

Economic Development Updated

What does new construction tax base mean to Eyota's residents? Based on preliminary projections, there could be little to no net increase to City of Eyota property taxes. While city expenses rise, the new tax base recently generated creates new revenue which offsets much of the city's rising expenses. This has a direct effect on your property taxes and is one of the benefits for the City of Eyota taxes, and quite an achievement for the City of Eyota!

Recent Community and Economic Development

- B&C Plumbing held their fireplace showroom open house. B&C Plumbing has established a destination business in Eyota. Congratulations to B&C Plumbing! Stop in to view the showroom.
- KWIK Trip bio diesel blending station hearing is this month, the expansion of KWIK TRIP would again add to the tax base further offsetting future expenses within the city.
- The EDA secured USDA Value Added grant funds of \$48,000 for Burt's Meats and Poultry for Burt's Meats expansion project. Total state and federal Value Added grant funds secured by the EDA totaled \$98,000. The expansion project will also increase revenues for the city to offset rising expenses.
- The EDA presented at the Rochester Area Builder's Commercial Builder's Exchange Group's annual meeting. The comments following the meeting were favorable for Eyota. Eyota was recognized along with Byron, and Stewartville as more than the eastern sub section of Rochester. Eyota is now being recognized as a fast growing community of its own with high development potential, and the ambiance of a small town.
- The EDA attended the Rochester Economic Summit as a guest of People's Energy Coop - thank you!

MN Design Team Update

- The Minnesota Design Team, using community engagement input, created short, mid, and long term goals for Eyota. A short term goal included a retail gap analysis. The EDA has engaged the University of MN Extension office to gather the data. The study will assist new entrepreneurs with their business plans.
- From the Minnesota Design team suggestions came the "shock and awe" project the team labeled, Lake Eyota. The City will hire a firm to determine if Lake Eyota is feasible. A bit of History for you.... the 11 acres on 2nd street was purchased for storm water retention, the MN Design Team was dreaming beyond just a holding pond which led to the idea of Lake Eyota. The feasibility of that dream is yet to be determined. The good news is that the wetland area which was purchased by the city for \$65,000 has one acre of development land, recently appraised at a value of \$50,000. The ability of the EDA's to sell one acre of land for the "highest and best use" will result in an increase in revenue through new tax base. Currently there is no revenue from that 11 acres, the EDA will work to sell the land for its highest and best use to benefit the resident's tax base, which again can hold down property taxes increases within the city.

Rochester ½% Sales Tax NEWS for Eyota

- Eyota's EDA is working to attract a dentist into the community. Dr. Perry, a Wabasha dentist who started his career in Eyota, would like to add to his existing practice. His practice would offer both dentistry and orthodontics. He has a purchase agreement to purchase the former dentist office located near Highway 42. Dr. Perry plans to lease space to other health care professional. Your input from the health care needs survey was a major contribution to the efforts of attracting a dentist to Eyota – Thank you! This projects is in line with goal number one of the EDA's strategic work plan. A plan that was approved by the City Council and was shaped by community input during the ½ percent sales tax presentations where local ideas where showcased on how to spend the new revenue for economic development.
- Speaking of the ½ percent sales tax. From that revenue source, downtown buildings are receiving façade improvements. Businesses automatically qualify for a \$2,500 grant, and up to a \$10,000 grant when dollar for dollar of the additional \$7,500 is matched by the building owner. In the historic downtown, Burt's Meats will improve its façade, Simply Stylin' has new siding, doors, and windows. Eyota antiques has a new awning and a new sign. Jem's Confections is approved for up to \$10,000 in renovations. The most recent firearms store downtown, has a new door, and plans to replace the white vinyl siding. City Hall has led by example and has made improvements to the building's façade. City Hall improvements were done without using the ½ percent sales tax reserved for local building owners, to encourage those in the downtown to participate and improve their building façades.

Lastly, after stopping into area businesses after all the recent rains, I am happy to report to you that the damage you witnessed in 2007 was not repeated. Positive comments credited the new curb and gutter to likely helping to divert water from the downtown.

In the next newsletter I will review how the housing infill from the use of bank owned and state forfeiture land has also increased revenues to offset expenses.

Respectfully submitted,
Cathy Enerson
EDA Director