

**EDA  
Minutes  
December 20, 2023**

The Owatonna Economic Development Authority met in regular session at 4:02 PM in the Charles S. Crandall Center – Meeting Room at City Hall Building with President Raney presiding. Commissioners present: Andrew Cowell, Brenda DeVinny, Kevin Raney, and Doug Voss. Commissioners absent: Dan Boeke and Corey Mensink. Also present were Troy Klecker, Brad Meier, Lisa Cochran, and Kristen Kopp.

**Approval of Minutes.** Commissioner Cowell moved approval of the minutes of the November 15, 2023 meeting with second by Commissioner Voss. All Commissioners voting Aye, the motion passed.

**Treasurer’s Report.** Troy Klecker presented the revenue and expense reports for November. He said lodging tax dollars are looking good. Meier said that their estimates show that this year is stronger. Klecker said we’ve paid consulting invoices and there won’t be a lot this last month. We’ll be a little under budget, which is where we like to be.

**Loan Report.** Troy Klecker presented the loan report for November. He said Sean Williams couldn’t be here. All loans are current. Cars N Credit is showing as one more payment, but he thinks they’ve made that payment this month. There aren’t a lot of people using the loan funds, other than Forgivable Loan Funds. Cowell asked about the Arrow Ace TIF with the sale of the business. Klecker said that nothing changes with that since the ownership will not change.

**OACCT / OPED Report.** Chamber Director Brad Meier presented the OACCT Report for November. He said that Missy and Brian have been swamped with students who need guidance. In the earlier days, the question was, “How do we get more interest?” They just found out that they got a grant that will support students’ work experience over the summer, up to eight weeks. DeVinny asked what kind of work? Meier said manufacturing is one of the key employment areas and they highlighted a couple others, such as business IT. DeVinny asked how that coordinates with the Youth Skills Training Program. Meier said he thinks it’s separate. DeVinny said that there is an age limit with YST. Meier said they’ll have to see if it can tie into YST or it would be older high school students. They’re on year three of three with Livability as a way to market Owatonna. We just found out that we are one of the top six communities to live in in Minnesota. Raney asked if they were satisfied with Livability. Meier said they didn’t know what to expect. Raney said he thought the articles were really good, the question is if they are reaching who they want to reach. Meier said they’re putting together a new marketing plan with the new branding coming out. He said they had a good opportunity for a project with a lead through the State of Minnesota. Greg coordinated the work to get through the first round, and they came on site. They were very impressed and said this was a breath of fresh air. It was positive. We’ll see if we get the project. CDI cut the ribbon on their new facility this week. Raney said he wasn’t able to attend, but spoke with Brad Fisher who said that CDI has upped the game for other manufacturers around town with their leisure time spaces within the facility. He was very impressed. Klecker said that Tom designed it around the employees—that’s the perfect way to design it. The amenities are very visible. Cowell said kudos to Brad and Lisa about the article in

the Star Tribune. Lisa said that was an awesome call to get and she and Brad talked to the reporter and met with her and her photographer. Klecker said that was followed by an article about the high school.

**MainStreet.** MainStreet Director Lisa Cochran said the holiday parade was very successful. They estimated about 7,800 people were downtown. She said the weather is the biggest factor and it was 28 degrees with no wind. Friday night was a hit with almost everyone. There were 82 entries and about 85 volunteers. Raney said this was his first time attending and he was so impressed. The weather was perfect and there weren't a lot of other events going on in town.

**OABDC Report.** Klecker said that the session on the strategic planning session went really well. Sean Williams will present that to the EDA at an upcoming meeting. The whole focus is different than what it's been and Williams brings a lot of experience and energy to the role. There are a lot of good things coming.

**EDA Projects.** Community Development Director Troy Klecker presented the EDA Projects for November. He said they're still trying to find someone to build on the old Hardee's / Budget Mart site. Cemstone will probably be able to move off their old site in 2024. Oscar has until February to get something going in former Bubba's building. 117 W Bridge has at least one person still looking at it. 148 W Main will need to get moving. CDI had their ribbon cutting and KAMP is not far behind. They started moving in. Riverfront is moving along. Scooters is a spring 2024 project. The house at E Fremont is down. He said they're talking about doing a swap with Alexander Lumber. We'll still have two lots available on Fremont as well as the next house we own and are renting out. FoamCraft has started on their project. 139 E Pearl will be demolished in the spring of 2024. We'll look at redeveloping that corner. Voss said we should have a fairly definitive plan on what to do with Bubba's if it doesn't work out for Oscar. Klecker said that there will be more interest in it if we do get it back because of the hotel. We want the right use in there. Something that enhances everything else. Raney said he hopes Oscar can make it happen. He said if it's put back on the market, it's extremely marketable. There was some discussion about Scooters and the vacant lot owned by the radio tower.

**New Business.** Klecker said we have an application in for HotWorx. Cochran said she's met with them several times. It's a workout studio that will be open 24/7. It will be a very comprehensive and safe way for members to come in. There will be 10 pods and you can control the heat in each pod. There will be a free weight area. There will be ADA bathrooms and one shower. They've already started with the windows and they will have a new sign up. They will be putting siding underneath the windows. It will be a huge change from Pets and Fish. They have a plan and their application was approved. Voss asked about Tone Music. Cochran said the building is not for sale, just the business for now. A motion was made by DeVinnie and seconded by Cowell to approve a \$10,000 interior and \$10,000 exterior Forgivable Loan for HotWorx. All Commissioners voting Aye, the motion passed.

Klecker said they don't have to act on the 2024 Loan Program today, as there are still dollars remaining. We have had some discussions about extending it. Raney asked how much money we have. Klecker said we've generally had a good chunk of money in the EDA Loan fund and this is a way to get people to spend some of their own money. Raney asked Cochran if we'd do it again,

how many could she sell. She said 10. She said she has four people not on this list who have just talked to her about it and are very interested. She said with the momentum, it would be doable. There aren't as many shortages now, so that helps. \$10,000 is still a good amount, and it does help. Voss said we've done a lot of loans, have we touched a third of the need? Lisa said we're getting close. Klecker said we go through cycles with the economy and we went through a recession and things got bad. Now we're on an upswing. He said he thinks we need to maximize it because at some point in time, we'll hit a slow time again. We'll be that further ahead when we have another recession. Voss asked if we have the ability to give ourselves a loan for Centro Campesino. Cochran said Sean Williams is working on doing an online application that is fillable. Any building in the MainStreet district can qualify. Voss asked if we have the ability to do anything with it. Klecker said we can. We have typically done what is needed to keep the building safe and dry for a future buyer. Cowell asked if we want to expand the parameters beyond downtown. There are other areas of town that are getting grungy. Do we want to open it up to other areas. Raney said right now it's set up for the downtown. Cochran said they'd have to find someone to be in charge of it. Klecker said his preference is to keep it downtown because it gives more of an impact rather than spreading it out. We have momentum downtown and that's where we're having an impact. Klecker said he'd like to stick with downtown for at least another year. If it gets to a point where things are slowing down, he wouldn't mind specifying another area, such as the south end of town. The criteria would be different. We'll have the most success when we concentrate those dollars. Raney asked if Reggie's has talked about using the program in 2024. Cochran said she has spoken with him. He wants to, but he's not sure exactly what he wants to do. Klecker suggested doing \$100,000 total. He said he'd rather have money being spent and going into the economy and leveraged to get more. Meier said that the sooner we declare it, the better. Cochran agreed as she will reintroduce it in a slightly different way so it catches people's attention. Klecker said will include the approval of the 2024 Loan Program at the January meeting. Cowell asked if there were any policies we should update at the time as well. Cochran said they talked about getting rid of the \$25 application fee. Raney asked to have the Forgivable Loan guidelines ahead of the meeting. Klecker said they would also need to discuss how long a business has to wait if they want to do another loan if it's a different project. He'd like to have that figured out beforehand.

**Schedule Next Meeting.** The next EDA meeting is scheduled for **January 17, 2024** at 4:00 PM in Charles S. Crandall Center – Meeting Room at City Hall.

**Adjournment.** There being no further business, a motion was made by Commissioner DeVinny and seconded by Commissioner Cowell to adjourn the meeting at 5:03 pm. All Commissioners voting Aye, the motion passed.