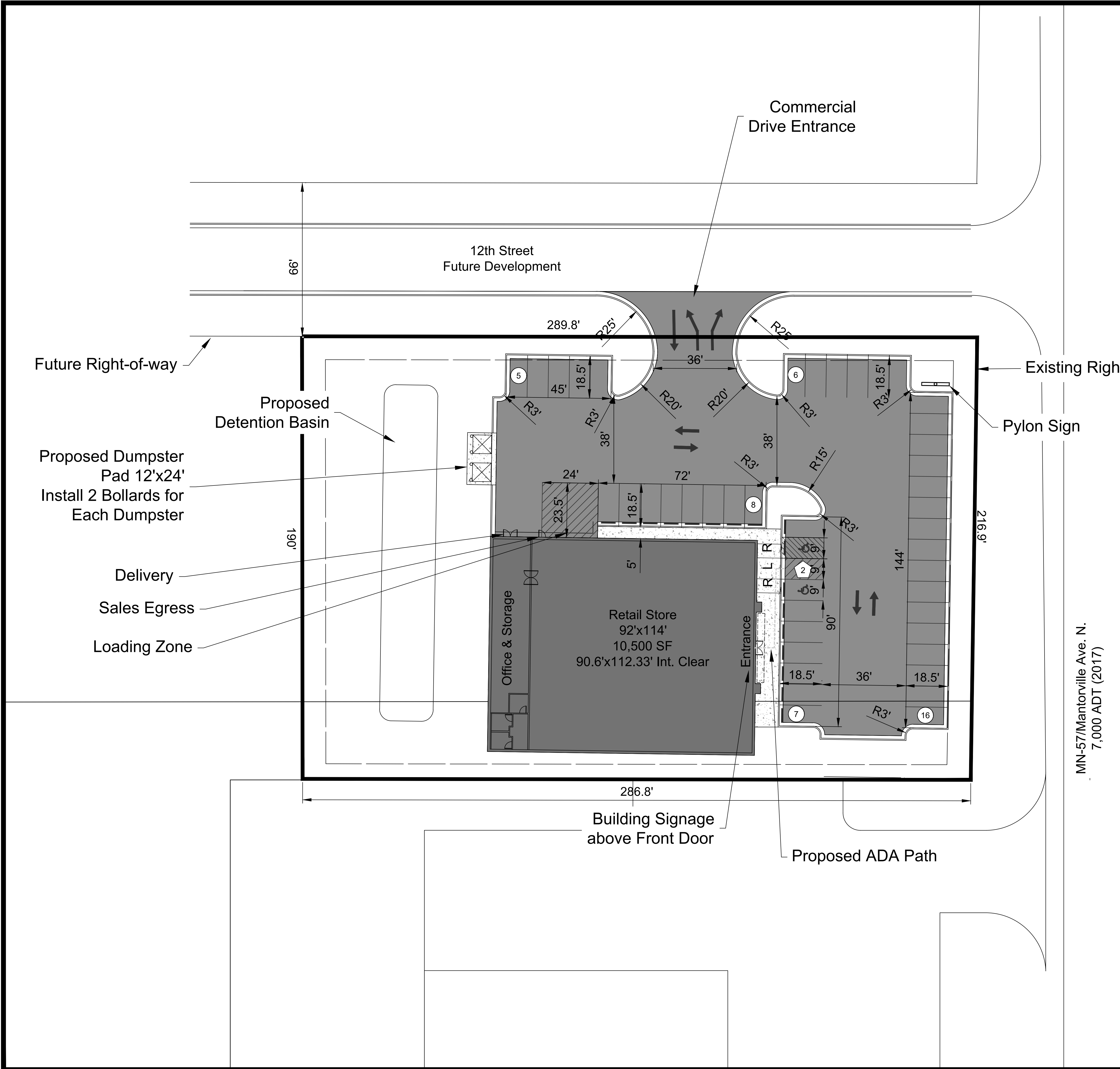
KM School District _____ Date: _____

Disclaimer: Each taxing entity makes its own decision on approval or denial of application for tax abatement. Applications must comply with all requirements of the program as outlined in program guidelines and build within allotted timeframe or tax abatement offer will be automatically terminated. Building cannot start until such time as all taxing entities have approved and written authorization is provided.

Please submit completed applications to: Community Development Assistant, City of Kasson, MN 55944

Office Hours: M-F 8 a.m. – 5 p.m.



Jun 07, 2022-9:57am
Z:\RIC Design\2021\21-01188\Kasson MND\dwg\Concepts\LOI-Revised\Kasson LOI-4.dwg



Approximate Address
1101 Mantorville Ave. N., Kasson, MN 55944

Site Data Table
Proposed Lot Area - 1.25 Acres
Building Area - 10,500 SF

Parking Count Legend

ADA Stall Count 
Standard Stall Count 

Site Parking Table:

Proposed Building Area: 10,500 sqft
Parking Required: 1 space per 250SF floor area (42)
Parking Provided: 43 Stalls + 2 ADA Stalls

General Notes

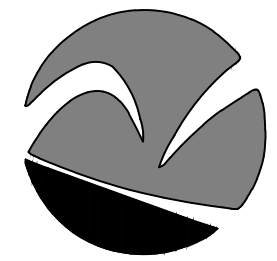
1. HVAC Units to be placed on roof of Building
2. Front Yard Setback: 10'
3. Side Yard Setback: 6.5'
4. Rear Yard Setback: 10'
5. Proposed Zoning: C-2

PROJECT #:
KASSON STORE DESIGN
PRELIMINARY SITE PLAN
APPROVAL
DATE

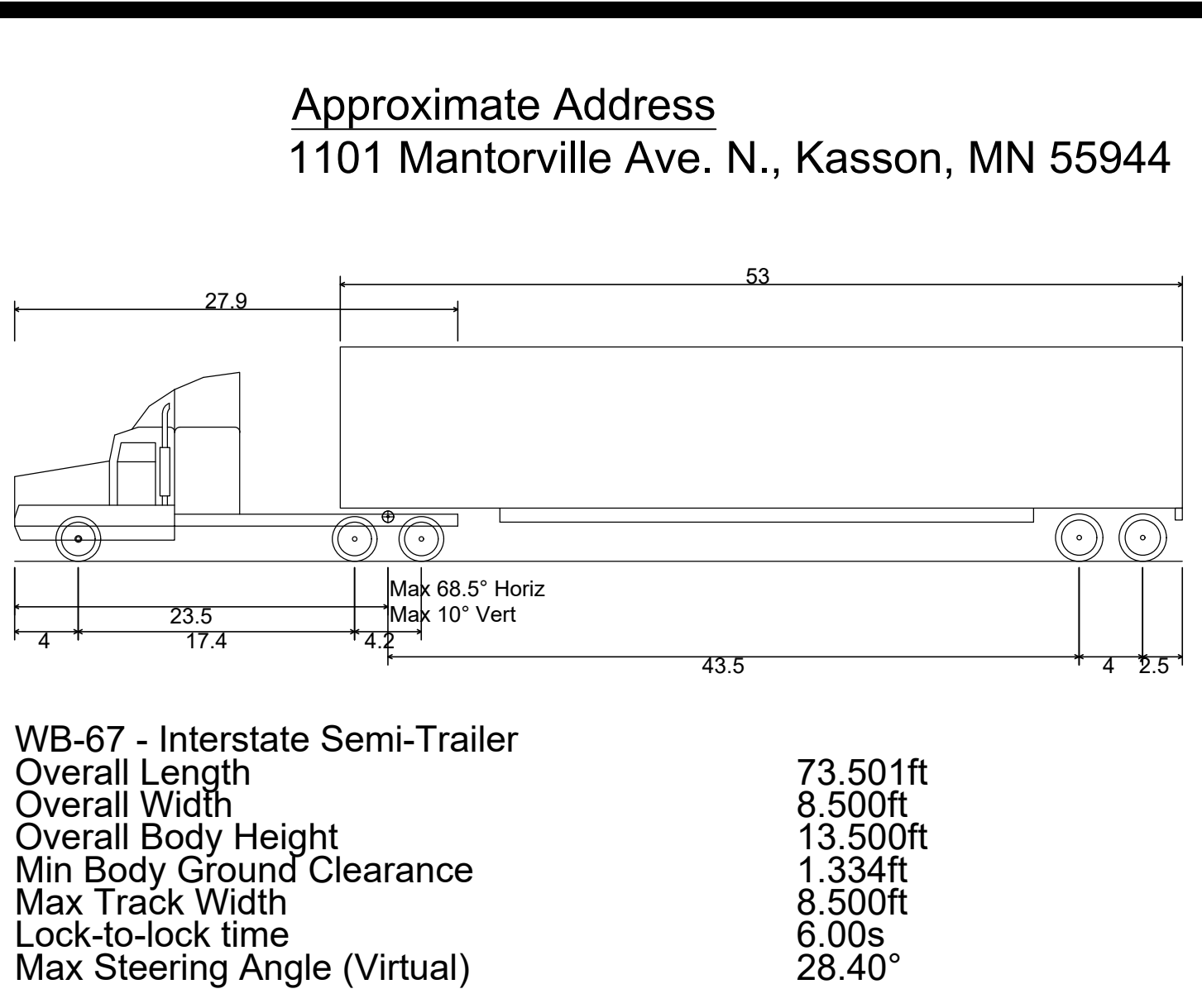
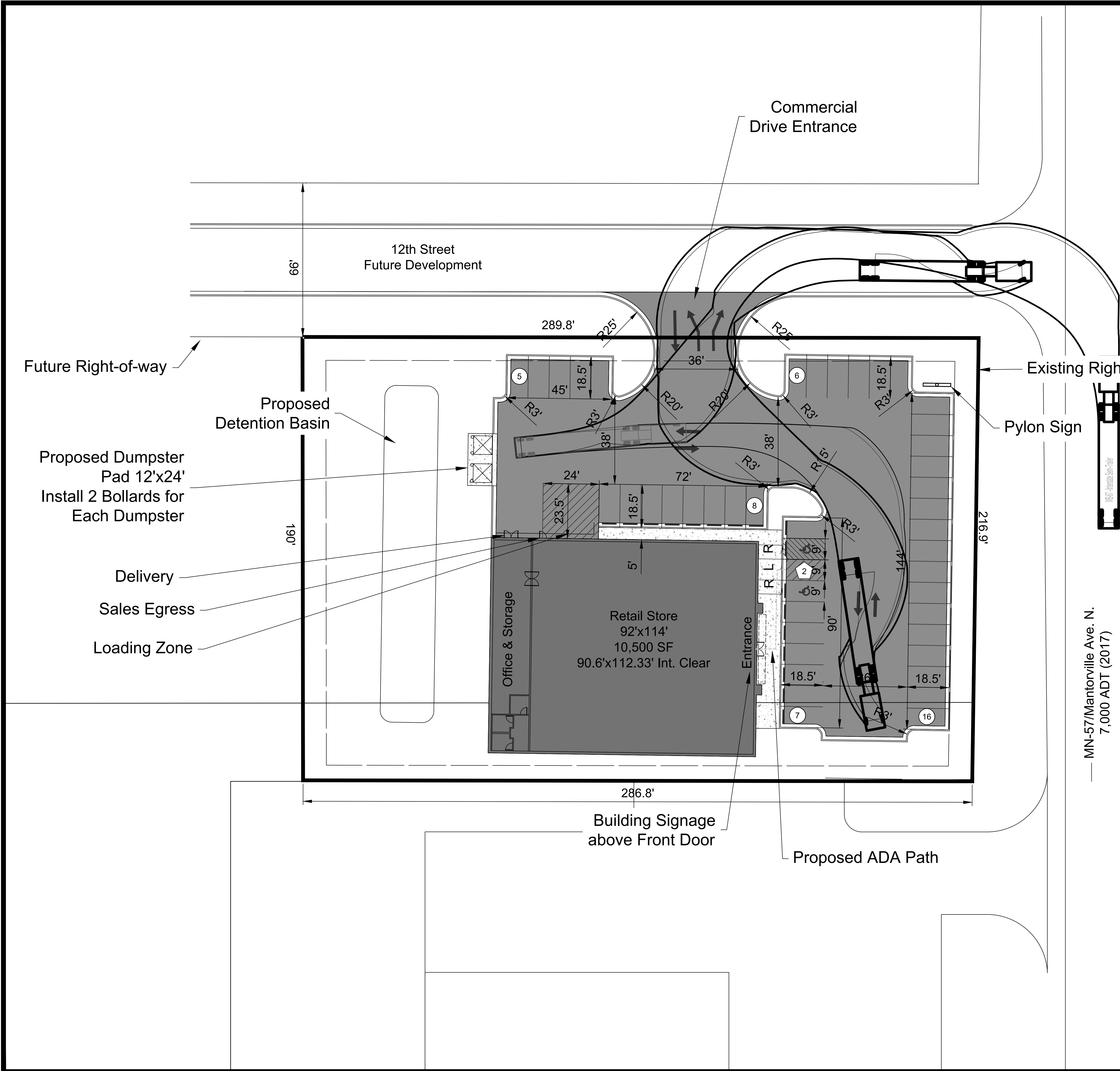
D.S.D.: _____

C.D.O.: _____



Sheet									
C01									
Concept Plan	21-0188								
	Retail Building								
Kasson, Dodge County, Minnesota									
Site Layout									
<table border="1"><thead><tr><th>NO.</th><th>BY</th><th>DATE</th><th>REVISION</th></tr></thead><tbody><tr><td>1</td><td>ATG</td><td>08/06/2021</td><td>ORIGINAL SUBMITTAL</td></tr></tbody></table>		NO.	BY	DATE	REVISION	1	ATG	08/06/2021	ORIGINAL SUBMITTAL
NO.	BY	DATE	REVISION						
1	ATG	08/06/2021	ORIGINAL SUBMITTAL						
<div>Renaissance Infrastructure Consulting</div> <div>8653 PENROSE LANE LENEKA, KANSAS 66219 913.377.9500 WWW.RIC-CONSULT.COM</div>									

Jun 07, 2022-9:57am
Z:\RIC Design\2021\21-01188\Kasson MND\DWG\Concepts\LOI-Revised\Kasson LOI-4.dwg



PROJECT #:
KASSON STORE DESIGN
PRELIMINARY SITE PLAN
APPROVAL
DATE

D.S.D.: _____
C.D.O.: _____

PROJECT #:
KASSON STORE DESIGN
PRELIMINARY SITE PLAN
APPROVAL
DATE

D.S.D.: _____
C.D.O.: _____

PROJECT #:
KASSON STORE DESIGN
PRELIMINARY SITE PLAN
APPROVAL
DATE

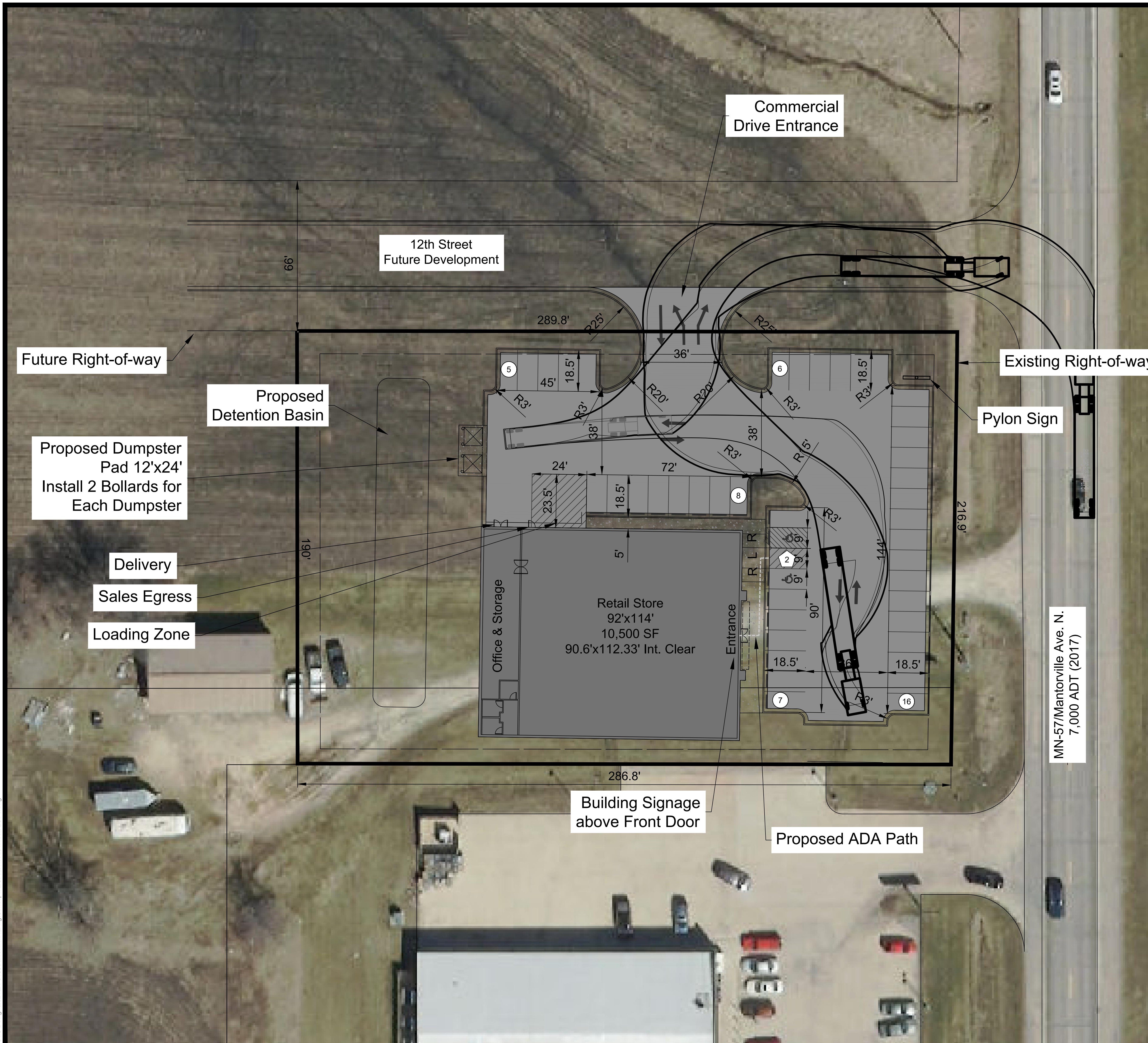
D.S.D.: _____
C.D.O.: _____

PROJECT #:
KASSON STORE DESIGN
PRELIMINARY SITE PLAN
APPROVAL
DATE

D.S.D.: _____
C.D.O.: _____

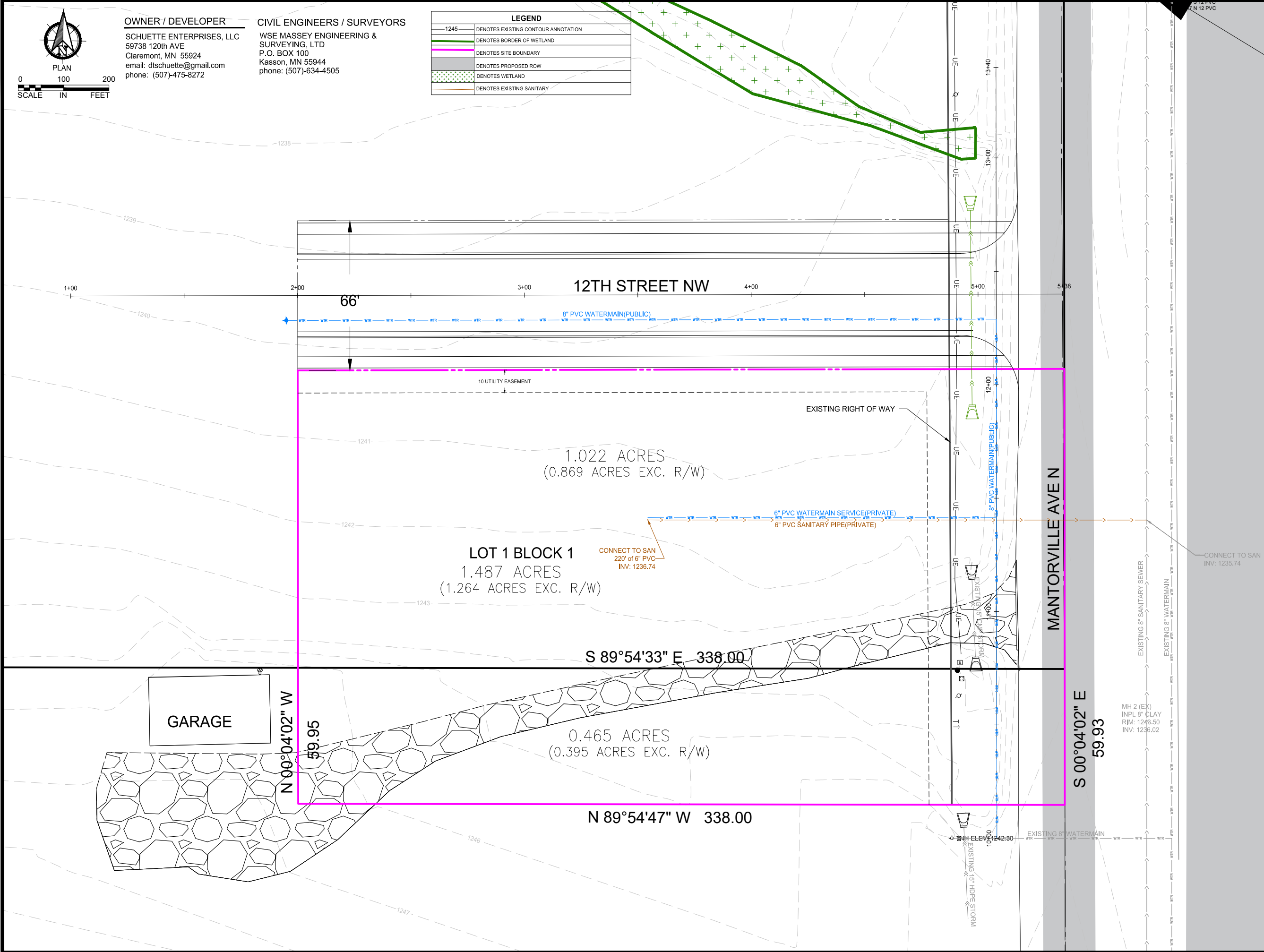
C.D.O.:

Site Layout

[illegible]

93-223674 CG_UP02.dwg

7/5/2022 12:11:50 PM



WSE MASSEY
Engineering & Surveying
PH. NO. 507-634-4505
PLANS@WSE.ENGINEERING
www.wse.engineering

KASSON OFFICE
P.O. BOX 100
33 B E VETERANS
MEMORIAL HIGHWAY
KASSON, MN 55944

PLAINVIEW OFFICE
320 WEST BROADWAY
SUITE 3
PLAINVIEW, MN 55964

ROCHESTER OFFICE
1712 RESTORATION
DRIVE SW
ROCHESTER, MN 55902

REV: DATE: DESCRIPTION:

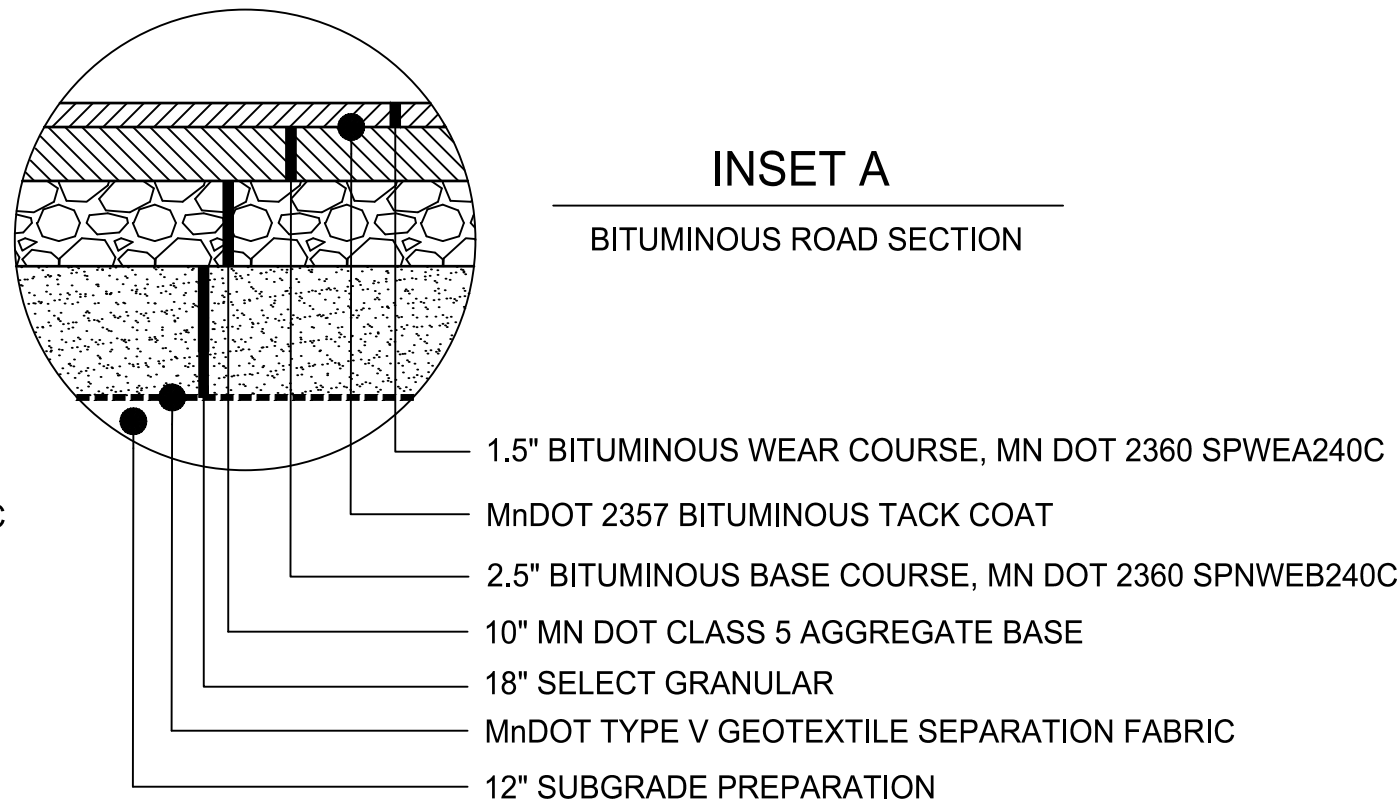
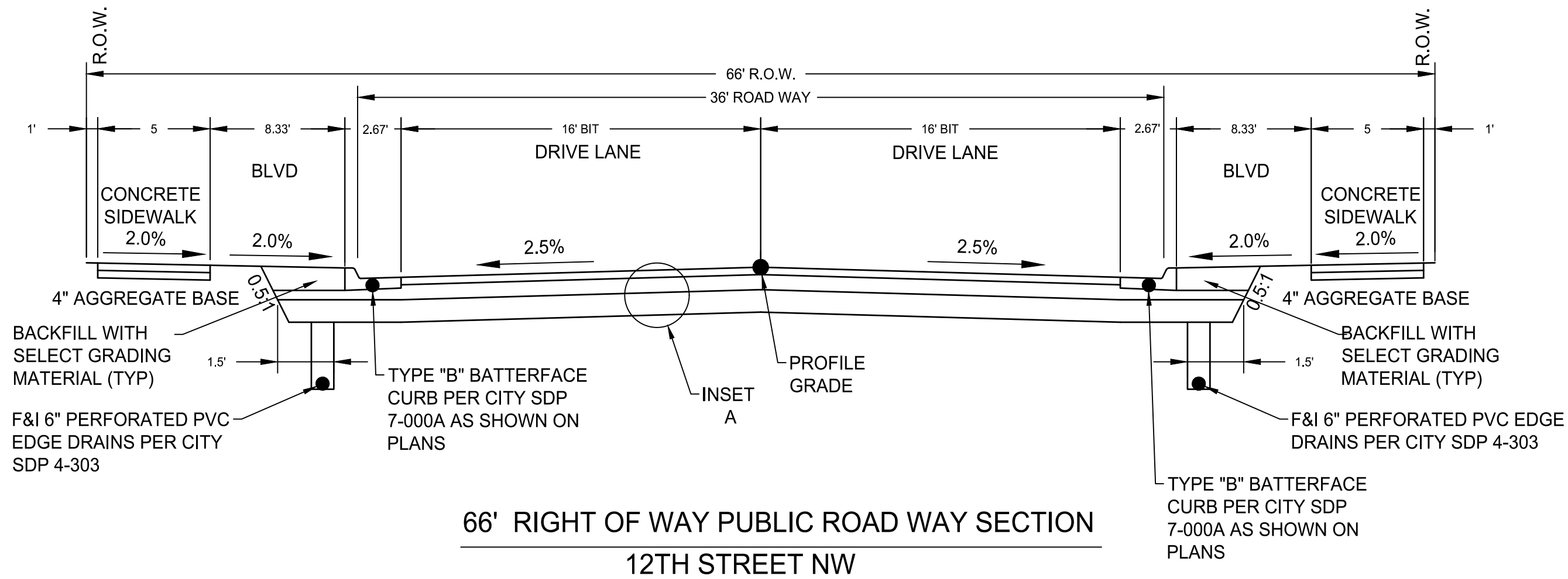
PRELIMINARY PLAT
SCHUETTE BUSINESS PARK
KASSON, MINNESOTA

SCALE: AS SHOWN
DATE: 7/05/2022
DRAWN BY: TAC
JOB NUMBER: 093-223674
DWG. FILE: 93-223674 CG_UP02.dwg

Sheet 1 of 1

93-223674 CG_TY01.dwg

7/5/2022 12:11:52 PM



CONSTRUCTION NOTES:

GRADING:
1.5" BITUMINOUS WEARING COURSE, MnDOT 2360
BITUMINOUS TACK COAT MnDOT 2357
10" AGGREGATE BASE, 12" SELECT GRANULAR, MnDOT TYPE 5 GEOTEXTILE FABRIC
12" SUBGRADE PREPARATION.

CURB & GUTTER TYPE DRIVEOVER:
0.33' CURB EXPOSURE
0.08' LIP TO GUTTER
0.4' CROWN (LIP TO CENTERLINE)
CENTER LINE IS 0.15' ABOVE TOP OF CURB

SERVICE CONNECTIONS:
LOCATION OF ALL SANITARY SEWER, WATER SERVICE, AND SUBDRAIN CONNECTIONS ARE TO BE REVIEWED BY OWNER PRIOR TO CONSTRUCTION. CONTRACTOR SHALL VERIFY ALL IN PLACE AND PROPOSED UTILITY SERVICES EXTEND TO PROPERTY LINE.

CASTING SCHEDULE:
CATCH BASINS - NEENAH R3067-V
MANHOLES - SANITARY - R1733 WITH CONCEALED PICK HOLES, SEALED LID, AND "SANITARY SEWER" LETTERING; STORM-R1733 WITH TWO PICK HOLES AND "STORM SEWER" LETTERING.

WATER MAIN NOTES:
WATERMAIN SHALL BE BACTERIA AND PRESSURE TESTED. TESTING IN ACCORDANCE WITH THE CITY SPECIFICATIONS.

SANITARY SEWER NOTES:
TELEVIEW ALL NEW SANITARY SEWER AND PROVIDE THE CITY OF PLAINVIEW WITH A COPY OF THE VIDEO.

ADDITIONAL NOTES:
WHERE NEW CONSTRUCTION MEETS IN PLACE ROADWAYS, THE CONTRACTOR SHALL AVOID ABRUPT CHANGES IN THE GRADE AND STREET CROSS SECTION. POOR RIDEABILITY OF THE FINISHED TRANSITION WILL REQUIRE RECONSTRUCTION.

CONTRACTOR TO MAINTAIN EROSION CONTROL THROUGHOUT CONSTRUCTION.

PH. NO. 507-634-4505
PLANS@WSE.ENGINEERING
www.wse.engineering

KASSON OFFICE
P.O. BOX 100
33 B E VETERANS
MEMORIAL HIGHWAY
KASSON, MN 55944

PLAINVIEW OFFICE
320 WEST BROADWAY
SUITE 3
PLAINVIEW, MN 55964

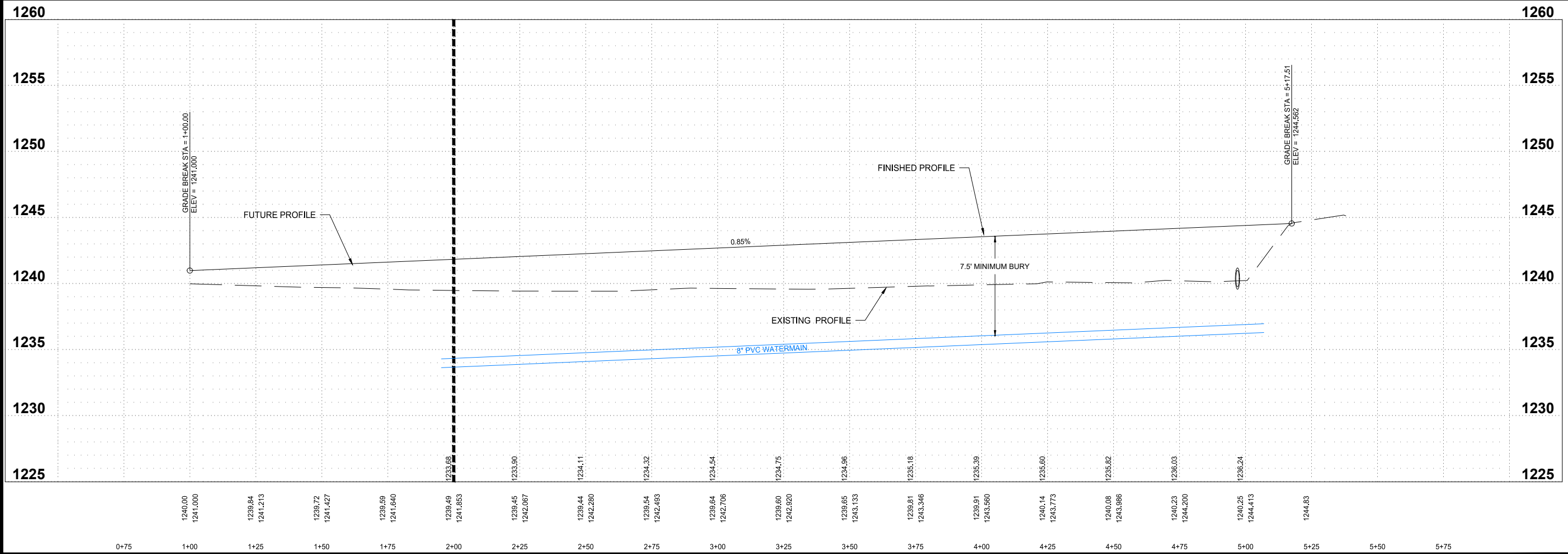
ROCHESTER OFFICE
1712 RESTORATION
DRIVE SW
ROCHESTER, MN 55902

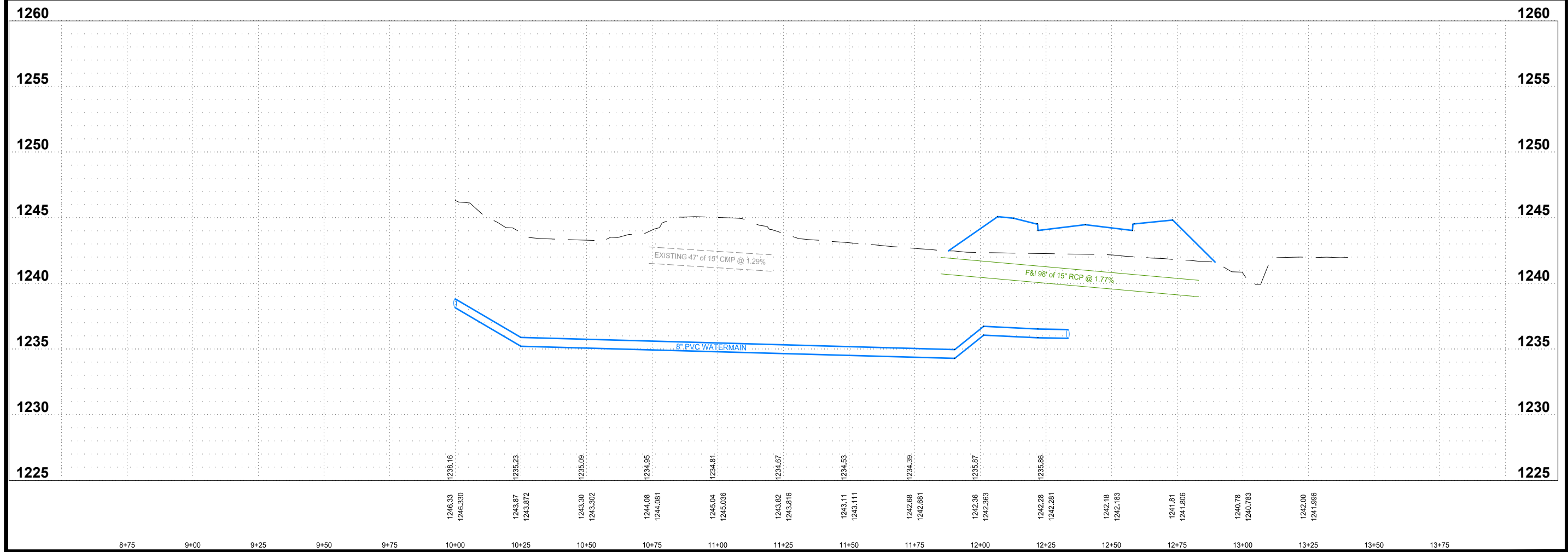
REV:	DATE:	DESCRIPTION:

TYPICAL SECTIONS
SCHUETTE BUSINESS PARK
KASSON, MINNESOTA

SCALE: AS SHOWN
DATE: 7/05/2022
DRAWN BY: TAC
JOB NUMBER: 093-223674
DWG. FILE: 93-223674 CG_TY01.dwg

Sheet 1 of 1





Ian Albers

From: Dean Schuette <dtschuette@gmail.com>
Sent: Friday, September 30, 2022 2:13 PM
To: Mike Belew
Cc: Ian Albers; Matt Crawford
Subject: Re: FW: Kasson - Tax Abatement

To whom it may concern. Schuette Enterprises, LLC is in support of this application for tax abatement. Please call me if you have any questions.

Thank you,
Dean Schuette
507-475-8272

On Fri, Sep 30, 2022, 1:18 PM Mike Belew <mbelew@usfpc.com> wrote:

Ian-

As follow-up to our previous communications regarding tax abatement, attached are the following.

1. Project site plan
2. Tax Abatement application
3. Parcel map.

Since we were not able to make the September agenda, I would like for this application to be heard at the October hearing.

The application references the City needs written consent from the current Owner but does not include a separate consent form. I have copied Mr. Dean Schutte, the land owner for the property we are exploring. Mr. Schutte is aware of our intentions and supports the process.

If Dean were to reply to this email proving his consent for the application process, would that be suffice?

SKYE VIEW DEVELOPMENT				
GENERAL CONSTRUCTION				
DESCRIPTION	QUANTITY	UNIT	COST	TOTAL
Mobilization	1	L.S.	\$1,500.00	\$1,500.00
Common Excavation	0	C.Y.	\$4.00	\$0.00
Common Embankment	1250	C.Y.	\$6.00	\$7,500.00
Common Borrow	0	C.Y.	\$20.00	\$0.00
TOTAL STREET CONSTRUCTION				\$9,000.00
STREET CONSTRUCTION				
F & I Geotextile Fabric (MnDOT Type V)	1272	S.Y.	\$1.50	\$1,908.00
F & I 12" Aggregate Base (Placed) - Class V	424	C.Y.	\$32.00	\$13,568.00
F & I 6" Breaker Run (Placed) (Allowance)	0	C.Y.	\$31.50	\$0.00
F & I 2.5" Bituminous Base (MnDOT 2360 Type LV)	158	TONS	\$110.00	\$17,380.00
F & I 1.5" Bituminous Wear (MnDOT 2360 Type LV)	94	TONS	\$110.00	\$10,340.00
F & I Bituminous Tack Oil	23	GALS	\$3.50	\$80.50
F & I 12" Select Granular	424	C.Y.	\$21.00	\$8,904.00
F & I Concrete Sidewalk	177	S.Y.	\$20.00	\$3,540.00
F & I Concrete Curb & Gutter Design "B"	636	L.F.	\$25.00	\$15,900.00
F & I Erosion Control Silt Fence	425	L.F.	\$3.00	\$1,275.00
F & I Construction Entrance	1	EACH	\$1,000.00	\$1,000.00
F & I Inlet Protection	0	EACH	\$260.00	\$0.00
F & I Erosion Control Blanket	0	S.Y.	\$2.35	\$0.00
F & I Seeding	2	AC.	\$2,500.00	\$5,000.00
TOTAL STREET CONSTRUCTION				\$78,895.50
WATERMAIN				
F & I 10" PVC Watermain	0	L.F.	\$78.00	\$0.00
F & I 8" PVC Watermain	537	EACH	\$68.00	\$36,516.00
F & I 6" Hydrant w/ Gate Valve	2	EACH	\$6,800.00	\$13,600.00
Connect to Existing Watermain	1	EACH	\$1,500.00	\$1,500.00
TOTAL WATERMAIN				\$51,616.00
STORM SEWER				
F & I 24" RCP	0	L.F.	\$129.00	\$0.00
F & I 18" RCP	0	L.F.	\$49.00	\$0.00
F & I 12" RCP	40	L.F.	\$47.00	\$1,880.00
F & I Manhole (48") DESIGN 4020	0	EACH	\$3,800.00	\$0.00
F & I Catch Basin Structure 4022 (48")	2	EACH	\$3,400.00	\$6,800.00
F & I 48" Flared End Section	0	EACH	\$3,000.00	\$0.00
F & I 24" Flared End Section	0	EACH	\$3,000.00	\$0.00
F & I 15" Flared End Section	0	EACH	\$1,000.00	\$0.00
F & I AREA INLET CYLINDRICAL STRUCTURE (48")	0	EACH	\$1,000.00	\$0.00
Subdrain F & I 6" PVC	636	L.F.	\$26.00	\$16,536.00
Subdrain F & I Clean Outs	4	EACH	\$170.00	\$680.00
TOTAL STORM SEWER				\$25,896.00
SANITARY SEWER				
F & I 12" PVC	0	L.F.	\$72.00	\$0.00
F & I 10" PVC	0	L.F.	\$69.00	\$0.00
F & I 6" PVC	220	L.F.	\$67.00	\$14,740.00
F & I 48" Manhole	0	EACH	\$3,350.00	\$0.00
Connect to Existing	1	EACH	\$5,000.00	\$5,000.00
TOTAL SANITARY SEWER				\$19,740.00
SERVICE CONNECTIONS				
F & I 4" Sanitary PVC/1" Copper Water with S/O/2" Drain	0	EACH	\$4,500.00	\$0.00
F & I 6" Sanitary PVC/2" Copper Water (Commercial)	1	EACH	\$7,500.00	\$7,500.00
Conduits/Crossings F & I 4" PVC only	0	L.F.	\$20.00	\$0.00
TOTAL SERVICE CONNECTIONS				\$7,500.00
TOTAL PRELIM PLAT				\$192,647.50

Kasson Tax

Year	Total Tax		City Tax	
1	\$	43,500	\$	15,225.00
2	\$	44,000	\$	15,400.00
3	\$	44,500	\$	15,575.00
4	\$	45,000	\$	15,750.00
5	\$	45,500	\$	15,925.00
6	\$	46,000	\$	16,100.00
7	\$	46,500	\$	16,275.00
8	\$	47,000	\$	16,450.00
9	\$	47,500	\$	16,625.00
Total	\$	409,500	\$	143,325.00

Chosen Valley Testing, Inc.

Geotechnical Engineering and Testing • 1410 7th St. NW • Rochester, MN 55901 • Telephone (507) 281-0968 • Fax (507) 289-2523

Ms. Jill Bondhus
507-535-9232
Petals2metals@kmtel.com

October 14, 2022

**Re: Proposal for Design Phase Geotechnical Evaluation
Proposed Building
204 & 206 W Main Street
Kasson, Minnesota**

Dear Ms. Bondhus,

As requested, we have prepared this proposal for design phase geotechnical evaluation for the proposed building site at 204 & 206 W Main Street, Kasson, Minnesota. This proposal summarizes our understanding of the tasks and provides costs for completing the services. CVT is interested in providing services for this project and is experienced with the soils and rock in the area.

Scope

Depths and Locations: It is understood that 4 borings are desired for the project. CVT intends to drill the borings to depths of 14 ½ feet or auger refusal, whichever is attained first. The borings will be drilled and sampled in accordance with the American Society for Testing and Materials (ASTM) Method of Test D1586 and D1587 procedures. Topsoil/pavement thicknesses would be recorded, and samples would be taken at 2½-foot intervals. The borings will be sealed according to state regulations.

Laboratory Testing: We have included moisture content and pocket penetrometer tests to help with estimating soil parameters on site. Additional laboratory testing is not expected to be necessary. We would contact you for authorization in the event that conditions are encountered that may warrant additional laboratory testing, particularly if highly organic or expansive soils are suspected.

Logging and Reports: A geotechnical engineering report will be provided summarizing the results of the borings and our recommendations for design and construction of the building. The report would include boring logs, a site sketch, along with discussions of the results, opinions, and recommendations regarding earthwork, bearing capacity, estimated settlement, and slab design. An electronic copy of the report will be provided.

General

Access and Schedule: Based on aerial imagery, the site appears to be a vacant lot. CVT assumes the site is accessible to standard truck-mounted equipment. It is understood that the client will need to gain permission to access and explore on the site from the City of Kasson.

Prior to drilling, Gopher State One Call would be contacted to have public utilities located on site. Any private utilities will be the Owner's responsibility for locating prior to our crew's arrival on site. Common private utilities include electric for light poles, sprinkler lines, and water/sewer services lines running from main lines in the street in some cities.

Our current schedule would allow us to initiate services within about 2 to 3 weeks of authorization, while also being dependent upon access, utility locating, weather conditions, holidays, and any other unforeseen conditions that may cause delay. The field work is expected to be completed in one day. Preliminary

information can usually be made available within a week of drilling. The report typically requires an additional 2 to 3 weeks to prepare after the field work is completed. CVT should be contacted if a specific deadline or schedule is desired to be met so that we may try to accommodate.

Insurance: Our firm carries the normal types of insurances expected to conduct business in our field, at or above the minimums required by law. Certificates of insurance are available on request and can be provided to the client prior to commencement of services.

Costs

CVT will perform the requested work scope on a unit cost basis in accordance with the following tabulation. The total cost would not be exceeded without a change in the work scope. Additional services would be applied according to the provided unit costs. Standby time for our drill crew is \$175 per hour, which would not accrue until after the Client were notified of conditions causing delay.

Drilling Scope: 4x14.5' or refusal

Unit	QTY.	ITEM DESCRIPTION	UNIT COST	AMOUNT
Drilling Services				
day	1	Drill Rig and Support Vehicle, per day	\$400.00	\$400.00
boring	4	Drilling, sampling, and sealing, 14.5 feet or refusal	\$210.00	\$840.00
site	0	MDH Bore Hole Sealing Record, per site	\$200.00	\$0.00
Laboratory Services				
lump sum	1	Moisture Content and Pocket Penetrometer Tests	\$100.00	\$100.00
Engineering Services				
lump sum	1	Engineering Analysis and Report, lump sum	\$1,000.00	\$1,000.00
Total				\$2,340.00

An invoice will be mailed after the exploration report is completed. Payment for services is then expected within 30 days. Interest will be added to invoices over 30 days.

Remarks

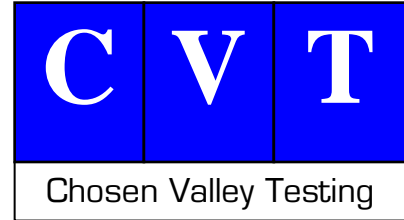
CVT appreciates the opportunity to propose geotechnical services on this project. If you have any questions about our proposal or the arrangements described, please call us at (507) 281-0968.

Sincerely,
Chosen Valley Testing, Inc.



Devin M. Ehler, PE
Geotechnical Engineer

Authorization to Proceed



Proposal for Design Phase Geotechnical Evaluation

Project: Proposed Building
204 & 206 W Main Street
Kasson, Minnesota

Prepared by: Chosen Valley Testing, Inc.

Commencement of the above Project or Work Package, as outlined in the attached proposal document from Chosen Valley Testing, Inc. is hereby authorized.

Authorizing Person:

Signature

Printed Name and Title

Date

Bill To:

GENERAL CONTRACT PROVISIONS

ARTICLE 1 – PERFORMANCE OF THE WORK

Chosen Valley Testing, Inc. (“CVT”) shall perform the services under this Agreement in accordance with the care and skill ordinarily exercised by members of CVT’s profession practicing under similar circumstances at the same time and in the same locality. Sampling procedures employed by CVT during the Work can indicate actual conditions only at the precise locations from which, and only at the time, samples are taken. CVT may make inferences based upon the results of sampling or related testing to form a professional opinion of conditions in areas beyond those from which samples were taken. However, because a sampling program cannot prove the non-existence or non-presence of conditions or materials, CVT makes no warranties, express or implied, under this Agreement or otherwise, in connection with its services.

ARTICLE 2 – ADDITIONAL SERVICES

If the Client requests that the CVT perform any services which are beyond the scope as set forth in the Proposal, or if changed or unforeseen conditions require the CVT to perform services outside of the original scope, then, CVT shall promptly notify the Client of cause and nature of the additional services required. Upon notification, CVT shall be entitled to an equitable adjustment in both compensation and time to perform.

ARTICLE 3 – SCHEDULE

Unless specific periods of time or dates for providing services are specified in a separate Exhibit, CVT’s obligation to render services hereunder will be for a period which may reasonably be required for the completion of said services. The Client agrees that CVT is not responsible for damages arising directly or indirectly from any delays for causes beyond CVT’s control. For purposes of this Agreement, such causes include, but are not limited to, strikes or other labor disputes; severe weather disruptions, or other natural disasters or acts of God; fires, riots, war or other emergencies; any action or failure to act in a timely manner by any government agency; actions or failure to act by the Client or the Client’s contractor or CVTs; or discovery of any hazardous substance or differing site conditions. If the delays outside of CVT’s control increase the cost or the time required by CVT to perform its services in accordance with professional skill and care, then CVT shall be entitled to a reasonable adjustment in schedule and compensation.

ARTICLE 4 – CONTRACTOR RESPONSIBILITIES

CVT neither guarantees the performance of any Contractor retained by Client nor assumes responsibility for any Contractor’s failure to furnish and perform the work in accordance with the construction documents. Client acknowledges CVT will not direct, supervise or control the work of contractors or their subcontractors, nor shall CVT have authority over or responsibility for the contractors means, methods, or procedures of construction. CVT’s services do not include review or evaluation of the Client’s, contractor’s or subcontractor’s safety measures, or job site safety. Job Site Safety shall be the sole responsibility of the contractor who is performing the work.

ARTICLE 5 – CLIENT RESPONSIBILITIES

Client is responsible to provide CVT with access to the site. Client shall also provide CVT with any other previous geotechnical or other reports, investigations, specifications, plans and other information about the site to which Client has access. Changes in plans and information about the site conditions that becomes known after our report may affect CVT’s opinions.

Drilling, sampling, and other subsurface work will cause disruption to the site and in particular to any paving or other structures in place over the selected sampling locations. CVT will use reasonable care to minimize damage to the site, but CVT has not included the cost of restoring normal damage in the estimated charges contained within its proposal. Client agrees to equitable adjust the contract amount in the event that Client seeks repair of the site in a manner more than is customary in the industry.

ARTICLE 6 – REUSE AND DISPOSITION OF INSTRUMENTS OF SERVICE

All documents, including reports, drawings, calculations, specifications, CADD materials, computers software or hardware or other work product prepared by CVT pursuant to this Agreement are CVT’s Instruments of Service and CVT retains all ownership interests in Instruments of Service, including copyrights. The Instruments of Service are not intended or represented to be suitable for reuse by the Client or others on extensions of the Project or on any other project. Copies of documents that may be relied upon by Client are limited to the printed copies (also known as hard copies) that are signed or sealed by CVT. Files in electronic format furnished to Client are only for convenience of Client. Any conclusion or information obtained or derived from such electronic files will be at the user’s sole risk. CVT makes no representations as to long term compatibility, usability or readability of electronic files.

If requested, at the time of completion or termination of the work, the CVT may make available to the Client the Instruments of Service upon (i) payment of amounts due and owing for work performed and expenses incurred to the date and time of termination, and (ii) fulfillment of the Client’s obligations under this Agreement. Any use or re-use of such Instruments of Service by the Client or others without written consent, verification or adaptation by the CVT except for the specific purpose intended will be at the Client’s risk and full legal responsibility and Client expressly releases all claims against CVT arising from re-use of the Instruments of Service without CVT’s written consent, verification or adaptation.

The Client will, to the fullest extent permitted by law, indemnify and hold the CVT harmless from any claim, liability or cost (including reasonable attorneys’ fees, and defense costs) arising or allegedly arising out of any unauthorized reuse or modification of these Instruments of Service by the Client or any person or entity that acquires or obtains the reports, plans and specifications from or through the Client without the written authorization of the CVT. Under no circumstances shall transfer of Instruments of Service be deemed a sale by CVT, and CVT makes no warranties, either expressed or implied, of merchantability and fitness for any particular purpose. CVT shall be entitled to compensation for any consent, verification or adaptation of the Instruments of Service for extensions of the Project or any other project.

ARTICLE 7 – PAYMENTS

Payment to CVT shall be on a lump sum or hourly basis as set out in the Agreement. CVT is entitled to payment of amounts due plus reimbursable expenses. Client will pay the balance stated on the invoice unless Client notifies CVT in writing of any disputed items within 15 days from the date of invoice. In the event of any dispute, Client will pay all undisputed amounts in the ordinary course, and the Parties will endeavor to resolve all disputed items. All accounts unpaid after 30 days from the date of original invoice shall be subject to a service charge of 1-1/2% per month, or the maximum amount authorized by law, whichever is less. CVT reserves the right to retain products of service until all invoices are paid in full. CVT will not be liable for any claims of loss, delay, or damage by Client for reason of withholding services or products of service until all invoices are paid in full. CVT shall be entitled to recover all reasonable costs and disbursements, including reasonable attorney fees, incurred in connection with collecting amounts owed by Client. In addition, CVT may, after giving seven days’ written notice to Client, suspend services under this Agreement until it receives full payment for all amounts then due for services, expenses and charges. Payment methods, expenses and rates may be more fully described in Exhibit C and Exhibit E.

ARTICLE 8 – HAZARDOUS MATERIALS

Notwithstanding the Scope of Services to be provided pursuant to this Agreement, it is understood and agreed that CVT is not a user, handler, generator, operator, treater, arranger, storer, transporter or disposer of hazardous or toxic substances, pollutants or contaminants as any of the foregoing items are defined by Federal, State and/or local law, rules or regulations, now existing or hereafter amended, and which may be found or identified on any Project which is undertaken by CVT.

The Client agrees to indemnify CVT and its officers, subCVT(s), employees and agents from and against any and all claims, losses, damages, liability and costs, including but not limited to costs of defense, arising out of or in any way connected with, the presence, discharge, release, or escape of hazardous or toxic substances, pollutants or

contaminants of any kind, except that this clause shall not apply to such liability as may arise out of CVT's sole negligence in the performance of services under this Agreement arising from or relating to hazardous or toxic substances, pollutants, or contaminants specifically identified by the Client and included within CVT's services to be provided under this Agreement.

ARTICLE 9 - INSURANCE

CVT has procured general and professional liability insurance. On request, CVT will furnish client with a certificate of insurance detailing the precise nature and type of insurance, along with applicable policy limits.

ARTICLE 10 – TERMINATION OR SUSPENSION

If CVT's services are delayed or suspended in whole or in part by Client, or if CVT's services are delayed by actions or inactions of others for more than 60 days through no fault of CVT, CVT shall be entitled to either terminate its agreement upon 7 days written notice or, at its option, accept an equitable adjustment of rates and amounts of compensation provided for elsewhere in this Agreement to reflect reasonable costs incurred by CVT in connection with, among other things, such delay or suspension and reactivation and the fact that the time for performance under this Agreement has been revised.

This Agreement may be terminated by either party upon seven days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination. In the event of termination CVT shall be compensated for services performed prior to termination date, including charges for expenses and equipment costs then due and all termination expenses. CVT is entitled to payment even if the project does not go forward or is not constructed.

This Agreement may be terminated by either party upon thirty days' written notice without cause. CVT shall upon termination only be entitled to payment for the work performed up to the Date of termination. In the event of termination, copies of plans, reports, specifications, electronic drawing/data files (CADD), field data, notes, and other documents whether written, printed or recorded on any medium whatsoever, finished or unfinished, prepared by the CVT pursuant to this Agreement and pertaining to the work or to the Project, (hereinafter "Instruments of Service"), shall be made available to the Client upon payment of all amounts due as of the date of termination. All provisions of this Agreement allocating responsibility or liability between the Client and CVT shall survive the completion of the services hereunder and/or the termination of this Agreement.

ARTICLE 11 - INDEMNIFICATION

The CVT agrees to indemnify and hold the Client harmless from any damage, liability or cost to the extent caused by the CVT's negligence or willful misconduct.

The Client agrees to indemnify and hold the CVT harmless from any damage, liability or cost to the extent caused by the Client's negligence or willful misconduct.

ARTICLE 12- WAIVER OF CONSEQUENTIAL DAMAGES

The CVT and Client waive claims against each other for consequential damages arising out of or relating to this contract. This mutual waiver includes damages incurred by the Client for rental expenses, for loss of use, loss of income, lost profit, project delays, financing, business and reputation and for loss of management or employee productivity or of the services of such persons; and (2) Damages incurred by the CVT for principal office expenses including the compensation for personnel stationed there, for losses of financing, business and reputation and for loss of profit except anticipated profit arising directly from the Work. The CVT and Client further agree to obtain a similar waiver from each of their contractors, subcontractors or suppliers.

ARTICLE 13 - ASSIGNMENT

Neither Party to this Agreement shall assign its interest in this agreement, any proceeds due under the Agreement nor any claims that may arise from services or payments due under the Agreement without the written consent of the other Party. Any assignment in violation of this provision shall be null and void. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the CVT or Client. This Agreement is for the exclusive benefit of CVT and Client and there are no other intended beneficiaries of this Agreement.

ARTICLE 14 - CONFLICT RESOLUTION

In an effort to resolve any conflicts that arise during the design or construction of the project or following the completion of the project, the Client and CVT agree that all disputes between them arising out of or relating to this Agreement shall be submitted to nonbinding mediation as a precondition to any formal legal proceedings.

ARTICLE 15 - CONFIDENTIALITY

The CVT agrees to keep confidential and not to disclose to any person or entity, other than the CVT's employees, and the general contractor and subcontractors, if appropriate, any data and information furnished to the CVT and marked CONFIDENTIAL by the Client. These provisions shall not apply to information in whatever form that comes into the public domain, nor shall it restrict the CVT from giving notices required by law or complying with an order to provide information or data when such order is issued by a court, administrative agency or other authority with proper jurisdiction, or if it is reasonably necessary for the CVT to complete services under the Agreement or defend itself from any suit or claim.

ARTICLE 16 – LIMITATION OF LIABILITY

To the maximum extent permitted by law, the Client agrees to limit the CVT's liability for any claims by or through the Client to the sum of Fifty Thousand Dollars (\$50,000). This limitation shall apply regardless of the cause of action or legal theory pled or asserted. In addition, Client and CVT each agree that neither will be responsible for any incidental, indirect, or consequential damages (including loss of use or loss of profits) sustained by the other, its successors or assigns. This mutual waiver shall apply even if the damages were foreseeable and regardless of the theory of recovery plead or asserted.

ARTICLE 17 - CONTROLLING LAW

This Agreement is to be governed by the laws of the State of the location of the Project. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, including but not limited to claims for negligence or breach of warranty, that is not settled by nonbinding mediation shall be settled by the law of the state of the location of the Project.

ARTICLE 18 - LOCATION OF UNDERGROUND IMPROVEMENTS

Client shall provide CVT all information that Client has about buried objects at the site. Where requested by Client, CVT will perform customary research to assist Client in locating and identifying subterranean structures or utilities. However, CVT may reasonably rely on information from the Client and information provided by local utilities related to structures or utilities and will not be liable for damages incurred where CVT has complied with the standard of care and acted in reliance on that information. The Client agrees to waive all claims and causes of action against the CVT for claims by Client or its contractors relating to the identification, removal, relocation, or restoration of utilities, or damages to underground improvements resulting from subsurface penetration locations established by the CVT.

2022 Business Façade Improvement Program **Kasson Economic Development Authority**



Duration:	The Program will accept applications until November 29, 2022 . Unless approved by the EDA, all projects must be completed with submitted invoices and completion photos within 12 months of award date. Any projects not completed and/or submitted for reimbursement by that time will not be eligible for reimbursement regardless of approval.
Matching grant:	Up to \$2,000 per building/lot per calendar year
Matching requirement:	Commercial building/lot within the City of Kasson. <i>Please note</i> – property must be current on taxes and obligations with the city.
Eligible project:	See list of eligible project items on the next page
Program contact:	Ian Albers, Community Development Assistant eda@cityofkasson.com

To apply, applicants must submit a complete application, including the necessary attachments, to City Hall by no later than the third Tuesday of the month for consideration at the next month's EDA meeting. The EDA will not consider retroactive approval projects; **NO WORK MAY BE DONE PRIOR TO EDA APPROVAL.**

Required Documentation for Application

- ☐ Completed application form
- ☐ Bona fide cost estimate of entire project
- ☐ Project plans, drawings, or sketches
- ☐ Photos of property work area before work begins
- ☐ Email confirmation from City Clerk Rappe that the project is compliant with permitting and ordinances
- ☐ Other documents requested by EDA/Council

For a leased property:

- ☐ A copy of the lease agreement and written permission from the property owner

Required Documentation for Reimbursement

- ☐ Photo of property after work is complete
- ☐ Proof of payment (invoice, receipt, etc.)

Kasson EDA will approve or deny reimbursement based on the completed project documentation and receipts of work completed and paid for by applicant.

Request for reimbursement must be submitted to City Hall within twelve (12) months of project approval.

[See page 4 for more details]

Business Façade Improvement Program – Guidelines

Eligible project items:

- Painting of building exterior; including necessary scraping, repairing and preparation for completion
- Rehab/replacement of exterior windows visible from public areas that enhance the character of the building
- Rehab/replacement of exterior doors visible from public areas that enhance the character of the building
- Siding
- Installation of brick onto building façade
- Brick tuckpointing
- Awnings and canopies (including the installation of new awnings and removal of deteriorating awnings and canopies)
- Signage
- Ancillary decorative lighting
- Surface parking lots that improve the property's curb appeal
- Screening of unsightly features such as utility connections, dumpsters, etc.
- Permanent and semi-permanent landscaping features
- Other permanent or semi-permanent decorative features that enhance visual aesthetics

Ineligible project items:

- Any interior work
- New construction and building additions
- Acquisition
- Improvements not visible from public areas
- Moveable landscaping features
- Improvements already completed or in progress at time of application

Evaluation criteria:

- Overall impact to the community
- Aesthetic improvement to the area
- Need for assistance
- Total owner investment/equity in the project
- Previous or concurrent usage of other EDA and/or City incentive programs

Applications will be denied if, in the sole option of the EDA, the proposed improvements do not follow these guidelines or improve the general character of the building and community as a whole.

The EDA reserves the right of ultimate review. The EDA may, at its discretion, approve projects that deviate from these guidelines if the proposed project is deemed within the general intent of these guidelines and is in the best interest of the community.

Reimbursement will be approved by City Council; applicants must submit proof of payment (invoice) and photos of the completed projects.

Incomplete applications will not be reviewed

Business Façade Improvement Program – Application
Kasson Economic Development Authority

Name: _____ Date: _____

Business: _____

Email: _____ Phone: _____

Mailing Address: _____

City/State/ZIP: _____

Project Address: _____

Project Summary: _____

Total Project Cost: _____ Total Amount Requested: _____

Application Certification

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

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

Name/Title (printed)

Name/Title (printed)

Signature

Date

Signature

Date

NO WORK MAY BEGIN PRIOR TO EDA APPROVAL

Business Façade Improvement Program – Process
Kasson Economic Development Authority

1. Applicant must submit a Business Façade Improvement Program Application with the appropriate documentation that indicates the following:
 - ☐ Detailed description of entire the project
 - ☐ Before photos
 - ☐ Bona fide written cost estimates of the entire project
 - ☐ Email confirmation from City Clerk Rappe that the project is compliant with permitting and ordinances
 - ☐ Indicate the amount of Business Façade Improvement Program funds that will be used
 - ☐ Identify that matching funds (50% minimum) have been acquired or made available to the project through a letter of credit from a bank or letter stating the necessary funds are available in the applicant's bank account
 - ☐ For a leased property, a copy of the lease agreement and written permission from the property owner
 - ☐ Any other documentation requested by the EDA or City Council
2. The Economic Development Coordinator and/or the EDA Finance Committee identifies if the project meets eligibility requirements and, if so, will bring it to the next Economic Development Authority meeting for further review.
3. Upon EDA review, the EDA will either approve or deny the project application.
4. The Economic Development Coordinator will contact the applicant and relay the EDA's decision and, if approved, will arrange for the signing of required documents.
5. Applicant makes approved business façade improvements and pays all invoices related to the improvements.
6. Applicant submits applicable documentation of work completed in accordance with the approved plans and specifications to the Economic Development Coordinator:
 - ☐ Receipts for work completed and paid for by applicant
 - ☐ Photos of the improvements that have been made
7. The Economic Development Coordinator will bring all final documentation to the next Economic Development Authority meeting. Based on the final documentation, the Economic Development Authority will approve or deny the final request for reimbursement.
8. Funds will be available to the approved applicant up to twelve (12) months from the date of project approval by the Economic Development Authority. Submit a payment request to City Hall before this date to avoid cancellation of funds.