

**EDA
Minutes
December 16, 2020**

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

Community Development Manager Greg Kruschke read a statement to allow for the meeting to be conducted by telephonic or electronic means and all votes will be roll call votes.

Approval of Minutes. Commissioner Cowell moved approval of the minutes of the October 21, 2020 meeting with second by Commissioner DeVinny. Commissioners voting Aye: Cowell, DeVinny, Okerberg, Peterson, Voss, Raney. 6-0, the motion passed.

Treasurer's Report. Troy Klecker presented the revenue and expense reports for November. He said that we're at the end of the year, and there aren't any expenses coming up. It will just be the normal staff expenses to finish out the year.

Loan Report. Bill Owens presented the Loan Report for November. He said that one loan was past due when the report was put together, but is now current.

OACCT Report. Chamber Director Brad Meier presented the OACCT Report for November. There are Workforce updates as well as a success story from Anisha in the memo. He said they're meeting with the advisory board tomorrow. They want to connect with students who don't have a plan after graduation. He gave an update on the Covid-19 restrictions. The new updates from the Governor today continues a ban on indoor dining, although outdoor dining is permitted with restrictions. The State is giving the counties some dollars to give grants to businesses. Some restaurants can apply for the Department of Revenue money, which is a grant, and for the County dollars as well. If the Federal aid comes through, hopefully they'll be able to cobble something together. Fitness centers can open at 25% with 12 feet distance between people and masks required at all times. The Chamber is continuing to push forward with the takeout challenge. They're giving Chamber gift certificates away and also will be giving restaurant gift cards, which have been donated. They'll be making an effort toward consistent branding and marketing for Owatonna and will have more information for the EDA in the future. Cruisin' Main replaced the lighted parade this year. DeVinny asked if the grant will follow the same path as last time. Meier said they don't know exactly, but that they'll have flexibility. They may just plug it into the grant system already in place. He said he's talking with Scott Goldberg about it to make sure those who need it most are getting the opportunity. Voss said that he participated in Cruisin' Main and it was a lot of fun. He suggested doing both the cruise and parade in future years.

OABDC Report. OABDC Director Bill Owens presented the OABDC Report for November. He said he hasn't done a lot of consulting, but occupancy is solid and they're plugging along.

EDA Projects. Community Development Director Troy Klecker presented the EDA Projects for November. He said they're working on the hotel project and The Pearl apartment right now.

There's some interest in the Bubba's building. A said that Minimizer and the Bosch Warehouse are under construction. The Centro Campesino building is getting a new roof. The bid was awarded to Sheehy Construction. Kruschke said that they were set to start on Monday, but won't be able to start until December 28th due to Covid. Klecker said that the project at 202 West Bridge Street is well underway. They're also working with Scott Mohs and Darrin Stadheim on a riverfront project.

New Business. Klecker asked if they wanted to have a discussion about the businesses that are shut down as it will be another four weeks before they're able to open. He said they could be in communication with them and also encouraging people to support them.

Owens said that in regards to forgivable loans, Al Martin has loans for 214 and 216 Cedar Avenue North and 147 West Broadway Street. He's had delays, but hopes the projects will be finished in 90 days. He will have to have engineering on 214 Cedar Avenue North because the front corner of the building is sinking. The windows have been replaced at 147 West Broadway, but nothing has been done on the ADA restrooms. Owens said that Dennis Johnson also had a loan. Mr. Johnson passed away this year, and Owens has been in contact with his widow Susan Johnson. She won't be able to get the sprinkler system done until the summer. Klecker said that the deadline was the end of this year, but they allowed applicants to ask for an extension. Owens said that the contract itself didn't specify an end date. Klecker said that one option could be a three-month extension. Should they not be done at that time, the EDA could review the loans again. Owens said that, realistically, he doesn't know if the projects will be done by then. Klecker said that another option would be to give them six months. Owens said that he thinks that's reasonable and he would keep in touch with them. Cowell asked about the Johnson loan. Owens said that Dennis passed away this year, and his widow thought that things were farther along than they are due to a communication issue. The sprinkler system can't be connected over the winter. Klecker explained that they would have to go into the street to access the water line, so they won't be able to do this until early summer. Raney said that he's okay with a six-month extension, but would like project updates. Cowell agreed that the shorter the extension the better. He said he'd rather have two 90-day extensions than one six-month extension. Klecker said that they won't be able to cut into the street for the sprinkler system at this point. Peterson asked if the extensions had to be equal. The one with the sprinkler system would need six months, where the Martin loans could be 90 days. Kruschke said that the city won't allow a street opening permit until May 15th, but said they could do a 90-day check in. A motion was made by Commissioner Peterson and seconded by Commissioner Cowell to extend the three loans for the Martin properties for 90 days and the loan for the Johnson property for six months provided that at the end of 90 days they have contracts in place to do the work. Commissioners voting Aye: Cowell, DeVinny, Okerberg, Peterson, Voss, Raney. 6-0, the motion passed.

There was some discussion about the Covid restrictions. Klecker said that they exhausted a lot of options the first time around. It sounds like there will be County, State, and Federal money coming. Maybe the roll of the EDA is supporting the businesses. Meier said that it will be run through the Department of Revenue and deposited directly into bank accounts. The money to the Counties will come after that. Voss said there is no application. The State just decides who is eligible and send out the money. He said he's hoping the County will have more opportunity. Klecker asked who decides the County's criteria for distributing the money. Meier said that it sounds like there is a lot of flexibility to distribute as the community needs. It's directed to businesses and nonprofits. It sounds like Steele County will get around \$700,000. Meier said

he's thinking this will get businesses through a month or two, but there could be more of a need if the Federal government doesn't do anything. Peterson wondered if there was a way that the EDA could increase funding to the Chamber to help them get resources to business with revenue depletion. There was some talk about the lodging tax. Klecker said that the lodging tax is very defined on how it can be obtained and spent. There is a contract with the EDA, but they might be capped on that under State Statute. Kruschke said that it might be worthwhile to come up with a subcommittee. Klecker said that by the time the EDA meets again in January, the restrictions will hopefully be done.

Schedule Next Meeting. The next EDA meeting is scheduled for **January 20, 2021** at 4:00 PM at the City Council Chambers. Klecker said that there is work scheduled to be done in the Council Chambers on that day, so if they do meet in person, it would have to be in the Arts Center. Raney said he'd like to wait to make the decision on whether to have a virtual or in-person meeting. The Commissioners said that they were open to either.

Adjournment. There being no further business, a motion was made by Commissioner Okerberg and seconded by Commissioner DeVinny to adjourn the meeting at 4:54 pm. Commissioners voting Aye: Cowell, DeVinny, Okerberg, Peterson, Voss, Raney. 6-0, the motion passed.