

Economic Development Authority
Regular Meeting
Wednesday, April 21, 2021
4:00 PM
City Council Chambers

1. EDA Agenda 04-21-2021

Documents:

[EDA AGENDA 04-21-2021.PDF](#)

2. Roll Call

3. Approval Of Minutes: March 17, 2021

Documents:

[2. EDA MINUTES 03-17-2021.PDF](#)

4. Treasurer's Report

Documents:

[3. TREASURERS REPORT.PDF](#)

5. Loan Report

Documents:

[4. LOAN REPORT MARCH.PDF](#)

6. Reports

6.I. MainStreet Report

Documents:

[5. B. MAINSTREET REPORT.PDF](#)

6.II. OABDC Report

Documents:

[5. D. OABDC REPORT.PDF](#)

6.III. EDA Projects

Documents:

[5. F. EDA PROJECTS.PDF](#)

7. Old Business

7.I. Improvements To Bubba's Building

7.II. Streetscape Project

8. New Business
9. Other Business
10. Schedule Next Meeting - May 19, 2021
11. Adjournment

Economic Development Authority

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4:00 PM

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Agenda

1. Roll Call
2. Approval of Minutes: March 17, 2021
3. Treasurer's Report
4. Loan Report
5. Reports
 - a. OACCT
 - b. MainStreet
 - c. Tourism
 - d. OABDC
 - e. Airport
 - f. EDA Projects
6. Old Business
 - a. Improvements to Bubba's building
 - b. Streetscape Project
7. New Business
8. Other Business
9. Schedule Next Meeting – May 19, 2021
10. Adjournment

EDA
Minutes
March 17, 2021

The Owatonna Economic Development Authority met in regular session at 4:00 PM at the City Council Chambers with President Raney presiding. Commissioners Present: Andy Cowell, Brenda DeVinny, Corey Mensink, Jeff Okerberg, Tom Peterson, Kevin Raney, and Doug Voss. Also present were Troy Klecker, Bill Owens, Brad Meier, Greg Kruschke, and Kristen Kopp.

Community Development Director Troy Klecker read a statement to allow for the meeting to be conducted by telephonic or electronic means where all votes will be roll call votes.

Approval of Minutes. Commissioner Okerberg moved approval of the minutes of the February 17, 2021 meeting with second by Commissioner Cowell. Commissioners voting Aye: Cowell, DeVinny, Mensink, Okerberg, Peterson, Raney, Voss. 7-0, the motion passed.

Treasurer's Report. Troy Klecker presented the revenue and expense reports for February. He said that we've had one consultant invoice and paid the first half of the Chamber and OABDC contracts. Everything looks on par.

Loan Report. Bill Owens presented the Loan Report for February. All loans are paid as agreed.

OACCT Report. Chamber Director Brad Meier presented the OACCT Report for February. He said thank you for accommodating the virtual option today and thank you for continuing to partner with the Chamber. Workforce efforts continue to push forward. He said that, through the County grant program, they learned more about losses to Steele County businesses – upwards of \$20 Million. That leads to an ongoing push with State Government for PPP. We're also advocating to the Governor that he provide more of a plan for full reopen as businesses deserve to know. They're working with a group of service businesses that were more directly impacted. This will be more of a marketing campaign. Andy Michaletz has a new electronic billboard up by Revol Greens and he allowed OPED to have an ad on it. Raney asked if the Chamber has done much visiting with the downtown business owners and wondered if they are still on board in regards to streetscape. Meier said that they have been in contact with them, and he hasn't heard anything to the contrary.

OABDC Report. OABDC Director Bill Owens presented the OABDC Report for February. He said that there isn't a lot of demand for consulting, but more this month than last month. No one is interested in starting manufacturing right now—his consulting is mostly for people looking into the service industry. Occupancy is good. Peterson asked if Zumbro River Brand was still vacant. Klecker said that it has a different owner, Lawrence Lee, and they are making plans to utilize the building. Raney asked if Owens could break down the percentages in occupancy of the center—which are manufacturers and which are entrepreneurs. Bill said that they're not startup businesses, but they are businesses that are growing. Klecker asked if there was a way to get a listing of the occupancy at the center and how long they've been in business. Peterson said that CDI has some storage there. They've also teamed up with Daikin and are utilizing some space together at the incubator. Cowell asked how often they would want to see the rent roll of who's leasing space. Every six months? Raney said that the idea continues to be that it is an incubator. He wants to know how much is being used as warehouse space and how much as an incubator.

He said that Peterson's space fits the category of growth and expansion of a business. Voss said that the issues at the center are all good, in his opinion.

EDA Projects. Community Development Director Troy Klecker presented the EDA Projects for February. He said that the Pearl Street apartment project was approved by City Council last night. There will still be some zoning approvals needed before they can start construction. They're utilizing TIF. He said that Cemstone plans on doing some dirt and site work this summer, but won't start construction until next spring. There are no updates on the West Pearl site yet. There was discussion of purchasing that corner lot so they had one solid site. The assessed value was about \$58,000. He said they've been getting more calls on the former Bubba's building knowing that the hotel is going across the street. The development agreement for the hotel was approved by City Council last night. The Minimizer facility is completed and they've occupied their space. It's a really good project in the industrial park. The roof of the 117 West Bridge Street building is nearly complete. There is some rotting on the second floor. He said that they could schedule a time for the EDA and City Council to go and take a look at it. It was not noticeable the first time, but once the demolition began, more rotting was revealed than was anticipated. They are finishing the inside of the Bosch warehouse. The Mound Street apartment is framed and going well. The 202 West Bridge Street project is also going well. Voss asked about Little Caesar's and whether anyone contacted them. Meier said that he did reach out, but hasn't gotten a reply yet. Okerberg said that Bushel Boy made a comment in the paper that they would like to invest in the downtown. Meier said that in a recent meeting with their ownership group they said that they wanted to invest in our community. Klecker said that they're seeing more businesses want to be a part of investment groups to have more stake in our community. It's a way that they can be invested in the community.

Old Business. Klecker said that the EDA had discussed being involved in the Sprinkler Line Hook-Up Assistance. The way the project is shaping up is that a lot of those mains to the buildings will be a part of the project. A better option than a loan is making it a part of the project. It could be assessed against the property. It functions in the same way, but they avoid the whole loan process.

New Business. Raney asked about the history of Bubba's. Klecker said the EDA acquired it when it went into tax forfeiture. It was run as Bubba's Bar for a long time. The roof was in terrible shape—there were multiple natural skylights. It was not the City's intent to do anything right away, but nobody bought it. It became a big problem because one building downtown has a big impact on the surrounding buildings. The EDA purchased it for the taxes that were owed on it—around \$8,000—and that put us in the position of fixing it up and trying to sell it. There was a massive clean-up and we actually sold a number of things at auction, so we recouped some dollars. What is prompting this agenda item is, with the streetscape project, there will be a lot of work going on downtown. ISG, the consultant on the project, did a walkthrough. There are a handful of buildings that are suspect. When tuck-pointing isn't done on a regular basis, bricks can fall off. We are working with some other properties. For the most part, they've had cooperation. He said that because they own a building downtown, he feels that they should be an example and lead the way. The Fire Department is going to be doing inspections on all the buildings before the construction starts. Tuck-pointing needs to be done around the entire building at the top and the base of the building. We got a bid for about \$55,000 to do the tuck-pointing and will get another bid to see if that's in the ballpark. We'd also like to take a peek behind the metal that covers the front to see what that looks like as well. He said that they'd

rather be the example. Hopefully the metal has kept everything in shape. We have stuck a chunk of money and the plan is to recoup it through a TIF. He said that he's looking for the EDA's opinion on this project. As part of the improvements that are happening downtown, it will be at least \$55,000. Voss said that Klecker is absolutely right about the metal. He wondered if it's something the City crews can just do? That would be a big step to help sell the building. That building has some cool stuff on the side with the painting. Klecker said that the building itself is historic, but there is nothing that prevents them from making changes. Some other cities have addressed ghost signs, similar to the one on the side of the building. It wouldn't be considered a business sign, but there are ways to encourage people to preserve those old signs. We'd want the tuck-pointing done first. Voss asked if the front is possible to do ourselves. Klecker said that they are able to do that. They'd want to take a peek at it first. Raney asked about the upstairs. He wondered if they thought the front wall was in good shape. Kruschke said that they can't tell. Raney said that originally that building had a corner door on it in the past. He wondered if they should look at it. Kruschke said that they have had people look at it. Handicap accessibility becomes a concern. Cowell asked if this building needs sprinkler access. Kruschke said that they will be doing that as part of this project. Raney asked if that would be included in TIF as well. Klecker said that any dollars they spend on the building they would plan on recouping through a TIF. Kruschke said they could also sell it for the cost they have into it and not have to do TIF. Raney said they've had this property for quite a while. To spend another \$55,000 to make it more marketable and a safer building, he'd like to see the EDA go forward with the tuck-pointing. Peterson said that he would support the tuck-pointing. He would have the same question on the 117 West Bridge Street building. He likes the idea that we would take the lead and be the example of what could be done. He asked what the market value is on the building and if we'd be willing to take a cut, wait to sell, or sell them at the current market price. Klecker said that the reality is that the value of those buildings is generating more interest with the hotel going up. He's getting more phone calls. We're in a position where we can get more for those properties. That's where the TIF gives them some buffer. He said he thinks we're in a really good position. The 117 West Bridge Street building has a little less wiggle room as we'll have more into it. The one on West Main Street is the conundrum. We had an engineer look at it, and it would be over \$200,000. That one will take more work and imagination. One neighboring business has some interest in it. Mensink said he agreed. He thinks we could afford putting the money in the Bubba's building and we do need to lead the way. Every bit of work we do to that building will make it much more attractive to someone coming in. The timing is good and we absolutely should move forward on it so it can be marketed as the hotel begins construction. Raney said that at this point they don't need a motion. Klecker said that they will go ahead and take the metal off and will have something more formal at the next meeting.

Kruschke gave an update on the streetscape project. He said that they're working to go to bid in May with Council acting on June 1st. They're looking at preferred concepts right now. It has bump-outs at the crosswalks as well as pendant lighting over the midblock crosswalks and limiting vehicular traffic in the west alleys. They've had continued conversations with downtown business owners.

Meier said that he heard from Bushel Boy. They have not made an investment yet, but plan to in the future.

Raney asked about the City properties on Cedar and Rose and on 18th Street by Hy-Vee Gas. Kruschke said that the only response on the Cedar and Rose is a neighboring business who

wanted to use it as a parking lot. They are still pursuing a coffee business for the 18th Street site. Klecker said that the 18th Street site has some limitations to it, as does the downtown lot; they will take a very specific user. Voss asked if there was any leverage at all to get rid of the tower. Klecker said that he doesn't know if the tower has any carriers on it, but they have had conversations about it. If there was a close enough location, the users would pay to be on there. There wasn't a real desire from the users to relocate.

Schedule Next Meeting. The next EDA meeting is scheduled for **April 21, 2021** 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 Peterson to adjourn the meeting at 5:05 pm. Commissioners voting Aye: Cowell, DeVinny, Mensink, Okerberg, Peterson, Raney, Voss. 7-0, the motion passed.

City of Owatonna
Income Statement by Fund
For the Period Ending March 31, 2021

FUND 290: EDA ADMINISTRATION

DEPT 690: EDA

Account Name	Original Budget	YTD Actual	Difference
<u>REVENUES</u>			
PROPERTY TAXES	\$ 185,000.00	\$ 46,265.00	\$ 138,735.00
LODGING TAX - 3%	250,000.00	15,905.01	234,094.99
TIF ADMINISTRATIVE FEE	22,217.00	0	22,217.00
INTEREST INCOME	1,000.00	23.53	976.47
LEASES & RENTS	1,666.00	1,666.00	0
Total Revenues	\$ 459,883.00	\$ 63,859.54	\$ 396,023.46
<u>EXPENDITURES</u>			
PERSONNEL	\$ 90,462.00	20,502.57	69,959.43
OFFICE SUPPLIES	400.00	0.00	400.00
MINOR EQUIPMENT	400.00	0.00	400.00
CONSULTING SERVICES	25,500.00	8,500.00	17,000.00
TELEPHONE	200.00	0.00	200.00
POSTAGE	300.00	23.20	276.80
VEHICLE ALLOWANCE	500.00	115.50	384.50
TRAVEL & CONFERENCES	500.00	0.00	500.00
O B D - MARKET SERVICES(OACCT)	50,000.00	25,000.00	25,000.00
O B D - LOAN SERVICES (OBI)	20,000.00	10,000.00	10,000.00
DOWNTOWN ENHANCEMENTS	5,000.00	0.00	5,000.00
OBD-SMALL BUSINESS DEV CENTER	4,000.00	2,250.00	1,750.00
PARTNERS FOR PROGRESS	10,000.00	0.00	10,000.00
ADVERTISING	1,000.00	145.00	855.00
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	0.00	4,500.00
TOURIST DEVELOPMENT	237,500.00	15,109.76	222,390.24
SOUTHERN MN INITIATIVE FOUNDAT	1,667.00	1,667.00	0.00
TRANSFER TO OTHER FUNDS	12,000.00	3,000.00	9,000.00
Total Expenditures	\$ 464,329.00	\$ 86,313.03	\$ 378,015.97
Expenditures	\$ -4,446.00	\$ -22,453.49	\$ 18,007.49

FUND 292: EDA LOANS

DEPT 690: EDA

Account Name	Original Budget	Current Year to Date Actual	Available Budget
<u>REVENUES</u>			
INTEREST INCOME	\$ 8,000.00	\$ 1,122.92	\$ 6,877.08

INTEREST - COMMERCIAL LOANS	0.00		223.88		-223.88
INTEREST - LOW DOC TIER II	0.00		219.47		-219.47
Total Revenues	\$ 8,000.00	\$	1,566.27	\$	6,433.73
<u>EXPENDITURES</u>					
LOAN PROGRAM REIMBURSEMENT	0.00		542.35		-542.35
Total Expenditures	\$ 0.00	\$	542.35	\$	-542.35
Expenditures	\$ 8,000.00	\$	1,023.92	\$	6,976.08

FUND 294: EDA LAND

DEPT 690: EDA

Account Name	Original Budget		Current Year to Date Actual		Available Budget
<u>REVENUES</u>					
TIF ADMINISTRATIVE FEES	1,161.00		0.00		1,161.00
INTEREST INCOME	7,500.00		1,235.38		6,264.62
LEASES & RENTS	30,000.00		3,450.00		26,550.00
SALE OF PROPERTY	0.00		54,573.89		-54,573.89
Total Revenues	\$ 38,661.00	\$	59,259.27	\$	-20,598.27
<u>EXPENDITURES</u>					
CONSULTING SERVICES	17,000.00		8,500.00		8,500.00
INSURANCE	900.00		225.00		675.00
RENTAL PROPERTY EXPENSES	0.00		841.51		-841.51
REAL ESTATE TAXES	21,000.00		0.00		21,000.00
OTHER IMPROVEMENTS	0.00		202,498.57		-202,498.57
Total Expenditures	\$ 38,900.00	\$	212,065.08	\$	-173,165.08
Expenditures	\$ -239.00	\$	-152,805.81	\$	152,566.81

City of Owatonna
Balance Statement by Fund
31-Mar-21

FUND 292: EDA LOANS

Account Number	Account Name	Ending Balance
ASSETS		
292-000-000-10100	BANK ACCOUNTS	\$ 48,198.70
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	\$ 346,083.97
294-000-000-10900	INVESTMENTS	600,000.00

CITY OF OWATONNA
EDA - LOAN PROFILE
As of : March 31, 2021
 prepared 4/13/2021

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	8,494.29	285.03	Current	Retail	
Wagner's	10/1/2018	2.500	7	43,480.63	32,269.94	564.78	Non Current	Retail	
Total				<u>63,480.63</u>	<u>40,764.23</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	40,764.23	100.00%
	Non-current	0	-	-	0.00%
		<u>2</u>	<u>63,480.63</u>	<u>40,764.23</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	2,501.90	252.05	Current		
Completely Kids	9/1/2016	1.625	7	20,000.00	7,888.51	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	9,381.71	247.13	Current		
Paula Trenda	4/6/2018	-	3	5,000.00	138.85	138.89	Current		
The Kitchen	10/1/2017	-	3	5,000.00	0.00	138.89	Current		Paid in Full Jan 2021
				<u>74,609.00</u>	<u>19,910.97</u>	<u>1,167.90</u>			

Profile by Loan Performance	Status	Number of Loans	Original Balance	Current Balance	% of Current Balance
	Current	7	74,609.00	19,910.97	100.00%
Non-current	0	-	-	0.00%	
		<u>7</u>	<u>74,609.00</u>	<u>19,910.97</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	-	228.15	Current		Paid in Full Oct 2020
Marks Repair (direct loan)	4/5/12	-	10	39,327.50	7,134.80	254.85	Current		Business was sold
Owatona Country Club (direct)	5/7/12	-	10	82,363.50	11,668.42	686.36	Current		
Cars-N-Credit (direct loan)	4/30/13	-	10	71,657.00	17,914.40	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				441,453.00	248,697.62	1,766.50			

Profile by Loan Performance	Status	Number of Loans	Original Balance	Current Balance	% of Current Balance
	Current	8	441,453.00	248,697.62	100.00%
	Non-current	0	-	-	0.00%
		8	441,453.00	248,697.62	100.00%

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	459,977.81		Current		TIF Guarantee
Arrow Ace TIF note	12/1/17	3.000	25	350,000.00	344,162.31		Current		TIF Guarantee
Nicolai TIF note	12/31/17	3.000	25	524,845.17	524,845.17		Current		TIF Guarantee
Total				1,347,734.17	1,328,985.29	-			

Profile by Loan Performance	Status	Number of Loans	Original Balance	Current Balance	% of Current Balance
	Current	5	1,347,734.17	1,328,985.29	100.00%
	Non-current	0	-	-	0.00%
		5	1,347,734.17	1,328,985.29	100.00%

2021 1st QTR Owatonna MainStreet Stats

NEW Jobs: 12 FTE

NEW Businesses: 6

Closed or Moved: 1



• HISTORIC DOWNTOWN •
OWATONNA
MAINSTREET
Eat Play Work Stay

1st QTR NEW Businesses

Images for Life	318 N. Cedar	Relocation
Sister's Salon	137 W Bridge	NEW service
Box Babes	110 N. Cedar	NEW Retail
Embroider Everything	110 N. Cedar	NEW Retail/maker
Graif Clothing Store	202 W. Bridge	NEW Retail
Owatonna Live	103 W Rose	NEW Service

Closures or Moved:

1st QTR:

Kristi's - closed

Owatonna Glass - moved

1st QTR PERMITS: \$1,469,650

1ST QTR COMMERCIAL BUILDING SALES: 3 (recorded to date)

321 N. Cedar – McCarthy Plumbing

221 Walnut- Owatonna Glass

416 Cedar – Next to Struss Acct

2020 COMMERCIAL SALES

135 Bridge – Hoff's Bar

145 Bridge – Rossi Law Office to salon

151 Bridge- Stewart Building mixed use

209 Bridge – insurance

218 Bridge – Bike shop

109 & 107 N. Cedar – Selective Looks & Elwood's

112 N. Cedar – Costas

118 N. Cedar – Tax office to photography

111 Main – Zappa Agency

122 Pearl – Napa

130 Rose & Fremont– Alexander lots

EDA Façade review: Requests for façade forgivable loans: 6 facades.

1st QTR ACTIVITIES & PROJECTS

Information to 4 businesses on available spaces Downtown

Downtown Thursday workplan & organization

Flower Basket sponsorship

Streetscape workplan

April-21

Consulting for March									
Clients	Sessions	Hours	New	Operating	Hours		Inquiries	Inquiry Hours	
					2021 YTD	2020 YTD			
2	3	5.50	0	1	20.75	29.50	0	0	

Occupancy for March			
Manufacturing		Offices	
Total Leasable Space	25,200	Total Leasable Offices	10
Total Leased Space	22,020	Total Number of Leased Offices	9
Present Occupancy %	87%	Present Occupancy %	90%
Budget Occupancy %	70%	Budget Occupancy %	70%
YTD Performance to Budget \$	\$ 7,001	YTD Performance to Budget \$	\$ 1,926
YTD Performance to Budget %	135%	YTD Performance to Budget %	128%
Number of Tenants	9	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	\$ 19,911	\$ -		
Improvement Notes	2	63,481	40,764	565		
MIF Flood Recovery	7	441,453	248,698	-		
Land Fund	3	1,347,734	1,328,985	-		
		\$ 1,927,277	\$ 1,638,358	\$ 565		
Special Programs						
2019 Forgivable Loans - Exterior	9	\$ 80,091	\$ 33,547		\$ 46,544	
2019 Forgivable Loans - Interior	10	80,000	35,216		44,784	
		\$ 160,091	\$ 68,763		\$ 91,328	

**April 21, 2021
EDA Meeting**

EDA Projects Report

- 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 Mac Hamilton. Hamilton is proposing to construct a 43 unit market rate apartment build this year. TIF has been approved for the project. The development agreement is going to the City Council on March 16th.
- 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. Cemstone is planning to do some dirt work on their new site this year.
- 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.
- A “For Sale” banner is on the Bubba’s building and the property is being marketed. We will proceed with additional improvements to the property to remove some of the obstacles for a potential business.
- A Purchase agreement has been approved by the City Council to sell the old theater property and a parking lot to Owatonna Hospitality 1, LLC to construct a Marriott Courtyard hotel on the 200 block of North Cedar Avenue. Tax Increment Financing has been approved for the project. The development agreement is being presented to the City Council on March 16th.
- The City has purchased the property at 117 West Bridge Street formerly owned by Centro Campesino. Construction of a new roof on the building is complete. There may need to be additional improvements to the building. 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 is nearly complete.
- The City Council has approved tax increment financing for a 36 unit market rate apartment at 660 Mound Avenue. Construction has begun on the project.
- Tax Increment Financing has been approved for the redevelopment of 202 West Bridge Street. The project will renovate the entire building into retail and office space. Construction is complete on the first floor and Graif has moved into that space. Work continues on the upper level.