

Economic Development Authority
Regular Meeting
Thursday, August 13, 2020
4:00 PM
City Council Chambers

1. Agenda

Documents:

[EDA AGENDA 08-13-20.PDF](#)

2. Roll Call

3. Approval Of Minutes: July 15, 2020

Documents:

[EDA MINUTES 07-15-2020.PDF](#)

4. Treasurer's Report

Documents:

[TREASURERS REPORT JULY.PDF](#)

5. Loan Report

Documents:

[LOAN REPORT JULY.PDF](#)

5.I. EDA Forgivable Loan Commitments July 2020

Documents:

[EDA FORGIVABLE LOAN COMMITMENTS JULY 2020.PDF](#)

6. Reports

6.I. OACCT

Documents:

[OACCT REPORT.PDF](#)

6.II. OABDC

Documents:

[OABDC REPORT.PDF](#)

6.III. EDA Projects

Documents:

7. Old Business
 - 7.I. Business Assistance Program
8. New Business
9. Other Business
10. Schedule Next Meeting – September 16, 2020
11. Adjournment

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2. Approval of Minutes: July 15, 2020
3. Treasurer's Report
4. Loan Report
5. Reports
 - a. OACCT
 - b. OABDC
 - c. EDA Projects
6. Old Business
 - a. Business Assistance Program
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**EDA
Minutes
July 15, 2020**

The Owatonna Economic Development Authority met in regular session at 4:00 PM at the Council Chambers with President Raney presiding. Commissioners Present: Corey Mensink, Kevin Raney, Doug Voss, Jeff Okerberg, and Andrew Cowell. Also present were Troy Klecker, Greg Kruschke, Bill Owens, Brad Meier, Shirley Schultz, Karen Pehrson, Dave Beaver, and Kristen Kopp.

Approval of Minutes. Commissioner Okerberg moved approval of the minutes of the June 17, 2020 meeting with second by Commissioner Voss. All Commissioners voting Aye, the motion passed.

Treasurer's Report. Troy Klecker presented the revenue and expense reports for June. He said that because OPED has not been able to do a number of events due to Covid-19, OPED will be giving back \$5,000 to the EDA, which is half of the EDA's contribution for the year. He will work with Finance to have that reflected in the Treasurer's Report.

Loan Report. Bill Owens presented the Loan Report for June. He said that all loans are current and being paid as agreed. Klecker presented four loan applications that have been reviewed and evaluated and are waiting for EDA approval. Owens said that the loans are for Dean Velzke to upgrade the front of his building at 120 N Cedar Avenue, Josey Perez to upgrade interior and exterior of the building at 206 West Rose Street, Costa's Candy to upgrade interior and exterior their building at 112 N Cedar Avenue, and Klecker's Kreationz to upgrade the exterior of their building at 302 N Cedar Avenue. Klecker said that he sent an email to people with existing forgivable loans. Covid-19 halted some projects and they have until the end of the year. These are reimbursement loans, so if they don't do the work, the money will never be given to them. Raney asked about the exterior upgrades and whether that is façade work. Owens said that it could be tuckpointing or painting under the auspices of MainStreet. He said Schultz has some photos. A motion was made by Commissioner Cowell and seconded by Commissioner Mensink to approve loans for four borrowers. All Commissioners voting Aye, the motion passed.

OACCT Report. Chamber Director Brad Meier presented the OACCT Report for June. He said that there are two more weeks until JumpStart Owatonna is officially done. All donors are listed on Owatonna.org. 38 small businesses received dollars, in-kind services, or both.

MainStreet Report. MainStreet Director Shirley Schultz presented the quarterly MainStreet Report. They are working on wayfinding and streetscaping. Tri M is doing the art for the signs. The 11@7 concert series has become 7@7 and there is a request to extend a week or two into August. Attendees have been distancing. Raney noted that the tables in the alleys look nice. As we continue to move forward with lighting the alleys, it could change people's perception of walkways downtown. Schultz said that she's gotten several good comments about the coffee shop.

Tourism Report. Tourism Director Karen Pehrson presented the quarterly Tourism Report. She said hotels are seeing above average occupancy in Owatonna due to location and the construction. They are promoting opening in a safe way. People are willing to travel around 100

miles, so they've elevated the Minne-Roadtrip along with Faribault and Northfield. They came up with a type of Chamber Bucks that can be used in any of the three cities. She said that Microtel will be a Quality Inn. There was some discussion about Corky's Tournament and the former Holiday Inn. Raney said that Tourism is extremely important and is taking a huge hit. Pehrson said that they don't want to go dark, but want to ensure that things are done safely. It will take a while. The Minne-Roadtrip is the best thing during this time. Cowell asked about the downtown hotel and Hampton Inn and whether those projects were shelved. Kruschke said that they aren't—it's a matter of being able to secure financing. Hampton Inn has been postponed until spring.

Airport Report. Airport Director Dave Beaver gave the quarterly Airport Report. He said that they are 40% down on jet volume. He said people are traveling on corporate aircraft to avoid MSP. There are a few maintenance projects—hangar painting and new lighting for the T-38 Aircraft Display. The T-Hangar project is scheduled for next year. All hangars are at full occupancy. The Airport will be receiving \$30,000 in assistance from the CARES Act. Events at the Airport, such as the movie night and fly-in breakfast, have been cancelled.

OABDC Report. OABDC Director Bill Owens presented the OABDC Report for June. He said that consulting numbers are low and occupancy is full. The roof should be completed by the end of August.

EDA Projects. Community Development Director Troy Klecker presented the EDA Projects for June. He said that they're still working with a potential business at the former Bubba's and the hotel is progressing. Daikin, Minimizer, Costco, and Foremost Brewing are all progressing. They are working with ISG on the former Centro Campesino roof. City Council approved TIF for Bosch to construct a 266,000 square foot warehouse. They are set to close on the property on July 28th. City Council has approved a purchase agreement for Seykora Asphalt, who is constructing a 10,000 square foot building. Covid-19 has not hampered development projects. Mensink asked about the Pearl Street Apartments. Klecker said that Mac Hamilton is just finishing the South Pointe II Apartments and is focused on the hotel project now, but they are still on his radar. Construction could start next year. There was some discussion on Steele County's property on Hoffman Drive. Raney asked about the banners that went up on the building on Oak Avenue and Bridge Street West. Klecker said this is part of the Riverfront Redevelopment Phase 1. Not all of the property is acquired yet, but they are putting a plan together and gauging interest level.

New Business. The Commissioners discussed stimulus money. Klecker said that the State has allocated stimulus money to cities for expenses incurred due to Covid-19, such as unemployment for staff and PPE. The City got \$1.9 Million and will use some to reimburse expenses. These dollars are much different than JumpStart Owatonna, which was money generated by donations. Because these are Federal dollars, there are many restrictions and it has to run through the City. It is unclear what acceptable reimbursement items can be. If the items don't qualify, the City would be responsible for paying, so they want to be very careful. They've had some discussions internally and don't have the staff capacity to run the program. All dollars must be spent before November 15th. Klecker said that they could bring a consultant, who has done this in the past, in to run the program, as consultant fees are reimbursable through the program. The City can set the parameters such as size of business and maximum grant amount. Klecker said this looks like the most feasible way to do it, and he wants to have approval of the EDA and City Council. He

said that JumpStart Owatonna could be seen as Phase 1 and this is Phase 2. They could utilize JumpStart to get the word out about the program. He said they will have to react quickly. Mensink said that, given the timeframe, this sounds good—a consultant is the way to go. He asked what kind of dollar amount would be available. Klecker said up to \$200,000 and suggested opening it to businesses of 50 employees or less with grants up to \$10,000. Kruschke said that they've also talked to the County and suggested maybe being able to partner with them. Klecker said that they'd all have to be on the same page quickly. Voss asked what the basis is for applying. Klecker said that they would have to verify expenses—applicants can't double dip. Raney said he was concerned if the federal government comes in afterward and says that some of the expenses aren't eligible, it's on the City to cover. He said that need to make sure everything is good. Klecker said they need to bring in experts to make sure it's done right. Meier said that there is still a role for JumpStart Owatonna to play. Klecker agreed. Voss suggested capping it at businesses with under 20 employees, who missed out. Businesses with 20 and over that had staff to assist with funds. Klecker said that the program will probably fall more along those lines. Meier said that the timing is tight, but encouraged the Commissioners not to be afraid to pursue it. Raney agreed. Meier said that there are cities that are moving on it. Klecker said that there would only be a two or three week window for applications as they'll need time on the back end.

Other Business. Klecker said that there is a house at 140 Fremont Street East that is for sale, which is next to the lots the City has purchased for redevelopment. There is also one house, not for sale, that is still in between the lots the City owns, and that owner wants to eventually sell, but isn't ready just yet. The house that is for sale is listed at \$79,000 and Klecker thought the assessed value is around \$60,000. He said this is not in a desirable location for someone to own a home. If the EDA bought the house, it could be rented out to recoup costs. He asked the EDA if they wanted to pursue the purchase of the house or not for redevelopment. After some discussion, a motion was made by Commissioner Mensink and seconded by Commissioner Voss to authorize the purchase of the house at 140 Fremont Street East, beginning at the assessed value and negotiating up to the listing price, not to exceed \$79,000. All Commissioners voting Aye, the motion passed.

Schedule Next Meeting. The next EDA meeting is scheduled for **August 19, 2020** at 4:00 PM at the City Council Chambers.

Adjournment. There being no further business, a motion was made by Commissioner Cowell and seconded by Commissioner Mensink to adjourn the meeting at 5:32 pm. All Commissioners voting Aye, the motion passed.

City of Owatonna
Income Statement by Fund
For the Period Ending July 31, 2020

FUND 290: EDA ADMINISTRATION

Account Name	Original Budget	YTD Actual	Difference
REVENUES			
PROPERTY TAXES	\$ 185,000.00	\$ 107,925.00	\$ 77,075.00
LODGING TAX - 3%	250,000.00	79,204.48	170,795.52
TIF ADMINISTRATIVE FEE	35,969.00	14,995.65	20,973.35
INTEREST INCOME	1,000.00	270.83	729.17
LEASES & RENTS	1,666.00	0.00	1,666.00
Total Revenues	\$ 473,635.00	\$ 202,395.96	\$ 271,239.04
EXPENDITURES			
PERSONNEL	\$ 84,398.00	\$ 48,637.22	\$ 35,760.78
OFFICE SUPPLIES	400.00	35.00	365.00
MINOR EQUIPMENT	400.00	0.00	400.00
CONSULTING SERVICES	30,000.00	25,500.00	4,500.00
TELEPHONE	200.00	0.00	200.00
POSTAGE	300.00	77.18	222.82
VEHICLE ALLOWANCE	500.00	326.30	173.70
TRAVEL & CONFERENCES	500.00	0.00	500.00
O B D - MARKET SERVICES(OACCT)	50,000.00	50,000.00	0.00
O B D - LOAN SERVICES (OBI)	20,000.00	30,000.00	-10,000.00
DOWNTOWN ENHANCEMENTS	15,000.00	11,416.50	3,583.50
OBD-SMALL BUSINESS DEV CENTER	4,000.00	9,087.50	-5,087.50
PARTNERS FOR PROGRESS	10,000.00	5,000.00	5,000.00
ADVERTISING	1,000.00	547.50	452.50
MEMBERSHIPS & SUBSCRIPTIONS	200.00	0.00	200.00
REPAIR SERVICE - OFFICE EQUIP	200.00	0.00	200.00
MAIN STREET-PARKING LOT RENTAL	4,500.00	4,032.00	468.00
TOURIST DEVELOPMENT	237,500.00	70,769.20	166,730.80
SOUTHERN MN INITIATIVE FOUNDAT	1,667.00	0.00	1,667.00
TRANSFER TO OTHER FUNDS	12,000.00	7,000.00	5,000.00
Total Expenditures	\$ 472,765.00	\$ 262,428.40	\$ 210,336.60

FUND 292: EDA LOANS

Account Name	Original Budget	YTD Actual	Difference
REVENUES			
INTEREST INCOME	\$ 15,000.00	\$ 8,397.10	\$ 6,602.90
OTHER REVENUE	0	125	-125
INTEREST - COMMERCIAL LOANS	450	193.05	256.95
INTEREST - LOW DOC TIER II	1,400.00	453.47	946.53

Total Revenues	\$ 16,850.00	\$ 9,168.62	\$ 7,681.38
EXPENDITURES			
LOAN PROGRAM REIMBURSEMENT	0	15,555.56	-15,555.56
Total Expenditures	\$ 0	\$ 15,555.56	\$ -15,555.56

FUND 294: EDA LAND

Account Name	Original Budget	YTD Actual	Difference
REVENUES			
REFUNDS & REIMBURSEMENTS	22,287.00	0	22,287.00
TIF ADMINISTRATIVE FEES	1,172.00	1,119.29	52.71
INTEREST INCOME	7,500.00	7,431.06	68.94
INTEREST - EDA LAND LOANS	0	20,250.72	-20,250.72
LEASES & RENTS	35,000.00	0	35,000.00
SALE OF PROPERTY	0	7,370.35	-7,370.35
Total Revenues	\$ 65,959.00	\$ 36,171.42	\$ 29,787.58
EXPENDITURES			
CONSULTING SERVICES	17,000.00	6,377.75	10,622.25
ADVERTISING	0	82.88	-82.88
INSURANCE	500	375	125
REAL ESTATE TAXES	21,000.00	18,128.04	2,871.96
LAND PURCHASES	0	117,405.09	-117,405.09
OTHER IMPROVEMENTS	0	4,001.80	-4,001.80
Total Expenditures	\$ 38,500.00	\$ 146,370.56	\$ -107,870.56

City of Owatonna
Balance Statement by Fund
31-Jul-20

FUND 292: EDA LOANS

Account Number	Account Name	Ending Balance
ASSETS		
292-000-000-10100	BANK ACCOUNTS	\$ 78,754.86
292-000-000-10900	INVESTMENTS	900,000.00

FUND 294: EDA LAND

Account Number	Account Name	Ending Balance
ASSETS		
294-000-000-10100	BANK ACCOUNTS	\$ 35,507.30
294-000-000-10900	INVESTMENTS	800,000.00

CITY OF OWATONNA
EDA - LOAN PROFILE
As of : July 31, 2020
 prepared 8/6/2020

EDA - Improvement Notes

<u>Borrower</u>	<u>Loan Date</u>	<u>Int Rate</u>	<u>Years</u>	<u>Original Balance</u>	<u>Current Balance</u>	<u>Monthly Payment</u>	<u>Status</u>	<u>Type</u>	<u>Notes</u>
Williams	9/1/2016	5.250	7	20,000.00	10,438.76	285.03	Current	Retail	
Wagner's	10/1/2018	2.500	7	43,480.63	35,738.87	564.78	Current	Retail	
Total				<u>63,480.63</u>	<u>46,177.63</u>	<u>849.81</u>			

Profile by Loan Performance	<u>Status</u>	<u>Number of Loans</u>	<u>Original Balance</u>	<u>Current Balance</u>	<u>% of Current Balance</u>
	Current	2	63,480.63	46,177.63	100.00%
	Non-current	0	-	-	0.00%
		<u>2</u>	<u>63,480.63</u>	<u>46,177.63</u>	<u>100.00%</u>

EDA - Low Doc Notes

Borrower	Loan Date	Int Rate	Years	Original Balance	Current Balance	Monthly Payment	Status	Type	Notes
American Legion Post 77	10/6/2014	1.625	7	20,000.00	4,233.17	252.05	Current		
Completely Kids	9/1/2016	1.625	7	20,000.00	9,807.74	252.05	Current		
Family 1st Insurance	4/1/2017	-	3	5,000.00	0.00	138.89	Current		Paid in Full March 2020
Family 1st Insurance	4/1/2017	1.625	7	19,609.00	11,245.72	247.13	Current		
Paula Trendera	4/6/2018	-	3	5,000.00	1,249.97	138.89	Current		
The Kitchen	10/1/2017	-	3	5,000.00	833.30	138.89	Current		
				<u>74,609.00</u>	<u>27,369.90</u>	<u>1,167.90</u>			

Profile by Loan Performance	Status	Number of Loans	Original Balance	Current Balance	% of Current Balance
	Current	7	79,609.00	27,369.90	100.00%
Non-current	0	-	-	0.00%	
		<u>7</u>	<u>79,609.00</u>	<u>27,369.90</u>	<u>100.00%</u>

EDA - MIF Flood Recovery

Borrower	Loan Date	Int Rate	Years	Original Balance	Current Balance	Monthly Payment	Status	Type	Notes
Plemel (direct loan)	6/22/11	-	10	27,378.50	3,194.60	228.15	Current		
Marks Repair (direct loan)	4/5/12	-	10	39,327.50	9,173.60	254.85	Current		Business was sold
Owatona Country Club (direct)	5/7/12	-	10	82,363.50	17,159.30	686.36	Current		
Cars-N-Credit (direct loan)	4/30/13	-	10	71,657.00	22,691.52	597.14	Current		
Plemel (deferred loan)	6/22/11	-	10	27,378.50	27,378.50	-			Forgiven after 6/22/21
Marks Repair (deferred loan)	4/5/12	-	10	39,327.50	30,581.00	-			Forgiven after 4/1/22
Owatonna Country Club (deferred)	5/7/12	-	10	82,363.50	82,363.50	-			Forgiven after 5/1/22
Cars-N-Credit (deferred loan)	4/30/13	-	10	71,657.00	71,657.00	-			Forgiven after 4/30/23
Total				<u>441,453.00</u>	<u>264,199.02</u>	<u>1,766.50</u>			

Profile by Loan Performance	Status	Number of Loans	Original Balance	Current Balance	% of Current Balance
	Current	8	441,453.00	264,199.02	100.00%
	Non-current	0	-	-	0.00%
		<u>8</u>	<u>441,453.00</u>	<u>264,199.02</u>	<u>100.00%</u>

EDA Land Fund

Borrower	Loan Date	Int Rate	Years	Original Balance	Current Balance	Annual Payment	Status	Type	Notes
Gateway #2 TIF note	12/31/16	3.000	25	472,889.00	465,230.08		Current		TIF Guarantee
Arrow Ace TIF note	12/1/17	3.000	25	350,000.00	349,838.75		Current		TIF Guarantee
Nicolai TIF note	12/31/17	3.000	25	524,845.17	524,845.17		Current		TIF Guarantee
Total				<u>1,347,734.17</u>	<u>1,339,914.00</u>	<u>-</u>			

Profile by Loan Performance	Status	Number of Loans	Original Balance	Current Balance	% of Current Balance
	Current	5	1,347,734.17	1,339,914.00	100.00%
	Non-current	0	-	-	0.00%
		<u>5</u>	<u>1,347,734.17</u>	<u>1,339,914.00</u>	<u>100.00%</u>

Owatonna Economic Development Authority
 Forgivable Loan Program 2019

Name	Property Address	Application Submitted	Application Fee Collected	Maximum Amount Proposed Exterior	Elevation Submitted	MainStreet Approved	Maximum Amount Proposed Interior	EDA Approved	Note Date	Amount Advanced Exterior	Amount Advanced Interior	
Martin Family LLC	214 N Cedar	Yes	Yes	\$ 10,000	Yes	Yes	\$ 10,000	Yes	6/21/2019	\$ -	\$ -	
Martin Family LLC	216 N Cedar	Yes	Yes	10,000	Yes	Yes	10,000	Yes	6/21/2019	-	-	
Martin Family LLC	147 Broadway	Yes	Yes	10,000	No	Yes	10,000	Yes	6/21/2019	-	-	
Herzog Properties II	104 Park Square	Yes	Yes	10,000	Yes	Yes	-	Yes	9/10/2019	-	-	
Mineral Springs Brewing	111 N Walnut	Yes	No	8,950	Yes	EDA	10,000	Yes	9/12/2019	8,950	10,000	
Lucky Dice	117 N Cedar	Yes	Yes	10,000	Yes	Yes	10,000	Yes	9/27/2019	3,456	-	
Johnson	202 N Oak	Yes	No	10,000	Yes	Yes	10,000	Yes	10/8/2019	-	-	
Stadheim	211 Bridge Street	Yes	No	-	No	n/a	10,000	Yes	3/25/2020	-	10,000	
Stadheim	121 N Walnut 131 W Broadway/	Yes	No	10,000	Yes	Yes	10,000	Yes	3/25/2020	2,100	-	
Foremost	136 W Bridge	Yes	Yes	10,000	Yes	Yes	10,000	Yes	n/a	-	-	
TBD (Bubba's)	224 N Cedar	No	No	10,000	No	No	10,000	No	n/a	-	-	
				-					-			
Total Committed Funds				\$ 98,950					\$ 100,000			
										\$ 14,506	\$ 20,000	

EDA Program Limits

\$ 100,000

\$ 100,000

Total Uncommitted Funds

\$ 1,050.00

\$ -

Memo

To: Economic Development Authority
From: Brad Meier, President/CEO
Date: 08/07/2020
Re: OACCT Economic Development Update

Economic Development

- **See attached report for leads and 'in progress' reports.**

Workforce

- Conducted strategic planning with business and OHS to discuss how to make the SteeleCoWorks program fit better into the new career pathways program and to streamline the process so more businesses can participate.
- Held quarterly employer meeting to discuss effort and next steps as we enter the new school year.
- Developing guide sheets for business and students for Job Shadow, Internship and Work Experiences.

Covid 19/Coronavirus

- JumpStart Owatonna
- MainStreet Grants for downtown businesses (6)
- Resource page at www.owatonna.org/covid-19-resources

Company	Date of Inquiry	Service Provided	Follow ups	Conclusion	Project Outcome: Green (progressing), yellow (probable), red (not moving)
Daycare Center	1/2/2020	Looking for a location to start a daycare center in Owatonna.	Provided several options in the 1,000 sq ft size.	There has been no further developments with this project or discussions with the individual.	Red
Women's Boutique	12/9/2019	Individual moving to town with her spouse who is working at Rise Modular and wants to move Boutique to Owatonna downtown.	Provided some contacts for possible 1,500 sq ft of space for her business and answered some permitting questions. 01/02/2020 talked about location options- she is going into the army/navy location on Oak.	Lilly & Rose is Open on Oak Ave.	Green
Downtown Hotel		Continued conversations around a project on the 200 block of N Cedar			Yellow
Axe Throwing Business	2/5/2020	Met with new owner about his desire to open a business next to MSB along the river.	Connecting him with MSB owners and checking with city on the carry in liquor law.		Green
Therapist Group	2/14/2020	connection that a group was looking at the former Caterpillar building.	outreach to building owner. Building sold.		Yellow
Pop Up Men's Clothing	4/10/2020	Want to open a pop up business in downtown Sept-Dec to test the market	Provided property options and contacts.		Green
Asphalt Plant	3/30/2020	Working with local business to help in conversations with city team to identify a proper location at the appropriate price.	Troy/Greg have tentative agreement.	Project is moving forward in industrial park	Green
Concrete Plant	4/2/2020	Took a call from a business that is interested in providing concrete competition in Owatonna and looking for land in the industrial park.	Directed him to Greg/Troy at city for appropriate location.	Follow ups have gone silent	Yellow
Local Existing Hotel	Continuous	On going conversations with the owner of the hotel and a local businessman who might have interest in purchasing.	Providing on-going updates around hotel situation in the community and possible next steps.		Yellow
Locate a construction/sales office	5/20/2020	Talked about workforce and locations.	They are also talking with Troy Klecker at city about location.		Green
Home health business looking to expand from Mankato into Owatonna area	5/20/2020	Looking for 600 sq ft office plus shared services of reception and board room.	Discussed Development Center and also shared few other spots that have this as an option.	She is coming to Owatonna next week to look at space	Green
Plastics company in Minneapolis	6/10/2020	Featured in Star Tribune about not reopening in Mpls	Outreach on email (phone doesn't connect) Kruschke reaching out to Michaletz to see if we can get cell.		Yellow
Discussion with papa Johns franchise	5/18/2020	Interested in pursuing the franchise and locating in Owatonna.	Discussions about Owatonna's economy and growth		Yellow
Retailer-Albert Lea	6/29/2020	Interested in additional location for her business and Owatonna is on her radar. Currently has locations in Austin and Albert Lea.	Talked about the PartyPlus space and will consider others. Only needs 800-1000 sq ft unless she has additional treatment rooms. Wants to be in a downtown location.		Yellow
Small Retail	7/23/2020	Individual looking at purchasing a building in downtown Owatonna and moving a small retail business from Faribault to here. Wants to know if there are any grant dollars to assist.	Told him about EDA loan and grant programs for renovation to the building. Also provided Bill Owens as a contact to check with.		Yellow

August-20

Consulting for July							Hours		Inquiries	Inquiry Hours
Clients	Sessions	Hours	New	Operating	2020 YTD	2019 YTD				
2	5	8.25	0	1	47.75	79.78	0	0		

Occupancy for April			
Manufacturing		Offices	
Total Leasable Space	25,200	Total Leasable Offices	11
Total Leased Space	21,830	Total Number of Leased Offices	9
Present Occupancy %	87%	Present Occupancy %	82%
Budget Occupancy %	61%	Budget Occupancy %	63%
YTD Performance to Budget \$	\$ 8,187	YTD Performance to Budget \$	\$ 725
YTD Performance to Budget %	117%	YTD Performance to Budget %	106%
Number of Tenants	8	Number of Tenants	9

EDA Loan Programs					
Standard Programs	Number of Loans	Original Balance / Committed	Current Balance / Advanced	Amount Past Due	Available to Advance
Low Doc Notes (Tier I and II)	6	\$ 74,609	\$ 27,370	\$ -	
Improvement Notes	2	63,481	46,178	-	
MIF Flood Recovery	8	441,453	264,199	-	
Land Fund	3	1,347,734	1,339,914	-	
		\$ 1,927,277	\$ 1,677,661	\$ -	
Special Programs					
2019 Forgivable Loans - Exterior	10	\$ 98,950	\$ 14,506		\$ 84,444
2019 Forgivable Loans - Interior	10	100,000	20,000		80,000
		\$ 198,950	\$ 34,506		\$ 164,444

August 13, 2020 EDA Meeting

EDA Projects Report

- The first building is full of tenants. The developer is looking to sell the site for the second building on the old Hardees/Budget Mart site. The EDA paid for the consulting costs to complete the TIF requirements for the project and will be paid back over the life of the district which would be up to 25 years.
- The City has conveyed the 5 properties along East Pearl Street to Steve Nicolai for an apartment building. All the structures have been demolished on the site. Tax Increment Financing has been approved to reimburse the EDA the expenses to acquire and clear the properties over a 25 year period. The developer has sold the property to another developer. The City Council approved transferring the development agreement to the new developer. An expanded apartment building would require changes to the development agreement and to the TIF Plan.
- The land swap between the City and Cemstone is completed. The City now owns the current Cemstone site and Cemstone owns 14 acres of vacant land in the industrial park. Cemstone will have 5 years to build a new facility on the new site. The City will then redevelop the current site once Cemstone moves out. Tax Increment Financing is being used to assist with the project.
- The City has purchased the property at 147 West Pearl Street for redevelopment. Demolition of the 4-plex is completed. The City has an agreement with the owners of Family Video to market the property for redevelopment.
- The business that was looking at the former Bubba's building has decided to purchase a different building downtown. We will be putting a "For Sale" banner on the property and marketing the property. We may want to consider additional improvement to the property to remove some of the obstacles for a potential business.
- A new development group is working on a possible hotel and event space on the 200 block of North Cedar Avenue. Staff will continue to work with the developer for a possible project.
- Work continues on a new 354,000 square foot Costco Distribution Center. The City has completed all approvals for the project. TIF is being used for the project. The project will include public improvements. Public improvements will likely be completed next year.
- Construction is completed on a new 150,000 square foot warehouse for Daikin next to their facility on Hoffman Drive. TIF has been approved for the project. A MIF application to the State on behalf of Daikin has been approved.
- Work has begun on the site for a new facility for Minimizer. Minimizer has purchase 13 acres in the industrial park from the City for a new 100,000 square foot manufacturing facility. The project is to be completed in spring of 2021.

- Tax Increment Financing and a development agreement has been approved for Foremost Brew Pub at 136 West Bridge Street. Work has begun on the project.
- The City has purchased the property at 117 West Bridge Street formerly owned by Centro Campesino. The property needs a new roof and bids are being sought for a new roof. The EDA would pay for the roof with the intent of redeveloping the property and utilizing tax increment financing to recoup our costs from the project.
- The City owns the property at 148 West Main Street that was damaged from a collapsed roof. A redevelopment project is being sought for that property.
- The City Council has approved tax increment financing for Bosch to construct a 266,000 square foot warehouse facility in the industrial park. The City has received a DEED grant for \$176,000 to help pay for a public cul-de-sac to serve the property. The EDA would upfront the costs of the for the public improvements which would be paid back with the first year of increment from the project. Construction should begin on the project this month.