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## BACKGROUND OF EDA

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The Cannon Falls Economic Development Authority (EDA) was created November 3, 2005, and operates under the authority of the City Council as the chief economic development agency for the city. The EDA's goal is to improve the economic condition of Cannon Falls through appropriate commercial and industrial development, thus creating a higher tax base and quality employment opportunities.

The mission of the Cannon Falls EDA is to promote and coordinate the development and expansion of those special areas of economic activity including but not limited to industry, commerce, housing, and tourism, while maintaining a high quality of life for Cannon Falls area residents.

The bylaws of the EDA require an annual report of activities to the City Council for the preceding calendar year. This document serves as that annual report.

The Community Development Director is the City staff member assigned to implement the economic development policies and provide staff services as the liaison to the Economic Development Authority. The management of the operations relating to local economic development includes marketing and recruitment of potential businesses, meeting the expansion needs of existing businesses and working on redevelopment projects within the city limits of Cannon Falls. The Community Development Director also serves as recording secretary for the EDA meetings, which were held every month on the second Wednesday of the month at 7 a.m. in the City Hall Conference Room.

### **2021 EDA Commissioners were:**

**Luke Cooreman**, President  
**Amy Dombeck**, Vice President  
**Jon Dahl**, Treasurer, Member  
**Matt Montgomery**, City Council  
**John Althoff**, Mayor

### *Non-voting members:*

**Neil Jensen**, City Administrator  
**Dianne Howard**, Zoning Administrator  
**Laura Qualey**, Secretary, Community & Business Development Specialist

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## GRANTS RECEIVED

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To carry out the preceding goals, the EDA administers several tools, including a local revolving loan fund, subsidy programs like tax increment financing (TIF), tax abatement and other regional, state and federal programs. The EDA also actively pursues other sources of revenue in the form of grants from various local, regional, state, and federal programs, including but not limited to:

### **AWARDED**

- ❖ **Explore Minnesota** (*partnership with the Chamber of Commerce*)
  - \$1,250 for Phase 2 of the Crisis Tourism Grant for advertising
  - \$10,000 Recovery Grant for 2022
- ❖ **MN Department of Natural Resources (MN DNR)**
  - \$126,000 Regional Trails Connection Grant awarded July 2021; construction slated for 2022
- ❖ **Goodhue County Housing Trust**
  - \$15,000 – on behalf of the Cannon Falls Housing Initiative to transfer the land of the most recent ‘school house’ into the land trust program to reduce the sale price of the home to keep it affordable for an income qualifying family.
- ❖ **PENDING**
- ❖ **Goodhue County Broadband Partnership Program**
  - \$42,500 – to expand & reinforce the communication ring on the water tower for additional broadband communication equipment which will increase the unserved/underserved population.
- ❖ **John Burch Park Retaining Wall Bonding Bill**
  - \$469,000 – to rehabilitate the 1938 limestone retaining wall (3,730 sq ft), construct a new 1st base dugout that would be built into the same retaining wall and update the seating area above the retaining wall for spectators to ensure their safety.
- ❖ **DENIED**
- ❖ **Southern Minnesota Initiatives Foundation (SMIF)**
  - \$4,350 Small Towns Grant – to create a video series showcasing the Cannon Roots local foods producers in the Cannon Falls area.

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## SITE INVENTORY

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Available commercial and industrial land as well as available office and commercial building inventory are available at City Hall. It can also be accessed through the internet on the City of Cannon Falls website, [www.cannonfallsmn.gov](http://www.cannonfallsmn.gov) or the Minnesota Department of Employment and Economic Development's site selection application Location One Information Service (LOIS) and CoStar Logistics.

### The EDA owns five parcels of land for development:

Lot 1 Block 1 BUSINESS PARK N 1ST REPLAT; PID 52.111.0010; 3.06 acres;  
Lot 3 Block 1 BUSINESS PARK N 1ST REPLAT; PID 52.111.0030; 2.9 acres; **LETTER OF INTENT FEB 2022**  
Lot 5 Block 2 EX BUSINESS PARK N ORIGINAL PLAT; PID 52.110.0090; 4.3 acres; **SIGNED OPTION AGREEMENT EXPIRES MARCH 2022**  
433 MILL STREET WEST; PID 52.100.4160; .36 acres;  
Lot 1 Block 1 McCANNONBALL SUBDIVISION; PID 52.730.0010; 3.25 acres; **SIGNED PURCHASE AGREEMENT**

### The City of Cannon Falls owns two parcels for development:

Lot 1, Block 2, North Park Drive Addition; PID 52.399.0030; 4.32 acres **SIGNED OPTION AGREEMENT EXPIRES JANUARY 2023**  
Lot 2, Block 2 North Park Drive Addition; PID 52.399.0041; 3.04 acres except the north 107 feet; **SIGNED OPTION AGREEMENT EXPIRES JANUARY 2024**

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## BUSINESS SUBSIDIES UTILIZED AND OTHER MISCELLANEOUS ECONOMIC DEVELOPMENT ACTIVITY

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The EDA continues to administer a local Revolving Loan Fund (RLF). The EDA RLF had a year-end balance of \$167,152.18 with \$385,966.09 in outstanding loans. Current outstanding loans are listed below:

<b>LOAN RECIPIENT</b>	<b>OUTSTANDING</b>	<b>MATURITY DATE</b>
Jameson Hanson	\$ 2,197.74	1/1/2022
Interstate Building Supply	\$ 36,889.15	9/19/2023
Raw Bistro	\$103,288.56	1/15/2024
Keith Meyers	\$ 60,745.62	7/18/2024
Tilion Brewing Co.	\$ 77,648.47	9/24/2026
ArtOrg	\$ 68,178.17	12/01/2027
Magnolia Animal Hospital	\$ 37,018.38	12/15/2027
<b>TOTAL</b>	<b>\$385,966.09</b>	

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## COVID-19 BUSINESS ASSISTANCE

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Goodhue County received \$894,337 from the State of Minnesota to fund business and nonprofit relief grants. These grants were to provide relief payments to businesses and nonprofits within the county that were impacted by an executive order related to the COVID-19 pandemic.

**25** Cannon Falls businesses & nonprofits totaling **\$242,500**  
**27%** of the total \$894,377 distributed by the county.

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## MARKETING & PUBLIC RELATIONS

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The Cannon Falls Economic Development Authority promotes the community to prospective businesses and visitors as well. Located along TH 52 and Hwy19, home to Cannon Valley Trailhead, John Burch Park, and Lake Byllesby, Cannon Falls offers numerous opportunities for visitors seeking a short day-trip outing or vacation destination. Marketing potentially brings additional dollars into the community and helps retain and grow the vitality of our business district.

The EDA participates in the community Discover Guide booklet highlighting many of these features and listing the businesses offering meals, lodging, entertainment, shopping, etc. In addition, advertisements and promotional sponsorships have been made in the following publications in conjunction with the Chamber of Commerce, the Cannon Valley Trail and also highlighting the local foods & beverages brand Cannon Roots. Some of the efforts that reached outside of Cannon Falls in 2021 were:

- Explore MN Spring Travel Issue 2021
- MN Trails Spring Edition 2021
- MPLS/St. Paul Magazine
- USA Today Summer Guide
- Local FEAST! Publication Cannon Roots two-page advertorial
- Presented and Featured at Blandin Broadband Conference in 2021 re: Cannon Roots
- Facebook & Instagram continue to grow audience and followers for Cannon Roots
- SHRPA Cannon Falls Adventure page continues to add content
- Visit from Senator Tina Smith to Tilion Brewery and Nick's Diner
- Blog post about CF and CVT on the MN Trails website

## COMMUNITY INFORMATION CHANNEL, WEBSITE & SOCIAL MEDIA

The City of Cannon Falls continues to utilize the Channel 12 Local Government Channel or Cannon Falls Community TV to keep residents informed of upcoming meetings, events, and public project information. It has proved a powerful tool for local government, the school district, and non-profit organizations to inform the community of their various activities. Especially in the time of COVID-19, our community has been able to stay connected to the happenings in and around the city.

- Cannon Falls Community Television Streams council & Planning Commission meetings, local events and sport activities
- 1,540 subscribers on YouTube
- Keep residents informed of upcoming meetings, events, and public project information.
- Previous recordings can be viewed on YouTube or Facebook
- 615 Facebook Followers

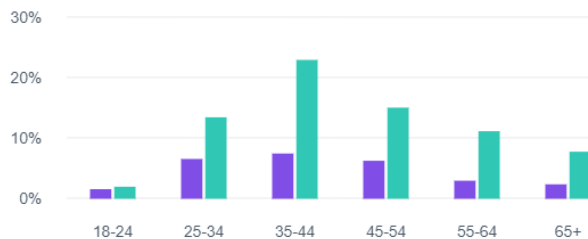
The City of Cannon Falls official website, [www.cannonfallsmn.gov](http://www.cannonfallsmn.gov), provides information about the city departments, elected officials, council agendas, minutes, current issues and events, FAQ's, building permits and more. Updates occur on an ongoing basis and will continue through early 2021 to allow for greater resident engagement and interaction with City services.

The City also utilizes social media, specifically Facebook to reach out to citizens and visitors with timely information. We have 1645 Followers (+185 from 2020) and the Demographics of them are shown below:

### Audience

#### Age and Gender

■ Men 27.30%  
■ Women 72.70%



### Location

Cities
Countries

Cannon Falls, MN	850
Red Wing, MN	55
Hastings, MN	36
Randolph, MN	26
Northfield, MN	21
Goodhue, MN	18
Minneapolis, MN	17
Saint Paul, MN	16
Wanamingo, MN	16
Zumbrota, MN	16

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## 2022 Economic Development Goals

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Economic development goals provide a pathway that communities can follow to overcome diverse, often challenging situations. Economic stability is unpredictable but having short term goals (1-2 years) and some long-term goals (3-5 years) that are reviewed on a regular basis are important given the pace of change and uncertainty in today's economy. Evaluating these goals helps to set the stage for development and growth. To achieve these goals, it's important to build public and private partnerships as well as having investment/funding connections. Having an active EDA board and support of the City Council aids in the ability to see the 'big picture'.

The creation of a strategic economic development plan is often led by an economic development professional and typically reviewed on a yearly basis. Most plans are recreated entirely every 3-5 years (often sooner given the pace of change and uncertainty in today's economy) to ensure they align with ever-changing needs.

The EDA Board determined that the following goals below are short term goals we feel can be accomplished within the next 1-2 years to set the stage for further growth in Cannon Falls.

### **2022 GOALS**

#### **#1: HOUSING**

- Acquire/Purchase Property for Development
- Create Housing Committee
- Take steps to correct Sandstone Ridge

#### **#2: ANNEXATION**

- Increase Tax Base
- Create housing & business development opportunities

#### **#3: BUSINESS RETENTION**

- Monthly site visits to current RLF recipients
- Meet with businesses to promote RLF and build relationships

#### **#4: SELL TIF 2-9 LOT IN INDUSTRIAL PARK**

- Market the other EDA properties for development

Respectfully submitted by Laura Qualey, Economic Development Specialist.

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## PLANNING COMMISSION BACKGROUND

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The Planning Commission provides assistance to the City Council in the administration of City of Cannon Falls Zoning and Subdivision Ordinances. The recommendations of the Planning Commission are advisory in nature. Specifically, the Planning Commission reviews, holds public hearings, and makes recommendations to the City Council on all applications for zoning amendments, rezone requests, conditional use permits, and plats.

The Planning Commission holds regular meetings at 6:30 p.m. on the second Monday of every month in the Council Chambers at City Hall. The Commission consists of the following seven members annually appointed by the Mayor:

**Mike Daniels**--Chairperson

**Bruce Hemmah**

**Glen Lundell**

**John Christensen**

**Derek Lundell**

**Bill Duncan**--Council Representative

**Matt Montgomery** -- 2nd Council Representative

**Dianne Howard** – Zoning Administrator

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## 2021 PLANNING/ZONING/BUILDING REPORT

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A **variance** is defined as a modification or variation of the provisions of the City of Cannon Falls Zoning Ordinance where it is determined that by reason of special and unusual circumstances relating to a specific lot, strict application of the Zoning Ordinance would cause a practical difficulty. A variance can only be granted if the applicant establishes that practical difficulties in complying with the zoning ordinance exist. This means (1) the property owner proposes to use the property in a reasonable manner not permitted by the zoning ordinance; (2) the plight of the landowner is due to circumstances unique to the property not created by the landowner; and (3) the variance, if granted, will not alter the essential character of the locality.

There were 3 Variances issued in 2021:

- Carstensen & Son Trucking, variance for sign height allowance
- E. Juno & Erica Nayagam, variance for fence height allowance
- Goodhue County Habitat for Humanity, variance to allow minimum lot footage adjustments

A **Conditional Use Permit** (CUP) The purpose of a conditional use permit is to provide the City with a reasonable degree of discretion in determining the suitability of certain designated uses upon the general welfare, public health and safety. In making this

determination, whether or not the conditional use is to be allowed, the city may consider the nature of the adjoining land or buildings, the effect upon traffic into and from the premises or on any adjoining streets, and all other or further factors as the city shall deem a prerequisite of consideration in determining the effect of the use on the general welfare, public health and safety. Its judgment shall be based upon, but not limited to, the following factors:

- (A) The proposed action has been considered in relation to the specific policies and provisions of and has been found to be consistent with the official City Comprehensive Plan;
- (B) The proposed use is or will be compatible with present and future land uses of the area;
- (C) The proposed use conforms with all performance standards contained in this code;
- (D) The proposed use can be accommodated with existing public services and will not overburden the city's service capacity; and
- (E) Traffic generation by the proposed use is within capabilities of streets serving the property.

There were 2 CUPs granted in 2021:

- R & R Investments, conditional use permit to allow a mural at 101 4<sup>th</sup> Street N.
- David Olson, conditional use permit to allow a veterinarian clinic at 1233 4<sup>th</sup> Street S.

**Administrative Subdivisions** consist of the following:

(A) *Lot boundary line adjustment.* Divisions of land where the division is to permit the adding of a parcel of land to an abutting lot or the combination of recorded lots to form no more than two lots. Newly created lots shall conform to the design and performance standards of the city subdivision and zoning regulations.

(B) *Lot split.* The simple division of a single parcel, tract or lot to create no more than two lots and the newly created property line will not cause the remaining portion of the lot or any structure to be in violation with this chapter or the city zoning regulations.

(C) *Base lot subdivision.* In the case of a request to divide a base lot upon which a two-family dwelling, townhouse or a quadrominium, which is a part of a recorded plat where the division is to permit individual private ownership of a single-dwelling unit within a structure and the newly created property lines will not cause any of the unit lots or the structure to be in violation of this chapter or the city zoning regulations.

There were 4 Administrative Subdivisions granted in 2021:

- Babe O’Gorman, lot split at 915 N. 6<sup>th</sup> Street
- Nate’s Garage, administrative subdivision/lot combination at 1717 & 1713 N. Highway 20
- Goodhue County Habitat for Humanity, lot split at 1200 6<sup>th</sup> Street N.
- Josie & Zach Hayes, 300 Carlson Road, administrative subdivision/lot split

**PUD:** Comprehensive procedures and standards designed for both district and conditional use permit planned unit development to allow the development of neighborhoods or portions thereof incorporating a variety of residential types and nonresidential uses. Recognizing that traditional density, bulk, setbacks, use and subdivision regulations which may be useful in protecting the



character of substantially developed areas, may not be appropriate to control development in less developed areas. The PUD allows deviation from the strict provisions of this chapter related to setbacks, heights, lot area, width and depths, yards and the like by conditional use permit or a mixture of uses by rezoning to a PUD District.

There was 1 Concept Plan for a PUD granted in 2021:

- Keller-Baartman, concept plan for a 79-unit apartment building at 415 Hickory Drive

**ANNEXATION.** Annexation is simply a change of jurisdiction from one municipality to another. The process allows for the City to expand its boundaries in order to accommodate future growth.

There was 1 Annexation granted in 2021:

- Josie and Zach Hayes, annexation at 300 Carlson Road

**PRELIMINARY PLAT AND REZONE**

There was 1 Preliminary Plat and Rezone approved in 2021:

- Greg Jablonske for Towering Bluffs

**ZONING ORDINANCE**

**ZONING CODE Changes;** there were 3 amendments to the Zoning Code in 2021.

- Ordinance #375 relating to sign height and parking and loading surfaces
- Ordinance #378 relating to sexually oriented uses
- Ordinance #381 relating to conditional uses in the B-2 Highway Business District

**BUILDING PERMITS COMPARISON CHART**

<u>YEAR</u>	New Single Family Residential Permits	Valuation	New Multi-Family/ Apartments Permits	Valuation	New/Remodeled Commercial/ Industrial/Public Permits	Valuation	OTHER (Renovations/ Additions/ Decks/Garages, etc.)	Valuation	YEARLY BUILDING PERMITS VALUATION TOTALS
2016	3	\$390,000	4	\$528,000	5	\$422,000	101	\$746,000	\$2,086,000
2017	14	\$2,646,000	3	\$666,000	18	\$8,570,000	102	\$1,282,000	\$13,164,000
2018	9	\$1,650,000	0	0	6	\$2,276,000	174	\$1,326,000	\$5,252,000
2019	8	\$1,532,000	2	\$330,000	5	\$1,327,000	192	\$1,638,000	\$4,827,000
2020	12	\$2,847,000	0	0	12	\$3,366,000	137	\$1,214,000	\$7,427,000
2021	12	\$2,787,000	0	0	3	\$820,000	186	\$2,466,000	\$6,073,000

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**BUILDING PERMITS**

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<b>2021 BUILDING PERMIT SUMMARY</b>	Permits Issued	New Units	Valuation
<b>BUILDING</b>			
SINGLE FAMILY HOMES	12	12	\$2,787,000
MULTI-FAMILY/APARTMENT			
COMMERCIAL/INDUSTRIAL PUBLIC/NON-PROFIT	3	3	\$820,000
OTHER (Renovations/Additions/Decks/Garages...)	186		\$2.466,000
<b>TOTAL</b>	201	15	\$6,073,000

**2021 PERMITS:**

2021 Sign Permits: 5  
2021 Fence Permits: 17  
2021 Excavation/Installation of Residential Connection Permits: 22  
2021 Commercial Utility/Underground Obstruction Permits: 31  
2021 Solicitor Permits: 10  
2021 Chicken Permits: 9  
2021 Fireworks Permits: 2

**2021 LICENSING:**

2021 On-Sale Licenses: 9  
2021 Off-Sale Licenses: 4  
2021 Brewer/Taproom License: 1  
2021 Refuse/Roll-Off Licenses: 8  
2021 Massage Licenses: 7  
2021 Tobacco Licenses: 8  
2021 Excavator Licenses: 14  
2021 Mobile Food Truck License: 1

**2021 New Addressing:** 5

Respectfully Submitted,

Dianne Howard  
Zoning Administrator