

EDA
Minutes
April 18, 2018

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

Approval of Minutes. Commissioner Mensink moved approval of the minutes of the March 21, 2018 meeting with second by Commissioner Carstensen. All Commissioners voting Aye, the motion passed.

Treasurer's Report. Troy Klecker presented the revenue and expense reports for March. He said there will be a couple of consulting bills coming through in the near future.

Loan Report. Bill Owens presented the Loan Report for March. He said that, to his knowledge, none of the loans are past due.

MainStreet Report. MainStreet Director Shirley Schultz presented the quarterly MainStreet Report. She said that there were 438 responses to the MainStreet Survey. She said they asked, "What words come to mind when you hear 'Owatonna'?" and "What brings you downtown?" She said that the whole report is on the Chamber website. She talked about four transformation strategies that grew from downtown assets: Night Market, Workers and Residents, Health and Recreation, and Small-Scale Production. She said that they currently have seven producers downtown.

Tourism Report. Tourism Director Karen Pehrson presented the quarterly Tourism Report. She said that this is her third week on the job. She highlighted the winter campaign "Top Things to Do in the Winter in Owatonna" which performed very well. The 2018 Visitor's Guide is up on the website now, and they were at the Mall of America and the airport during the Super Bowl. Advertising is in place for the year. They are working with Fareway on a billboard for I-35. She said the Minne-Roadtrip partnership attended a travel show in Chicago in February. Medford and smaller communities have asked to be a part of the Minne-Roadtrip. They plan to keep just the three entities, but may have product offerings for destinations like the Outlet Mall. Angela Edel attended a group tour tradeshow in Circle, Wisconsin and had great feedback. This show was set up like speed dating, where each city had six minutes to share. She highlighted upcoming events, including Bike MS, on July 17th which brings 500-600 people to town.

OACCT Report. Chamber Director Brad Meier presented the OACCT Report for March. He said that the Chamber is thrilled to have Karen on board. He gave a breakdown of the youth that the Workforce Coordinator is working with. A good chunk of them are not planning to go to a four-year college and/or don't have plans yet. They are the target audience of the Workforce program. He said that the third Made in Owatonna Day will focus on agriculture and manufacturing and is scheduled for May.

OABDC Report. Bill Owens presented the OABDC Report for March. He said that consulting hours are down, but not out of pace with last year. He said they're plugging along and he doesn't anticipate being below 70% occupancy for manufacturing this year. He said that they are excited to welcome a new office tenant, Piepho Roofing, to the center.

Airport Report. Troy Klecker presented the quarterly Airport Report. He highlighted the Airport Business Development Working Group, whose goal is to get businesses at the airport. There is one business that offers flight lessons looking to locate at the airport. Another business, Cross Country Soaring, which offers glider flights, may be looking to locate at the airport. He gave a recap from the Super Bowl. He said that they didn't quite have the traffic they were gearing up for, but got eight reservations, which was more than Mankato had. He said they were still busy, but it was manageable, which was good. They also received good feedback. Harthan asked if they planned to hire an intern at the Airport this summer. Klecker said do. They've had a summer intern for 20 some years. He said in the past it's been an aviation student, but the past two years they've had a marketing student who helps with events and activities.

EDA Projects. Troy Klecker presented the EDA Projects report for March. He said that there has been more advertisement of the former Hardees / Budget Mart site. Pro-Pet should finish their project this year. He said that the City has conveyed the property along East Pearl Street to Steve Nicolai for an apartment building. Plans have been submitted and they hope to get underway soon. The TIF for Torey's has been approved and they're at a point where a building permit is ready to be issued. They hope to start before May 1st. They are working on title issues with the five story apartment building on Vine Street. The City is working with HK Hospitality on a possible hotel and event space on the 200 block of North Cedar Avenue.

New Business. Klecker presented the Minnesota Investment Fund One Time Exception to reclaim Minnesota Investment Fund dollars. He explained that money that is paid back through the revolving loan program has not been loaned out due to many restrictions. He said that there is an opportunity for State MIF dollars to be funneled back to Cities through this one-time exemption. There is \$240,000 in the account, and this would allow 80% to go into the EDA Land Account, while the rest will go back to the State. Today, those dollars are virtually unusable. A motion was made by Mensink and Seconded by Boutelle to approve the One-Time Exception. Voss asked if there was any down side. Klecker said that they will lose a percentage, but they can't use any of the dollars right now. There will still be a lot of money in the Loan Account and Federal dollars available. Mensink said this will make the dollars a whole lot more accessible. Meier said it basically takes the strings off. Harthan asked if there were any other accounts it could go into. Klecker said that the EDA has three accounts: Administration, which is salaries and office expenses, the Loan Account, which hasn't been very popular lately, and the Land Account, which has the most flexibility. All Commissioners voting Aye, the motion passed.

Schedule Next Meeting. The next EDA meeting is scheduled for **May 16, 2018** at 4:00 PM at the City Council Chambers.

Adjournment. There being no further business, a motion was made by Commissioner Boutelle and seconded by Commissioner Voss to adjourn the meeting. All Commissioners voting Aye, the motion passed. The Meeting adjourned at 4:52 pm.

Dated: May 16, 2018

Respectfully Submitted,

Secretary