

**EDA  
Minutes  
May 20, 2020**

The Owatonna Economic Development Authority met in regular session at 4:00 PM via Microsoft TEAMS with President Raney presiding. Commissioners Present: Brenda DeVinny, Corey Mensink, Tom Peterson, Kevin Raney, Doug Voss (4:09 pm), Jeff Okerberg, and Andrew Cowell. Also present were Troy Klecker, Greg Kruschke, Bill Owens, Brad Meier, and Kristen Kopp.

Troy Klecker 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 Mensink moved approval of the minutes of the April 15, 2020 meeting with second by Commissioner Peterson. Commissioners voting Aye: DeVinny, Mensink, Peterson, Raney, Okerberg, and Cowell. 6-0, motion carried.

**Treasurer's Report.** Troy Klecker presented the revenue and expense reports for April. He said that they will likely use all of the TIF consulting funds for the year. Lodging tax will be much lower than budgeted, which affects tourism more than the EDA budget. Both fund balances are sitting good and there is one pending sale that they are working on, which will bring in additional dollars. There was some discussion on the downtown awnings. Klecker said that unfortunately the timing was not as planned as the awnings were budgeted for last year but will come out of this year's budget.

**Loan Report.** Bill Owens presented the Loan Report for April. He said all loans are current. Klecker pointed out that loan recipients have been notified of the three-month deferment. He said he received a call from one of them and they were very appreciative.

Commissioner Voss joined the meeting at 4:09 pm.

**OACCT Report.** Chamber Director Brad Meier presented the OACCT Report for April. He said that things are changing by the minute. The Governor's update today allows for outdoor dining only and salons at 25% capacity. He said he had a Zoom call with the restaurants and is trying to figure out ways to help them. Voss asked if Torey's can use their upstairs space if people socially distance. Kruschke said that, as of June 1<sup>st</sup>, only outdoor seating will be permitted. Raney said that the Chamber is working with city staff and restaurants and bar owners to come up with a unified plan. He said they will do what they have to do and thanked everyone for taking the initiative. Meier said that the hotel occupancy is around 30% which isn't great, but better than some cities. It's expected to stay lower for a while.

**OABDC Report.** OABDC Director Bill Owens presented the OABDC Report for April. He said he's been getting a lot of inquiries. No one wants to start a business at this time. He said that he's given office tenants a lease delay for six weeks, and they are appreciative of that.

Meier continued the OACCT Report (after some technological difficulties). He said that the Chamber has done a needs assessment for small businesses and a good percentage are unsure of the future. About 70 businesses responded. He introduced Jumpstart Owatonna—a small

business support fund that Commissioner Tom Peterson got moving. He said that the outbreak at Viracon has gotten some publicity in the Star Tribune and People's Press. He said it's a challenge for businesses as they can do everything right and cases can still flare up. Klecker asked Meier to provide a little history to the tourism budget reserves. Meier said that, over time, they have been able to accumulate reserves and have seven to eight months of expenses. They have reduced hours of the group tour coordinator and partial cost with the front desk at this time. They have one full-time Tourism Director. They've pulled back and reduced marketing expenditures. He said that they're sitting in a pretty good spot. Right now, they're promoting road trips and the message is "We'll be ready for you."

**EDA Projects.** Community Development Director Troy Klecker presented the EDA Projects for April. He said some projects haven't seen as much movement. The Cemstone land swap is complete. Costco, Daikin, and Minimizer are all in process and Foremost Brewing has their permit. The City is still struggling with the Centro Campesino roof, but hope to get it done early summer. Bosch hasn't started yet. Covid-19 is affecting small businesses more than anything. Developers and potential projects have not slowed down. They view the pandemic as temporary. He said Owatonna was well-positioned going into this. Even the downtown hotel is moving forward. A lot good things are happening and over all, we're sitting good. Mensink questioned the crosswalk on West Broadway and asked if it will stay or go. Klecker said that it will be eliminated. They had asked when going through the streetscape whether there would be a crosswalk there if it was a blank slate and the answer was no. It presented a lot of issues, so it will likely be removed at that location. They will evaluate whether a midblock crosswalk is needed.

**New Business.** The Commissioners discussed Jumpstart Owatonna—a small business support fund. Meier said that OPED has embraced Jumpstart Owatonna, which is meant to help small businesses function in this new situation. The commitment involves grant dollars, in-kind services, and local spend. They have to move fairly quickly. Tom Peterson came up with a lot of the ideas. They're hoping to roll it out by Friday of this week. Commissioner Peterson said that the committee includes Chamber staff and members of the community. As CDI is an essential business, they've had to figure out how to get prepared. He said that he's thinking about folks in smaller businesses who have technical, product, or service expertise, but aren't equipped for how to deal with Covid-19. He's had a conversation with Kelly Schuler of Viracon. They will donate glass for sneeze guards. He highlighted Safe Shop Zones, which means that a business has a plan in pace. He said that they are asking for dollars to be matched with in-kind services and local spend. For instance, CDI would donate \$2,500 cash, provide \$2,500 worth of in-kind services, and spend \$2,500 locally. This would be something they might normally purchase online. They are asking 110 groups or individuals to consider donating, and as of yesterday, have \$16,000 in commitments. The applications would go to a separate team for review. He asked if the EDA would consider donating \$10,000 to the grant program and said that he would abstain from any motion the board makes. Commissioner Mensink said that he appreciates the effort and that this will make a big impact. Klecker said that this would likely come out of the Loan Fund Balance and that they would treat it as a forgivable loan. Commissioner Raney said this is the first time they're hearing about this and he said he would like to sit down and look at it as it's a fair amount of money. Commissioner Peterson said that they do have Jumpstart documents and are holding a Zoom meeting on Friday with other community leaders. Meier said that they can forward those details to EDA Commissioners. Commissioner Peterson said that the target date for awarding grants is June 12 and Meier added that this will be a rolling grant process. Meier

said that the application will be live by Friday. Commissioner Voss said that it's out of the blue and he doesn't have much of a grasp on it. He said he would follow the lead of Meier and Klecker. Commissioner Mensink asked if they could get the information and have a special session for this. Commissioner Okerberg said that he's in favor of it, but was just caught off guard. Commissioner Raney said that he wanted to look at the numbers. Klecker said that they can wait until the next EDA meeting as awards will be ongoing. Meier said he apologized that the EDA hasn't had a lot of time to see it and he said he would email the information to the Commissioners. He said if they want to wait they can, or approve a smaller amount like \$5,000 and evaluate at the next meeting. Commissioner Mensink said that information is more important than the amount and he would support \$10,000. Commissioner Voss agreed that they more understanding of the program and can add the EDA contribution at the next meeting. Klecker said that it will be on the June EDA agenda. A motion was made by Commissioner Okerberg and seconded by Commissioner Voss to table this request and add it to the June EDA agenda. Commissioner Peterson abstained from the motion. Commissioners voting Aye: DeVinny, Mensink, Raney, Voss, Okerberg, and Cowell. 6-0, motion carried. Commissioner Okerberg thanked Peterson for all of his work on this. He said that he supports it, but just wants a better understanding.

**Schedule Next Meeting.** The next EDA meeting is scheduled for **June 17, 2020** at 4:00 PM at the City Council Chambers.

**Adjournment.** There being no further business, a motion was made by Commissioner ... and seconded by Commissioner ... to adjourn the meeting. Commissioners voting Aye: DeVinny, Mensink, Peterson, Raney, Voss, Okerberg, and Cowell. 7-0, motion carried. Meeting adjourned at 4:59 pm.