

**MEMO****To: St. Charles EDA Board****Date: 10/28/2025****From: Katrina Hurley****RE: November 7th EDA Meeting Packet**Details:

Attached you will find the packet for our upcoming EDA meeting scheduled for Friday, November 7, 2025 at 7:00AM. Please review the materials in advance. If you have any questions, feel free to reach out to me directly.

If you are unable to attend the meeting, please notify me no later than Wednesday, November 5, 2025 by email at [katrina.hurley@cedausa.com](mailto:katrina.hurley@cedausa.com) or by phone at 402-853-2518, unless an emergency arises after that date.

We will be joined by Eileen Hazel, owner of The Hazel House, a new business in town. Eileen will be presenting on her business to keep the EDA informed of ongoing projects and developments in the community.

Thank you for your time and commitment to the work of the EDA. I look forward to seeing you at the meeting.

Action Requested:

- Review November 7th 2025 Agenda Packet
- Reach out to me if you cannot attend the EDA meeting



## **ECONOMIC DEVELOPMENT AUTHORITY**

**MUNICIPAL COUNCIL CHAMBERS**

**830 WHITEWATER AVE, ST. CHARLES, MN 55972**

**REGULAR MEETING**

**FRIDAY, November 7th, 2025**

**7:00AM**

- 1. Call to Order**
- 2. Approval of Agenda**
- 3. Approval of September 5th, 2025 Meeting Minutes**
- 4. Financial Review**
  - a. September Report**
  - b. October Report**
- 5. New Business**
  - a. Hazel House Presentation:**
  - b. Staffing Restructuring**
  - c. CEDA 2026 Contract**
  - d. 2026 Budget**
  - e. CEDA Update**
    - i. New EDA Member Application**
    - ii. Hotel Outreach**
    - iii. BR&E Survey Results**
    - iv. Dentist Update**
- 6. Old Business**
  - a. Winona County Comprehensive Plan**
  - b. SMIF Taylor Rural Improvement Grant**
  - c. SMIF Small Town Grant**
- 7. Public Forum**
- 8. Adjourn**

## **MINUTES OF THE ST. CHARLES ECONOMIC DEVELOPMENT AUTHORITY**

**FRIDAY, September 5th, 2025**

**7:00 AM**

**BOARD MEMBERS PRESENT:** Tim Hoff, John Schaber, Terri Heim, Bill Spitzer, Ryan Grobe

**BOARD MEMBERS ABSENT:** Eric Omdahl

**OTHERS PRESENT:** Andrew Langholz (city administrator), Katrina Hurley (CEDA), Lew Overhaug (Winona County), and Jake Friedrich (Rolling Hills Transit)

- 1. Call to Order** - Meeting was called to order by Mayor Schaber at 7:02 AM.
- 2. Approval of Agenda-** Motion to approve the agenda was made by Hoff and seconded by Schaber.  
Motion carried. There was no approval needed for the August 1st informational meeting as it was not an official meeting due to lack of quorum.
- 3. Approval of Meeting Minutes:** Motion to approve the April 4, 2025 meeting minutes was made by Hoff and seconded by Schaber. Motion carried.
- 4. Financial Review-** Discussed the financials, one commercial loan fund remains and all revolving loan fund (RLF) payments are current. Motion to approve the July and August financial reports was made by Grobe and seconded by Hoff. Motion carried
- 5. New Business**
  - a. Rolling Hills Transit Expansion Presentation:** Jake Friedrich presented updates on Rolling Hills Transit. Ridership increased by 6,000–7,000 rides compared to the previous year, with 4,019 rides originating in St. Charles. The service is on track to surpass last year's total ridership, averaging 18–19 rides per day.

Service hours are projected to decrease to approximately 2,100 hours, resulting in cost savings. Local service buses have provided 4,520 originating rides in St. Charles, more than the St. Charles bus itself, and 4,292 rides ended in St. Charles. Increased gas mileage reflects expanded service to fringe areas of the community.

The board discussed ride types including curb-to-curb, door-to-curb, and through-the-door services. While rides are publicly available, the majority of users are elderly, disabled, or preschool-aged.

Strategic planning includes establishing a centralized transportation hub in Winona County to serve as a garage, office, and transfer space. A similar facility is planned for Stewartville.

Tim Hoff noted the value of the service. Jake Friedrich emphasized his commitment to serving communities. In response to funding inquiries, Jake explained that MnDOT provides a 90% match, with the remaining 10% expected from participating communities.

Bill Spitzer confirmed the 25,000-mile figure and noted that the current 95%/5% funding match will shift next year, resulting in a \$40,000 shortfall. St. Charles has historically contributed and replaced buses as planned. A new bus is now in service, and replacements will be needed again in five years. A presentation to the City Council is forthcoming.

A 10-year strategic plan is in place, and a grant opportunity may arise sooner than expected. The EDA may be asked to assist with building acquisition. The estimated cost of the transportation hub is \$3 million, with MnDOT covering 90%. St. Charles would serve as a hub for Dover, Eyota, and other regional buses. Support is being sought from St. Charles and Winona County.

- b. Winona County Comprehensive Plan Presentation:** Lew Overhaug from Planning and Environmental Services introduced Winona County's comprehensive planning process. He is traveling throughout the county to gather input and encourage participation.

He praised St. Charles for its planning efforts and noted his 19 years of experience, including involvement in the city's first comprehensive plan when Bill Spitzer was mayor. The current county plan, last updated in 2014, is in Phase 1 of a five-phase process.

Public engagement is a priority, beginning with organizations like EDA boards before expanding to the general public. The goal is to incorporate municipal plans and reach underrepresented groups.

An online survey is open through September 12 to help shape the county's 20-year vision. Lew encouraged members to complete and share the survey. The project website is titled "Winona County Project 2045." Katrina Hurley stated she would share it with the EDA board once it is available to her.

Recent outreach events included the Winona County Fair, a workshop with the Amish community, a township officers workshop, and an open house scheduled for Wednesday, September 10th from 5–8 p.m. at the Stockton Community Center. The open house will feature stations for public feedback.

A steering committee will compile input into a vision and broad goals before proceeding to Phases 2 and 3. SRF Consulting has been retained to assist with the process.

Lew asked about economic development issues. Bill Spitzer expressed appreciation for the presentation. Schaber noted that more specific feedback will be available later, with funding and space as key concerns.

Langholz shared that St. Charles is working on its own plan, including TIF and tax abatement tools, expansion of the industrial park and Enterprise Drive, and safety

improvements. A draft is expected by late October. Lew confirmed that while not all elements would be incorporated, demographic data and references would be included.

Langholz also mentioned exploring development outside city limits. Lew reiterated the importance of survey participation and asked that Jayden Glaser distribute the information to the Chamber.

- c. **2026 Budget Discussion** - Langholz presented the proposed 2026 budget and levy. The levy increase is straightforward and supported by a reference memo. He recommended utilizing the full levy to support ongoing and expanding projects, noting that it is the EDA's sole funding source aside from repayments to the Revolving Loan Fund (RLF). Key budget items discussed included an increase to the CEDA contract, which came in lower than anticipated; continued support for the commercial rehabilitation loan program, which offers a maximum of \$5,000 per project; funding for specific projects such as the recent hotel study and a portion of the comprehensive plan; and strategic investment in the RLF.

Although no specific projects are planned for 2026, Langholz proposed bolstering the RLF to reach a \$100,000 balance, exceeding the current \$50,000 threshold. The intent is to allow the fund to grow organically unless demand for loans increases significantly. Bill Spitzer expressed support for the strategy. Langholz noted that several loans have been issued in the \$50,000–\$60,000 range, but the fund's capacity has been limited.

A motion to approve the 2026 levy was made by Ryan Grobe and seconded by Tim Hoff. Motion carried.

- d. **Comprehensive Plan:** Langholz reviewed items from HKGI related to development tools currently used or considered by the EDA. He noted that Tax Increment Financing (TIF) has been utilized in multiple forms, including for Miller's Market, housing

developments, and The Giftary. Tax abatement has also been employed, notably for the Pine Ridge Second Addition, which would not have proceeded without it.

Grant funding is actively pursued, including opportunities for congressional support.

Special assessments have not been widely used due to their complexity and potential for public opposition. St. Charles has not implemented a Special Service District, though Langholz noted that other communities he has worked with have done so for commercial projects. Similarly, the city has not used a Stormwater Improvement District or utility bill-based payment mechanisms.

Langholz will take feedback from the discussion back to his team. Schaber remarked that it is beneficial to have these tools available, even if they are not currently in use, as future projects may require them. Bill Spitzer agreed and appreciated the information provided

**e. CEDA Updates:**

- i. New Member Application:** Tammi Krause has asked to have her application be placed on hold. Outreach will continue to other potential candidates, particularly from financial institutions such as banks and Edward Jones. Members must reside in St. Charles. Questions were raised on expanding eligibility, which Langholz responded would require state-level changes.
- ii. Hotel Outreach:** Meetings are being scheduled with various hotels for discussion of the site. The Hotel Feasibility Study has been sent out to over 14 hotel chains for review.
- iii. BR&E:** Hurley announced that the Business Retention and Expansion meetings are scheduled for completion by the end of September but she will still be meeting with businesses as their availability grows after the harvest season.
- iv. Open Grants:** The SMIF grant for Taylor Rural Farms opens on September 8th, with a maximum award of \$30,000. Langholz suggested that Hurley reach out to the Hometown Resource Center to assist with the grant writing process.

- v. **Dentist:** A prospective dentist toured Highway 14 and downtown locations last Friday. A final tour is scheduled for September 12th before he decides which route to take.

6. **Public Forum:** No Attendees

7. **Adjourn** - The meeting was adjourned at 7:49 a.m. by Schaber.

DRAFT



## 2025 EDA Financials

1	<b>Budget Breakdown</b>		<b>9/30/2025</b>	<b>2025</b>
2	Revenues		Actual	Budgeted
3	34-40001	Property Tax	\$ (43,638.45)	\$ (77,674.00)
4	34-47001	RLF - Interest Income	\$ (669.96)	\$ (2,028.00)
5	34-47110	RLF - Principal Income	\$ (3,346.11)	\$ (7,302.00)
6	Expenditures		\$ -	
7	34-130-51525	Commercial Loan	\$ 5,000.00	\$ 10,000.00
8	34-130-52020	Audit Fees	\$ 1,600.00	\$ 1,300.00
9	34-130-52030	Legal Fees	\$ -	\$ 1,800.00
10	34-130-52090	CEDA/Project Fund	\$ 50,718.25	\$ 65,541.00
11		TOTAL	\$ 9,663.73	\$ (8,363.00)

12

13	<b>Project Fund - Examples: Hotel Study, Comprehensive Plan</b>			
14	<b>Budgeted Projects</b>	Budgeted	Expensed	Remaining
15	<b>Hotel Study</b>	\$ 10,000.00	\$ 15,000.00	\$ (5,000.00)
16	<b>Comp Plan</b>	\$ 10,000.00	\$ 10,000.00	\$ -
17				
18				

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21	<b>Loan Review</b>		10/31/2025	12/31/2025
22		<b>Loan Balances:</b>		
23		Cacila	\$ 11,090.97	\$ 10,435.07
24		Versatile Woodwork	\$ 13,670.36	\$ 13,192.34
25		Giftary	\$ 27,890.97	\$ 27,173.81
26		<b>Total</b>	<b>\$ 52,652.30</b>	<b>\$ 50,801.22</b>

27

<b>Commercial Loans Fund</b>			
<b>Budgeted Commercial Loans</b>	Budgeted	Expensed	Remaining
<b>Budgeted Loan</b>	\$ 10,000.00	\$ 5,000.00	\$ 5,000.00

<b>Revolving Loan Fund</b>		10/31/2025
Beginning Balance		\$ 14,268.09
Interest		\$ 1,546.45
Principal		\$ 5,450.69
<b>Available to Loan out</b>		<b>\$ 21,265.23</b>
Loans Outstanding		\$ 50,801.22
<b>Total Fund Balance</b>		<b>\$ 72,066.45</b>

## 2025 EDA Financials

1	<b>Budget Breakdown</b>		<b>10/24/2025</b>	<b>2025</b>
2	Revenues		Actual	Budgeted
3	34-40001	Property Tax	\$ (43,638.45)	\$ (77,674.00)
4	34-47001	RLF - Interest Income	\$ (669.96)	\$ (2,028.00)
5	34-47110	RLF - Principal Income	\$ (3,346.11)	\$ (7,302.00)
6	Expenditures		\$ -	
7	34-130-51525	Commercial Loan	\$ 5,000.00	\$ 10,000.00
8	34-130-52020	Audit Fees	\$ 1,600.00	\$ 1,300.00
9	34-130-52030	Legal Fees	\$ -	\$ 1,800.00
10	34-130-52090	CEDA/Project Fund	\$ 50,718.25	\$ 65,541.00
11		TOTAL	\$ 9,663.73	\$ (8,363.00)

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14	<b>Budgeted Projects</b>	Budgeted	Expensed	Remaining
15	<b>Hotel Study</b>	\$ 10,000.00	\$ 15,000.00	\$ (5,000.00)
16	<b>Comp Plan</b>	\$ 10,000.00	\$ 10,000.00	\$ -
17				
18				

19

20

21	<b>Loan Review</b>		<b>10/31/2025</b>	<b>12/31/2025</b>
22		<b>Loan Balances:</b>		
23		Cacila	\$ 10,873.06	\$ 10,435.07
24		Versatile Woodwork	\$ 13,511.42	\$ 13,192.34
25		Giftary	\$ 27,652.71	\$ 27,173.81
26		<b>Total</b>	<b>\$ 52,037.19</b>	<b>\$ 50,801.22</b>

27

<b>Commercial Loans Fund</b>			
<b>Budgeted Commercial Loans</b>	Budgeted	Expensed	Remaining
<b>Budgeted Loan</b>	\$ 10,000.00	\$ 5,000.00	\$ 5,000.00

<b>Revolving Loan Fund</b>		<b>10/31/2025</b>
Beginning Balance		\$ 14,268.09
Interest		\$ 1,708.80
Principal		\$ 6,065.80
<b>Available to Loan out</b>		<b>\$ 22,042.69</b>
Loans Outstanding		\$ 50,801.22
<b>Total Fund Balance</b>		<b>\$ 72,843.91</b>

Meet-Munch-Market-Memories

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**Request for EDA Action**

Date: October 29, 2025

Requested Council Date: November 7, 2025

Originating Department: Administration – City Administrator

Agenda Topic: Staffing Restructuring

**Background Information:**

The City currently employs an Office Support Technician who has notified me of their intent to vacate the position at a future, yet undetermined date. As I evaluate the City's ongoing operational needs, this presents an opportunity to consider restructuring the position to better support both economic development and administrative services.

The City also contracts with Community and Economic Development Associates (CEDA) for economic development services for 1.5 days per week. This contract is set to expire at the end of December 2025. If the City were to create a full-time Community Development Coordinator position, I would recommend that the CEDA contract not be renewed beyond its expiration, redirecting those funds to support the new position.

**Position Summary:**

The Community Development Coordinator would be a full-time, non-supervisory position responsible for supporting the City's economic development, planning & zoning efforts, historical preservation activities, and other front office duties. The role would focus on coordinating programs and boards such as the Economic Development Authority, assisting local businesses, managing community marketing and tourism activities, processing zoning requests, maintaining historical records, and supporting community enhancement projects. This position would work closely with the City Administrator and other staff and regularly engages with residents, businesses, advisory boards, and partner organizations to strengthen community vitality and quality of life.



## **Request for EDA Action**

### **Job Duties:**

A non-exhaustive list of potential job duties would include the following.

- Support the EDA including business retention and recruitment, marketing efforts, and grant research/writing.
- Assist with community tourism, public relations, social media, online communications, and development marketing.
- Provide grant administration support including research, application drafting, and required reporting to funding agencies.
- Collaborate with internal departments and advisory groups while presenting at public meetings as needed.
- Assist with front desk duties and general customer service.

### **Financial Considerations:**

I reviewed comparable positions in similar sized communities and their pay ranges. The proposed restructuring would result in an estimated annual cost savings for the EDA between approximately \$1,500 - \$9,000 for the first year, this is dependent on the starting wage of a new Community Development Coordinator. Compensation for this position would be shared between the Economic Development Authority (EDA) and the General Fund, reducing the impact to any single funding source.

### **Operation Benefits:**

A Community Development Coordinator position would allow the City to:

- Strengthen local business retention and recruitment efforts
- Increase support for housing development initiatives
- Enhance coordination between economic development, planning, and administration
- Improve availability and continuity of in-house staffing resources
- Reduce reliance on external contract services

By investing in a dedicated staff member with a broader focus on community and economic development, the City is better positioned to advance key strategic priorities and continue long-term growth.



## **Request for EDA Action**

### **Recommendation:**

Staff recommends that the EDA discuss the option of eliminating the contract with CEDA and replacing it with a fulltime Community Development Coordinator position.

### **Next Steps:**

Should the EDA make a recommendation to the city council to move forward with the recommendation, the following are proposed:

- Develop a detailed job description, pay range, and classification for the Community Development Coordinator position
- Obtain City Council approval to post and advertise the new position
- Facilitate the hiring process, including position posting, candidate review, interviews, and required background checks
- Provide notice to CEDA that economic development services will not be renewed beyond the current contract term.



Date: October 29, 2025

Requested Date: November 7, 2025

Originating Department: Administration

Agenda Items: 2026 Budget Discussion

2026 Budget:

During a previous meeting, the Board discussed the 2026 budget and had a general consensus that a goal for 2026 is to fund the Revolving Loan Fund (RLF) to a target balance of \$100,000, an increase of \$23,851.41. This goal will be achieved by dedicating the majority of the project 2026 surplus, with the remaining being set aside to grow the undesignated fund balance.

No motion was made at that meeting, instead Administrator Langholz requested that EDA members take the time to consider whether there were any other projects that should be prioritized over building the RLF balance.

Recommendation:

I recommend approval of the 2026 budget once a determination is made.