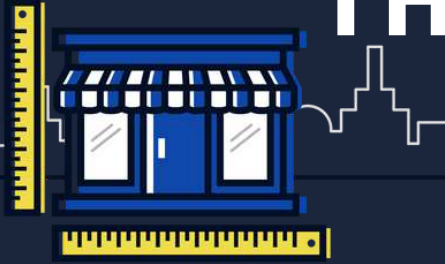


THE BUSINESS LEAD



SPRING 2024

OPEN FOR BUSINESS

CITY OF CALEDONIA DEFECTIVE SIDEWALK REPLACEMENT PROGRAM

The City of Caledonia values a safe, well-maintained network of public sidewalks. In an attempt to encourage property owners, including businesses, to replace defective sidewalks, the City offers a partial reimbursement for sidewalk replacement costs.

Not only does the City offer funding for sidewalk replacement, but additional funding resources for EDA incentives and business assistant are also available. Read more about the types of funding on page 2 and for more information about the City Sidewalk program, visit www.caledoniamn.gov or contact Public Works & Zoning Director Casey Klug at (507) 725-3462.

BY MICHELLE ELLINGSON
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To subscribe to the Business Lead Newsletter, contact City Hall at cityhall@caledoniamn.gov or call 507-725-3450

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EDA BUSINESS ASSISTANCE & CITY OF CALEDONIA INCENTIVES

Funding for various projects is available through a number of incentives and business assistance sources. Below is an explanation of each funding source.



1) EDA Revolving Loan Fund

The City of Caledonia Intermediary Revolving Loan Program provides low-interest loans to businesses and individuals to promote job creation and retention, reduce blight, increase the tax base, and provide needed services in the community. These loans provide gap financing and may be used for land acquisition, new construction, site improvements, renovations, machinery, and fixtures. Loan amounts are generally available for up to \$25,000, but vary depending on the extent of the public purpose served by the project and the economic feasibility of the project.

2) Commercial Rehabilitation Loan (Façade Improvement)

The City offers assistance to commercial property owners in the Downtown Redevelopment Area who want to make physical improvements to the exterior of their building. Up to 33% of the project cost will be a forgivable loan; 33% percent of the project cost will be a 3% low-interest loan, and 34 % of the project cost will be owner's equity. The Commercial Rehab Loan Program is administered by the Community and Economic Development Associates (CEDA).

3) Tax Abatement

The City of Caledonia offers tax abatements for economic development purposes. A tax abatement allows a property owner to receive a refund on a portion of their yearly property tax for a parcel. The abatement is usually based on the increase in a property's value from a construction or renovation project. The yearly percentage of the abatement and duration vary based on the amount of the business investment and job creation.

4) Tax Increment Financing

For qualified applicants the City of Caledonia may institute a tax-increment financing district (TIF), in which the city would use the additional property taxes that a new real estate development project generates to assist with the costs of the development.

A Business Assistance Application can be downloaded from the City of Caledonia website or contact Jake Dickson City Clerk/Administrator for more information.

Old Buildings Renewed

The name on the Abbotts Building cornice (located at 103 E. Main St.) says "Abbotts 1891," indicating when this brick block was built. Thomas M. Abbotts II opened a restaurant in the west half of the first floor of the new brick building. This enterprise didn't last very long and was replaced by another short-lived business, the Bailey Webster Saloon. In March of 1893, F.B. Collins and E.C. Hellickson opened their pharmacy in the west side first floor space. This was the start of a long run as a pharmacy. Thomas Harold Abbotts (grandson of the first Thomas Abbotts) eventually purchased the business and in 1922, it became Abbotts Drug. Don Rice started working at the pharmacy in 1950 and purchased the business in 1960. Rice Pharmacy resided there until 2003. Various short-term businesses have used the space since then, including a meat market.

In the 1890s, the east side of the first floor was home to the Eagle Clothing Co. owned by Fuos & Hill, until they moved across the street around 1904. There were several other businesses located here for a short time until the Caledonia State Bank opened their doors in 1913. In 1960, the bank moved to their new building on the corner of Grove and Marshall Streets. Tru-Gas had their sales department and offices there for a time. Currently, it houses the Edward Jones Office.

Rice Building 1960



Edward Jones Office 2024



8 KEYS TO FAMILY BUSINESS SUCCESS

Starting a business with a spouse, parents, siblings, children or other family members presents unique challenges over and above the usual problems a startup faces. To find the right balance, follow these tips:

- Set some boundaries. It's easy for family members involved in a business to talk shop 24/7. But mixing business, personal and home life will eventually produce problems. Limit business discussions outside of the office or save them for an appropriate time.
- Establish clear and regular methods of communication. Problems and differences of opinion are inevitable. Consider weekly meetings to assess progress, air any differences and resolve disputes.
- Divide roles and responsibilities. While various family members may be qualified for similar tasks, duties should be divvied up to avoid conflicts. Big decisions can be made together, but a debate over each little move will bog the family business down.
- Treat it like a business. A common pitfall in a family business is placing too much emphasis on "family" and not enough on "business." The characteristics of a healthy business may not always be compatible with family harmony, so be ready to face those situations when they arise.
- Recognize the advantages of family ownership. Family-owned businesses offer unique benefits. One is access to human capital in the form of other family members. This can be a key to survival, as family members can provide low-cost or no-cost labor, or emergency loans.
- Treat family members fairly. Family members can be a great asset to your business. But avoid favoritism. Pay scales, promotions, work schedules, criticism and praise should be evenhanded between family and non-family employees.
- Put business relationships in writing. It's easy for family members to be drawn into a business startup without a plan for what they will get out of the business relationship. To avoid hard feelings or miscommunication, put something in writing that defines compensation, ownership shares, duties and other matters.
- Don't provide "sympathy" jobs for family members. Avoid becoming the employer of last resort for your kids, cousins or other family members. Employment should be based on what skills or knowledge they can bring to the business.

source: www.startupnation.com



True Value

BUSINESS SPOTLIGHT

True Value Hardware located at 520 Old Highway Drive has been a family business since 2003 when Jim and Pat Jennings purchased the store as independent retailers and has been serving the community ever since.

An assortment of merchandise can be found at True Value including paint, pet supplies, tools and power equipment, plumbing and lighting supplies, garden supplies, and general home maintenance supplies.

True Value's friendly staff can help you with expert advice for do it yourself projects and answer your questions on the products and equipment you need to get the job done.



Did you know?

Family-owned businesses employ 60% of the US workforce and create 78% of all new jobs.

1.2 million of family-owned small businesses are run by husband and wife.

Family businesses generate 64% of America's Gross Domestic Product (GDP)

source: www.score.org

USING SIGNAGE AS A MARKETING TOOL

When building a marketing plan, businesses usually put their focus towards online ads, social media marketing, direct marketing, and so on. These marketing strategies are good tools, but they may only reach prospects who are looking for similar products or services. Using a business sign or in-store signage can be an added benefit, but because these types of marketing tools are pretty commonplace, business owners often take them for granted and do not realize their marketing power. Below are several benefits to using signage:

Outdoor Signage can take the form of sidewalk signs on chalkboard, entrance signs, murals, awnings, or window signs. Place signage where it is visible to as much walk-by and drive-by traffic as possible.

First Impressions: Effective outdoor signage can help small businesses build brand recognition and gain immediate visibility in the minds of consumers. Signs pave the way for discovery. They compel visitors to walk into your store or office and explore your products/services.

24/7/365 Marketing Tool: Outdoor signs can serve as a marketing tool around the clock. Unlike other marketing tools, such as ads, outdoor signage is always visible no matter the time of day, everyday.

Persuasive Signage advertises a particular product or promotion and influences consumer behavior through convincing language or attractive imagery. It's retail signage that inspires customers to take action on such as a limited time offer or sale.

Promote Sales: Persuasive signage can be used to announce new products, seasonal offerings, or special offers such as BOGO (buy one get one) and prompt consumers to purchase items while they are on special to promote sales.



Informational Signage also be known as departmental, directional, or organizational signage. These signs help the customer navigate your space more easily.

Encourage Repeat Visits: Informational signage can help keep your business arranged in an orderly fashion. Not only does this systematically benefit your customers, it also makes your internal structure more organized and the easier it is for a customer to find what they came in for, the more likely they are to rely on that convenience in the future.



Digital Signage is an installation that displays video or multimedia content for advertising or informational purposes that is powered by a media player that sends content to the display. The goal of digital signage is to showcase your best products, provide information, and simplify the sales process.

Keep Customers Engaged: Tech-savvy shoppers are always looking for exciting new ways to improve their shopping experience and one trendy tool provides a touchscreen displaying a range of content, including infographics, videos, 3D models, animations, and more. Since digital displays capture 400% more views than static displays, this is definitely a type of sign you want to incorporate in a marketing plan.

Captivating business signs can serve as effective marketing tools. Therefore, if you aren't already, it's time you look at signage as a marketing tool for your business. According to the US Small Business Administration, signage delivers the highest return on investment (ROI) as it is one of the most affordable marketing tools.



Upcoming Events

City of Caledonia Community Coffee Break: Tuesday, March 12. The Well 214 E. Main. 9:00-10:00am. Community Coffee Break is a series of monthly gatherings for residents and business owners to enjoy community conversation. Come as you are and join us for coffee and conversation every 2nd Tuesday from 9:00-10:00am throughout 2024.

Caledonia Chamber of Commerce March Meeting: Thursday, March 14. 8:00am at the Wired Rooster Coffee Shop. All business owners are welcome! Email Caledonia Area Of Commerce <caledoniacoc@gmail.com> to RSVP.

City of Caledonia Economic Development Authority (EDA) March Meeting: Wednesday, March 20 1:00pm City Hall Council Room. Please email mellingson@caledoniamn.gov to be added to the agenda.

BUSINESS DEVELOPMENT



Emerald Lane, an Indoor Market Co-Op located at 211 S. Kingston Street is a new endeavor launched by Kristina Hauser. The Co-Op offers the community more shopping options while giving small business owners an affordable way to be visible. Leases for vendors are short term but possibly renewable. Hauser hopes to be able to offer a variety of businesses on a continuum allowing home based businesses an opportunity to trial their business concept in a brick and mortar setting.

Three out of the eight Caledonia Holiday Pop Up Shop vendors have signed on with Emerald Lane extending their business concept in a brick and mortar setting. They include:

The Ma and Pa Shop (assortment of bath and beauty items, scented melts, used books)

Jim Reed Photography (photo books, prints, notecards)

Lash and Lace (trendy women's clothing boutique items)