

KASSON ECONOMIC DEVELOPMENT AUTHORITY

REGULAR MEETING AGENDA

Kasson City Hall
Tuesday, January 7th, 2020
12:00 noon

- I. Call Meeting to Order**
- II. Approve Minutes of the Previous Meeting**
- III. Quarterly Financial Report**
- IV. 2020 EDA Budget**
- V. Coordinator's Report**
- VI. Business Façade Improvement Program**
 - a. Trail Creek Coffee Roasters Reimbursement**
 - b. 2020 Program**
- VII. Revolving Loan Fund**
- VIII. EDA Elections**
- IX. Other Business**
- X. Items for February EDA Meeting**
- XI. Adjourn**

Next meeting will be held on Tuesday February 4th, 2020

KASSON ECONOMIC DEVELOPMENT AUTHORITY MEETING

Tuesday, December 3rd, 2019

12:00PM

MINUTES

Pursuant to due call and notice thereof, a regular meeting of the Kasson Economic Development Authority (EDA) was held at City Hall this 3rd day of December 2019 at 12:00PM.

The following board members were present: Dan Egger, Chris McKern, Liza Larsen, Michael Peterson, Janice Borgstrom-Durst, and Tom Monson.

Absent: Richard Wegner.

The following staff members were present: Nicholas Ouellette, EDA Coordinator

- I. Call Meeting to Order. Egger called the meeting to order at 12:00PM.
- II. Approve Minutes of the Previous Meeting. Larsen motioned to approve the minutes of the previous meeting as submitted. McKern seconded.

Ayes (5), Nays (0). Motion carried.
- III. Coordinator Report. Ouellette noted his attendance at the Trail Creek Coffee ribbon cutting on Small Business Saturday. Ouellette discussed the balance for the Business Façade Improvement Program is projected to be \$10,152.50 once all projects are completed and reimbursements paid out. Ouellette noted that six projects were approved through the program for 2019. Ouellette also noted certain projects approved in 2019 were not likely to be completed until 2020 due to winter weather and availability of contractors. Ouellette discussed his plans to compile a list of available commercial properties and organize a meeting for the Downtown Lots Committee.

Monson arrived at the board meeting at this time.
- IV. Business Facade Improvement Program. Ouellette informed the EDA Board he had received one application for the board to review.
 - a. Daniel Gadiant/Daniels Restaurant. Ouellette discussed the project application for landscaping improvements in front of Daniels Restaurant and recommended approval. McKern motioned to approve the application. Larsen seconded.

Ayes (6), Nays (0). Motion carried.
- V. Revolving Loan Fund Update. Ouellette discussed the Revolving Loan Fund documents he created for the new program, noting changes to previous drafts and newly created documents. The board reviewed the requested changes to the Guidelines and Policies document. Ouellette requested approval of the new Revolving Loan Fund program.

McKern motioned to approve the new Revolving Loan Fund program and supporting documents. Borgstrom-Durst seconded.

Ayes (6), Nays (0). Motion carried.

- VI. Kasson Konnections. Ouellette noted this will be the final Kasson Konnections. Ouellette will bring Revolving Loan Materials to discuss the program with any interested members of the community. Borgstrom-Durst discussed how to reach out to non-chamber businesses. Larsen mentioned the Chamber could produce a list other business groups that meet in Kasson.
- VII. Other Business. Ouellette had no other business.
- VIII. Items for the December EDA Meeting. The board discussed having the new City Administrator as a guest at the January or February EDA meetings. McKern discussed future term limits for EDA board members.
- IX. Adjourn. McKern motioned to adjourn the meeting. Larsen seconded.

Ayes (6), Nays (0). Motion carried and meeting adjourned.

The next meeting will be held at 12:00PM on January 7th, 2020.

Minutes Submitted by: _____

Nicholas Ouellette, EDA Coordinator

Dan Egler, EDA President

225 EDA FED MIF

Assets

Current Assets

CASH-OPERATING	17,512.98	
MONEY MARKET-SMITH BARNEY	950.72	
INVESTMENT INTEREST RECEIVABLE	71.92	
ALLOWANCE FOR MARKET VALUE	(1,650.75)	
LOAN PRIN REC-WHITMARSH	3,767.88	
LOAN PRIN REC- 1760 MILLWORK	77,875.91	
LOAN PRIN REC-GIBBS	52,128.35	
LOAN PRIN REC- L & A (MAIN STREET FITNESS)	40,589.24	
LOAN PRIN REC- DOLLAR VIDEO	18,022.84	
KLAMPE LOAN-PRINCIPAL REC	106.56	
SPECIAL ASSESSMENTS--DEFERRED	17,562.27	

Total Current Assets		226,937.92

Total Assets 226,937.92

Liabilities and Equity

Current Liabilities

Deferred Revenue Assessments	17,562.79	

Total Current Liabilities		17,562.79

Total Liabilities 17,562.79

Equity

UNRESERVED FUND BALANCE	341,067.53	
CURRENT YEAR INCOME/(LOSS)	(131,692.40)	

Total Equity		209,375.13

Total Liabilities & Equity 226,937.92

290 Economic Development

Assets

Current Assets

CASH-OPERATING	50,215.76
DUE FROM OTHER FUNDS	79,677.89
PREPAID ITEMS	65.68

Total Current Assets 129,959.33

Total Assets 129,959.33

Liabilities and Equity

Current Liabilities

ACCRUED WAGE/SALARY PAYABLE	246.31
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Total Current Liabilities 246.31

Total Liabilities 246.31

Equity

UNRESERVED FUND BALANCE	119,598.97
CURRENT YEAR INCOME/(LOSS)	10,114.05

Total Equity 129,713.02

Total Liabilities & Equity 129,959.33

CITY OF KASSON
Income Statement by Department
For the Accounting Period: 12 / 19

225 EDA FED MIF

	Actual Period to Date	%	Actual Year-To-Date	%	Annual Budget "	Variance
Revenue						
Community/Economic Development						
3611 SPECIAL ASSESSMTS - PRINC	2,927.05		5,854.10	3.99	0.00	5,854.10
3612 SPECIAL ASSESSMT-PENALTY/	395.15		790.30	0.54	0.00	790.30
3621 INTEREST EARNED	490.92		8,422.79	5.74	0.00	8,422.79
3626 MONEY MARKET INTEREST	0.00		22.50	0.02	0.00	22.50
Total Department	3,813.12		15,089.69	10.28		15,089.69
Total Revenue	3,813.12	100.00	15,089.69	100.00	0.00	15,089.69
Expenses						
Community/Economic Development						
Community/Economic Development						
430 OTHER SERVICE/CHARGES-MISC.	0.00		146,782.09	100.00	0.00	-146,782.09
Account Total			146,782.09	100.00		-146,782.09
Total Department			146,782.09	100.00		-146,782.09
Total Expenses	0.00		146,782.09	100.00	0.00	-146,782.09
Net Income (Loss)	3,813.12		-131,692.40	-89.72		

290 Economic Development

	Actual Period to Date	%	Actual Year-To-Date	%	Annual Budget "	Variance
Revenue						
Community/Economic Development						
3101 CURRENT AD VALOREM TAXES	34,801.00	****.**	69,602.00	115.34	69,602.00	0.00
3107 ABATEMENT LEVY	294.85	999.15	589.70	0.98	0.00	589.70
3621 INTEREST EARNED	0.00		265.00	0.44	2,000.00	-1,735.00
3921 TRANSFER FROM OTHER FUNDS	0.00		0.00		20,000.00	-20,000.00
Total Department	35,095.85	****.**	70,456.70	116.76	91,602.00	-21,145.30
Total Revenue	35,095.85	100.00	70,456.70	100.00	91,602.00	-21,145.30
Expenses						
Community/Economic Development						
Community/Economic Development						
101 FULL-TIME EMPLOYEES - REGULAR	0.00		7,027.74	11.65	11,500.00	4,472.26
121 EMPLOYER PERA CONTRIBUTIONS	0.00		488.07	0.81	863.00	374.93
122 EMPLOYER FICA CONTRIBUTIONS	0.00		423.44	0.70	713.00	289.56
123 EMPLOYER MEDICARE CONTRIBUTION	0.00		98.97	0.16	167.00	68.03
130 EMPLOYER PAID INSURANCE	0.00		538.09	0.89	1,100.00	561.91
150 WORKER'S COMPENSATION	0.00		-35.96	-0.06	300.00	335.96
210 OPERATING SUPPLIES	6.86	23.25	465.23	0.77	400.00	-65.23
303 ENGINEERING FEES	0.00		0.00		3,000.00	3,000.00
304 LEGAL FEES	0.00		1,348.50	2.23	4,000.00	2,651.50
321 TELEPHONE	22.16	75.09	329.02	0.55	500.00	170.98
325 COMMUNICATION-OTHER	15.00	50.83	226.67	0.38	200.00	-26.67
333 STAFF MEETINGS & CONFERENCES	0.00		15.89	0.03	500.00	484.11
334 MEMBERSHIP DUES AND FEES	0.00		415.50	0.69	500.00	84.50
351 LEGAL NOTICES PUBLISHING	0.00		75.00	0.12	0.00	-75.00
360 INSURANCE	-14.51	-49.17	339.05	0.56	360.00	20.95
414 COMMERCIAL PROGRAMS	0.00		2,000.00	3.31	20,000.00	18,000.00
430 OTHER SERVICE/CHARGES-MISC.	0.00		1,265.00	2.10	4,500.00	3,235.00
440 PROFESSIONAL SERVICES	0.00		2,967.44	4.92	500.00	-2,467.44
444 OTHER CONTRACTUAL SERVICES	0.00		42,355.00	70.19	42,500.00	145.00
Account Total	29.51	100.00	60,342.65	100.00	91,603.00	31,260.35
Total Department	29.51	100.00	60,342.65	100.00	91,603.00	31,260.35
Total Expenses	29.51	100.00	60,342.65	100.00	91,603.00	31,260.35
Net Income (Loss)	35,066.34	****.**	10,114.05	16.76		

EDA Loans

Loan Name	Origination Date	Original Amount	Interest Rate	Monthly Payment	Term/ Due Date	1.1.19 Balance	Prin Recvd YTD	12.31.19 Balance
Klampe	3/1/2005	\$ 8,293	2.0%	53.37	15 years 2/1/2020	737	631	106
L & A(Main Street Fitness)	4/29/2009	\$ 75,000	3.0%	415.95	20 years 4/29/2029	44,302	3,713	40,589
Dollar Video	8/1/2009	\$ 50,000	3.0%	345.29	14 years 9/1/2024	21,568	3,545	18,023
Gibbs	10/14/2015	\$ 80,000	3.0%	772.49	10 years 1/1/2026	59,087	6,959	52,128
Millwork	7/1/2016	\$ 90,000	3.0%	499.14	20 years 6/1/2036	81,471	3,595	77,876
Whitmarsh	6/28/2018	\$ 5,000	4.75%	90	5 years 7/1/2023	4,646	878	3,768

Dec pymt due

ECONOMIC DEVELOPMENT COMMUNITY/ECONOMIC DE		BUDGET 2017		BUDGET 2018		BUDGET 2019		thru 6/30 ACTUAL 2019		PROPOSED 2020	COMMENTS
		BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL		
290.4650.101	FULL-TIME EMPLOYEES - REGULA	40,450	13,906	40,450	10,799	11,500	5,507	11,700			
290.4650.121	FULL-TIME EMPLOYEES - OVRTIME										
290.4650.121	EMPLOYER PERA CONTRIBUTIONS	3,034	861	3,034	799	863	409	878			
290.4650.122	EMPLOYER FICA CONTRIBUTIONS	2,508	872	2,508	634	713	331	725			
290.4650.123	EMPLOYER MEDICARE CONTRIBU	587	204	587	148	167	77	170			
290.4650.130	EMPLOYER PAID INSURANCE	3,850	907	4,000	959	1,100	463	2,000			
	Personnel Subtotal	50,428	16,749	50,578	13,339	14,342	6,788	15,473			
290.4650.150	WORKER'S COMPENSATION	300	165	300	41	300	65	100			
290.4650.210	OPERATING SUPPLIES	400	513	400	516	400	242	400			
290.4650.216	PERIODICALS										
290.4650.240	SMALL TOOLS/MINOR EQUIP										
290.4650.303	ENGINEERING FEES	-	4,242	3,000	-	3,000	-	3,000			
290.4650.304	LEGAL FEES	3,000	3,266	4,000	454	4,000	1,349	4,000			
290.4650.321	TELEPHONE	500	386	500	410	500	154	500			
290.4650.325	COMMUNICATION-OTHER	200	279	200	120	200	152	200			Postage
290.4650.333	STAFF MEETINGS & CONFERENCE	2,000	321	2,000	-	500	16	500			
290.4650.334	MEMBERSHIP DUES AND FEES	3,150	300	3,150	356	500	416	500			
290.4650.343	ADVERTISING	-	-	-	-	-	-	-			
290.4650.351	LEGAL NOTICES PUBLISHING	-	-	-	180	-	-	-			
290.4650.352	GENERAL NOTICE/PUBLIC INFO	-	-	-	-	-	-	-			
290.4650.360	INSURANCE	360	278	360	314	360	265	360			
290.4650.380	UTILITY SERVICES										
290.4650.414	PROGRAMS					20,000		20,000			Commercial Programs
290.4650.413	Rental Expenses	2,000	-	2,000	-	-	-	-			
290.4650.430	OTHER SERVICE/CHARGES-MISC.	4,000	2,239	4,500	3,076	4,500	1,220	4,500			includes \$1,000 SMIF
290.4650.440	PROFESSIONAL SERVICES	500	210	500	270	500	2,967	500			Marketing
290.4650.444	OTHER CONTRACTUAL SERVICES		23,290		41,124	42,500	21,178	42,500			CEDA
	Operations Subtotal	16,410	35,489	20,910	46,859	77,260	28,023	77,060			
	Total ECONOMIC DEVELOPMENT	66,838	52,239	71,488	60,198	91,602	34,811	92,533			

Economic Development Authority Coordinators Report

**Nicholas Ouellette
December 3, 2019 – January 7, 2019**



Visits & Meetings

1. Kasson State Theater
2. Kasson Chamber of Commerce
3. Historic WPA Wall
4. Tom Monson

Business Façade Improvement Grant

Trail Creek Coffee's request for reimbursement is included in this month's packet. Discussion for 2020 Business Façade Improvement Grant Program will also be held this meeting.

Revolving Loan Fund

The Revolving Loan Fund Program was approved by City Council. Discussion of Revolving Loan Fund capitalization will be held this meeting.

Kasson Chamber of Commerce

Depending on when 2020 EDA programs are up and running, I plan to attend the February or March Chamber Meeting to discuss the programs and share program information with Chamber members.

Quarterly Financial Report

The Quarterly Financial Report has been included with this packet.

List of Commercial Property for Sale

A list of commercial properties has been compiled.

Downtown Lots Committee

The Downtown Lots Committee has a meeting scheduled for January 7th.

EDA Elections

The EDA will hold elections later this meeting for the positions of President, Vice President, and Secretary. The position of President is open to all board members, responsibilities include running the EDA Board meetings.

<u>NAME</u>	<u>REALTOR</u>	<u>ADDRESS</u>	<u>PARCELID</u>	<u>STATUS</u>	<u>PRICE</u>	<u>PROPERTY TYPE</u>	<u>LOT SIZE</u>	<u>BUILDING</u>
	Realty Growth, Inc.	XXX 245th Ave (Mantorville Ave)	080041400	For Sale	\$ 714,819	Ag Land	10.94 acres	None
Kasson State Theatre	Braasch Commercial	221 West Main Street	241001820	For Sale	Upon Request	Commercial	0.121 acres	3,872 SF
Shopko Building	Braasch Commercial	301 Mantorville Ave South	245621001	For Sale	Upon Request	Commercial	5.434 acres	36,187 SF
Expressions Hair Studio	Braasch Commercial	211 West Main Street	241001890	For Sale	Upon Request	Commercial	0.062 acres	5,768 SF
Inspire Ink	We Sell U Save, LLC	302 5th Street	243550050	For Sale	\$ 699,900	Commercial/Industrial	1.139 acres	Metal Shop - 3,548 SF Metal Shop - 8,800 SF
Old Public School	Counselor Realty	101 3rd Ave	241001350	For Sale	\$ 350,000	Residential/Commercial	1.527 acres	Office - 1,920 SF 17,181 SF
Old Images Building	Tim Klatt (Owner)	105 Mantorville Ave South	241003300	For Sale For Lease	\$ 600,000	Commercial/Industrial	0.625 acres	12,268 SF
Jimmy's Pizza Building	1 Stop Realty	33 West Main Street	241001460	For Sale For Lease	\$ 75,000	Commercial	0.061 acres	1,238 SF



TREE
CITY
USA

CITY OF
KASSON

401 FIFTH STREET SE
KASSON, MINNESOTA 55944-2204
PHONE: (507) 634-7071
FAX: (507) 634-4737

MEMO

To: Economic Development Authority Board

From: Nicholas Ouellette, EDA Coordinator

Date: January 2nd, 2020

Re: Business Façade Improvement Program

Trail Creek Coffee Roasters

One request for reimbursement has been received from Trail Creek Coffee Roasters for a total of **\$362.50**. Attached in the EDA Packet is a photo of the completed work. I recommend the EDA Board approves the request for reimbursement.

2020 Business Façade Improvement Program

\$20,000 has been budgeted for a Business Façade Improvement type program in 2020. I request that the board consider renewing the Business Façade Improvement Program. At this point it is possible to make changes to the program as the EDA Board desires. Possible changes could be, but are not limited to, including interior improvements, funding levels, ADA compliance projects, and proactive disaster repairs (i.e. roof repair/replacement).

ABEL SIGNS INC
 14 N MANTORVILLE AVE
 KASSON, MN 55944
 (507)634-6501



14 North Mantorville Avenue
 Kasson, Minnesota 55944

Phone: (507) 634-6501
 Fax: (507) 634-4060

Email: abelsigns@aol.com

INVOICE

SALE

MID: 2985 Store: 1212 Term: 0001
 REF#: 00000001
 Batch #: 165 RRN: 934518405405
 12/11/19 12:55:56
 Trans ID: 389345681564327
 APPR CODE: 06689G
 VISA Chip
 *****8273 **/**

E ROASTERS

DATE 11/1/19
 INVOICE# 9551
 TERMS 30 DAYS
 DUE DATE 11/1/19

P.O #

AMOUNT \$695.00

APPROVED

CHASE VISA
 AID: A0000000031010
 TVR: 00 80 00 80 00
 TSI: F8 00

DESCRIPTION	QTY	RATE	AMOUNT
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1' X 8' X 1/4" THICK ALUMLITE SIGN PANEL LETTERED ONE SIDED INSTALLED ON BUILDING.....		625.00	625.00
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CUSTOMER COPY

PERMITS

Sales Tax

		70.00	70.00
		7.375%	0.00

*Pd 12-14-19
Credit Card*

TOTAL \$695.00

PAYMENTS/CREDITS \$0.00

BALANCE DUE \$695.00

THERE WILL BE A \$25.00 FEE FOR ANY RETURNED
CHECKS...

VISA, MASTERCARD & DISCOVER GLADLY
ACCEPTED...PLEASE CALL...507-634-6501





TREE
CITY
USA

CITY OF KASSON

401 FIFTH STREET SE
KASSON, MINNESOTA 55944-2204
PHONE: (507) 634-7071
FAX: (507) 634-4737

MEMO

To: Economic Development Authority Board

From: Nicholas Ouellette, EDA Coordinator

Date: January 2nd, 2020

Re: Revolving Loan Fund Program Capitalization

The Revolving Loan Fund Program was approved by City Council in December. The Revolving Loan Fund now requires capitalization in order for the program to operate. Through discussion with Nancy, Kasson's Finance Department, it was determined:

- EDA Cash Operating Balance: \$50,215.76
- BFIP Total Grants Awarded: \$ 9,848.00
- BFIP Total Grants Reimbursed: \$ 2,000.00
- BFIP Remaining Reimbursement Balance: \$ 7,847.50
- Projected EDA Cash Operating Balance: \$42,368.26

With a remaining EDA Cash Operating Balance of \$42,368.26, I would request the EDA Board consider allocating a portion of these funds towards capitalizing the Revolving Loan Fund. If the EDA decides to allocate cash operating funds towards the Revolving Loan Fund a motion to recommend to council will be required.