

**Economic Development Authority**  
Regular Meeting  
Wednesday, September 16, 2020  
4:00 PM  
City Council Chambers

1. Agenda

Documents:

[EDA AGENDA 09-16-2020.PDF](#)

2. Roll Call

3. Approval Of Minutes: August 13, 2020

4. Treasurer's Report

Documents:

[3. TREASURERS REPORT.PDF](#)

5. Loan Report

Documents:

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

6. Reports

6.I. OACCT

6.II. OABDC

Documents:

[5.B. OABDC REPORT SEPTEMBER.PDF](#)

7. Old Business

8. New Business

9. Other Business

10. Schedule Next Meeting – October 21, 2020

11. Adjournment

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## **Agenda**

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1. Roll Call
2. Approval of Minutes: August 13, 2020
3. Treasurer's Report
4. Loan Report
5. Reports
  - a. OACCT
  - b. OABDC
  - c. EDA Projects
6. Old Business
7. New Business
8. Other Business
9. Schedule Next Meeting – October 21, 2020
10. Adjournment

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

FUND 290: EDA ADMINISTRATION

Account Name	Original Budget	YTD Actual	Difference
<b><u>REVENUES</u></b>			
PROPERTY TAXES	\$ 185,000.00	\$ 123,340.00	\$ 61,660.00
LODGING TAX - 3%	250,000.00	91,996.79	158,003.21
REFUNDS & REIMBURSEMENTS	0	710.00	-710.00
TIF ADMINISTRATIVE FEE	35,969.00	14,995.65	20,973.35
INTEREST INCOME	1,000.00	276.77	723.23
LEASES & RENTS	1,666.00	0.00	1,666.00
Total Revenues	<u>\$ 473,635.00</u>	<u>\$ 231,319.21</u>	<u>\$ 242,315.79</u>
<b><u>EXPENDITURES</u></b>			
PERSONNEL	84,398.00	55,346.76	29,051.24
OFFICE SUPPLIES	400	35.00	365.00
MINOR EQUIPMENT	400	0.00	400.00
CONSULTING SERVICES	30,000.00	34,000.00	-4,000.00
TELEPHONE	200	0.00	200.00
POSTAGE	300	85.98	214.02
VEHICLE ALLOWANCE	500	364.80	135.20
TRAVEL & CONFERENCES	500	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	20,000.00	0.00
DOWNTOWN ENHANCEMENTS	15,000.00	17,504.00	-2,504.00
OBD-SMALL BUSINESS DEV CENTER	4,000.00	3,000.00	1,000.00
PARTNERS FOR PROGRESS	10,000.00	5,000.00	5,000.00
ADVERTISING	1,000.00	547.50	452.50
MEMBERSHIPS & SUBSCRIPTIONS	200	0.00	200.00
REPAIR SERVICE - OFFICE EQUIP	200	0.00	200.00
MAIN STREET-PARKING LOT RENTAL	4,500.00	4,032.00	468.00
TOURIST DEVELOPMENT	237,500.00	82,921.89	154,578.11
SOUTHERN MN INITIATIVE FOUNDAT	1,667.00	0.00	1,667.00
TRANSFER TO OTHER FUNDS	12,000.00	8,000.00	4,000.00
Total Expenditures	<u>\$ 472,765.00</u>	<u>\$ 280,837.93</u>	<u>\$ 191,927.07</u>

FUND 292: EDA LOANS

Account Name	Original Budget	YTD Actual	Difference
<b><u>REVENUES</u></b>			
INTEREST INCOME	\$ 15,000.00	\$ 9,156.72	\$ 5,843.28
OTHER REVENUE	0	125.00	-125.00
INTEREST - COMMERCIAL LOANS	450	238.72	211.28

INTEREST - LOW DOC TIER II	1,400.00	560.02	839.98
Total Revenues	\$ 16,850.00	\$ 10,080.46	\$ 6,769.54
<b><u>EXPENDITURES</u></b>			
LOAN PROGRAM REIMBURSEMENT	0	15,555.56	-15,555.56
Total Expenditures	\$ 0.00	\$ 15,555.56	\$ -15,555.56

FUND 294: EDA LAND

Account Name	Original Budget	YTD Actual	Difference
<b><u>REVENUES</u></b>			
REFUNDS & REIMBURSEMENTS	22,287.00	0.00	22,287.00
TIF ADMINISTRATIVE FEES	1,172.00	1,119.29	52.71
INTEREST INCOME	7,500.00	8,079.50	-579.50
INTEREST - EDA LAND LOANS	0	20,250.72	-20,250.72
LEASES & RENTS	35,000.00	0.00	35,000.00
SALE OF PROPERTY	0	7,370.35	-7,370.35
Total Revenues	\$ 65,959.00	\$ 36,819.86	\$ 29,139.14
<b><u>EXPENDITURES</u></b>			
CONSULTING SERVICES	17,000.00	6,377.75	10,622.25
ADVERTISING	0	82.88	-82.88
INSURANCE	500	375.00	125.00
REAL ESTATE TAXES	21,000.00	18,128.04	2,871.96
LAND PURCHASES	0	189,447.13	-189,447.13
OTHER IMPROVEMENTS	0	6,501.80	-6,501.80
Total Expenditures	\$ 38,500.00	\$ 220,912.60	\$ -182,412.60

**City of Owatonna**  
**Balance Statement by Fund**  
**31-Aug-20**

FUND 292: EDA LOANS

Account Number	Account Name	Ending Balance
ASSETS		
292-000-000-10100	BANK ACCOUNTS	\$ 83,159.80
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	\$ -38,386.30
294-000-000-10900	INVESTMENTS	800,000.00

**CITY OF OWATONNA**  
**EDA - LOAN PROFILE**  
**As of : August 31, 2020**  
 prepared 9/8/2020

**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	10,199.40	285.03	Current	Retail	
Wagner's	10/1/2018	2.500	7	43,480.63	35,246.40	564.78	Current	Retail	
Total				<u>63,480.63</u>	<u>45,445.80</u>	<u>849.81</u>			

<b>Profile by Loan Performance</b>	<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	45,445.80	100.00%
	Non-current	0	-	-	0.00%
		<u>2</u>	<u>63,480.63</u>	<u>45,445.80</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	3,986.85	252.05	Current		
Completely Kids	9/1/2016	1.625	7	20,000.00	9,568.97	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	11,013.82	247.13	Current		
Paula Trendera	4/6/2018	-	3	5,000.00	1,111.08	138.89	Current		
The Kitchen	10/1/2017	-	3	5,000.00	694.41	138.89	Current		
				<u>74,609.00</u>	<u>26,375.13</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	26,375.13	100.00%
Non-current	0	-	-	0.00%	
		<u>7</u>	<u>79,609.00</u>	<u>26,375.13</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	2,966.45	228.15	Current		
Marks Repair (direct loan)	4/5/12	-	10	39,327.50	8,918.75	254.85	Current		Business was sold
Owatona Country Club (direct)	5/7/12	-	10	82,363.50	16,472.94	686.36	Current		
Cars-N-Credit (direct loan)	4/30/13	-	10	71,657.00	22,094.38	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>262,432.52</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	262,432.52	100.00%
	Non-current	0	-	-	0.00%
		<u>8</u>	<u>441,453.00</u>	<u>262,432.52</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>



**September-20**

Consulting for August								
Clients	Sessions	Hours	New	Operating	Hours		Inquiries	Inquiry Hours
					2020 YTD	2019 YTD		
3	6	6.50	0	3	54.25	108.75	0	0

Occupancy for August			
Manufacturing		Offices	
Total Leasable Space	25,200	Total Leasable Offices	11
Total Leased Space	22,020	Total Number of Leased Offices	9
Present Occupancy %	87%	Present Occupancy %	82%
Budget Occupancy %	61%	Budget Occupancy %	63%
YTD Performance to Budget \$	\$ 8,986	YTD Performance to Budget \$	\$ 2,144
YTD Performance to Budget %	117%	YTD Performance to Budget %	115%
Number of Tenants	7	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	\$ 26,375	\$ -		
Improvement Notes	2	63,481	45,446	-		
MIF Flood Recovery	8	441,453	262,433	-		
Land Fund	3	1,347,734	1,339,914	-		
		\$ 1,927,277	\$ 1,674,167	\$ -		
<b>Special Programs</b>						
2019 Forgivable Loans - Exterior	10	\$ 90,050	\$ 14,506		\$ 75,544	
2019 Forgivable Loans - Interior	10	90,000	20,000		70,000	
		\$ 180,050	\$ 34,506		\$ 145,544	

