

**MINUTES OF KASSON ECONOMIC DEVELOPMENT AUTHORITY**  
**MEETING June 2, 2015**

Pursuant to due call and notice thereof, a regular meeting of the Kasson EDA was held at City Hall this 2nd day of June, 2015 at 12:00 p.m.

The following members were present: Peterson, Stevenson, Johnson, Langan and Wegner  
Absent: Egglar and Sturgis

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

Also Present: Mark Anderson, Ron Eidem, Rose Carlson, Barb Meyer, Jerry Struthers, Jerry Berg, Lori Baumbach and Dr. Kramlinger

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

**MINUTES:** Motion for approval of the meeting minutes from May 6, 2015 made by Wegner, seconded by Langan, All Ayes.

**MAYO CLINIC EXPANSION PROJECT:** Lori Baumbach, Operations and Dr. Kramlinger, Medical Director Manager at Kasson Mayo Clinic were present. The Clinic is expanding approximately 4,000 SF. They hope to start right after the July 4<sup>th</sup> holiday. They will close the front of the building temporarily to remodel the front of the building. The entrance will be behind on the east side. They hope to complete the project by May of 2016. Renderings of the front of the building were passed around. The kick-off event for the remodel will be the last week of June. Mark Anderson wanted to know how close to side street setback they will be. Ms. Baumbach stated that they are not going up, they will be going towards Main Street and not out to the sides. Chairman Stevenson asked if this is being built for new health model and everyone will be working together as a team. Ms. Baumbach stated it is. Mark Anderson asked if City money is being used for this project? Ms. Baumbach, Dr. Kramlinger, and Mike Martin all stated there is not! EDA Member Langan asked how many staff they have. Ms. Baumbach and Dr. Kramlinger are not for sure how many staff on are on the grounds during the day but they do not plan to expand staff. There will still be parking in front on the street.

**DEVELOPMENT LAND SALES:** Mike Martin stated we received Mike Stevens appraisal report this morning. Mayor Johnson doesn't think we should sell the Folkestad building since we have \$1.4M into it. The other Folkstad lot is being used for parking at the moment. EDA Member Peterson asked if there were two lots in front of Shopko? Martin stated for practical purposes you wouldn't buy one without buying the other. Martin has to make a phone call this afternoon to someone who is interested in buying those two lots depending on what is decided today. Chairman Stevenson thinks we should sell what we can and get these problems back on the tax rolls. Finance Director Zaworski stated that because Folkestad is part of a TIF district we have interest to pay if this is sold. The agreement with the renter on the Folkstad building is that they have the option to buy after their lease is up. Chairman Stevenson stated we should get numbers on the interest and then find out what it is worth on the tax rolls. Mike Martin stated that it is already on tax rolls because we are renting to commercial businesses and the tenants are paying the taxes. We would have to wait two more years until the lease is up. Mike Martin asked the EDA Members, if someone offered the appraised value would you entertain the offer. It is consensus of the EDA to use these values and listen to any and all offers.

**WWTP LAND SALE:** Paul Alberts had previously approached the EDA about purchasing the strip of land between his property and the WWTP. Martin wanted to know if the EDA interested in selling this? The Public Works Director and WWTP Supervisor had originally found no use in this land. Since this meeting the Public Works Director has had a change of heart and would like to keep this lot, it turns out to be quite a bit bigger than he thought it was. EDA Member Wegner wanted to know what would they use it for? Martin stated the Public Works Director thought possibly a communications tower site or wind turbine site. The Public Works Director's opinion is not to sell. Mayor Johnson stated he doesn't want controversy and we should probably just hold on to it.

**PUBLIC WORKS BUILDING SALE:** The bonding for the public works building was taken out by the EDA, so essentially the EDA owns the building. The EDA will sell this to the City and the City will save substantial money to refinance the bonds used to construct the building and that means that the city has to buy the building from the EDA. The city can save up to \$175K by refinancing.

**OTHER BUSINESS:** Omar's Kitchen made a double payment on their loan. They generally make extra payments or catch up on payments in the summer. They are now current through 2014 only.

Mayor Johnson stated that Kasson Car Care is an eyesore as you drive into town. Mike Martin stated that this has been mentioned to them every year. But because of their classification as a body shop they are allowed to store cars under rebuild or in an insurance claim on their property. Mayor Johnson said that we should talk to them to see if they can clean it up.

EDA Member Peterson didn't notice any signage for the 3<sup>rd</sup> Ave SW driveway for Shopko being only a one way. Martin stated there is a large arrow on the pavement but the street signs are the City responsibility. Milt Kuball doesn't have any signage either and the road behind Hardware Hank.

EDA Member Langan stated that TK Towing an issue too, that lot is very full and it is hard to see around the corner. Chairman Stevenson asked about the Lutter property north of the Carriage House, Martin stated that it has been sold but the person who bought it bought it mostly on speculation.

Chairman Stevenson stated that there may be businesses wanting to come into town wanted to know if this board ready to make recommendations to the council that may be controversial to the taxpayers and the EDA will have some decision with businesses that are interested. EDA Member Langan stated that we need to be.

Ron Eidem stated that dirt is sinking into storm sewer, Chairman Stevenson suggested he call Burt Fjerstad.

Mark Anderson stated that water goes under the culverts on 2<sup>nd</sup> St SW and those are sinking as well.

Jerry Berg asked if there was something in the conditional use permit for TK Towing about cars in the lot. Mike Martin stated that it was a staff recommendation but was not approved by the planning commission and prior city council.

**ADJOURNED:** Meeting adjourned at 12:33 pm

Respectfully Submitted,  
Linda Rappe, City Clerk