

September 15, 2021
EDA Meeting

EDA Projects Report

- The developer has sold the site for the second building on the old Hardees/Budget Mart site to Redline Development Group, LLC. TIF was approved for this project. There is enough TIF being generated from the first building to pay the City back for costs associated with realigning Barney Street. Any additional TIF generated from a second building would assist the developer for costs associated with the development.
- 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. The development agreement and TIF has been approved for the project. The project is under construction.
- 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 purchased the corner property to create a buildable lot. The City is also working with a local business about possibly building a new building in that site.
- The metal has been removed from the front of the Bubba's building. Tuck pointing has started on the building. There is a purchase agreement for the property for a wine lounge contingent on TIF being approved for the project. A public hearing for TIF is set for October 19th.
- The old theater property and the parking lot on Pearl Street has been sold 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 project is under construction.
- 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. Staff is working on 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 a 36 unit market rate apartment at 660 Mound Avenue. The project is under construction.
- 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.
- The City has purchased 216 North Oak Avenue. Plans are to redevelop the site. The City will clean up the property and then seek bids to demolish the building.