

**MINUTES OF KASSON ECONOMIC DEVELOPMENT AUTHORITY**  
**MEETING OCTOBER 6, 2015**

Pursuant to due call and notice thereof, a regular meeting of the Kasson EDA was held at City Hall this 6th day of October, 2015 at 12:00 p.m.

The following members were present: Peterson, Stevenson, Egger, Johnson, Langan and Wegner.

Absent: None

The following staff members were present: Mike Martin, Community Development Director,  
City Clerk Rappe

Also Present: Dan Gibbs

**CALL TO ORDER:** Chair Stevenson called the meeting to order at 12:00

**MINUTES OF PREVIOUS MEETINGS:** Motion by Johnson, second by Peterson to approve the minutes of regular meeting August 4, Special meeting August 25 and Special meeting September 8 with all voting Aye

**GIBBS LOAN APPROVAL:** Dan Gibbs was present. Gibbs had originally asked for a \$100,000 and Martin stated that past policies were to limit the loans to \$50,000. The City Council approved the EDA to loan up to \$80,000. The City Council has given the EDA permission to negotiate with Gibbs and write the papers. Martin stated that Gibbs has a promissory note for \$80,000 and the terms would be ten years. Dan Gibbs asked to have a 15 year amortization with a balloon to have flexibility. Langan asked if we can leave it as it is, if needed we can re-evaluate in a few years.

**Motion to recommend approval of the loan to Gibbs Partners for \$80,000 made by Egger, second by Wegner with all voting Aye.**

**GIBBS TAX ABATEMENT RECOMMENDATION:** Martin stated that there is a resolution to be adopted by the City Council in the packet that needs a recommendation by the EDA. There is a value on the building and the increased amount of taxes would be \$11,500 and the City's portion would be just over \$5,000 and the proposed abatement of taxes back to Gibbs Lawn care of \$4,500 a year for a ten year period. Martin stated that the loan and the tax abatement fall under the state limit of business subsidy. The total of the two would be \$125,000. Wegner asked how many employees are with Gibbs Lawn care. Gibbs replied that there are 14 and when we get more space we would like to add a minimum of about 3 employees per year. Wegner asked how many of the employees live in Kasson. Gibbs stated that 13 of the 14 employees live in Kasson. Most have moved to Kasson. Wegner asked if they are homeowners or renters. Gibbs stated that they are homeowners. Wegner stated that more employees could be more houses built or sold in Kasson and more tax base.

**Motion by Wegner to recommend the adoption of the abatement, second by Peterson with all voting Aye.**

**GIBBS GROUNDBREAKING EVENT:** It was suggested by Martin for Gibbs to host a groundbreaking event. This would be a positive press opportunity for the business and the City. Gibbs will talk to his contractor.

**FOLKESTAD BUILDING/LAND SALE:** the last counter offer was \$410,000 and the buyers came back with an offer of \$400,000. There was consensus by email to accept the offer.

**Motion to accept the offer made by Johnson, second by Wegner with all voting Aye.**

**LAND SALE REPORT:** Martin stated that Kirk Swenson is working with a real estate broker for a fast food business in the lot in front of Shopko. Martin stated that he has been contacted about the lot next to Moosbrugger's and he referred them to Kirk Swenson.

**OTHER BUSINESS:** Johnson stated that Sturgis has resigned from the EDA and he is taking others into consideration for the appointment.

**ADJOURNED:** Meeting adjourned at 12:20 pm

Respectfully Submitted,  
Linda Rappe, City Clerk