



**NEW PRAGUE
ECONOMIC DEVELOPMENT AUTHORITY (EDA)**

**“2024 Summary Report on EDA Activities and
Community Economic Indicators”**

March 12, 2025

OUR MISSION IS TO PROMOTE AND FACILITATE ECONOMIC DEVELOPMENT IN THE NEW PRAGUE AREA:

- * Strengthen existing businesses and non-profits *
- * Create an environment conducive to new economic development *
- * Create long term funding strategy *

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Business Retention & Expansion Program

2024 continued the City's second phase of the Business Retention & Expansion Program (BR&E), which was to revisit businesses that had previously been met with to be updated on their operations. These second-round visits helped City officials continue foster relationships with the business community. As the community continues to grow, these relationships will be vital to ensuring the EDA and the City are aware of challenges being faced by local businesses and fostering a system that will allow the EDA and the City to assist businesses where they are able.

In 2024, EDA officials and City staff members visited twenty-two businesses, touring facilities, meeting workers, and speaking with business representatives to get a pulse on the business community. Below is a list of businesses visited in 2024:

- Busch Brothers Machines/Midwest Foods – February 29th
- MVE Biological Solutions – February 29th
- Autowash Systems, Inc – March 4th
- Bricks Boatworks – March 4th
- Appointments USA – March 4th
- Early Childhood Academy – March 15th
- Wornson Goggins, PC – March 15th
- Chart Industries – March 18th
- 1319 Woodfire Tavern – April 11th
- Parkview Medical Clinic – April 22nd
- Scott Equipment – May 17th
- Dairy Queen – May 22nd
- Kubes Furniture – May 22nd
- New Prague Schools – June 24th
- Electromed – July 16th
- MN Grain & Feed – August 9th
- CVF Racing – September 5th
- New Prague Counseling – September 12th
- A&W Automotive – November 7th
- Advanced Care Concepts – November 14th
- 2 If By Sea Tactical – November 22nd
- American Family Insurance – December 20th

A few of the common talking points that came up in many of the meetings included:

- Many of the businesses enjoyed New Prague's small town feel but like being close enough to the metro that you could be there quickly.
- The City is generally pretty responsive to needs as they arise.
- The labor market is tight and many of the businesses felt it. It is difficult to sometimes compete with wages/benefits in the metro and due to lack of quality rental housing, many employees commuted from the metro. This combination of wages and housing makes expansion difficult.
- Many businesses would like to work with the New Prague Area Schools on developing skills of local kids to feed into the labor market and address their own labor needs.
- Many businesses would also like to grow their physical space, whether by owning or leasing, and the land or buildings are not always readily available.

Business retention and expansion continues to be identified as a priority for the EDA as studies indicate that over 70% of new job growth results from existing businesses. In addition, existing businesses have a stake in the community, invest in local efforts and organizations, and have valuable input on future needs of the city.

The EDA plans to continue its BR&E program in 2025, as the business climate continues to evolve and new businesses are welcomed into our community. Should any business wish to arrange or visit or speak with an EDA official, please reach out to Joshua Tetzlaff, EDA Executive Director, at jtetzlaff@ci.new-prague.mn.us.

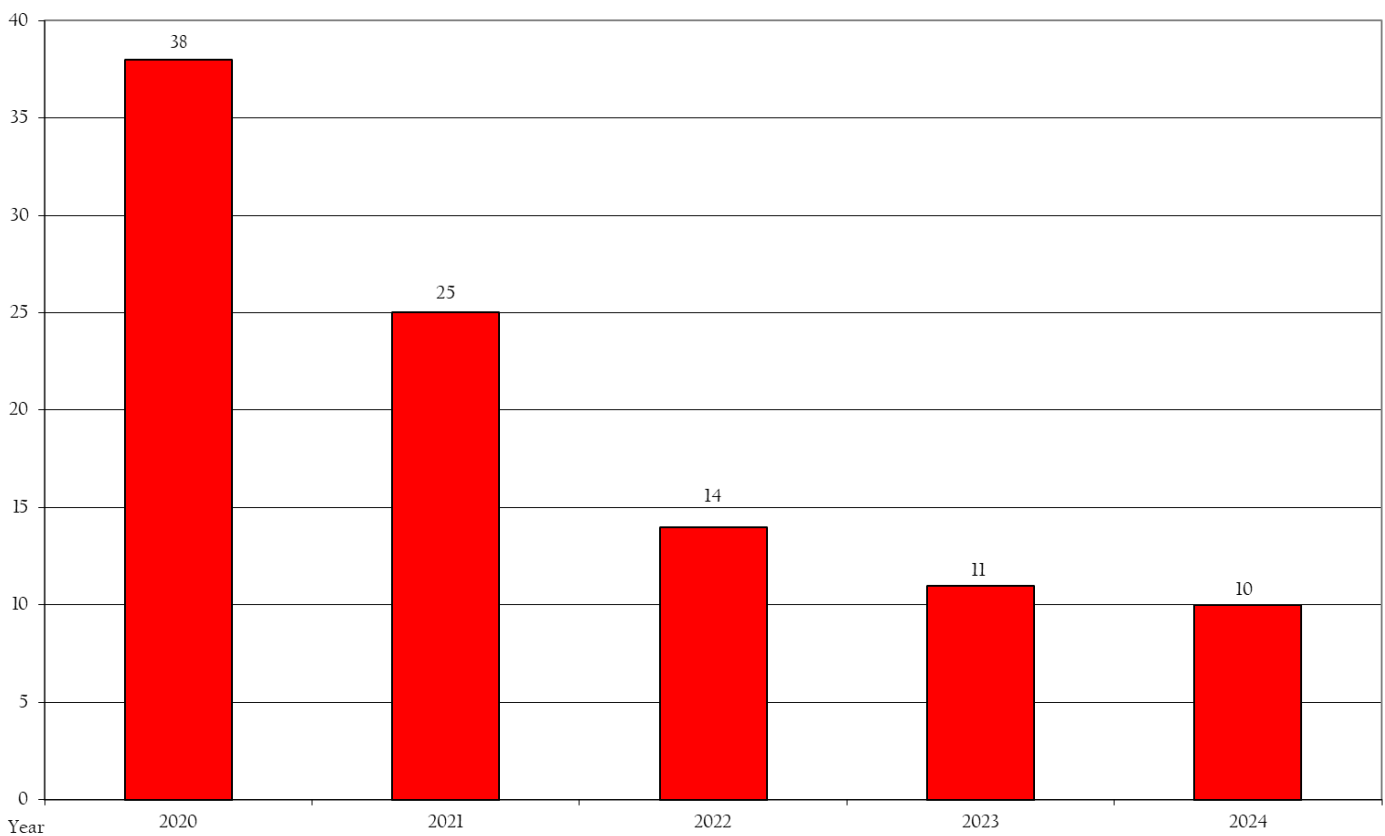
Construction Activity in New Prague

As the City moved into 2024, the construction climate seems to have slowed as interest rates remain high. That being said, we did see some building in New Prague. In the residential area, permits for new homes overall were again down from 2023. This is likely attributed to both the high cost of building as well as the lack of availability, as available lots in New Prague are under 30 total, with even less being available for sale.

At the end of 2024, following the approval of a tax abatement, the City did approve a footings permit for a new market-rate apartment building along Chalupsky Avenue SE. The building permit for the apartment building was still under review at the end of 2024, so no multi-family residential permits were formally approved in 2024.

The graph below shows the residential building permits pulled for new home construction.

Single Family Home Permits
5 Year (2020 - 2024)



For commercial and industrial permits, work continues to trend upward. These permits include both new construction and remodeling existing construction. The permits for the past year included expansion of local industrial businesses, tenant finishes in existing buildings, and new construction for others.

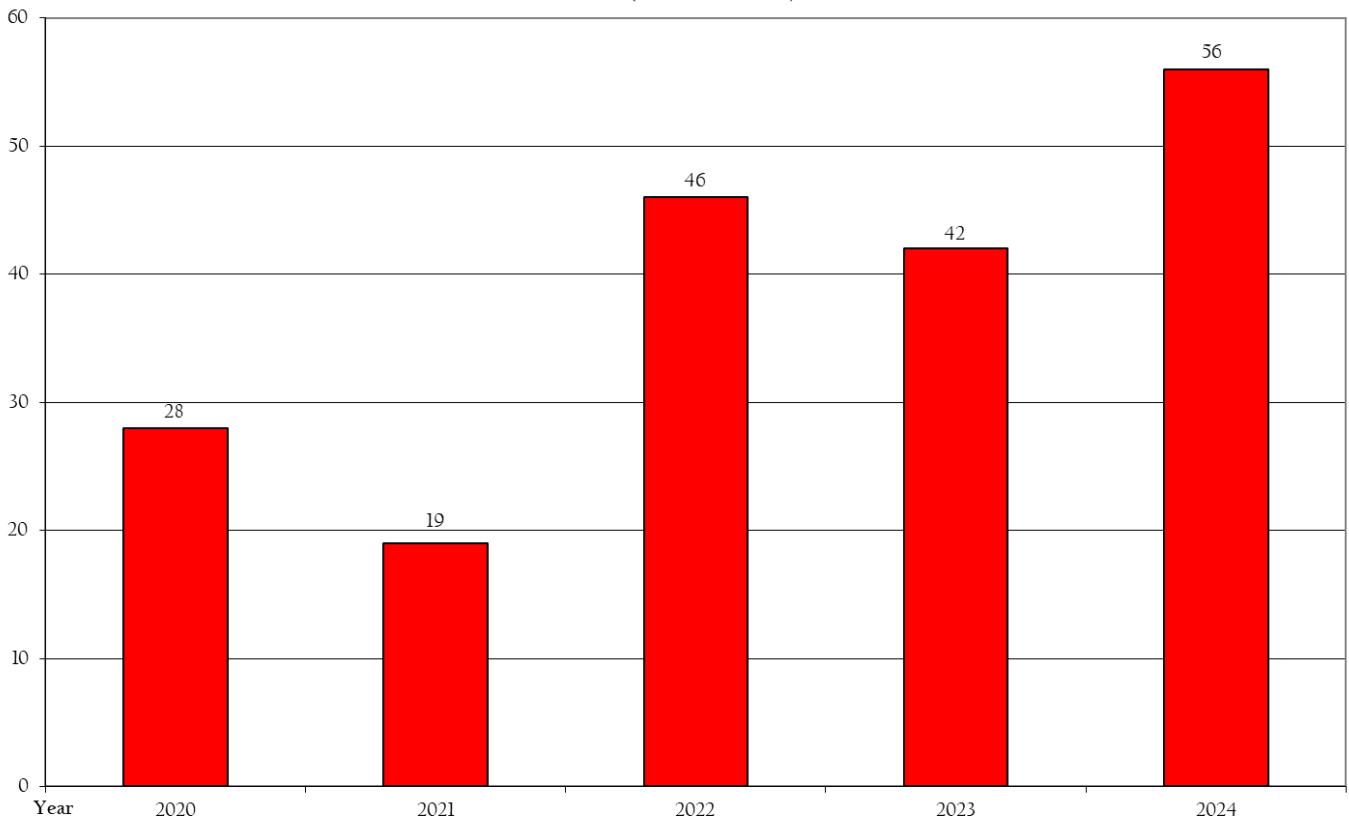
Some of the new commercial and industrial work in 2024 included:

- Scooter’s Coffee
- Style Revival
- The Rusty Spoke
- Honey Lou Boutique
- Berg Primary Care
- Scott Equipment’s new location
- Bishop Investments new location
- Faith, Recovery, and Music new location
- Bargain Lodge opened in a new location
- 2 If By Sea Tactical’s new indoor firing range.

Some major renovations for commercial and industrial businesses included:

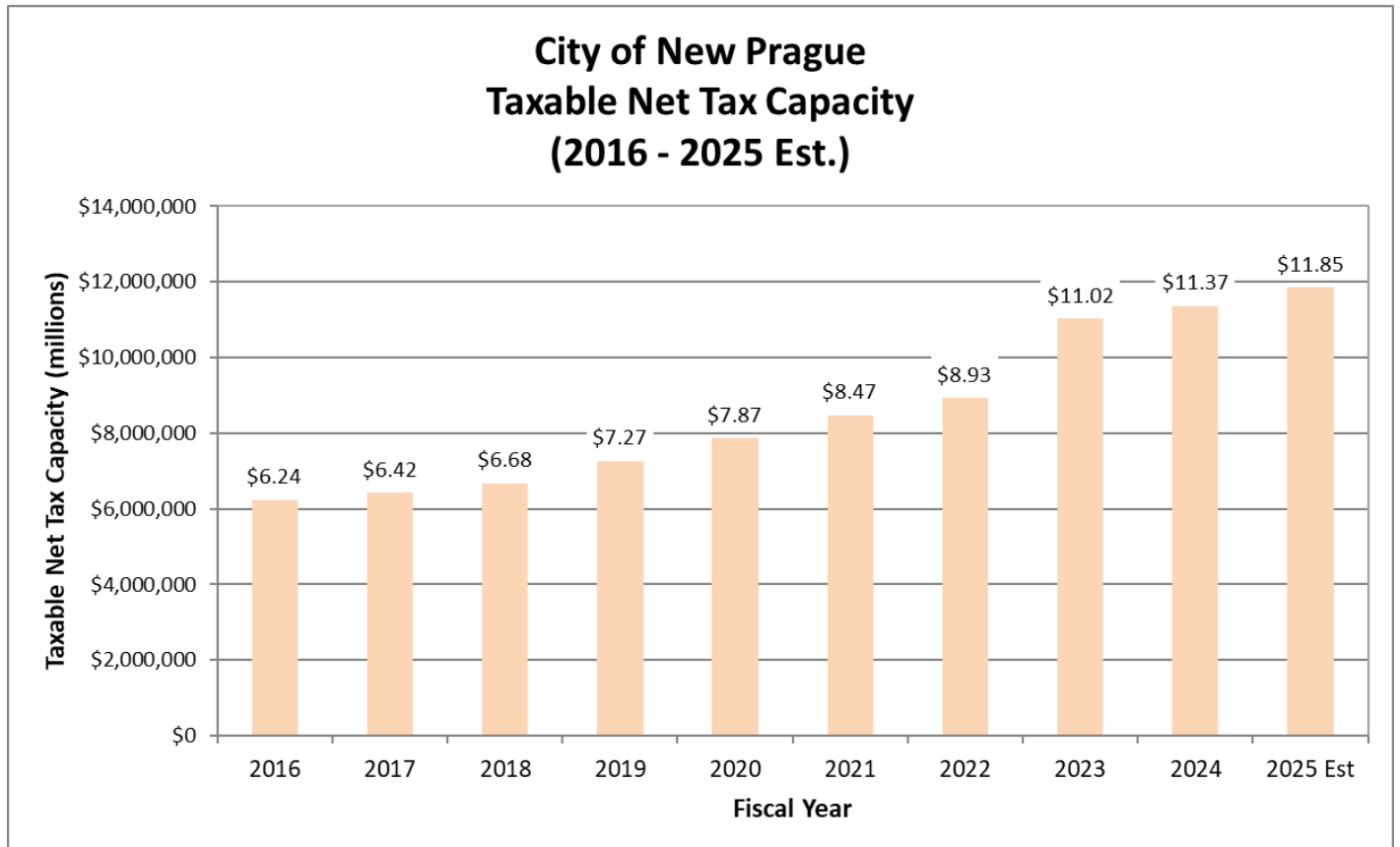
- CVF Racing expansion
- Holy Trinity remodel
- Mayo expansion for Oncology & Infusion services.
- Outlaw Saloon addition of a new outdoor patio.
- Starlight Productions temporarily moved due to a fire downtown.

Commercial / Industrial Permits
5 Year (2020 - 2024)



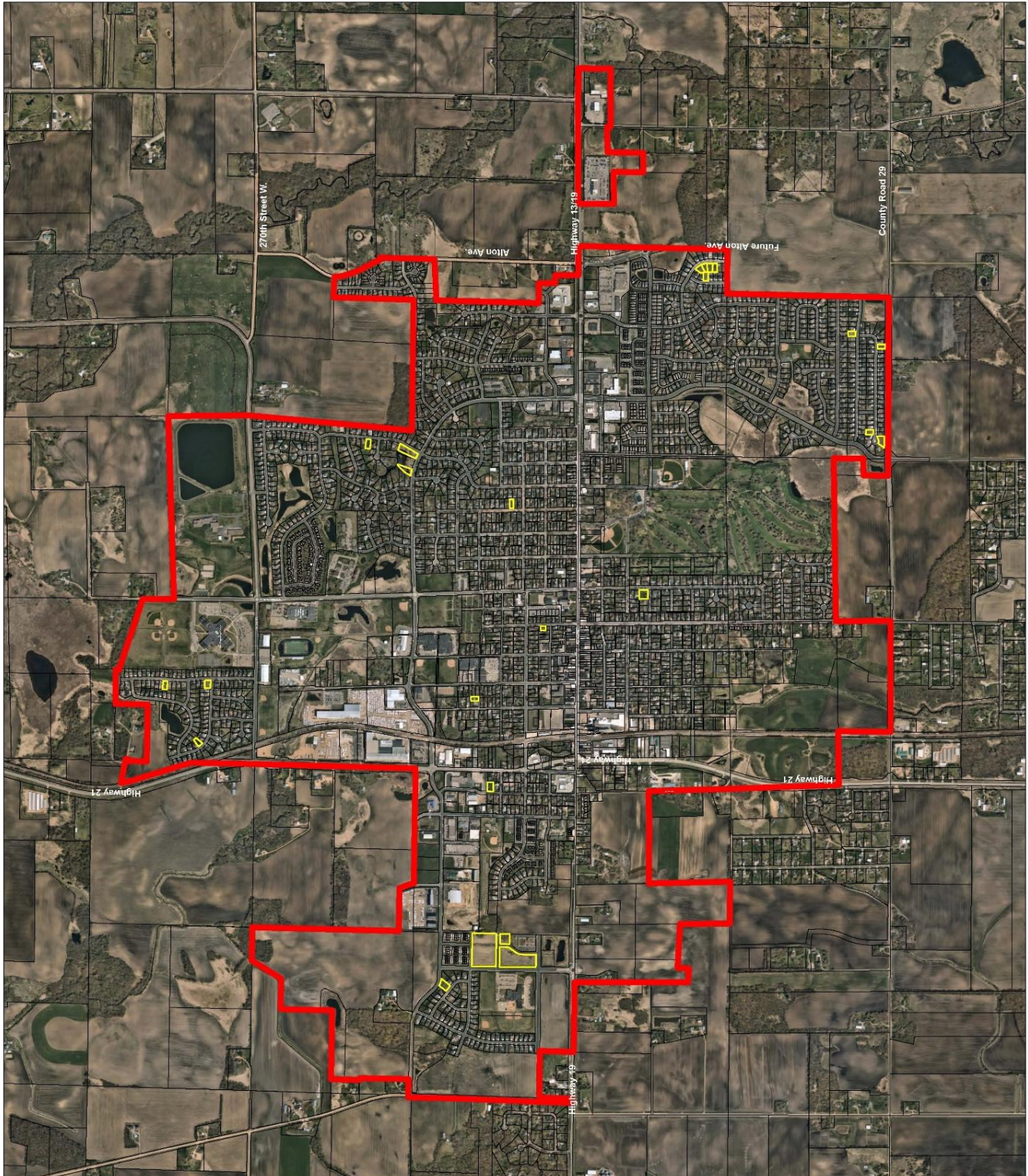
As can be seen in the graph below, the Net Tax Capacity for the City of New Prague has continued to grow since 2016. Coming out of 2022, New Prague, and the state as a whole, saw upwards of 20% tax capacity rates. Much of this was driven by increases in the values set for residential properties, at least in New Prague. The years since have seen saw a much more subdued increase overall.

Net tax capacity is determined by multiplying a property’s taxable market value by the relevant class rate. Class rates are set by statute, vary by property type, and are uniform statewide. Growth in net tax capacity is due to both new construction within New Prague as well as rising property values in both the residential and commercial/industrial sectors.



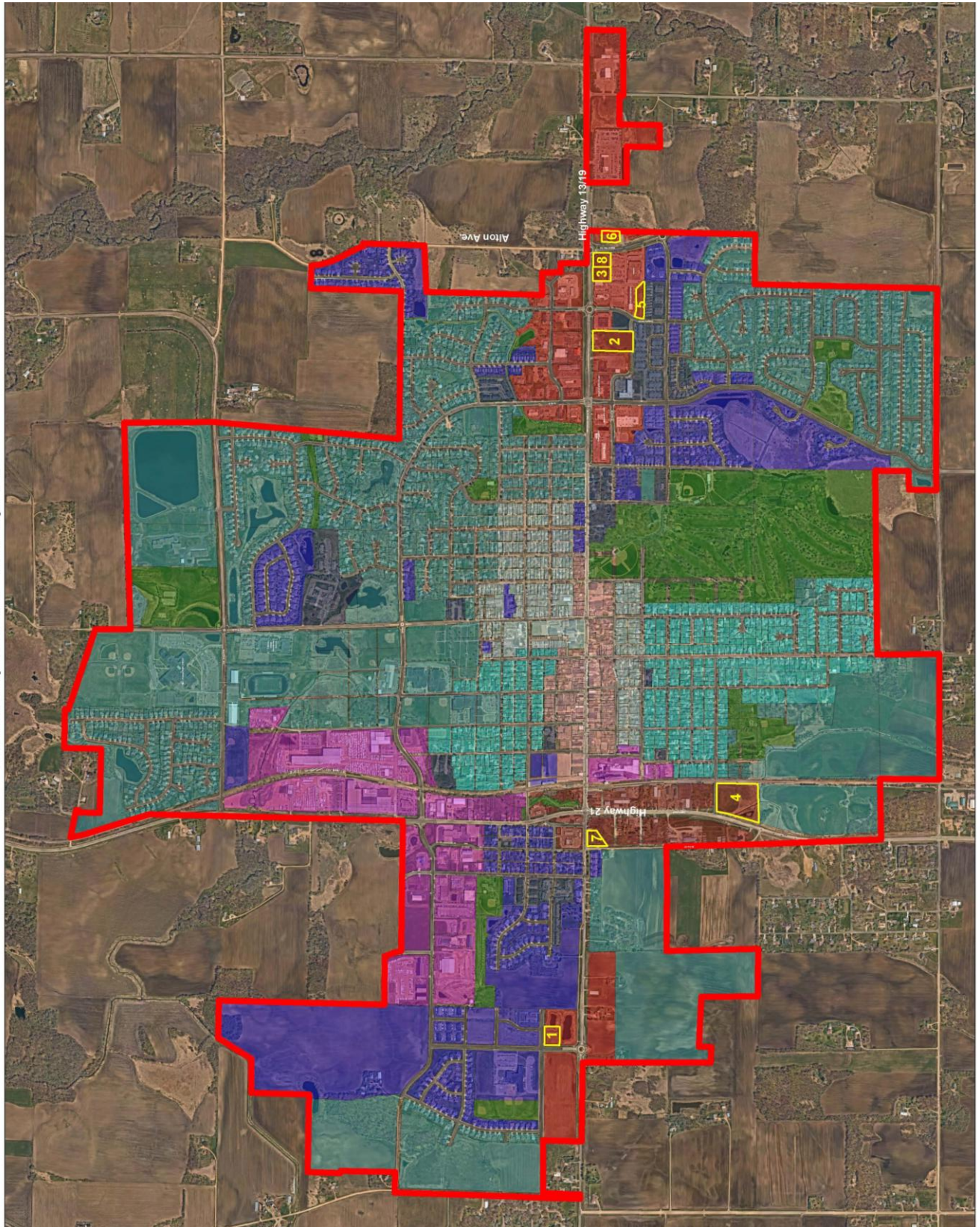
Remaining Buildable Lots in New Prague

With all the construction activity, there are still buildable lots in New Prague, though they are dwindling. Some of the lots that are considered buildable are not actively being marketed. Some common reasons may be that an owner is waiting to build in the future or an owner is not interested in building on the lot. In total, there were 24 vacant residential lots in New Prague at the end of 2024 that would be able to have a house built on them.

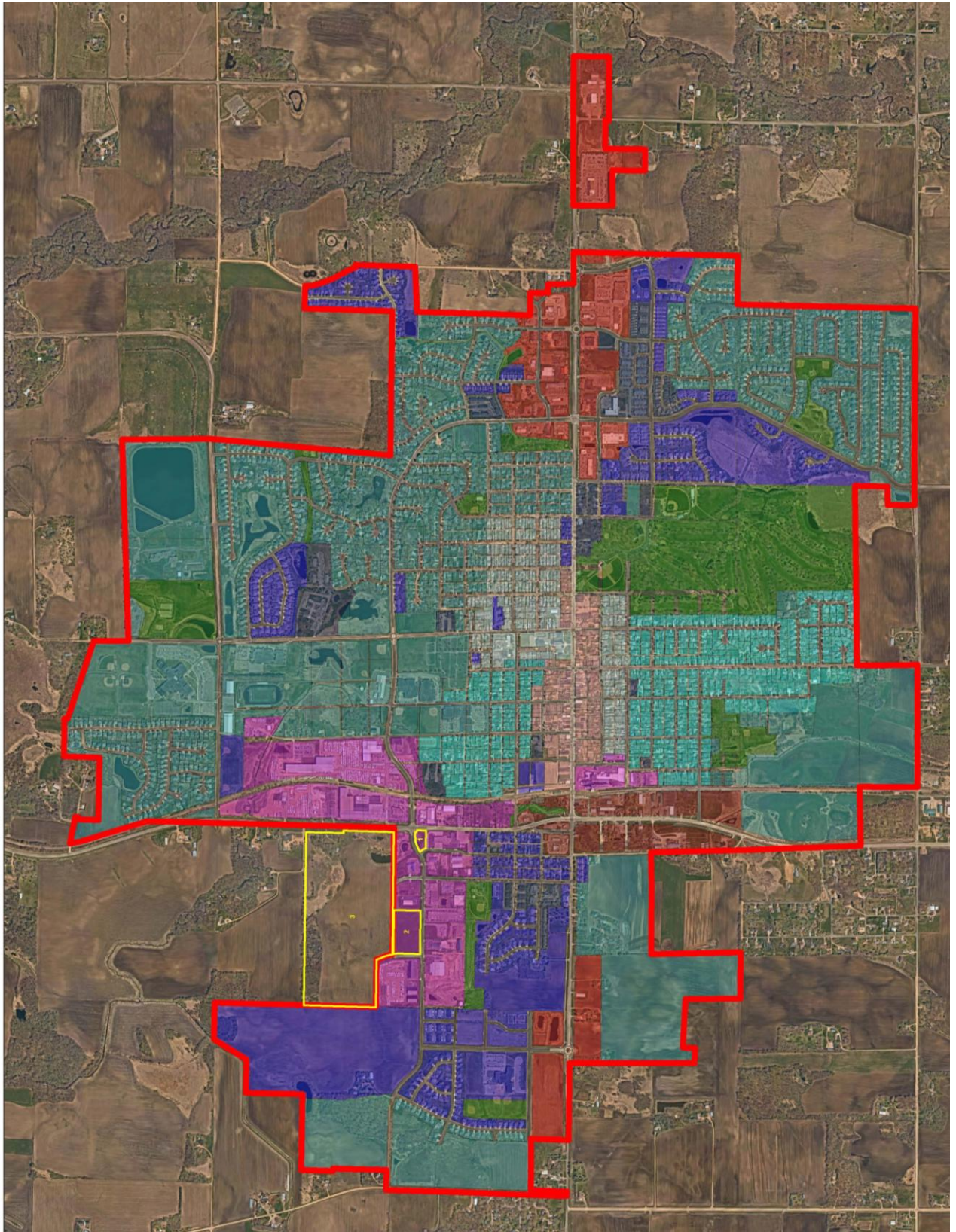


On the commercial/industrial side, there are 8 lots that were available in City limits at the end of 2028. The following maps show the buildable lots for commercial and industrial properties in town.

New Prague Vacant Commercial Sites Available for Development
With Municipal Utilities - January 2025



New Prague Vacant Industrial Sites Available for Development
With Municipal Utilities - January 2025



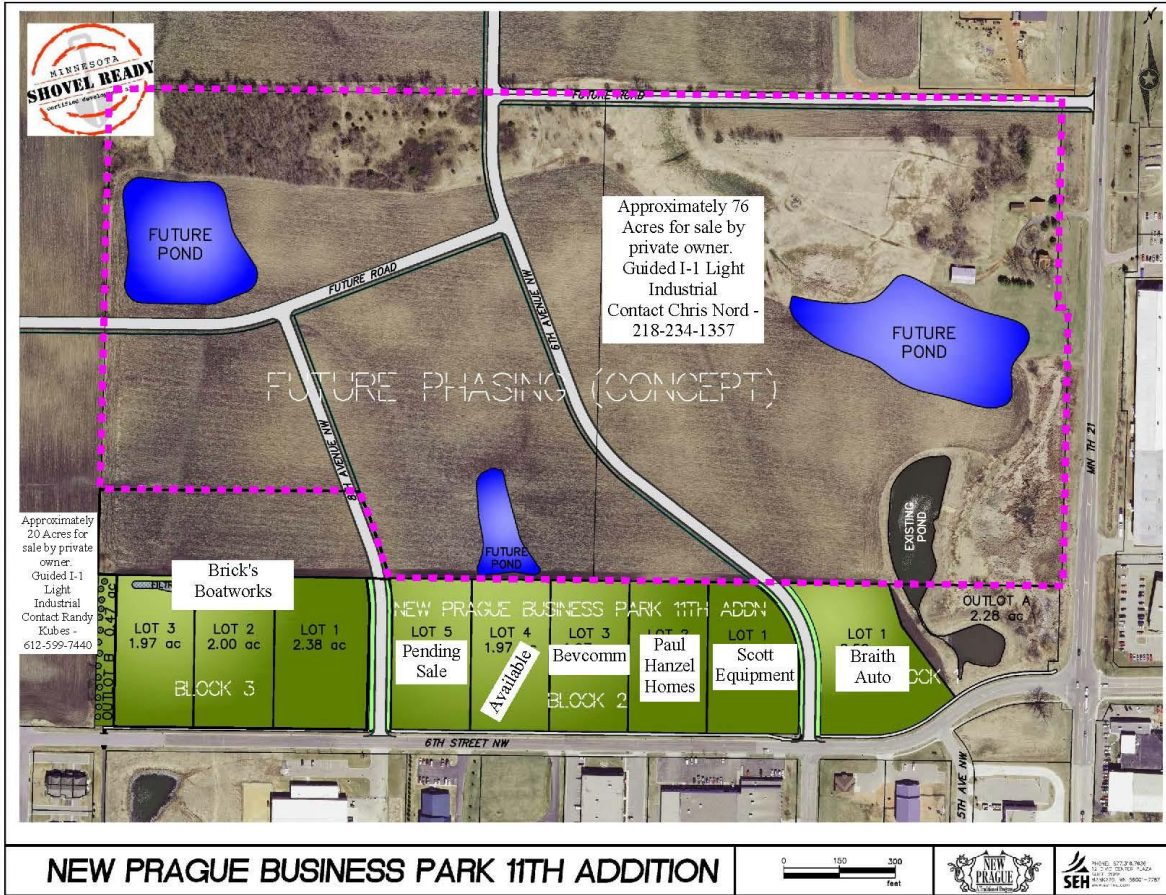
Industrial Park

The EDA went into 2024 with three available for purchase in the Industrial Park on the west side of town. In 2024, the City received two offers on the lots. In very early 2025, one of those lots closed, leaving one lot pending sale and one lot available.

INDUSTRIAL LAND FOR SALE

New Prague Industrial Park

List Price: \$2.25 sq. ft.



The City of New Prague has one 1.97 acre lot available for purchase in the newest phase of the City's industrial park! Be under construction immediately! Private ownership of additional acres available to the north and west.

PROPERTY FEATURES

- Shovel Ready Certified Site
- Light Industrial lot just under 2 acres
- City incentives available for qualifying businesses
- Suitable uses include manufacturing, auto repair, warehouses, breweries, distilleries, data centers and research facilities just to name a few

FOR ADDITIONAL INFORMATION, VISIT WWW.CI.NEW-PRAGUE.MN.US

OR CONTACT:

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End of Year EDA Financials

2024 End of Year EDA Income Statement

EDA		2024	Current	Year to Date	Budget
Account	Account Code Description	CURRENT Budget	Period	Thru 12/31/2024	Balance
680-3-0000-31010	CURRENT PROPERTY TAXES	\$ 75,000.00	\$ 21,421.85	\$ 74,476.22	\$ 523.78
680-3-0000-31020	DELINQUENT PROPERTY TAXES	\$ -	\$ (59.33)	\$ 176.06	\$ (176.06)
680-3-0000-36210	INTEREST INCOME	\$ 250.00	\$ 6,225.65	\$ 16,517.45	\$ (16,267.45)
	TOTAL OPERATING REVENUE	\$ 75,250.00	\$ 27,588.17	\$ 91,169.73	\$ (15,919.73)
680-4-4650-101	WAGES FULL-TIME	\$ 44,901.00	\$ 4,413.92	\$ 41,894.37	\$ 3,006.63
680-4-4650-103	WAGES PART-TIME	\$ -	\$ -	\$ -	\$ -
680-4-4650-113	EMPLOYEE BENEFITS	\$ 24.00	\$ -	\$ -	\$ 24.00
680-4-4650-121	EMPLOYER CONT. PERA	\$ 3,366.00	\$ 245.21	\$ 3,112.45	\$ 253.55
680-4-4650-122	EMPLOYER CONT. F I C A	\$ 3,435.00	\$ 244.12	\$ 3,099.65	\$ 335.35
680-4-4650-129	GERF CHANGE	\$ -	\$ -	\$ -	\$ -
680-4-4650-131	HEALTH INSURANCE	\$ 5,890.00	\$ 279.55	\$ 3,619.57	\$ 2,270.43
680-4-4650-132	DENTAL INSURANCE	\$ 618.00	\$ 25.66	\$ 307.92	\$ 310.08
680-4-4650-133	LIFE & S-T DISABILITY INS.	\$ 124.00	\$ 10.18	\$ 122.16	\$ 1.84
680-4-4650-151	WORKER'S COMPENSATION INS.	\$ 242.00	\$ -	\$ 260.33	\$ (18.33)
680-4-4650-200	SUPPLIES	\$ 500.00	\$ 1.57	\$ 4.06	\$ 495.94
680-4-4650-220	REPAIRS & MAINT. SUPPLIES	\$ 500.00	\$ -	\$ -	\$ 500.00
680-4-4650-301	AUDIT	\$ 521.00	\$ -	\$ 10.16	\$ 510.84
680-4-4650-305	CIVIL LEGAL FEES	\$ 3,000.00	\$ 3,230.33	\$ 4,058.33	\$ (1,058.33)
680-4-4650-310	PROFESSIONAL SERVICES	\$ 1,500.00	\$ 133.20	\$ 468.98	\$ 1,031.02
680-4-4650-320	POSTAGE	\$ 200.00	\$ -	\$ 69.06	\$ 130.94
680-4-4650-322	COMPUTER COMM/MAINT	\$ -	\$ -	\$ 92.53	\$ (92.53)
680-4-4650-330	TRAVEL, CONF, MILEAGE ALLOW.	\$ 300.00	\$ -	\$ 170.00	\$ 130.00
680-4-4650-340	ADVERTISING & PUBLICATIONS	\$ 1,200.00	\$ -	\$ 288.00	\$ 912.00
680-4-4650-369	INSURANCES	\$ 2,685.00	\$ 9.30	\$ 429.76	\$ 2,255.24
680-4-4650-433	DUES & SUBSCRIPTIONS	\$ 545.00	\$ 565.00	\$ 1,110.00	\$ (565.00)
680-4-4650-441	SPECIAL PROJECTS	\$ 5,699.00	\$ -	\$ -	\$ 5,699.00
680-4-4650-490	DONATION OTHER CIVIC ORG.	\$ -	\$ -	\$ -	\$ -
680-4-4650-720	TRANSFER-OUT	\$ -	\$ -	\$ -	\$ -
680-4-4650-905	DEBT PAYMENT	\$ -	\$ -	\$ -	\$ -
	TOTAL OPERATING EXPENSES	\$ 75,250.00	\$ 9,158.04	\$ 59,117.33	\$ 16,132.67

EDA Industrial Park		2024	Current	Year to Date	Budget
Account	Account Code Description	CURRENT Budget	Period		Balance
681-3-0000-36210	INTEREST INCOME	\$ -	\$ 2,533.22	\$ 7,075.77	\$ (7,075.77)
	TOTAL OPERATING REVENUE	\$ -	\$ 2,533.22	\$ 7,075.77	\$ (7,075.77)
681-4-4650-305	CIVIL LEGAL FEES	\$ -	\$ -	\$ 1,214.40	\$ (1,214.40)
681-4-4650-420	DEPRECIATION EXPENSE	\$ 1,773.00	\$ -	\$ 591.16	\$ 1,181.84
681-4-4650-500	CAPITAL PROJECTS	\$ -	\$ (6,286.00)	\$ (6,286.00)	\$ 6,286.00
	TOTAL OPERATING EXPENSES	\$ 1,773.00	\$ (6,286.00)	\$ (4,480.44)	\$ 6,253.44

2024 End of Year EDA Balance Sheet

		EDA	
		2023	2024
		YTD BALANCE	CURRENT YTD BALANCE
		12/31/2023	
ASSETS			
680-10101	CLAIM ON CASH	\$ 162,134.01	\$ 197,445.19
680-10120	MONEY MARKET-FIRST BK & TRUST	\$ 25,648.59	\$ 25,725.63
680-10125	MONEY MARKET-4M	\$ 244,464.89	\$ 255,418.34
680-11500	ACCOUNTS RECEIVABLE	\$ 11,133.55	\$ -
680-15501	PREPAID OTHER	\$ -	\$ -
680-15696	DEFERRED OUTFLOW - OPEB	\$ -	\$ -
680-15699	GERF DEFERRED OUTFLOW	\$ -	\$ -
	TOTAL ASSETS	\$ 443,381.04	\$ 478,589.16
LIABILITIES			
680-20210	ACCOUNTS PAYABLE	\$ 157.62	\$ 2,493.33
680-21717	OPEB LIABILITY	\$ -	\$ -
680-22296	OPEB DEFERRED INFLOW	\$ -	\$ -
680-22299	GERF DEFERRED INFLOW	\$ -	\$ -
680-23999	GERF PENSION LIABILITY	\$ -	\$ -
	TOTAL LIABILITIES	\$ 157.62	\$ 2,493.33
	RETAINED EARNINGS	\$ 443,223.42	\$ 476,095.83
	TOTAL LIABILITIES & FUND EQUITY	\$ 443,381.04	\$ 478,589.16

		EDA Industrial Park	
		2023	2024
		YTD BALANCE	CURRENT YTD BALANCE
CURRENT ASSETS			
681-10101	CLAIM ON CASH	\$ 77,838.43	\$ 78,831.08
681-10120	MONEY MARKET-FIRST BK & TRUST	\$ 12,824.88	\$ 12,863.73
681-10125	MONEY MARKET-4M	\$ 107,881.98	\$ 112,711.85
	TOTAL CURRENT ASSETS	\$ 198,545.29	\$ 204,406.66
NON CURRENT ASSETS			
681-16100	LAND	\$ 453,940.38	\$ 453,940.38
681-16300	INFRASTRUCTURE	\$ (0.32)	\$ (0.32)
681-16310	ACCUM. DEPRECIATION-INFRASTR	\$ (0.01)	\$ (591.17)
	TOTAL NON CURRENT ASSETS	\$ 453,940.05	\$ 453,348.89
	TOTAL ASSETS	\$ 652,485.34	\$ 657,755.55
LIABILITIES			
681-20210	ACCOUNTS PAYABLE	\$ -	\$ -
681-20610	CIP RETAINAGE PERCENTAGE	\$ 6,286.00	\$ -
	TOTAL LIABILITIES	\$ 6,286.00	\$ -
	RETAINED EARNINGS	\$ 646,199.34	\$ 657,755.55
	TOTAL LIABILITIES & FUND EQUITY	\$ 652,485.34	\$ 657,755.55