



**ECONOMIC DEVELOPMENT AUTHORITY
MEETING**

**Wednesday, December 17, 2025 at 4:00 PM
Council Chambers, City Hall at 540 West Hills Circle**

1. EDA Agenda

1.1. EDA Agenda - December 17, 2025

2. Roll Call

3. Approval of Last Meeting Minutes

3.1. Approve November 19, 2025 Minutes

4. Treasurer's Report

4.1. Treasurer's Report

5. Loan Report

5.1. November Loan Report

6. Reports

6.1. OACCT Report

6.2. OABDC Report

6.3. EDA Report

7. Old Business

7.1. Review Contracts

7.1.1. MainStreet

7.1.2. Economic Development Agreement

7.1.3. OADBC

8. New Business

9. Schedule Next Meeting – January 21, 2025

10. Adjournment

Economic Development Authority

Regular Meeting

Wednesday, December 17, 2025

4:00 PM

Charles S. Crandall Center – Chambers

City Hall

Preliminary Agenda

1. Roll Call: Boeke, Burbank, Cowell, Mensink, Savage, Voss
2. Approval of Minutes: November 19, 2025
3. Treasurer's Report
4. Loan Report
5. Reports
 - a. OACCT / OPED
 - b. OABDC
 - c. EDA Projects
6. Old Business
 - a. Review contracts
 - i. MainStreet
 - ii. Economic Development Agreement
 - iii. OABDC
7. New Business
8. Schedule Next Meeting – January 21, 2026
9. Adjournment

**EDA
Minutes
November 19, 2025**

The Owatonna Economic Development Authority met in regular session at 4:00 pm in the Charles S. Crandall Center – Chambers at City Hall with President Voss presiding.

Commissioners present: Dan Boeke, Dave Burbank, Andrew Cowell, Patrick McDermott, Corey Mensink, Brian Savage, and Doug Voss. Also present were Troy Klecker, Sean Williams, Brad Meier, Lisa Cochran, Glenda Smith, and Kristen Kopp.

Approval of Minutes. Commissioner Savage moved approval of the minutes of the October 22, 2025 meeting with second by Commissioner Mensink. All Commissioners voting Aye, the motion passed.

Treasurer's Report. Community Development Director Troy Klecker presented the revenue and expense reports for October.

Loan Report. OABDC Director Sean Williams presented the Loan Report for October. He said that all loans are current.

OACCT /OPED Report. OACCT President Brad Meier presented the report. He said things are going well with Workforce efforts. OPED just attended a Real Estate Journal event in Golden Valley. OPED hosted the Riverland Community College leadership to discuss offerings at the Owatonna Campus. It's a mix of credited courses and training courses. They have also been working on the labor and delivery for Owatonna and Allina has stepped up. Boeke thanked Meier for his advocacy on the birthing center.

OABDC Report. OABDC Director Sean Williams presented the OABDC Report. They are in the process of negotiating a grant with the Owatonna Foundation for the Rose Street Center. They had a kickoff meeting for the Angel Network. It was well attended and they got good feedback. They are activating a formal incubator program and wrapped up the latest Small Business Academy. One of the renters in the manufacturing space is looking to expand, which is exciting. They are converting their drop-in office to a flexible space.

EDA Projects. Community Development Director Troy Klecker presented the EDA Projects for October. He said 117 Bridge Street West still has a letter of intent. They will likely ask for an extension while they do their due diligence. Renneberg Hardwoods is getting really close to being done as is Sputtering Components. Council has talked about options for Foremost. They did not receive their TIF reimbursement for this year. The options are cancelling the TIF, continuing with TIF reimbursements because they are trying to get it rented or sold, or hold tight for now and keep the TIF so long as it's empty and wait for them to propose something different. We can modify it in any way we want to. That is what Council decided, so we will hang on to those TIF dollars. It will probably not get reimbursed while it is empty. Once they have a new tenant or buyer, we will see what their request is. They are pretty aggressive in trying to get a tenant—leased or sold. More than likely it would be a restaurant, but that would need some modifications. We have a purchase agreement for 1301 Oak Avenue South and are set to close

on that on Monday. The thought is that the EDA would pay for half and the City pay for the other half of this purchase. It probably makes sense to pay for the land up front.

Old Business:

Review Contracts with OACCT: Lodging Tax Agreement. Klecker said that he had handed these out at the last meeting, and said that the MainStreet is also part of this. He said they have an agreement with the OABDC for loan administration. He would like to get all of them approved at the same time for a three-year period. We don't have to act on any of them today. We can vote at the December meeting, but that would push them to the January 6 City Council meeting, which isn't a big deal. The board could act on them today if they are comfortable. In the packets are the suggested changes for the Tourism Agreement. We've had these agreements for over 20 years. They are renewed every two or three years. They are well worthwhile because they help us do economic development as a team and they are all in the EDA budget. There are no changes in amounts. The City captures a percentage of lodging tax and the rest goes to the Chamber to do tourism activity. There is also the MainStreet contract, which is \$50,000 since we went to a full-time MainStreet Director. The Economic Development agreement with the Chamber has been ongoing and what makes OPED work. That is \$30,000. The loan administration agreement with the OABDC is included. This is an attempt to get them all on the same schedule for a three-year period. The changes to the Tourism Contract are in the packet. Meier said that they took tracking out of the contract because they didn't know if it added to the contract. They will still share what is most important like occupancy. They suggested the termination agreement be 120 days instead of 60. Smith said the biggest redline section is with the Committees. She said that they split the Marketing and Lodging into two committees last years. She simplified the descriptions in the agreement. Boeke asked if she would still be reporting things like occupancy. Smith said yes, they will continue to see the metrics that she has been sharing. Klecker said that all reporting will continue the same, but if there is more reporting you'd want to see, we can put it in the contract. Boeke asked if the Chamber could talk about what they are spending the lodging tax dollars on. Meier said that typically those financial reports go to Troy, but they can include those items in the contract. Cowell proposed keeping the tracking in the contract. That is important for the EDA to make sure they are focusing on the right activities. He said he doesn't get a lot out of the social media analytics. Mensink said that he likes the analytics. Meier said they can leave them all in there. A motion was made by Cowell and seconded by McDermott to approve the Lodging Tax Agreement with the metrics and tracking left in. All Commissioners voting Aye, the motion carried.

OABDC Loan Agreement. A motion was made by Mensink and seconded by Savage to approve the OABDC Loan Agreement. All Commissioners voting Aye, the motion carried. A motion to withdraw this motion until the December EDA meeting was made by Cowell and seconded by Mensink, noting that this item was not on the Agenda for this meeting. All Commissioners voting Aye, the motion to withdraw the approval of the OABCD Loan Agreement until the December EDA meeting carried.

Economic Development Agreement. A motion was made by Cowell and seconded by Burbank to table the Economic Development Agreement until the December EDA meeting. All Commissioners voting Aye, the motion carried.

Klecker said that the Economic Development Agreement, MainStreet Agreement, and the OABDC Loan Agreement will all be on the December EDA Agenda.

New Business: Forgivable Loan: 120 Cedar Avenue North – Ameriprise Financial / Dean Velske - \$5,000 Exterior (Windows). Sean Williams said that this is for the back of the building. Lisa said that it is replacing windows. A motion was made by Boeke and seconded by Cowell to approve the forgivable loan for up to \$5,000 for exterior improvements at 120 Cedar Avenue North. All Commissioners voting Aye, the motion passed.

Klecker said that we are within \$18,000 of the forgivable loan funds being depleted.

Klecker said that Pat McDermott's term is coming to an end and he will not be renewing. He thanked McDermott for his service on the EDA board.

Schedule Next Meeting. The next EDA meeting is scheduled for **December 17, 2025** at 4:00 pm in Charles S. Crandall Center – Chambers at City Hall.

Adjournment. There being no further business, a motion was made by Commissioner Burbank and seconded by Cowell to adjourn the meeting at 4:50 pm. All Commissioners voting Aye, the motion passed.

EDA ADMINISTRATION						
Account	Description	2025 Budget	Month Actual	Current YTD	Budget	Percentage
			Nov-25		Remaining	
	REVENUE					
290-31000-690-691-000000	PROPERTY TAXES	- 200,000.00	- 100,000.00	- 200,000.00		100.00
290-31410-690-691-000000	LODGING TAX - 3%	- 280,000.00	- 27,355.14	- 279,764.19	- 235.81	99.92
290-33424-690-691-000000	STATE - OTHER PROGRA					
290-34109-690-691-000000	OTHER REVENUE			- 281.52	281.52	
290-34950-690-691-000000	TIF ADMINISTRATIVE F	- 62,264.00		- 27,175.11	- 35,088.89	43.65
290-36210-690-691-000000	INTEREST EARNINGS	- 4,000.00		- 1,535.27	- 2,464.73	38.38
290-36220-690-691-000000	RENT/RENTALS	- 3,600.00	- 300.00	- 4,300.00	700.00	119.44
	TOTAL REVENUE	- 549,864.00	- 127,655.14	- 513,056.09	- 36,807.91	
	EXPENDITURES					
290-41000-690-691-000000	WAGES - REGULAR FT	90,894.00	7,146.48	85,094.26	5,799.74	93.62
290-41300-690-691-000000	WAGES - OT					
290-41410-690-691-000000	PERA	6,817.00	531.52	6,332.97	484.03	92.90
290-41420-690-691-000000	FICA	6,953.00	529.29	6,311.56	641.44	90.78
290-41500-690-691-000000	INSURANCE	6,870.00	562.16	6,183.29	686.71	90.00
290-41550-690-691-000000	WORKERS COMP INSURAN	536.00	40.39	481.28	54.72	89.79
290-42000-690-691-000000	OFFICE SUPPLIES	400.00		22.00	378.00	5.50
290-42300-690-691-000000	SMALL TOOLS & MINOR	400.00			400.00	
290-43010-690-691-000000	OTHER PROFESSIONAL S	33,000.00		13,462.65	19,537.35	40.80
290-43121-690-691-000000	PHONE	200.00			200.00	
290-43122-690-691-000000	POSTAGE	300.00			300.00	
290-43220-690-691-000000	TRAVEL & TRAINING	1,000.00		767.01	232.99	76.70
290-43231-690-691-000000	OBD - MARKET SERVICE	80,000.00		80,000.00		100.00
290-43232-690-691-000000	OBD - LOAN SERVICES	20,000.00		20,000.00		100.00
290-43233-690-691-000000	OBD - SMALL BUSINESS			2,781.60	- 2,781.60	
290-43234-690-691-000000	DOWNTOWN ENHANCEMENT	5,000.00			5,000.00	
290-43235-690-691-000000	PARTNERS FOR PROGRES	12,000.00		12,000.00		100.00
290-43320-690-691-000000	ADVERTISING & PROMOT	1,000.00		303.38	696.62	30.34
290-43400-690-691-000000	MEMBERSHIPS & SUBSCR	200.00			200.00	
290-43720-690-691-000000	REPAIR & MAINT - EQU	200.00			200.00	
290-43810-690-691-000000	RENTS/LEASES	6,700.00		6,624.00	76.00	98.87
290-43972-690-691-000000	SOUTHERN MN INITIATI	1,667.00		1,666.00	1.00	99.94
290-43990-690-691-000000	MISCELLANEOUS					
290-43991-690-691-000000	TOURIST DEVELOPMENT	266,000.00	31,077.94	239,788.59	26,211.41	90.15
290-47000-690-691-000000	TRANSFER-OUT	12,000.00			12,000.00	
	TOTAL EXPENDITURES	552,137.00	39,887.78	481,818.59	70,318.41	
EDA LOANS						
Account	Description	2025 Budget	Month Actual	Current YTD	Budget	Percentage
			Nov-25		Remaining	
	REVENUE					
292-33424-690-692-000000	STATE - OTHER PROGRA			- 330,000.00	330,000.00	
292-34109-690-692-000000	OTHER REVENUE			- 30.00	30.00	
292-34960-690-692-000000	INTEREST ON LOANS		- 178.27	- 2,136.03	2,136.03	
292-36210-690-692-000000	INTEREST EARNINGS	- 20,000.00		- 6,569.53	- 13,430.47	32.85
	TOTAL REVENUE	- 20,000.00	-178.27	- 338,735.56	318,735.56	
	EXPENDITURES					
292-48300-690-692-000000	LOAN PROGRAM DISBURS		- 18,300.00	389,950.00	- 389,950.00	
	TOTAL EXPENDITURES		- 18,300.00	389,950.00	- 389,950.00	

EDA LAND						
Account	Description	2025 Budget	Month Actual Nov-25	Current YTD	Budget Remaining	Percentage
	REVENUE					
294-34109-690-694-000000	OTHER REVENUE			- 70.00	70.00	
294-34950-690-694-000000	TIF ADMINISTRATIVE F	- 1,356.00		- 2,091.75	735.75	154.26
294-34960-690-694-000000	INTEREST ON LOANS	- 29,150.00		- 39,231.33	10,081.33	134.58
294-36210-690-694-000000	INTEREST EARNINGS	- 20,000.00		- 9,494.00	- 10,506.00	47.47
294-36220-690-694-000000	RENT/RENTALS	- 30,000.00	- 1,000.00	- 25,274.00	- 4,726.00	84.25
294-39101-690-694-000000	SALE OF CAPITAL ASSE					
	TOTAL REVENUE	-80,506.00	-1,000.00	- 76,161.08	- 4,344.92	
	EXPENDITURES					
294-43004-690-694-000000	LEGAL FEES			92.00	- 92.00	
294-43010-690-694-000000	OTHER PROFESSIONAL S	20,000.00		620.00	19,380.00	3.10
294-43500-690-694-000000	PROPERTY & LIABILITY	3,600.00		2,050.00	1,550.00	56.94
294-43910-690-694-000000	REAL ESTATE TAXES	20,000.00		63,172.14	- 43,172.14	315.86
294-45100-690-694-000000	LAND					
294-45300-690-694-000000	OTHER IMPROVEMENTS		326,970.06	335,799.84	- 335,799.84	
	TOTAL EXPENDITURES	43,600.00	326,970.06	401,733.98	- 358,133.98	

City of Owatonna
Balance Statement by Fund
30-Nov-25

FUND 292: EDA LOANS

Account Number	Account Name	Ending Balance
ASSETS		
292-10100-000-000	BANK ACCOUNTS	\$ 44,674.13
292-10400-000-000	INVESTMENTS	700,000.00

FUND 294: EDA LAND

Account Number	Account Name	Ending Balance
ASSETS		
294-10100-000-000	BANK ACCOUNTS	\$ 292,740.34
294-10400-000-000	INVESTMENTS	500,000.00

EDA - Improvement Notes

Borrower	Loan Date	Int Rate	Years	Original Balance	Current Balance	Monthly Payment	Status	Type	Notes
Wagner's	10/1/2018	2.500	7	43,480.63	8,823.73	564.78	Non Current	Retail	
Total				43,480.63	8,823.73	564.78			

Profile by Loan Performance		Status	Number of Loans	Original Balance	Current Balance	% of Current Balance
		Current	1	43,480.63	8,823.73	100.00%
		Non-current	0	-	-	0.00%
			1	43,480.63	8,823.73	100.00%

EDA - Low Doc Notes

Borrower	Loan Date	Int Rate	Years	Original Balance	Current Balance	Monthly Payment	Status	Type	Notes
Selective Looks	6/16/2020	2.500	7	25,000.00	4,071.87	259.78	Non Current		Pays Bi-Monthly
Vesterby	12/13/2021	1.625	7	12,500.00	5,681.37	157.53	Current		
Family 1st Insurance	7/5/2023	4.125	7	20,000.00	17,697.12	274.53	Current		
Family 1st Insurance	7/5/2023	-	3	5,000.00	2,777.77	138.89	Current		
				<u>62,500.00</u>	<u>30,228.13</u>	<u>830.73</u>			

Profile by Loan Performance	Status	Number of Loans	Original Balance	Current Balance	% of Current Balance
	Current	4	62,500.00	30,228.13	100.00%
	Non-current				0.00%
		<u>4</u>	<u>62,500.00</u>	<u>30,228.13</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	410,302.48		Current		TIF Guarantee
Arrow Ace TIF note	12/1/17	3.000	25	350,000.00	294,847.31		Current		TIF Guarantee
Nicolai TIF note	12/31/17	3.000	25	524,845.17	476,264.85		Current		TIF Guarantee
Marriott TIF note	5/18/21	3.000	25	268,000.00	266,398.23		Current		TIF Guarantee
224 Cedar TIF note		3.000	25	225,000.00	15,618.28		Current		TIF Guarantee
Ascend TIF note	7/31/2023	5.000	25	100,000.00	100,000.00		Current		TIF Guarantee
KAMP TIF note	2/1/23	3.500	8	155,074.00	155,074.00		Current		TIF Guarantee
Total				<u>2,095,808.17</u>	<u>1,718,505.15</u>	<u>-</u>			

Profile by Loan Performance	Status	Number of Loans	Original Balance	Current Balance	% of Current Balance
	Current	7	2,095,808.17	1,718,505.15	100.00%
	Non-current	0	-	-	0.00%
		<u>7</u>	<u>2,095,808.17</u>	<u>1,718,505.15</u>	<u>100.00%</u>

Memo

To: Economic Development Authority
From: Brad Meier, President/CEO
Date: 12/17/2025
Re: OACCT Economic Development Update

Economic Development

- **See report for leads and 'in progress' reports.**

Workforce

- Made in Owatonna Day planning starting for February Health Sciences day.
- Supported 2 Student Field days at OHS: Trades day, Construct Tomorrow Event, and Hormel Institute.
- Student opportunity board is complete and operational for work experiences at businesses locally (17).

Other

- OPED: conducted strategic planning with Kent Myers
- OPED: met with Owatonna Development fund to discuss projects downtown and ways to assist
- OPED: coordinating a 3 campus visit with Matt Bissonette of Riverland Community College
- Renneberg Hardwoods plans to have new Owatonna building open in about a month.
- Ribbon cutting held at new DoubleTree by Hilton
- Dec 18th Growth Breakfast with State Demographer to discuss workforce and population trends

<u>Company</u>	<u>Date of Inquiry</u>	<u>Service Provided</u>	<u>Follow ups</u>	<u>Conclusion</u>	<u>Project Outcome:</u> <u>Green (progressing),</u> <u>yellow (probable); red</u> <u>(not moving)</u>
Development project idea for downtown Owatonna.	2/29/2024	Developer presented an idea for a new building in downtown Owatonna.	Early stages of the idea and it has some overlap with another downtown project being discussed. 01/29/25 additional data being collected.	Set up meeting between the two project developers for March. 8/7 met with developer who now has more detail drawings. Will have join OPED for further discussion.	
Car wash	2/10/2025	Regional developer looking for a location to put in a new car wash	Met 2x's and also brought city into the conversation. Tour of town with Greg K.	Thought they had a location, but now looking again. 7/1/25 will be locating on former Salvation Army site.	
Runs a food truck, wants to open a physical location site	2/14/2025	Looking for a location to open a mexican restaurant downtown	Looking for visible location, but where he can put in some sweat equity to get it open	Landed in the former Pupuseria site and plans to be open summer 25. 7-3-2025 finally has all approvals and plans to open in July. Business has opened.	
Husband/Wife with an idea for a new business	2/18/2025	Indoor field house concept	Have done some business planning and looking for spaces	Met with them at OABDC with Sean to discuss location options, loan and grant information, and business planning.	

Recruiting new Insurance Agent/Agency for Owatonna	3/14/2025	Working to replace an agency that is retiring from the marketplace.	Share the opportunity details and sharing with people who may be a good fit.	Plan to pull it altogether this summer. 7/10/25 new agent has been identified and will start in the fall.	
Crafting Store	3/14/2025	Outreach to box retailer about possibility of Owatonna.	Corporate real estate department. Might be interest.		
Short Term Rental while building	4/29/2025	discussing their locating to Owatonna	Need 3-5000 sq ft of warehouse and some office space until new building is up in the fall	Provided multiple location options. 7/1/25 temp location in former Mustang building.	
Looking for a site to build a hotel	4/30/2025	Group is looking for I-35 site locations	Build Holiday Inn Express want 5 acres	Talked about the current marketplace, doubletree opening and sites	
Want to open a Kitchen/Sports Bar in downtown Owatonna	4/30/2025	Her and her husband have gone through the OABDC Co-Starters program	Looking for 5,000 sq ft for this business, ideally existing space	Lisa Cochran and Brad met via phone with her and talked through potential locations	
Developing an existing building on Bridge Street	5/9/2025	Looking for ideas for his site		GregK and Brad M provided some ideas.	
Company's District Office considering a centralized location in Owatonna	5/15/2025	3-5,000 sq ft office	Want to purchase	Sent over a couple options on the market right now.	
Looking for new office space in Owatonna	6/10/2025	2,000 sq ft 2 office + front desk	Lease and would like to be downtown, can afford \$1,800/mo	Provided a few options including one spot in a good downtown location.	

Starting a new business	7/10/2025	Stopped into Chamber office wanted to make sure she's doing all the right things to start her dog grooming business	Has a start on a business plan, location, LLC, insurance.	Going to connect her with the OABDC to walk through her business plan.	
Considering investment in city building on Broadway next to Mizuki	8/26/2025	Looking for an investor or 2 to make this project work.	Connected him to another development group in Faribault who also had interest in that building at one point in time.	Both have talked we'll know in 1 month (Oct1) if this will move forward. This project does not look like it will move forward.	
Working with local property owner to develop or sell parcels of commercial, residential and industrial sites	8/29/2025	Virtual call to discuss Owatonna economy and possibilities for each of the pieces of land they are working with.	Discussed the options and marketplace. Provided a couple possible leads.	Exploratory at this time.	
Business Idea	9/3/2025	Called to ask opinion on a call answering business idea.	Discussed briefly about the marketplace and that there isn't a business model like this.	Exploratory	
Business re-locate to Owatonna	9/19/2025	In person discussion about the need for more office space and locating it in Owatonna	Set up meeting with Brad, Greg Kruschke and the business	Conducted meeting; exploring new space and existing space for approximately 10,000 sq ft	

Business considering a building remodel	9/26/2025	Discussed options and who to contact for preliminary questions	Provided EDA loan programs.	10/14: follow up, business is waiting on cost estimates.	
Putting numbers together on a purchase renovation for downtown Building	10/7/2025	Discussed plans for the site and optimism for multiple businesses at the location	Evaluation period on numbers for the site	90 days	
Looking into assisted living building	12/9/2025	Researching plans to redevelop a building into an assisted living space	Discussed options	Business is still collecting information.	



EDA Report – December 2025

Updates:

- **Innovators & Business Owners Connect-up (IBOC)**
 - 2nd Thursday of every month
 - Register at iboc.eventbrite.com
- **Rose Street Center**
- **Owatonna Angel Network**
 - Pitch events for angel investors and professionals
- **Owatonna Business Incubator Program**
- **Small Business Academy – Powered by Co.Starters**
 - Started January 26th
 - Register at SBAOwatonna.eventbrite.com
- **Get Your Business Started Workshop – Powered by Co.Starters**
 - January 10th @ 9 AM
 - Register at OABDCworkshop.eventbrite.com

OABDC – November 2025

Consulting					
Clients	Sessions	Hours	New	Operating	Hours 2025 YTD
12	18	17.5	1	0	212.75

Occupancy			
Manufacturing		Offices	
Total Leasable Space	34,325	Total Leasable Offices (excl. Flex Space)	10
Total Leased Space	21,375	Total Number of Leased Offices	8
Present Occupancy	61%	Present Occupancy %	80%
Budget Occupancy	42%	Budget Occupancy %	70%
Occupancy Revenue to Budget	\$1,525	Revenue to Budget	+\$1,010
Performance to Budget	134%	Performance to Budget	144%
Number of Organizations	10	Number of Organizations Total	18
Makerspace	3,000		

December 17, 2025
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. There is still another lot available for development.
- 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 has completed the plant on their new site. The storage building is complete and Cemstone has moved out of the North Street site. Staff is pursuing purchasing adjacent land.
- The City currently owns 224 North Cedar Avenue (Bubba's Building). A new redevelopment project is being sought for that property.
- 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 as well as other improvements. The EDA paid for the roof and other improvements with the intent of redeveloping the property and utilizing tax increment financing to recoup those costs from the project. A letter of intent has been signed as a business is going through a due diligence process for a potential redevelopment project.
- The City owns the property at 148 West Main Street that was damaged from a collapsed roof. The City has cleaned out the property and secured it. A redevelopment project is being sought for that property.
- The City has purchased the property at 126 East Fremont Street. Plans will begin to demolish the house and garage on the site. A redevelopment project is being sought for this property and the 4 other lots the City owns. The house was burned on October 22 and the rest of the site has been cleaned up. Staff has a signed agreement with Alexander Lumber to swap 2 City owned lots on East Fremont Street for a lot on Rose Street. The City Council has approved the land swap and we have closed on the land swap. The EDA still has 3 lots on Fremont and is pursuing a redevelopment project.
- The City has purchased the property at 139 East Pearl Street for a future redevelopment project. Demolition of the house is complete.
- The City received an offer to purchase the two EDA lots on State Avenue for \$200,000 for a 12,100 square foot facility for Renneberg Hardwood Inc. The City Council approved the sale of the property and the property has been conveyed to the new owners.

Construction on a new building will begin in this year. The platting of the property is complete. Construction of the new building is nearly complete.

- Sputtering Components is planning a 12,500 square foot addition onto their facility in the industrial park. Tax Increment Financing is being requested for the project. Tax Increment Financing has been approved for the project. Construction of the project is now complete.
- Foremost has closed. This was a TIF project and the property is being marketed for a new tenant or buyer. TIF payments are being held until a project is proposed for the space.
- The City is proposing to purchase the property at 1301 South Oak Avenue to extend Barney Street to Park Drive. There will be remaining land beyond the land for the street for a redevelopment project. The City Council has approved the purchase and closing is set for December. Staff is putting a purchase agreement together for 1352 South Cedar.

**AGREEMENT
CITY OF OWATONNA ECONOMIC DEVELOPMENT AUTHORITY
AND
OWATONNA AREA CHAMBER OF COMMERCE AND TOURISM
FOR MAINSTREET PROGRAM**

This AGREEMENT made between the Owatonna Economic Development Authority, a municipal corporation (hereinafter referred to as the “EDA”), and the Owatonna Area Chamber of Commerce and Tourism (hereinafter referred to as “OACCT”).

WHEREAS, an AGREEMENT has been made between the Owatonna Economic Development Authority, a municipal corporation (hereinafter referred to as the “EDA”), and the Owatonna Area Chamber of Commerce and Tourism (hereinafter referred to as “OACCT”); and

WHEREAS, certain defined economic development activities can best be provided in collaboration between the EDA and the OACCT,

NOW THEREFORE, the parties agree as follows:

1. Services Rendered by OACCT. OACCT shall furnish the following services:
 - (a) Hire and maintain a full time MainStreet Director to lead efforts of the MainStreet program.
 - (b) Follow a plan of work that is in line with MainStreet America and Minnesota MainStreet to accomplish goals of the program.
 - (c) Market EDA programs and initiatives to businesses and property owners in the Owatonna Central Business District or designated areas within the CBD.
 - (d) Submit annually to the EDA a Strategic Plan and Plan of Work for the MainStreet Owatonna program.
 - (e) Provide quarterly updates to the EDA on the progress of the Strategic Plan and Plan of Work.
 - (f) Create a MainStreet Advisory Committee representative of city, business, property owner, and supporters of the MainStreet efforts.
 - (g) Provide financial reports to the city monthly (these will be submitted to the Community Development Director).
 - (h) Create Chamber Foundation accounts for projects that qualify for 501c3 tax exemption.

2. General Provisions

- (a) The term of this Agreement shall begin on January 1, 2026, and shall terminate on December 31, 2028. This Agreement may be cancelled upon sixty (60) days' written notice by either party.
- (b) The EDA shall provide the OACCT an annual retainer of \$50,000 in 2026, 2027 and 2028, payable in prorated installments in January and July of each year of the agreement.
- (c) The EDA and OACCT shall meet in October, 2028 to review the Agreement and determine conditions for renewal in the following years.
- (d) This Agreement is a contract for services and does not create an employer-employee relationship between the EDA and the Chamber President/CEO.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date to follow given.

This _____ day of _____, 20__.

OWATONNA ECONOMIC DEVELOPMENT AUTHORITY

By: _____

President

By: _____

Secretary

OWATONNA AREA CHAMBER OF COMMERCE AND TOURISM

By: _____

Chairman of the Board

By: _____

President/CEO

**AGREEMENT
CITY OF OWATONNA ECONOMIC DEVELOPMENT AUTHORITY
AND
OWATONNA AREA CHAMBER OF COMMERCE AND TOURISM
FOR ECONOMIC DEVELOPMENT**

This AGREEMENT made between the Owatonna Economic Development Authority, a municipal corporation (hereinafter referred to as the “EDA”), and the Owatonna Area Chamber of Commerce and Tourism (hereinafter referred to as “OACCT”).

WHEREAS, an AGREEMENT has been made between the Owatonna Economic Development Authority, a municipal corporation (hereinafter referred to as the “EDA”), and the Owatonna Area Chamber of Commerce and Tourism (hereinafter referred to as “OACCT”); and

WHEREAS, certain defined economic development activities can best be provided in collaboration between the EDA and the OACCT,

NOW THEREFORE, the parties agree as follows:

1. Services Rendered by OACCT. OACCT shall furnish the following services:
 - (a) Maintain a site inventory of commercial and industrial buildings.
 - (b) Provide a contact and facilitation point for retailers, wholesalers, housing, and industry projects.
 - (c) Prepare in collaboration with Owatonna Partners for Economic Development a marketing plan and collateral materials to further the goals of economic development in Owatonna.
 - (d) Assist in business recruitment strategies.
 - (e) Facilitate meetings and provide support services for the Owatonna Partners for Economic Development.
 - (f) Provide professional services in regards to meeting the overall delivery of assistance services to new and expanding business.
 - (g) OACCT President will prepare verbal and written staff reports to the EDA monthly on the scope of services provided.

2. General Provisions

- (a) The term of this Agreement shall begin on January 1, 2026, and shall terminate on December 31, 2028. This Agreement may be cancelled upon sixty (60) days' written notice by either party.
- (b) The EDA shall provide the OACCT an annual retainer of \$30,000 in 2026, 2027 and 2028, payable in prorated installments in January and July of each year of the agreement.
- (c) The EDA and OACCT shall meet in October, 2028 to review the Agreement and determine conditions for renewal in the following years.
- (d) This Agreement is a contract for services and does not create an employer-employee relationship between the EDA and the Chamber President/CEO.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date to follow given.

This _____ day of _____, 20__.

OWATONNA ECONOMIC DEVELOPMENT AUTHORITY

By: _____

President

By: _____

Secretary

OWATONNA AREA CHAMBER OF COMMERCE AND TOURISM

By: _____

Chairman of the Board

By: _____

President/CEO

**AGREEMENT
CITY OF OWATONNA ECONOMIC DEVELOPMENT AUTHORITY
AND
OWATONNA AREA BUSINESS DEVELOPMENT CENTER, INC.**

This AGREEMENT made between the Owatonna Economic Development Authority, a municipal corporation (hereinafter referred to as the “EDA”), and the Owatonna Area Business Development Center, Inc. (hereinafter referred to as “OABDC”).

WHEREAS, an AGREEMENT has been made between the Owatonna Economic Development Authority, a municipal corporation (hereinafter referred to as the “EDA”), and the Owatonna Area Business Development Center, Inc. (hereinafter referred to as “OABDC”); and

WHEREAS, certain defined economic development activities can best be provided in collaboration between the EDA and OABDC,

NOW THEREFORE, the parties agree as follows:

1. Services Rendered by OABDC. OABDC shall furnish the following services:
 - (a) OABDC shall manage the various economic development loan programs established by the EDA, including:
 1. Revolving Loan Fund for Commercial Development and Industrial Development
 2. Low-Documentation Loan Program Tier 1 and 2
 3. Forgivable Loan program
 4. Any additional loan incentive programs that may be developed by the EDA.
 - (b) OABDC Executive Director shall serve as a member of Owatonna Partners for Economic Development and provide professional services in relation to marketing of development opportunities, business financing, and start-up assistance.
 - (c) OABDC Executive Director will prepare verbal and written staff reports to the EDA monthly regarding the status of the EDA’s loan programs.
 - (d) OABDC will do follow-up activities with OABDC and EDA clients in an effort to further ensure the successful development of the client’s enterprise. OABDC will report back to the EDA the number of clients with whom they worked and the number of hours spent doing these activities. Due to confidentiality, individual business names will not be reported.
2. General Provisions
 - (a) The term of this Agreement shall begin on January 1, 2026, and shall terminate on December 31, 2028. This Agreement may be cancelled upon sixty (60) days’ written notice by either party.

- (b) The EDA shall provide OABDC an annual retainer of \$20,000, payable in prorated installments in January and July or as requested by OABDC and approved by the EDA.
- (c) This Agreement is a contract for services and does not create an employer-employee relationship between the EDA and the OABDC Executive Director. As such, OABDC cannot seek legal recourse against EDA clients who fail to meet the requirements of EDA/Client loan agreements. The EDA retains that authority and responsibility when legal recourse becomes the option for collection.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date to follow given.

This _____ day of _____, 20__.

OWATONNA ECONOMIC DEVELOPMENT AUTHORITY

By: _____

President

By: _____

Secretary

OWATONNA AREA BUSINESS DEVELOPMENT CENTER, INC.

By: _____

Chair

By: _____

Executive Director