

EDA
Minutes
January 17, 2018

The Owatonna Economic Development Authority met in regular session at 4:00 PM at the Council Chambers with President Kevin Raney presiding. Commissioners Present: Jerry Carstensen, Corey Mensink, Don Boutelle, Kevin Raney, Jeff Okerberg, Doug Voss, and Kate Harthan. Also present were Troy Klecker, Bill Owens, Brad Meier, Shirley Schultz, Kristen Kopp.

Approval of Minutes. Commissioner Voss moved approval of the minutes of the December 20, 2017 meetings with second by Commissioner Boutelle. All Commissioners voting Aye, the motion passed.

Treasurer's Report. Troy Klecker presented the revenue and expense reports for December. He said that these are the year-end numbers and that they are within \$3,000 of the budget, which is what they pretty much anticipated.

Loan Report. Bill Owens presented the Loan Report for December. He said that all loans are current. Klecker said that Stewart Family Trust just came in to pay their loan, so they are now current.

OACCT Report. Chamber Director Brad Meier presented the OACCT Report for December. He said that he is excited about where things are going with the Workforce Coordinator—they will well surpass their goal. He said it is eye opening to see how many students are in need of help. Steele Co Works magazine is complete and being used with students in the high school. He said that the next Made in Owatonna Day will be the first week of February and will focus on health care jobs and careers. Okerberg asked if there was any follow-up on the ads for corporations in Steele Co Works magazine. Meier said that there hasn't been yet, but they will be meeting monthly with corporations.

Main Street Report. Main Street Director Shirley Schultz presented the quarterly Main Street Report. She said that they are waiting to hear if they are a certified Main Street. She spoke about the Springboard for the Arts grant through Minnesota Main Street. She said that artists are tasked with solving a problem in the downtown area and work to provide a creative solution. She said that it is a great opportunity. She said that a strategic planning meeting was held on December 1 and a group of 19 community leaders to discuss Transformational Strategies. They are on Phase 2—they've sent out surveys to membership via Survey Monkey. She said some examples of strategies include dining and entertainment, district workers and residents, elder friendly and aging in place, millennials, manufacturing, and an entrepreneurial ecosystem.

Tourism Report. Chamber Director Brad Meier gave the quarterly Tourism Report. He said that Katie Godfrey put the report together before she left. He said they are in the process of hiring a new Tourism Director and will be interviewing tomorrow morning. Kevin and Troy will both be involved as well as representatives from hotels and attractions. He said that work is still being done in the absence of a Tourism Director.

OABDC Report. Bill Owens presented the OABDC Report for December. He handed out the 2018 budget. Occupancy is now at 84%, so it is tight. He had 195 consulting hours in 2017. He has been talking with people who are interested in occupying space for manufacturing in the spring or summer.

Airport Report. Troy Klecker presented the quarterly Airport Report. He said that Dave Beaver put together information about how the Super Bowl will affect the airport. He said that the airport is capable of handling 20 aircraft, but due to staffing, will probably cap it at 15. They will have to reserve a spot. They'll know more after the games this weekend. They are allowed one landing and one takeoff in an hour, so they will have to pay to reserve a spot. He said that Dave's been to many meetings regarding Super Bowl traffic. It will be good to see more activity and they hope to make a good impression. Voss asked why they could go to 15 if they are capable of handling 20 aircraft. Klecker said that if they were to bring in 20 aircraft, they would need 600 hours of staff time and would need to bring in a lot of volunteers or paid staff. A lot of training would be involved. There are certain things that only Dave, Kurt, Jonathan, and Brent can do, such as fueling, deicing, and moving planes. They will be there constantly throughout the weekend. Airport Commission has been asked to help and there is a sign-up sheet for volunteers. It will be quite the operation. He said they want to be able to serve people well and don't want people to get there and not be able to accommodate them. They want a level that is manageable. Carstensen said that you really have to know what you're doing when it comes to fueling and towing the aircraft. Weather is another factor. He said they decided to serve 15 aircraft really well verses handling more. Harthan asked if senior members of the CAP were trained to do that. Klecker said that they are not. Volunteers will be greeting people and directing them to car rental, restaurants, etc. and taking garbage off planes. There are a lot of things that you don't think about. Raney asked how many spots were filled. Klecker said that they've received a number of calls, but probably won't have any bookings until the next round of games is over.

EDA Projects. Troy Klecker presented the EDA Projects report for December. He said that Ace Hardware is now open, though they are still moving in. He said that Steve Judd is working on a project downtown with HK Hospitality. They have done big projects all across the country. They plan to have a hotel, event space, and restaurant as part of this project, which will be located on the old theater site. At this time, they are asking for a letter of understanding from City Council that the City will not sell the property in the next six months while they are researching it. If this goes forward, they will be looking for a TIF, which is not uncommon for a project like this. No specifics will be presented at this time. From a staff level, this is a great opportunity—a big time developer is exactly what they are looking for as they can reach people the City would never be able to. He said there are two other downtown projects that will be coming to City Council for TIF approvals in the next month or so. He said he talked to another person about a project earlier that day who may need EDA financing. There is a lot of interested in the downtown and it is an exciting time.

New Business. Klecker presented the EDA contract with the OACCT. He said that they should have seen it in December as the last contract ended on January 1, 2018. He said they've had the contract for many years in an effort to combine economic efforts. It's been working well and he has been more than pleased with what they get from the economic development side of things. He said that staff is recommending renewing the contract for \$50,000 each year. Meier said that he's excited about the projects coming up as well as workforce development, which is a key piece that they've been entrusted with. He said that they try to leverage the dollars that the EDA

puts into the Chamber. A motion was made by Boutelle and seconded by Carstensen to renew the lease with the OACCT for two years at \$50,000 annually. All ayes, motion carried.

Klecker presented the EDA contract with OABDC. He said that there are no changes to this contract, which is \$20,000 annually. He said that Bill handles the loans and paperwork and also is a part of OPED and instrumental in helping startup businesses get underway and expand. A lot of what he does ends up with a new business downtown. He was instrumental in counselling the Retail Challenge applicants as not only the winner ended up opening businesses in the downtown area. He said that he's very happy with the contract and asked that the lease is renewed. A motion was made by Okerberg and seconded by Boutelle to renew the lease with the OABDC for two years at \$20,000 annually. All ayes, motion carried.

Schedule Next Meeting. The next EDA meeting is scheduled for **February 21, 2018** at 4:00 PM at the City Council Chambers.

Adjournment. There being no further business, a motion was made by Commissioner Voss and seconded by Commissioner Boutelle to adjourn the meeting. All Commissioners voting Aye, the motion passed. The Meeting adjourned at 4:42 pm.

Dated: February 21, 2018

Respectfully Submitted,

Secretary