



Watertown Economic Development Authority
September 16, 2021 8:30 am

Ken Grotbo
Cory Mittness
Roxanne Wilmes
Mike Walters
Lindsay Guetzkow

1. Roll Call
2. Adopt Agenda
3. New Business
 - 3.A. Approve Minutes From May 27, 2021

Documents:

[MAY 27, 2021 MINUTES.PDF](#)
 - 3.B. Adopt 2022 Preliminary EDA Levy & Budget

Documents:

[ADOPT EDA PRELIMINARY LEVY AND BUDGET.PDF](#)
4. Updates
5. Adjourn

309 Lewis Avenue South; P.O. Box 279, Watertown, MN 55388



Watertown Economic Development Authority

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5/27/2021 - Minutes

1. Roll Call

EDA Chair Ken Grotbo called the Economic Development Authority meeting to order at 8:30 a.m.

EDA Members present: Grotbo, Walters, Mitteness, Guetzkow arrived at 8:37 a.m.

Staff present: City Administrator Shane Fineran and Community Development Consultant Mark Kaltsas

Visitors present: Joe Zoch, Carver County Cycles

2. Adopt Agenda

MITTENESS MOVED, WALTERS SECONDED A MOTION TO ADOPT THE AGENDA AS PRESENTED. ALL PRESENT VOTED AYE. MOTION CARRIED.

3. New Business

3.A. Approve May 4, 2021 EDA Regular Meeting Minutes

3.B. Building Façade Improvement Grant - Carver County Cycles

City Administrator Fineran presented the application from Joel Zoch for the Building Facade Improvement Grant program. The program provides grant funds for eligible exterior enhancements to the building such as doors, windows, siding, signage, and awnings. The application submitted provided for over \$19,000 in exterior upgrades to the building at 130 Lewis Avenue S and is eligible for \$2,500 in grant funds. Mr. Zoch provided information about the new business providing sales and service of new and used bikes and also houses an online bike parts and supply business at gringeercycles.com.

MITTENESS MOVED, WALTERS SECONDED A MOTION TO APPROVE RESOLUTION #2021-05EDA, APPROVING DISBURSEMENT OF BFI GRANT FUNDS. ALL PRESENT VOTED AYE. MOTION CARRIED.

3.C. Business Subsidy Policy - Addendum 2 Amendments

City Administrator Fineran presented proposed language amendments to the Trunk Fee Waiver Program for the City's Business Subsidy Policy. These changes will make application of the policy language easier and more concise to staff, the EDA members, and applicants. Commissioner Mitteness suggested that the EDA consider amending the proposed language to make the lower tier related to building size read 2,000 to 3,000 square feet and that the middle tier read from 3,001 to 8,000 square feet, and the top tier read 8,001 square feet or larger.

WALTERS MOTIONED, GUETZKOW SECONDED A MOTION TO AMEND THE POLICY AS SUGGESTED. ALL PRESENT VOTED AYE. MOTION CARRIED.

4. Updates

City Administrator Fineran reported that the City is in receipt of a Revolving Loan Fund application and Building Facade Improvement application for the property located at 229 Lewis Avenue S. The materials are under review and an EDA meeting will be scheduled once this has been completed for consideration.

Fineran thanked the EDA members for their leadership and dedication to the community and to the EDA tenure with the City has this will likely be his last meeting prior to his departure.

5. Adjourn

MITTENESS MOVED, GUETZKOW SECONDED A MOTION TO ADJOURN AT 9:03 A.M. ALL PRESENT VOTED AYE. MOTION CARRIED.

309 Lewis Avenue South; P.O. Box 279, Watertown, MN 55388

Watertown

September 16, 2021

Agenda Item: Preliminary Levy & Budget**Request for Action: Adopt Resolution #2021-06EDA, Adopting the Preliminary EDA Levy****Department: Administration****Background:**

The EDA sets a tax levy on properties in the community. These resources are utilized to support economic development activities in the community and administrative support for these functions. The total levy cannot exceed .01813% of the previous year's estimated market value in the community, which is a maximum levy of \$68,988 for pay 2022.

In 2021, EDA voted to keep the EDA levy the same as the previous year as to not increase the overall impact for Watertown residents.

The overall market value increase for 2022 is approximately 8.88%, so the increase in the General Fund levy has been absorbed by this increase in tax capacity. Staff is recommending levying for \$68,500 for 2022 since the impact to the average valued home is minimal and there may be upcoming projects for the EDA to consider.

The fund balance of the EDA fund stands at \$319,369 with 2nd half tax collection due in December. DEED has extended the timeline to use the remaining \$158,000 of Small Cities funds through September of 2022. The DEED funds act as a passthrough and are administered through Carver County CDA. Other budgeted items are similar to 2021.

Recommendation:

Staff recommends adopting resolution #2021-06EDA, adopting a preliminary tax levy for the Watertown Economic Development Authority for collection in 2022.

Attachments:

Resolution #2021-06EDA

EDA Preliminary Budget Revenue & Expense

EDA Revenue
2022

Account	Description	2020 Budget	2020 YTD	2021 Budget	2022 Budget	Comment
228-31010	Current Ad Valorem Taxes	\$ 68,988	\$ 58,430	\$ 58,575	\$ 68,500	
228-31020	Delinquent Ad Valorem Taxes	\$ 200	\$ 93	\$ 200	\$ 200	
228-33620	Other County Grants/Aid	\$ 225,000	\$ 180,875		\$ 158,000	DEED SCDG Program Revenue (Pass Through)
228-36200	Miscellaneous Revenue		\$ 300	\$ 300	\$ 300	Loan, Grant Application Fees
228-36210	Interest Earnings	\$ 3,000	\$ 2,735	\$ 3,000	\$ 2,600	
228-36215	Interest on Notes Receivable		\$ 1,979	\$ 1,000	\$ 2,000	RLF & BFI Loan Repayments
228-36500	Note Receivable	\$ 6,700	\$ (109)	\$ 6,700		
228-39000	Other Financing Sources					
228-39201	Transfer from General Fund		\$ 130,053			
228-39203	Transfer from Other Fund					
		\$ 303,888	\$ 374,356	\$ 69,775	\$ 231,600	

Levy Amount \$ 68,988.06

EDA Expenses
2022

Account	Description	2020 Budget	2020 YTD	2021 Budget	2022 Budget	Comment
228-41000-322	Postage					
228-46500-101	Full-Time Employees Regular					
228-46500-110	Commission Wages	\$ 2,700	\$ 1,960	\$ 2,700	\$ 2,400	\$40 per meeting
228-46500-121	PERA					
228-46500-122	FICA		\$ 140			
228-46500-303	Engineering Fees	\$ 5,000		\$ 3,000	\$ 3,000	
228-46500-304	Legal Fees	\$ 3,000	\$ 3,889	\$ 5,000	\$ 5,000	Contract Review of Loans/Development Agreements
228-46500-310	Other Professional Services	\$ 10,000	\$ 9,500	\$ 10,000	\$ 10,000	ED Support & Market Data
228-46500-314	Professional Planning Services	\$ 2,000	\$ 1,500	\$ 2,000	\$ 2,000	MK Land (Mark Kaltsas)
228-46500-329	Other Communications	\$ 3,000	\$ 2,400	\$ 3,000	\$ 3,000	Jaguar ISP Service for WIFI
228-46500-433	Dues & Subscriptions	\$ 1,000	\$ 700	\$ 1,000	\$ 1,000	Minnesota Marketing Partnership & EDAM
228-46500-331	Travel Expenses					
228-46500-340	Advertising	\$ 3,500		\$ 3,500	\$ 3,500	EDA Programs Marketing/Development Day Event
228-46500-351	Legal Notices Publishing	\$ 50		\$ 50	\$ 50	Annual Audit Disclosure Report
228-46500-630	Bank Service Fee		\$ 262		\$ 275	
228-46500-640	Economic Development Payments	\$ 25,000	\$ 94,526	\$ 96,973	\$ 100,000	Enterprise Fund Utility Trunk Fee Support
228-46500-651	Loan Program	\$ 75,000	\$ -	\$ 75,000	\$ 75,000	RLF, BFI Loans, EHRL Program
228-46500-652	Grant Program	\$ 235,000	\$ 134,100	\$ 150,000	\$ 160,000	Small Cities/BFI/Home Renovation Grant Program
228-46500-720	Operating Transfers	\$ 10,000	\$ 179,947	\$ 10,000	\$ 10,000	Salary Support for EDA Director,
228-46500-510	Land Acquisition	\$ 10,000		\$ 10,000	\$ 10,000	Carver County Land Trust Property Partnership
		\$ 385,250	\$ 428,923	\$ 372,223	\$ 385,225	

**CITY OF WATERTOWN
ECONOMIC DEVELOPMENT AUTHORITY
RESOLUTION 2021-06 EDA**

**A RESOLUTION ADOPTING A PRELIMINARY TAX LEVY
FOR THE WATERTOWN ECONOMIC DEVELOPMENT AUTHORITY
FOR COLLECTION IN 2022**

WHEREAS, The City of Watertown is dependent upon the collection of a tax to fund a portion of its economic development activities,

NOW, therefore be it resolved that the Watertown Economic Development Authority hereby adopts the following Year 2022 tax levy for collection upon taxable property in the City of Watertown for the following purposes:

Watertown Economic Development Authority	\$ 68,500
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Total Levy:	\$ 68,500
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Adopted this 16th day of September 2021 by the Watertown Economic Development Authority.

Ken Grotbo, Chair

Attest: _____
Lynn Tschudi, Secretary