

Recommendation to establish an Economic Development District, approved by Council 8/27/15.

As per the EDA's Strategic Plan goals numbers 2, 3 and 4 and recommended by the City's Bond Attorney, the EDA recommends the Council approve establishing an Economic Development District to be referred to as the Economic Development District Number One: Historic Downtown. The District would be for the purpose of using the Rochester half percent sales tax revenues and other economic tools to enhance then develop the Historic Downtown Eyota. Refer to the map for the exact location of the District.

EDA's Strategic Plan Goals #2, #3 and #4

Goal 2 - Community Center Planning

Background: Work with American Legion to expand their facility and include an outdoor pavilion.

Proposed Process: Formally engage Legion Board in determining ability to fund, operate, and manage an expanded facility and outdoor pavilion. Develop a memorandum of understanding between project participants. Hire an architect to develop project scope and budget including capital and operating cost. Use MN Design Team as a means of soliciting public input regarding scope and design of the project. Bid Project. Secure project financing. Initiate construction.

Goal 3 - Develop a New Business Incentive Program

Background: Create a new subsidy program for businesses locating in Eyota.

Proposed Process: Continue new construction incentive (\$2,250 of fees waived) Small Cities Development Program grant application for commercial rehabilitation. Review guidelines for and use local revolving loan fund that provides low and no interest loans with very favorable terms. Create a program that provides new businesses a reduction on initial City utilities. Identify marketing strategy for local incentives that tie in with Small Cities Grant.

Goal 4 - Main Street Revitalization

Background: Develop an overall downtown plan.

Proposed Process: Apply for fall Minnesota Design Team visit. Explore apartment demolition project. Pursue Small Cities Development program to rehab commercial buildings. Fund a façade restoration program. Consider use of sales tax proceeds for downtown improvements. Discuss public improvements for downtown with City Council including sidewalks, lighting, benches, trash cans, etc. and include in Design Team discussion.

State Statute 469.101 allows the City to create and define boundaries. (469.101 attached)

As recommended by Briggs and Morgan bond attorney when verifying proposed projects were eligible to use Rochester Sales Tax monies.

The EDA does have the power pursuant to Minnesota Statutes Section 469.101, Subd. 13 to operate and maintain public facilities to promote development in an economic development district. If the City decides that some of the municipally owned projects are economic development projects and sales tax funds are used for these projects I would recommend that an economic development district be established. An EDA, pursuant to the power granted in Minnesota Statutes, Section 469.101, Subd. 1, can create and define the boundaries of an economic development district at any place or places within the City except that the district boundaries must be contiguous to carry out its purposes under the EDA law. The EDA must first hold a public hearing on the establishment of an economic development district and at least ten days before the hearing publish a notice of the hearing in a daily newspaper of general circulation in the City. Also the EDA must find that an economic development district is proper and desirable to establish and develop within the City.