

EDAP BOARD MEETING
STOCKMAN'S CAFÉ
OCTOBER 15, 2019
7:00 A.M.
AGENDA

***** Note location of meeting.*****

- I. CALL TO ORDER
- II. CONSENT AGENDA
 - A. Minutes (page 1)
- III. NEW BUSINESS
- IV. OLD BUSINESS
 - A. Economic Status Of Community – Update
 - B. Past Due Loans – Update
 - C. Downtown Revitalization (page 4)
- V. INFORMATIONAL
 - A. Revolving Loan Report (page 14)
- VI. ADJOURN

***** Please call or email Renee at 320-243-3714 ext. 227 or at renee@paynesvillemn.com if you are not able to attend the meeting.*****

Members: Mark Dingmann, Don Wiese, Bruce Stang, Chris Stanley, Wayne Nelson, Shawn Reinke, and Len Gilmore. Advisory Member: Renee Eckerly.

This agenda has been prepared to provide information regarding an upcoming meeting of the EDAP Board. This document does not claim to be complete and is subject to change.

BARRIER FREE: All EDAP Board meetings are accessible to the handicapped. Attempts will be made to accommodate any other individual need for special services. Please contact City Hall (320) 243-3714 early, so necessary arrangements can be made.

REQUEST FOR BOARD/COUNCIL ACTION

BOARDCOUNCIL NAME: EDAP Board

Board/Council Meeting Date: October 15, 2019

Agenda Section: Consent Agenda

Originating Department: Administration

Item Number: II - A

ITEM DESCRIPTION: Minutes

Prepared by: Staff

COMMENTS:

Please review the minutes from the March 19, 2019 Special Joint EDAP Board & City Council – Working Session On Downtown Revitalization & Redevelopment.

ADMINISTRATOR COMMENTS:

BOARD/COUNCIL ACTION:

Motion to approve the minutes from the March 19, 2019 Special Joint EDAP Board & City Council – Working Session On Downtown Revitalization & Redevelopment.

MINUTES
SPECIAL JOINT EDAP BOARD & CITY COUNCIL – WORKING SESSION
DOWNTOWN REVITALIZATION & REDEVELOPMENT

MARCH 19, 2019

At 5:30 p.m. the attendees went on a tour of downtown.

The meeting was called to order at 7:00 p.m. Council members present were Alicia LaBeau, Len Gilmore, and Shawn Reinke. Jeff Thompson and Neil Herzberg were absent. EDAP Board members present were Bruce Stang, Chris Stanley, and Wayne Nelson. Others present were Renee Eckerly, City Administrator; Ron Mergen, Public Works Director; Chuck DeWolf, Bolton & Menk, Inc.; Janna King, Economic Development Services, Inc., and Kristin Leither, Social Media Specialist.

DOWNTOWN REVITALIZATION & REDEVELOPMENT

Kansier introduced herself and gave a brief background of developments she has been involved in.

Timeline:

- 1½ days of interviews – businesses and such to understand the dynamics
- Wrap up in June – July 2019

Discussion on:

- Community Foundation – downtown revitalization
- Key businesses
- More jobs than people
- Daytime population
- Key properties and owners
- Property – important to change catalyst of downtown and understand the economics of that area

First Phase:

- Sort out what the next step is between now and this summer

Vision For Downtown:

- Discussed the trade area for downtown, drug store, book store, Queen Bee's = products
- Mostly service

Demographics Of City:

- Elderly – shop locally; can't purchase certain items without Alco and Shopko
- Activating public spaces have become a replacement for retail space
- Library is under sized and would be on the public space list
- Area Center location is on the other end of town
- 2 lumber yards, 2 hardware stores, 1 greenhouse
- Hospital is very important to assist with expansion

- Affordable housing needed
 - Sand Companies
 - Stearns County HRA
- Industrial Park needs more space
- Vacant buildings need to be registered and ordinance adopted
- Runnings or Fleet are going into places where Wal-Mart has vacated
- Sporting-goods stores are needed
- Housing to rejuvenate
- Funding to remove blighted properties
- Carver County – has private veteran housing with a library
 - What would the community need to offer to bring a veteran's home here?
 - Small Cities Grant
 - TIF
 - Mental health facility
 - Rehab plaza funding
 - Housing assistance
- Grand Rapids – YMCA, senior center with a small clinic

There being no further business, the meeting was adjourned at 8:30 p.m.

Renee Eckerly, City Administrator



Economic Development Services, Inc.

Downtown Paynesville Revitalization Assessment

September 2019

Janna King, CEcD, EDFP



Paynesville Area Economy

The City of Paynesville has a population of approximately 2,500 people. The population in the Paynesville Area School District is 6,210 reflecting the households on Lake Koronis, Rice Lake, Lake Henry, St. Martin and adjacent rural areas.

The market is notable for its strong daytime population, a reflection of employment concentrations in the community in health care, education, manufacturing and trucking. In 2015, (latest available) US Census identified 1,773 employed in the City of Paynesville. Of these, 1,346 commuted into town for employment, 427 lived and worked in town. In contrast, only 731 residents commuted out of the community for employment.

Employers with 50+ employees include CentraCare, Paynesville Area Schools, Associated Milk Producers, MasterMark Plastics and Teal's Market. (Source: MNDOT - Central MN Commuter Study.)

Population	2,481
Growth since 2000	8.6%
County growth since 2000	18.5%
School district population	6,210
Daytime population	3,360
Workers	2,075
Residents	1,285
Median h*hold income	\$50,067
2010 housing units	1,148
Owner occupied	70.3%
Renter occupied	29.7%

Source: ESRI/Census/ACS



Industry	Employment	Ave weekly wage
Total, all industries	1,693	\$769
Education/health services	541	\$880
Trade, transportation, utilities	437	\$754
Manufacturing	245	\$911
Professional/business services	93	\$416
Leisure/hospitality	80	\$223
Financial activities	63	\$894
Public administration	55	\$383

Source: MN DEED - QCEW

Paynesville's location approximately 30 miles from St. Cloud and Willmar, combined with strong employment concentrations in ag processing, manufacturing, health care and education position the community well for the future. A challenge facing employers due to baby boomer retirements is attracting younger generations to fill a full range of positions – production, nursing, teaching as well as managerial, technical and professional. Talent attraction is emerging as a significant new component of community economic development strategies. Rural areas face a challenge when young families consider the potential for two members of the household to find rewarding employment. Paynesville's location midway between Willmar and St. Cloud creates the potential for a family to locate in the community and have reasonable access to employment opportunities in Paynesville, Willmar, St. Cloud and other area communities. To compete for the next generation workforce, communities need to offer quality of life amenities attractive to young families – a well-regarded school district, attractive housing, health care, sports, cultural and outdoor amenities, including trails, lake and outdoor recreation access.



Lake Koronis, sports facilities, the hotel and other gathering places and amenities attract visitors to the community. Visitors expand the market seasonally. But the types of businesses and amenities that are attractive to visitors – such as dining, entertainment, local food, arts and culture, trails, etc. – can also be attractive to the next generation of workers. Paynesville has an opportunity to create a strategic mix of activities in the downtown area that will be attractive to visitors, area residents and young talent.

Downtown Revitalization Context

Paynesville, like communities throughout the country, has experienced a transformation in its downtown over the decades due to increased commuting, mobility and a variety of changes in the retail sector. “Mom and pop” stores in small communities have waned and in many cases disappeared, with national chains concentrating retail activity in regional centers like Alexandria, St. Cloud and Willmar. Clothing, furniture and other market segments in which the consumer seeks variety, selection and lower prices concentrate in the regional centers.

Communities like Paynesville, located approximately 30 miles to the nearest regional centers— St. Cloud and Willmar – have the opportunity to meet the daily retail needs of area consumers for grocery, hardware, lumber and pharmacy goods. However, in many cases these businesses migrate out of downtown because retail formats have transformed from historic “Main Street” shops that are typically deep and narrow with limited parking, to “retail boxes” surrounded by parking lots, often located on a major highway near the edge of town.

Changing demographics and the trend toward on-line shopping and ever-faster, often-free delivery is disrupting the retail sector further. Shopping malls and other retail centers are in the process of changing their business mix and use of space to provide more opportunities for people to gather, engage in activities and entertainment. Historic downtown areas, often viewed as the “heart of the community”, often struggle in the transition to finding a new niche.

Another challenge faced by communities seeking to maintain a healthy downtown area involves rental rates, property ownership, vacancy and maintenance. Some older downtown areas have a supply of space that is greater than the demand, driving down rental rates. This may help occupancy, but can hurt maintenance.

Ideally, property owners are actively engaged in maintaining their properties and either operate or rent to a business that generates sufficient revenue to pay taxes, insurance and cover the cost of maintenance - including larger cost items such as a new roof, HVAC system, or code-related updates. Communities are often impacted by property ownership factors including elderly or absentee owners and estate-related complications, resulting in poor maintenance, lack of concern for tenant quality, high tenant turnover and vacancies. Vacancies and low rents can precipitate a cycle of decline in building maintenance and appearance, impacting neighboring properties and the overall image of the community. This can lead to declining values in adjacent properties, putting the entire commercial area into a downward spiral, impacting community image and tax base.

Communities respond to these challenges by organizing downtown revitalization efforts. These efforts may be driven by the public sector, private sector – or ideally by a public-private partnership.

The engagement of **business owners** is important because they are heavily invested in the success of downtown. They are “on the ground” on a daily basis meeting and understanding the needs and concerns of customers. They understand where customers come from and why, and are key to developing and driving marketing and promotional activities. They have a significant impact on the image and attractiveness of downtown.



Property owners who lease their space out to businesses ultimately determine the tenant mix of the area, with the potential for significant impact. They are responsible for major investments in the property, and also have a significant impact on the image of downtown. Property owners may also disengage (for a wide variety of reasons) and allow a property to deteriorate, impacting neighboring properties and the entire district.

The active involvement of the **city** and possibly other public sector players (e.g. MNDOT, county public works or HRA) is critical. The City is motivated by concern for its tax base as well as its image. As employers in small towns seek to attract managerial, technical and professional workers to fill positions in manufacturing, health care, education and other sectors, they compete not only with other employers, but families may choose to accept an employment opportunity (or not) based on the impression a community makes on them. The attractiveness of a community to potential recruits has a significant impact on employers' ability to attract talent.

Public sector players are responsible for the infrastructure and services in downtown areas – roads, turn lanes, turn signals, parking, signage, sidewalks, storm water, water and sewer, safety and accessibility. They have a role in the planning, design and management of the public realm, with significant impact in the appearance and functionality of the area.

The economics of downtown revitalization and redevelopment typically require some level of public sector financial support because the time and costs associated with the acquisition and improvement, or demolition and redevelopment of a downtown property, are typically higher than acquisition and development of sites at the edge of town. This may involve seeking state or federal grants and using local financing tools to support revitalization. Without public sector support for redevelopment of aging, obsolete and/or deteriorating properties, a spiral of decline can take hold.

The following principles offer guidance for revitalization of historic downtowns and commercial corridors.

- Engage community stakeholders, including business and property owners and civic leaders to develop a shared vision and plan for downtown revitalization
- Clarify the area's economic niche
- Make sure everyone feels safe and welcome
- Design and maintain the appearance of the area to reflect the community's heritage and economic niche
- Market and promote the area, consistent with heritage and economic niche

Assessment: Downtown Paynesville

Retaining, expanding and attracting **traffic generators** in a downtown area is important to a revitalization strategy. Downtown Paynesville has several significant traffic generators: the City's license bureau, pharmacy, meat market, library, banks, post office and food/beverage establishments. Of these, the library and meat market are the only existing organizations that report space constraints and the potential to expand.

The role of libraries is evolving with digital technology and the **Paynesville Great River Regional Library** is keeping pace with these changes. It serves an important resource for internet access and recently updated printing capacity to support patrons. It established a "maker space" and offers classes in watercolor, jewelry making and provides "learn to draw" kits. The gallery space, which features regional artists at the library, is booked through the summer of 2020. In addition to the traditional function of providing reading materials, libraries are evolving into activity centers for arts and culture. Several people interviewed as part of the downtown revitalization assessment identified expanded arts and cultural offerings as an opportunity for



downtown. As Paynesville defines the role of its downtown for the future, serving as a hub for arts and culture, with the library as a focal point, is a possibility that should be considered.

Restaurants, coffee shops and bars provide opportunities for people to gather and are important for visitor hospitality and building a sense of community among local patrons. They have long been located in downtown areas and it is desirable to retain these traffic generators in the heart of the community. Some interest has been expressed in diversifying the food and beverage offerings available in downtown Paynesville.

In Paynesville, many of the older downtown properties are occupied by people who provide **business and personal services**, including accountants, lawyers, dentists, eye doctors, salons, financial planners, Realtors and other service providers. Owner occupants with active businesses typically maintain their buildings well and uphold a positive image for downtown. Similarly, service businesses that rent from a property owner, typically pay sufficient rent to ensure good property maintenance. Paynesville has a solid concentration of this type of businesses. A benefit of these types of businesses is that they generate a relatively small amount of traffic steadily throughout the day, which works well from a parking demand perspective. However, they don't generate sufficient traffic to provide a significant boost to nearby retail operations. Interviews revealed that accessibility for disabled and elderly customers is a concern for these businesses. City infrastructure projects should take this into consideration to ensure the ability of these businesses to meet the needs of their customers with a downtown location.

Small retail shops. At the NE corner of James and Augusta, the former 18,000 square foot Ben Franklin store has been configured to house a number of small shops, including a bookstore, quilt shop, gallery and framing shop, and boutique. People interviewed identified these shops, the meat market, coffee shop and restaurants as the most likely visitor destinations in downtown Paynesville. Some of the small shops in the former Ben Franklin store benefit from internet sales in addition to walk-in trade. This combination of in-store sales and internet sales may be a business model that could enable area entrepreneurs to succeed, particularly if small business development support systems were put in place.

In Paynesville, several properties are rented to businesses that support people with **recovery** from alcohol and drug addiction. The operations include spaces for recovery clients to gather for meetings and recreation as well as short-term housing above downtown stores. While these businesses provide a valuable service and rental income to property owners, client behavior (particularly after hours or on weekends) is generating concern among other business and property owners. These behaviors can deter families and other downtown business patrons who may feel uncomfortable or unsafe.

Community leadership is concerned about the negative impact of **vacant properties** or downtown properties that don't maintain regular store hours and appear to be used primarily for storage. Issues including mold and a lack of building maintenance impact safety, adjacent property owners, and the image of downtown. Cities across the country facing similar problems have adopted vacant building ordinances to protect health and safety, preserve tax base and the health of the local economy.

Associated Milk Producers, Inc. (AMPI) is a dairy marketing cooperative owned and governed by 2,000 dairy farm families with approximately 1,200 employees. AMPI dairy farmer-owners produce milk on family farms in Wisconsin, Minnesota, Iowa, Nebraska, South Dakota and North Dakota. They own AMPI's 10 Midwest-based manufacturing plants, which produce





10 percent of the nation's American-type cheese, butter, dried whey and sliced American cheese. In 2017, AMPI marketed 5.7 billion pounds of milk, resulting in \$1.7 billion in sales for the cooperative. The company's dairy products are marketed to foodservice, retail and food ingredient customers. The company is headquartered in New Ulm, MN. The Paynesville operation, which employs 82 people, produces cheese and powdered dairy products. Dairy processing operations have a substantial regional economic impact not only on the communities where they are located, but on dairy farmers and trucking operations involved in hauling milk to the plant for processing, and hauling finished products such as cheese and dried whey.

The AMPI facility dominates the northwest part of downtown along River Street and Railroad Street W, west of Washburne Ave. There is a small retail store on site, but it is not well signed or marketed. AMPI generates substantial truck traffic. Some business and property owners expressed concern about truck routes and the impact of large trucks on the perception of safety along these routes in downtown.

The Paynesville Area Hospital District owns a senior assisted living facility, currently leased to Centracare, on the southeast corner of Business 23 and Washburne Avenue. Centracare, headquartered in St. Cloud, has established relationships with many rural community hospitals that found it advantageous to be affiliated with a larger regional health care organization. This existing facility is likely to be affected by new senior housing that is in the planning phase for a site south of TH55 in Paynesville. The hospital district owns 5 parcels comprising approximately 1.5 acres. With public ownership and its location just south of City Hall, across Business 23, this parcel could play a role in downtown revitalization.



Trail system – There is interest in providing a safe and convenient connection between downtown Paynesville with the Lake Koronis Recreational Trail and the Glacial Lakes Trail. Over time, such a connection could help bring visitors to the community, reinforce other changes to downtown Paynesville and contribute to the revitalization process.

Organizational capacity

In 2007, the **City of Paynesville** was awarded an awarded an \$814, 506 Small Cities Block Grant. Funds were used for commercial rehabilitation, rental rehabilitation and residential rehabilitation. Grant funds were matched by \$420, 894 from other sources. The City hired Stearns County Housing & Redevelopment Authority to administer the grant. The grant was closed out in January 2010. In 2013, Tri-County Action Program, Inc. was contracted to qualify revolving loan fund applicants and oversee the construction. Funds currently available in the revolving loan fund total \$36,000.

The Stearns County Housing and Redevelopment Authority supported the City of Paynesville with the administration of its Small Cities grant from MN DEED. The HRA board maintains a commitment to support housing and the community and economic development needs of Stearns County and could be a valuable partner in planning, financing and supporting implementation of redevelopment activities on behalf of the City of Paynesville. The HRA has a revolving loan fund that could be helpful in supporting projects and leveraging state funds.

The Paynesville Area Community Foundation, which has roots as a commission of the City of Paynesville, provides philanthropic support to the community. It was established as a separate 501(c)3 in 2008. The



organization is administered by the Central Minnesota Community Foundation and as of June 30, 2018, the organization's assets totaled \$4.2 million. Leadership has expressed an interest and concern for the downtown area and a willingness to participate in a meaningful way to support catalytic revitalization activities.

Another civic organization that could play a role in the revitalization of downtown is the **Paynesville Area School District (ISD 741)**. Recently the Paynesville Area Community Foundation funded an entrepreneurship program in the high school. The program was fully enrolled in its first year and operates a print shop at the high school. Students have been involved in operating businesses in downtown areas in other communities as part of revitalization activities. Student businesses in downtown areas provide lessons in starting up and operating a business in a more "real world" environment. The involvement of their friends and families with a downtown establishment can stimulate family-friendly interest and activity in downtown.

Revitalization Strategies

Downtown Paynesville attracts residents and visitors from the Paynesville area and surrounding communities. The focus during daytime business hours is personal, professional and business services and activities stimulated by the location of the library, city hall and small businesses. Some of these visitors are seasonal or weekend oriented. The focus in the evenings and weekends is dining, entertainment and recreation. Expansion of these daytime and evening/weekend markets together with some of the strategies identified below could generate renewed interest in downtown and form the basis for revitalization.

- 1) **Keep personal, professional and business services healthy.** A number of small business and personal services businesses – salons, attorneys, dentists, eye doctors, chiropractors, accountants, Realtors and similar business— have adapted former retail storefronts to new uses. These service businesses demonstrate the capacity to generate sufficient revenue to pay for short term and long term property maintenance and uphold a positive image for downtown Paynesville. Parking and accessibility are concerns. As part of the revitalization strategy:
 - Accessibility should be a high priority. These businesses depend on a diversity of clients – from young families to elderly residents. Safe access for everyone— from young mothers handling multiple children to elderly with walkers and wheelchairs—should be thoughtfully addressed.
 - Attention should be paid to ensuring that privately owned property to the rear of buildings is defined and respected.
 - Encourage professional and personal service businesses to be actively engaged in downtown promotion and beautification activities
- 2) **Expand the library.** The library has been an important family-friendly institution for area residents of all ages in Paynesville since 1908. It has demonstrated the capacity to successfully adjust to changes over time. The library has adapted to meet new needs in the internet era and serves as an arts and culture hub with maker space and a gallery featuring local artists. An expanded and updated library could anchor arts and cultural activity in the community. As a catalyst to revitalization, its location and adjacent uses should be very thoughtfully considered to build positive momentum for downtown. Co-location of a library with senior housing, a coffee shop and/or wellness facilities has proven mutually beneficial in other communities.
- 3) **Attract residents and visitors to downtown.** Cultivate a strategic mix of businesses and activities that will attract residents and visitors to downtown Paynesville. A variety of possibilities were suggested during the assessment process.



- Enhance local food options. Cheese and ice cream would build on the Paynesville's dairy heritage and complement the farmers market and meat market.
 - Expand dining and entertainment options.
 - Renovate the theater. Target a unique market segment like classic and independent films to differentiate Paynesville from larger markets like St. Cloud and Willmar and attract people from surrounding area. Develop themed festivals to attract visitors during the summer.
 - Create an interpretive center for the dairy industry. Stearns County has a long history as a top dairy producing and processing county in Minnesota and the dairy industry has a tremendous economic impact on the region and the state. Tourists and school groups seek out the education exhibits available at centers devoted to the wolf (Ely), eagle (Wabasha), owl (Houston), mining (Tower), hockey (Eveleth), forestry (Grand Rapids) and many others. A dairy interpretive center could be located near ice cream, cheese and other local food options to provide visitors with rich experience.
- 4) **Integrate students and their families into downtown revitalization.** The Paynesville Area Community Foundation supported Paynesville Area Schools in establishing an entrepreneurship program. Interest was strong during the program's first year (2017-2018) and was fully enrolled. Students operated a print shop at the school. Location of a business downtown would expand students' "real world" experience of operating a business. Several of the ideas identified earlier – the theater, ice cream, cheese and local foods could be considered for the involvement of students involved with the entrepreneurship and/or Future Farmers of America programs.
- 5) **Consider ordinances that address rental properties and vacant buildings.** Rental property ordinances are put in place by communities to ensure health and safety and avoid nuisance or inappropriate uses. Vacant buildings can cause health, safety and image problems for adjacent properties and the community and stimulate a cycle of decline. Cities adopt building maintenance and vacant building ordinances to address these problems and motivate a positive climate in the downtown area. The League of MN Cities provides model ordinances. Here are some additional examples.
- Fayetteville, NC**
<http://www.gad.fayettevillencreators.com/wp-content/uploads/2016/07/Vacant-Property-Ordinance-Final.pdf>
<https://www.fayobserver.com/12ee42e2-b588-5bac-878d-31204b99d5a6.html>
<https://www.fayobserver.com/news/20170402/fayetteville-to-target-vacant-buildings>
- San Antonio, TX**
<https://www.sanantonio.gov/Portals/0/Files/VacantBuilding/VacantBuildingOrdinance2016.pdf?ver=2018-03-07-105234-050>
- Seattle, WA**
<http://www.seattle.gov/sdci/codes/common-code-questions/vacant-buildings>
- Callender, IA**
Summary: <https://buildingpossibility.com/wp-content/uploads/2018/05/Ordinance-167-PMC-SUMMARY.pdf>
Complete: <https://buildingpossibility.com/wp-content/uploads/2018/05/Ordinance-167-Property-Maintenance-Code-Eric-.pdf>
- 6) **Maintain a safe, family-friendly environment.** Short-term rentals for addiction recovery clients have resulted in some undesirable behaviors that are affecting other downtown business and property owners and their customers. These issues must be addressed so all people can feel comfortable downtown.

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- 7) **Explore the market for housing in Paynesville and downtown.** An updated market study is needed to determine the types of housing needed in Paynesville. Rapidly changing demographics and the need for senior and workforce housing create a more dynamic market than most rural communities have seen in recent years. Reliable market information is needed to guide public officials and attract investors.

The impact of various housing strategies on downtown and the larger community should be weighed by policymakers, including the following.

- Interest has been expressed in the possible construction of senior housing south of TH 55.
 - The movement of seniors out of single family homes into senior facilities frees up single family units for new residents
 - Washburne Court, which is owned by the Paynesville Area Hospital District and operated by CentraCare, could be affected by the addition of new senior housing in the market. It could be renovated and/or repositioned to meet housing needs in the community.
 - Housing, particularly housing co-located with an expanded library downtown could be explored.
 - The market and funding for veterans housing could be explored. Proximity to the VA Hospital in St. Cloud could be attractive. Limited exploration of this opportunity indicated that one large developer of veterans housing prefers markets larger than Paynesville.
 - Concerns expressed by business and property owners about the growth of the addiction recovery business downtown Paynesville, including the counseling, recreational and short term housing facilities involved with these businesses. Consideration should be given to the housing demand created by the recovery facilities, which may need to be regulated further or relocated over time to reduce the negative impact of behavioral issues on downtown.
- 8) **Establish a downtown revitalization task force.** Cultivation of a welcoming, attractive downtown that responds to the needs and interests of area residents and visitors in all age groups is a continuous process that requires the active engagement of business and property owners, the city, civic leaders and community volunteers. Property owners are important – they must invest in short-term and long-term maintenance of properties and make critical decisions about the tenant mix. Business owners provide the valuable insights gleaned from their day-to-day interactions with customers. They play a critical role in people's impression of the hospitality and appearance of downtown. The city plays a critical role in infrastructure, public safety, parking, signage, street and sidewalk maintenance and overall design and appearance. Civic leaders and community volunteers can provide important support to downtown revitalization efforts.
- 9) **Consider establishing an entrepreneurial support system.** An entrepreneurial support system could be established to benefit the area and downtown in particular. It may be possible to devote some library and chamber resources and programming to entrepreneurial support. Businesses located in smaller communities expand their markets by selling on the internet as well as through downtown storefronts. Specific resources or programming devoted to internet sales could provide downtown Paynesville businesses with larger market opportunities and improved viability. Regional organizations like the Small Business Development Center in St. Cloud and regional foundations could be valuable partners in support of entrepreneurial programming in Paynesville.



Next Steps

The downtown revitalization planning process was designed to be implemented in phases, to give the City flexibility and the opportunity for significant input at each step of the process. Following completion of the Phase 1 report, the Council and EDA should decide if they would like to proceed with Phase 2 of the downtown revitalization planning process.

On a preliminary basis Bolton and Menk, Inc. and Economic Development Services, Inc. have identified the following next steps for Phase 2.

- Share the findings of Phase 1 with area downtown business and property owners, residents and community leaders and seek their input into the Downtown Revitalization process
- Identify alternative development scenarios and seek input from the stakeholders and community
- Refine alternatives based on community insights and preferences
- Identify preferred revitalization strategies

Upon completion of Phase 2, the City could choose to move forward with Phase 3, which would involve the development of concept plans and financing/funding strategies.

REVOLVING LOAN STATUS REPORT

Date of Update: **10/1/2019**

Business Name	Outstanding Balance	Date of last Payment	Amount of Last Payment	Current/Next Due Date
Blomgren, Karl	\$ 233.10	8/7/2019	\$ 60.03	10/2/2019
C & S Towing Inc	\$ 68,039.52	10/1/2019	\$ 455.76	11/1/2019
Eats & Treats	\$ 8,226.37	9/4/2019	\$ 180.00	11/3/2019
William Fuchs	\$ 6,376.05	9/10/2019	\$ 98.89	11/13/2019
Koronis Lanes Refinance	\$ 26,958.85	3/4/2019	\$ 628.55	10/1/2019
Koronis Living LLC	\$ 11,306.57	9/23/2019	\$ 300.00	10/13/2019
Lamb Labor Services #3	\$ 3,963.67	9/27/2019	\$ 161.72	11/1/2019
Queen Bee's Bar & Grill	\$ 65,209.64	9/6/2019	\$ 1,217.72	11/20/2019
Safe Basements Inc.	\$ 206,769.65	9/30/2019	\$ 2,590.96	11/1/2019
Savage Land Partnership	\$ 257,109.22	8/24/2019	\$ 1,957.36	11/3/2019
Todd & Lauri Lokken	\$ 33,980.58	9/18/2019	\$ 235.85	10/17/2019
Joint Loans w/Township				
Joint Loans w/State				
TOTAL OUTSTANDING BALANCE	\$ 688,173.22			

LATE PAYMENTS: 0

TOTAL DELINQUENT \$ -

CITY REVOLVING LOAN BALANCE (available)	\$ 356,840.52	7/31/2019	<i>(unaudited)</i>
CITY EDAP BALANCE	\$ 359,028.67	7/31/2019	<i>(unaudited)</i>
TOWNSHIP LOAN BALANCE (available)	???		

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