

CITY OF CHATFIELD COMMON COUNCIL

AGENDA

August 14, 2023 7:00 P.M

- I. Chatfield City Council – August 14, 2023 – 7:00 p.m. – City Council Chambers
 1. Consent Agenda:
 - A. Approval of minutes of prior meetings.
 - B. Approve payment of claims.
 - C. Approve resolution to accept \$2,000 donation from Chatfield Youth Sports, to benefit the Frisbee Golf course.
 2. EDA Report – Chris Giesen:
 - A. TIF District 3-6 Public Hearing – Grand Street Apartments
 - B. Consider Resolution to authorize establishment of the TIF District
 - C. Consider approval of Development Agreement.
 - D. Consider renewal of Enterprise Drive Development Incentive Program
 3. City Engineer’s Report – Craig Britton:
 - A. Bench Street Drainage Improvements – Pay Application #2
 - B. 2023 Street Improvement Project – Pay Application #1
 4. S.C.S. Report – Brian Burkholder:
 - A. .
 5. Committee Reports:
 - A. Personnel-Budget Committee
 - B. Public Works Committee
 6. Mayor’s Report:
 - A. .
 7. City Administrator’s Report:
 8. Roundtable
 9. Adjourn.
 10. Meeting Notices:
 - A. Personnel/Budget Committee (Novotny & Urban) 4:30 p.m. Monday
 - B. Public Works Committee (Novotny & Urban) 5:30 p.m. Monday
 - C. Special City Council Meeting 9:00 a.m. Wednesday, July 12

**CITY OF CHATFIELD
COMMON COUNCIL
MEETING MINUTES**

Monday, July 24, 2023

The Common Council of the City of Chatfield met in regular session on Monday, July 24, 2023. Mayor John McBroom presided and called the regular meeting to order at 7:00 PM

Members Present: Councilor Paul Novotny, Councilor Mike Urban, Mayor John McBroom, Councilor Dave Frank, and Councilor Pam Bluhm.

Members absent: Councilor Josh Broadwater.

Others Present: Fred Suhler, Kay Wangen, Chris Giesen, Brian Burkholder, Karen Reisner, Gretchen Lovejoy-Mensink, Craig Britton, Lynda Karver, and Joel Young.

Consent Agenda

Councilor Mike Urban entered a motion, with a second by Councilor Paul Novotny, to adopt the consent agenda which included the following items:

1. Approval of July 10, 2023 & July 12, 2023 meeting minutes
2. Approve payment of claims
3. Approve one pay-step increase to Beth Carlson to Grade 8 Step 3 effective on employment anniversary
4. Approve one pay-step increase to Julie Elder to Grade 4 Step 4 effective on employment anniversary
5. Approve resolution to close Fund #420
6. Accept & Approve second quarter financial report
7. Approve resolution to accept \$3,500 donation from Chatfield Booster Club to benefit Western Days

Ayes: Councilors: Novotny, Urban, Frank, and Bluhm

Nays: None

Absent: Councilor: Broadwater

Motion carried.

Proposal to upgrade workstations – Kay Wangen

The current workstations were last updated in 2018. The capital improvement plan schedules workstation replacement every 4 to 5 years so the plan fits into the budget and capital improvement plan. Microsoft will be ending support for Windows 10 in October of 2025, so an upgrade to Windows 11 will need to happen in short order. The Personnel Budget Committee reviewed the proposal on July 10, 2023 and are recommending moving forward with the upgrade plan.

Councilor Mike Urban entered a motion, with a second by Councilor Dave Frank, to approve the proposal to upgrade workstations at an approximate cost of \$38,000.

Ayes: Councilors: Novotny, Urban, Frank, and Bluhm

Nays: None

Absent: Councilor: Broadwater

Motion carried.

EDA Report – Chris Giesen

Three Tax Increment Financing (TIF) districts have run the course of their agreements and are able to be decertified. After decertification, all of the new taxes captured each year by each of these districts will be

released to the city, school, and county as normal property tax payments. The Lonestone District averaged about \$150,000-170,000 in TIF collections each year (once built out) and EZ Fabricating averaged about \$10,000 – 14,000 each year. In future years, the city will be able to enjoy its portion of these dollars for our budgeting purposes.

Resolution to decertify Lone Stone TIF District 3-2

Councilor Mike Urban entered a motion, with a second by Councilor Dave Frank, to adopt RESOLUTION APPROVING THE DECERTIFICATION OF TAX INCREMENT FINANCING DISTRICT NO. 3-2 OF THE CITY OF CHATFIELD

WHEREAS, on May 12, 2003, the City of Chatfield (the "City") created its Tax Increment Financing District No. 3-2 (the "District") within its Municipal Development District No. 3 (the "Project"); and

WHEREAS, as of the date hereof all bonds and obligations to which tax increment from the District have been pledged have been paid in full or defeased and all other costs of the Project have been paid; and

WHEREAS, the City desires by this resolution to cause the decertification of the District effective 12/31/2023 after which all property taxes generated within the District will be distributed in the same manner as all other property taxes.

NOW THEREFORE, BE IT RESOLVED by the City Council that the City's staff shall take such action as is necessary to cause the County Auditor of Chatfield County to decertify the District as a tax increment district and to no longer remit tax increment from the District to the City.

Ayes: Councilors: Novotny, Urban, Frank, and Bluhm

Nays: None

Absent: Councilor: Broadwater

Motion carried.

Resolution to decertify EZ Fabricating TIF District 3-4

Councilor Dave Frank entered a motion, with a second by Councilor Paul Novotny, to adopt RESOLUTION APPROVING THE DECERTIFICATION OF TAX INCREMENT FINANCING DISTRICT NO. 3-4 OF THE CITY OF CHATFIELD

WHEREAS, on October 14, 2013, the City of Chatfield (the "City") created its Tax Increment Financing District No. 3-4 (the "District") within its Municipal Development District No. 3 (the "Project"); and

WHEREAS, Fillmore County incorrectly decertified the District as of 12/31/2022; and

WHEREAS, the outstanding obligations for the District are deemed minimal and not requiring a corrective action; and

WHEREAS, the City desires by this resolution to confirm the decertification of the District effective 12/31/2022 after which all property taxes generated within the District will be distributed in the same manner as all other property taxes.

NOW THEREFORE, BE IT RESOLVED by the City Council that the City's staff shall take such action as is necessary to cause the County Auditor of Chatfield County to decertify the District as a tax increment district and to no longer remit tax increment from the District to the City.

Ayes: Councilors: Novotny, Urban, Frank, and Bluhm

Nays: None

Absent: Councilor: Broadwater

Motion carried.

Resolution to decertify Fitness Club TIF District 3-5

Councilor Dave Frank entered a motion, with a second by Councilor Pam Bluhm, to adopt RESOLUTION APPROVING THE DECERTIFICATION OF TAX INCREMENT FINANCING DISTRICT NO. 3-5 OF THE CITY OF CHATFIELD

WHEREAS, on July 11, 2022, the City of Chatfield (the "City") created its Tax Increment Financing District No. 3-5 (the "District") within its Municipal Development District No. 3 (the "Project"); and

WHEREAS, as of the date hereof the Project has been abandoned and the City wishes to formally decertify this Tax Increment Financing District; and

WHEREAS, despite the fact that the District was never certified at Fillmore County, the City desires by this resolution to cause the decertification of the District effective immediately.

NOW THEREFORE, BE IT RESOLVED by the City Council that the City's staff shall take such action as is necessary to cause the District to be decertified.

Ayes: Councilors: Novotny, Urban, Frank, and Bluhm

Nays: None

Absent: Councilor: Broadwater

Motion carried.

Public Works Director Report – Brian Burkholder

Public Works Director, Brian Burkholder, gave updates on the street project and the west Chatfield Stormwater Project.

Committee Reports

Park & Rec

Councilors Broadwater and Frank were in attendance. Topics included a wide area mower and a ballpark groomer.

Personnel-Budget Committee

Accept resignation of Patrol Officer Scott Keigley

Councilor Mike Urban entered a motion, with a second by Councilor Dave Frank, to adopt RESOLUTION TO ACCEPT RESIGNATION AND AUTHORIZE PART-TIME EMPLOYMENT

Whereas, Scott Keigley has tendered his resignation after approximately twelve years of faithful service as a patrol officer, and

Whereas, Officer Keigley is about to start full-time employment as a Fillmore County Sheriff's Deputy, and

Whereas, Officer Keigley has offered to continue to serve the community by providing training to Chatfield officers and working as a part-time police officer when needed,

NOW THEREFORE BE IT RESOLVED by the Common Council of the City of Chatfield that the City regretfully accepts the resignation of Officer Keigley on July 27, 2023 and BE IT FURTHER RESOLVED that Officer Keigley is authorized to work as a training officer or as a part-time patrol officer, at the discretion of the Chief of Police, and that Officer Keigley will be compensated at the same hourly rate as he is now earning as a full-time patrol officer.

Ayes: Councilors: Novotny, Urban, Frank, and Bluhm

Nays: None

Absent: Councilor: Broadwater

Motion carried.

Consider appointing Trevor Schmidt as a full-time police officer

In light of Officer Keigley leaving, it was recommended by the Personnel/Budget Committee that we offer a full-time position to Trevor Schmidt. Schmidt was originally offered a part-time position. Schmidt is interested in the full-time position. A background has been completed for him. Appointments for his psychological exam and physical have been made.

Councilor Paul Novotny entered a motion, with a second by Councilor Mike Urban, to appoint Trevor Schmidt as a full-time police officer.

Ayes: Councilors: Novotny, Urban, Frank, and Bluhm

Nays: None

Absent: Councilor: Broadwater

Motion carried.

Consider approval of City Administrator Employment Agreement with Michele Peterson

Councilor Paul Novotny entered a motion, with a second by Councilor Mike Urban, to authorize the Mayor and City Clerk to sign and execute the City Administrator Employment Agreement between Michele Peterson and the City of Chatfield.

Ayes: Councilors: Novotny, Urban, Frank, and Bluhm

Nays: None

Absent: Councilor: Broadwater

Motion carried.

Mayor's Report

Mayor McBroom wants everyone to make sure they get plenty of water with the hot temperatures coming our way. He also acknowledged the passing of Bill Clemens, a gentleman that has done a lot of work for Chatfield.

Roundtable

Councilor Bluhm - Western Days is coming up, buttons are for sale.

Councilor Urban - acknowledged the service Officer Keigley has given the city. He also mentioned thorough process used to choose the next administrator. He believes the city couldn't have gone wrong with the four candidates that were interview. He is happy with the outcome of that process.

Adjourn

Councilor Mike Urban entered a motion, with a second by Councilor Pam Bluhm, to adjourn at 7:08 p.m.

Ayes: Councilors: Novotny, Urban, Frank, and Bluhm

Nays: None

Absent: Councilor: Broadwater

Motion carried.

/s/Beth M Carlson
City Clerk



City of Chatfield
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Check Nbr	Invoice	Account	Dept Descr	Object Descr	Amount	Comments
AIRGAS						
	550086	E 230-42270-210	Ambulance	Operating Expenses	\$177.95	OXYGEN
					\$177.95	
AIRGAS						
ANDY OCONNOR						
16 JUL	E 614-49840-302	Cable TV (GENER	Contracted Help		\$1,293.75	CCTV ADMIN CNTRCT-MAR2023-FEB2
					\$1,293.75	
ANDY OCONNOR						
AT&T MOBILITY						
080320	E 220-42280-321	Fire Department *	Telephone		\$49.66	507.884.4423 FIRE
080320	E 230-42270-321	Ambulance	Telephone		\$49.66	507.513.5925 AMBULANCE
080320	E 100-42110-321	Police Administrati	Telephone		\$49.66	507.272.5506 POLICE CHIEF
080320	E 100-42110-218	Police Administrati	Confiscation/Forfeitures		\$38.23	507.513.5937 POLICE AIR CARD
080320	E 100-42110-320	Police Administrati	Communications (GENER		\$38.23	507.513.5954 POLICE AIR CARD
080320	E 230-42270-321	Ambulance	Telephone		\$49.66	507.513.5974 AMBULANCE
080320	E 220-42280-321	Fire Department *	Telephone		\$38.23	507.551.8200 AMB IBR
080320	E 100-42110-321	Police Administrati	Telephone		\$44.63	507.272.5382 POLICE 872
080320	E 100-42110-321	Police Administrati	Telephone		\$44.63	507.272.5386 POLICE 873
080320	E 100-45200-321	Parks (GENERAL)	Telephone		\$39.07	507.551.8045 RINK CAMERA
					\$441.66	
AT&T MOBILITY						
BENIKE CONSTRUCTION						
ELEVEN	E 454-43200-500	Construction Fund	Cap. Outlay-GENERAL		\$13,911.00	JOB#21183 CCA PHASE II - CM FEE EL
					\$13,911.00	
BENIKE CONSTRUCTION						
BIG GIRL STICKERS						
2023-1	E 220-42280-152	Fire Department *	Clothing		\$510.00	FD WD SHRTS
2023-1	E 230-42270-152	Ambulance	Clothing		\$675.00	45 TSHRTS
					\$1,185.00	
BIG GIRL STICKERS						
BOUND TREE MEDICAL						
850247	E 230-42270-210	Ambulance	Operating Expenses		\$71.09	DPHNY NTRO
					\$71.09	
BOUND TREE MEDICAL						
CHATFIELD CENTER FOR THE ARTS						
AUG 20	E 250-46630-310	Community Dev -	Other Professional Servic		\$2,000.00	EDA & CCA AGREEMENT 09/2022-08/2
					\$2,000.00	
CHATFIELD CENTER FOR THE ARTS						
CIVICPLUS						
269729	E 100-41100-310	Legislative	Other Professional Servic		\$900.00	ONLINE CODE HOSTING & ADMIN SUP
					\$900.00	
CIVICPLUS						
DECOOK LANDSCAPING LLC.						
8201	E 801-41940-580	Municipal Building	Cap. Outlay-Other Equip		\$711.00	MUNI LNDSCPNG RNTEQUP&RVR ROC
					\$711.00	
DECOOK LANDSCAPING LLC.						
DEED						
AUG 20	E 361-46620-610	Revolving Loan Fu	Interest		\$89.07	CDAP-18-0018-H-FY19 EZ FABIV
AUG 20	E 361-46620-610	Revolving Loan Fu	Interest		\$137.33	#CDAP-13-0031-H-FY14 CHAT EDA/EZ
AUG 20	E 361-46620-600	Revolving Loan Fu	Debt Srv Principal (GENE		\$629.12	CDAP-18-0018-H-FY19 EZ FABIV
AUG 20	E 361-46620-600	Revolving Loan Fu	Debt Srv Principal (GENE		\$1,835.18	#CDAP-13-0031-H-FY14 CHAT EDA/EZ
					\$2,690.70	
DEED						
EXPERT BILLING, LLC						
11565	E 230-42270-435	Ambulance	Licences, Permits and Fe		\$806.00	TRANSPORTS BILLED - JUN 2023
					\$806.00	
EXPERT BILLING, LLC						



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Check Nbr	Invoice	Account	Dept Descr	Object Descr	Amount	Comments
FIRE SAFETY USA, INC						
174611	E 220-42280-152	Fire Department *	Fire Department *	Clothing	\$330.00	2 SPIEWAK
					\$330.00	
FIRE SAFETY USA, INC						
FIRST NETWORK SYSTEMS						
1193	E 614-49840-302	Cable TV (GENER	Cable TV (GENER	Contracted Help	\$1,293.75	09/2022-08/2023 CCTV TECH COORD-
					\$1,293.75	
FIRST NETWORK SYSTEMS						
GRIFFIN CONSTRUCTION						
10604	E 443-43200-500	Construction Fund	Construction Fund	Cap. Outlay-GENERAL	\$60,885.62	2022 LOWER WATER MAIN
					\$60,885.62	
GRIFFIN CONSTRUCTION						
KWIK TRIP						
107289	E 100-41100-430	Legislative	Legislative	Miscellaneous (GENERAL	\$26.99	INTRVW SNCKS
					\$26.99	
KWIK TRIP						
L&D AG SERVICE						
222312	E 100-45200-240	Parks (GENERAL)	Parks (GENERAL)	Small Tools and Minor E	\$1,775.82	50 GLLN SKD SPRYR & BRM 2/3
222312	E 100-43100-240	Street Maintenanc	Street Maintenanc	Small Tools and Minor E	\$874.66	50 GLLN SKD SPRYR & BRM 1/3
					\$2,650.48	
L&D AG SERVICE						
MARCO TECHNOLOGIES LLC.						
INV114	E 100-41100-435	Legislative	Legislative	Licences, Permits and Fe	\$60.00	6 LEG EXCHANGE ON LIN P1 & ACTIV
INV114	E 602-49450-435	Sewer (GENERAL)	Sewer (GENERAL)	Licences, Permits and Fe	\$40.00	2 WW BUS PREM
INV114	E 100-41500-435	City Clerk	City Clerk	Licences, Permits and Fe	\$90.00	4 MS BUS PREM & 1 VM EXCH + ACTI
INV114	E 100-41910-435	Planning and Zoni	Planning and Zoni	Licences, Permits and Fe	\$10.00	1 PLNG DEPT EXCHANGE ON LINE + A
INV114	E 100-42110-435	Police Administrati	Police Administrati	Licences, Permits and Fe	\$200.00	10 PD MS BUS PREM
INV114	E 230-42270-435	Ambulance	Ambulance	Licences, Permits and Fe	\$40.00	2 AMB BUS PREM
INV114	E 220-42280-435	Fire Department *	Fire Department *	Licences, Permits and Fe	\$20.00	1 FD BUS PREM
INV114	E 601-49400-435	Water Utilities (GE	Water Utilities (GE	Licences, Permits and Fe	\$20.00	1 WTR BUS PREM
INV114	E 100-43100-435	Street Maintenanc	Street Maintenanc	Licences, Permits and Fe	\$20.00	1 MS BUS PREM
INV114	E 100-45124-435	Swimming Pools -	Swimming Pools -	Licences, Permits and Fe	\$10.00	1 POOL EXCHANGE ON LINE + ACTIVE
INV114	E 100-45200-435	Parks (GENERAL)	Parks (GENERAL)	Licences, Permits and Fe	\$20.00	1 PARKS BUS PREM
INV114	E 240-46500-435	Economic Dev (GE	Economic Dev (GE	Licences, Permits and Fe	\$10.00	1 EDA EXCHANGE ON LINE + ACTIVE
					\$540.00	
MARCO TECHNOLOGIES LLC.						
MAYO CLINIC						
23-700	E 230-42270-415	Ambulance	Ambulance	Medical Services	\$352.46	PARAMEDIC INTERCEPT
23-742	E 230-42270-415	Ambulance	Ambulance	Medical Services	\$336.40	PARAMEDIC INTERCEPT
					\$688.86	
MAYO CLINIC						
MISSION COMMUNICATIONS, LLC						
107892	E 602-49450-403	Sewer (GENERAL)	Sewer (GENERAL)	Prev. Maint. Agreements	\$742.80	SERVICE PACKAGE DIVISION ST & LO
					\$742.80	
MISSION COMMUNICATIONS, LLC						
MN DEPT OF LABOR & INDUSTRY						
ABI003	E 250-46630-404	Community Dev -	Community Dev -	Repairs/Maint Equipment	\$55.00	139964 BOILER CCA-INSP
					\$55.00	
MN DEPT OF LABOR & INDUSTRY						
MOTOROLA						
828167	E 230-42270-210	Ambulance	Ambulance	Operating Expenses	\$63.46	CHRGR
					\$63.46	
MOTOROLA						
NORTHLAND SECURITIES						
2023A	E 323-47000-620	Debt Service (GEN	Debt Service (GEN	Bond Fees-FsclAgnt Issn	\$750.00	2023 FISCAL AGENT FEE 07/12/2023-
					\$750.00	
NORTHLAND SECURITIES						



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Check	Nbr	Invoice	Account	Dept Descr	Object Descr	Amount	Comments
NORTON PSYCHOLOGICAL SERVICES							
	7/29/23		E 100-42110-310	Police Administrati	Other Professional Servic	\$375.00	PRE-EMP PSYCH
						\$375.00	
NORTON PSYCHOLOGICAL SERVICES							
PEARSON BROS. INC.							
	5916		E 801-43100-520	Street Maintenanc	Chipsealing-NOTCPTLOU	\$48,304.00	CHIP SEALING| SEAL COAT
						\$48,304.00	
PEARSON BROS. INC.							
SCHMIDT GOODMAN OFFICE PROD							
	14926		E 801-41500-240	City Clerk	Small Tools and Minor E	\$1,102.27	OFFICE CHAIR-CLERK
						\$1,102.27	
SCHMIDT GOODMAN OFFICE PROD							
SCHWICKERT COMPANY							
	S51011		E 602-49450-401	Sewer (GENERAL)	Repairs/Maint Buildings	\$1,560.00	WWTP ROOF RPRS
	S51011		E 250-46630-404	Community Dev -	Repairs/Maint Equipment	\$980.00	CCA ROOF RPRS
						\$2,540.00	
SCHWICKERT COMPANY							
SOUTHEAST MECHANICAL							
	32984		E 220-42280-401	Fire Department *	Repairs/Maint Buildings	\$155.60	FH AC EXRCS RM
						\$155.60	
SOUTHEAST MECHANICAL							
SUNSHINE FOODS							
	002032		E 100-45124-210	Swimming Pools -	Operating Expenses	\$21.00	ACCT 317 - CHPS
						\$21.00	
SUNSHINE FOODS							
SYSKO-MINNESOTA INC							
	447785		E 100-45124-210	Swimming Pools -	Operating Expenses	-\$15.75	CTTN CNDY
	447785		E 100-45124-210	Swimming Pools -	Operating Expenses	\$1,092.67	ICE CRM PRTZL CHS CC
						\$1,076.92	
SYSKO-MINNESOTA INC							
US BANK ONE CARD							
	07-25-2		E 231-42270-240	Ambulance	Small Tools and Minor E	\$699.00	APPLE.COM - AMBULANCE
	07-25-2		E 801-41940-580	Municipal Building	Cap. Outlay-Other Equip	\$113.00	GERTENS - CITY HALL LNDSCP
	07-25-2		E 211-45500-416	Libraries (GENERA	Cleaning Service	\$298.70	AMAZON.COM CLNG SPPLS
	07-25-2		E 100-43100-210	Street Maintenanc	Operating Expenses	\$28.10	SUNSHINE - MMUA TRNG
	07-25-2		E 601-49400-386	Water Utilities (GE	Well Testing Fees	\$234.38	HACH - TSTNG SPPLS
	07-25-2		E 211-45500-211	Libraries (GENERA	Program Expenses	\$305.89	SRP - AMZN JNNY'S LWES SAMS
	07-25-2		E 602-49450-310	Sewer (GENERAL)	Other Professional Servic	\$115.14	FSS - WWTP
	07-25-2		E 100-41500-433	City Clerk	Dues and Subscriptions	\$50.00	MCFOA - SCHLICHTER MMBRSH
	07-25-2		E 211-45500-591	Libraries (GENERA	Cap. Outlay-Magazines	\$54.97	HGTV MGNLIA - SBSCRPTN
	07-25-2		E 601-49400-152	Water Utilities (GE	Clothing	\$89.98	FLT FRM - CLTHNG
	07-25-2		E 211-45500-593	Libraries (GENERA	Cap. Outlay-Non Print M	\$17.99	AMAZON.COM - DVD
	07-25-2		E 230-42270-208	Ambulance	Training and Instruction	\$100.00	MAA - 2023 SUMMIT REG
	07-25-2		E 100-41500-322	City Clerk	Postage	\$9.65	USPS - BOND PYMT PSTG
	07-25-2		E 100-42110-153	Police Administrati	Uniform Allowance	\$138.51	B&H SIGHT LANDORF
	07-25-2		E 100-42110-153	Police Administrati	Uniform Allowance	\$88.53	C&H ADPTER LANDORF
	07-25-2		E 250-46630-430	Community Dev -	Miscellaneous (GENERAL	\$246.53	MICHAELS - OBAMA PIC FRM
	07-25-2		E 801-41940-580	Municipal Building	Cap. Outlay-Other Equip	\$542.00	GERTENS - CITY HALL LNDSCP
	07-25-2		E 100-46323-430	Heritage Preservat	Miscellaneous (GENERAL	\$48.63	MICHAELS - POSTER FRM
	07-25-2		E 100-45200-310	Parks (GENERAL)	Other Professional Servic	\$61.16	FSS - PARKS
	07-25-2		E 100-41500-433	City Clerk	Dues and Subscriptions	\$185.00	IIMC - MMBRSH CARLSON
	07-25-2		E 100-42110-208	Police Administrati	Training and Instruction	\$75.00	BCA - GALLION RECERT
	07-25-2		E 601-49400-322	Water Utilities (GE	Postage	\$5.50	USPS - WTR SMPL PSTG
	07-25-2		E 100-43100-435	Street Maintenanc	Licences, Permits and Fe	\$0.99	APPLE.COM - ICLLOUD STORAGE
	07-25-2		E 100-41100-309	Legislative	Conference Expense	\$44.19	LMC CONF FUEL



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Check Nbr	Invoice	Account	Dept Descr	Object Descr	Amount	Comments
	07-25-2	E 100-41100-430	Legislative	Miscellaneous (GENERAL	\$139.18	JACS COTW FOOD
	07-25-2	E 100-41500-208	City Clerk	Training and Instruction	\$200.00	IIMC - EDUCATION PLUS PROGRAM -
US BANK ONE CARD					\$3,892.02	
WHITE CAP, L.P.						
	500232	E 100-43100-210	Street Maintenanc	Operating Expenses	\$312.85	STORM CONTROL STRAW LOG STPLS
WHITE CAP, L.P.					\$312.85	
WIDSETH SMITH NOLTING & ASSOC.						
	224668	E 443-43200-503	Construction Fund	Cap. Proj-Engineering Fe	\$2,357.00	2022-10196 2022 WTRIMPPROJ WCH
	224670	E 801-45200-500	Parks (GENERAL)	Cap. Outlay-GENERAL	\$1,551.00	2022-11946 GROEN PARK PED BRDG
	224671	E 100-41910-310	Planning and Zoni	Other Professional Servic	\$9,855.00	2023-10094 15 PLANNING
	224671	E 601-49400-303	Water Utilities (GE	Engineering Fees	\$260.00	2023-10094 12 WATER MAIN
	224669	E 423-43200-503	Construction Fund	Cap. Proj-Engineering Fe	\$20,806.95	2022-11251 GRND&PRSPCT STREET P
WIDSETH SMITH NOLTING & ASSOC.					\$34,829.95	
WIT BOYZ INC.						
	9614	E 220-42280-404	Fire Department *	Repairs/Maint Equipment	\$90.21	BR TRCK ELECTRCL CNNCTR HDL
	9583	E 220-42280-404	Fire Department *	Repairs/Maint Equipment	\$128.00	HDL AUTO EJECT
WIT BOYZ INC.					\$218.21	
WM HANSON WASTE REMOVAL						
	35593	E 602-49450-384	Sewer (GENERAL)	Refuse/Garbage Disposal	\$111.06	GARBAGE SERVICE - WWTP
	35593	E 603-49500-384	Refuse/Garbage (	Refuse/Garbage Disposal	\$2,110.08	GARBAGE SERVICE - OC ENVIRON FEE
	35593	E 100-45200-384	Parks (GENERAL)	Refuse/Garbage Disposal	\$130.49	GARBAGE SERVICE - FIRE HALL
	35593	E 100-45200-384	Parks (GENERAL)	Refuse/Garbage Disposal	\$191.57	GARBAGE SERVICE - CTY MNT BLDG
	35593	E 603-49500-384	Refuse/Garbage (	Refuse/Garbage Disposal	\$1,450.08	GARBAGE SERVICE - FUEL SURCHARG
	35593	E 603-49500-384	Refuse/Garbage (	Refuse/Garbage Disposal	\$15,389.64	GARBAGE SERVICE - 1,182 P/U @ 13.
	35593	E 100-41940-384	Municipal Building	Refuse/Garbage Disposal	\$70.80	GARBAGE SERVICE - CITY HALL
WM HANSON WASTE REMOVAL					\$19,453.72	
ZOLL MEDICAL CORPORATION						
	377932	E 230-42270-210	Ambulance	Operating Expenses	\$435.00	PADZ
	900774	E 230-42270-403	Ambulance	Prev. Maint. Agreements	\$2,772.00	PRCSN SRVC PLN 1 - 09/2023-08/202
ZOLL MEDICAL CORPORATION					\$3,207.00	
2023 08FA01					\$207,703.65	
AMAZON CAPITAL SERVICES, INC.						
	1FR3-X	E 100-41500-240	City Clerk	Small Tools and Minor E	\$59.99	FOLDING STEP STOOL LADDER
	1FR3-X	E 801-41500-240	City Clerk	Small Tools and Minor E	\$449.00	HP WIRELESS LASER PRINTER
	1FR3-X	E 100-45124-210	Swimming Pools -	Operating Expenses	\$72.95	SLUSHY MIX
	1YX3-9	E 230-42270-340	Ambulance	Advertising	\$171.16	LAFFY TAFFY,STARBURST
	1FR3-X	E 221-42280-300	Fire Department *	Promotional Expense	\$201.06	BUBBLES, POPCORN
	1FR3-X	E 100-41500-240	City Clerk	Small Tools and Minor E	\$27.39	A-Z TAB FILE GUIDES
	1FR3-X	E 100-43100-210	Street Maintenanc	Operating Expenses	\$19.87	LOGITECH SPEAKERS
	1YX3-9	E 230-42270-210	Ambulance	Operating Expenses	\$25.64	IPAD CASE
	1YX3-9	E 230-42270-210	Ambulance	Operating Expenses	\$27.00	INSTANT COLD PACKS
	1FR3-X	E 100-43100-210	Street Maintenanc	Operating Expenses	\$124.99	16 PACK TREE WATER BAGS
	1FR3-X	E 221-42280-300	Fire Department *	Promotional Expense	\$91.96	WOODEN BEER MUG
	1FR3-X	E 100-43100-210	Street Maintenanc	Operating Expenses	\$122.99	16 PACK TREE WATER BAGS
	1FR3-X	E 100-41500-240	City Clerk	Small Tools and Minor E	\$9.87	2PAK IPAD SCREEN PROTECTOR
AMAZON CAPITAL SERVICES, INC.					\$1,403.87	
CENEX FLEET FUELING						
	269768	E 220-42280-212	Fire Department *	Vehicle Operating Suppli	\$50.42	FIRE TANKER 5



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	269768	E 100-45200-212	Parks (GENERAL)	Vehicle Operating Suppli	\$153.58	PARK 1
	269768	E 220-42280-212	Fire Department *	Vehicle Operating Suppli	\$0.00	FIRE BRUSH TRUCK
	269768	E 230-42270-212	Ambulance	Vehicle Operating Suppli	\$300.19	471A
	269768	E 100-43100-212	Street Maintenanc	Vehicle Operating Suppli	\$74.88	STREET 5 - SCHLICHTER
	269768	E 220-42280-212	Fire Department *	Vehicle Operating Suppli	\$91.17	FIRE ENGINE 1
	269768	E 100-42110-212	Police Administrati	Vehicle Operating Suppli	\$38.29	POLICE SQUAD 1-CHIEF
	269768	E 100-42110-212	Police Administrati	Vehicle Operating Suppli	\$588.98	POLICE SQUAD 2
	269768	E 100-42110-212	Police Administrati	Vehicle Operating Suppli	\$258.85	POLICE SQUAD 3
	269768	E 100-43100-212	Street Maintenanc	Vehicle Operating Suppli	\$0.00	STREET 1
	269768	E 100-43100-212	Street Maintenanc	Vehicle Operating Suppli	\$0.00	STREET 2
	269768	E 100-43100-212	Street Maintenanc	Vehicle Operating Suppli	\$278.19	STREET 4 - IRISH
	269768	E 602-49450-212	Sewer (GENERAL)	Vehicle Operating Suppli	\$159.62	WWTP 2 - IRISH
	269768	E 230-42270-212	Ambulance	Vehicle Operating Suppli	\$65.38	471B
	269768	E 614-49840-212	Cable TV (GENER	Vehicle Operating Suppli	\$0.00	CCTV VAN
	269768	E 602-49450-212	Sewer (GENERAL)	Vehicle Operating Suppli	\$79.86	WWTP 1 - SCHLICHTER
	269768	E 100-43100-212	Street Maintenanc	Vehicle Operating Suppli	\$136.00	STREET3
	269768	E 100-45200-212	Parks (GENERAL)	Vehicle Operating Suppli	\$470.30	PARK DESK
	269768	E 601-49400-212	Water Utilities (GE	Vehicle Operating Suppli	\$143.17	WATER 1
CENEX FLEET FUELING					\$2,888.88	

CENTURYLINK-TELE

07/10/2	E 230-42270-321	Ambulance	Telephone	\$17.18	1500 1/5 DID LINES
08/01/2	E 100-43100-321	Street Maintenanc	Telephone	\$130.25	612 E10-0825 1/5 NEW CIRCUIT
07/10/2	E 601-49400-321	Water Utilities (GE	Telephone	\$17.19	1500 1/5 DID LINES
07/10/2	E 100-41500-321	City Clerk	Telephone	\$17.19	1500 1/5 DID LINES
07/10/2	E 100-43100-321	Street Maintenanc	Telephone	\$17.19	1500 1/5 DID LINES
07/10/2	E 211-45500-321	Libraries (GENERA	Telephone	\$94.95	2911 LIBRARY ELEVATOR
07/10/2	E 100-46630-321	Community Dev -	Telephone	\$151.77	3966 TOUR CENTER
07/10/2	E 211-45500-321	Libraries (GENERA	Telephone	\$76.43	3480 LIBRARY
08/01/2	E 100-41500-321	City Clerk	Telephone	\$130.24	612 E10-0825 1/5 NEW CIRCUIT
07/10/2	E 100-42110-321	Police Administrati	Telephone	\$17.19	1500 1/5 DID LINES
08/01/2	E 230-42270-321	Ambulance	Telephone	\$130.24	612 E10-0825 1/5 NEW CIRCUIT
08/01/2	E 100-42110-321	Police Administrati	Telephone	\$130.24	612 E10-0825 1/5 NEW CIRCUIT
08/01/2	E 601-49400-321	Water Utilities (GE	Telephone	\$130.24	612 E10-0825 1/5 NEW CIRCUIT

CENTURYLINK-TELE

\$1,060.30

CHATFIELD PARTS HOUSE

897262	E 601-49400-210	Water Utilities (GE	Operating Expenses	\$18.99	BATTERY ALK
896482	E 601-49400-240	Water Utilities (GE	Small Tools and Minor E	\$93.99	51 PC1 4 DR. SCKT ST
898723	E 100-45200-210	Parks (GENERAL)	Operating Expenses	\$2.80	BOLT
896205	E 100-45124-210	Swimming Pools -	Operating Expenses	\$26.99	MOLE KILLER BAIT
898696	E 100-43100-210	Street Maintenanc	Operating Expenses	\$4.49	ARTIST BRUSH
896977	E 100-43100-210	Street Maintenanc	Operating Expenses	\$14.98	RAID WAP SPR
897151	E 100-41940-401	Municipal Building	Repairs/Maint Buildings	\$15.99	LED BULB
899111	E 601-49400-240	Water Utilities (GE	Small Tools and Minor E	\$25.98	PAINTBRUSH
898991	E 100-45124-210	Swimming Pools -	Operating Expenses	\$25.98	SNAP SPRING
896789	E 601-49400-210	Water Utilities (GE	Operating Expenses	\$15.99	SAFETY GLASS RED MIRROR
897861	E 100-45200-210	Parks (GENERAL)	Operating Expenses	\$11.60	NUT BOLT
898191	E 601-49400-210	Water Utilities (GE	Operating Expenses	\$23.96	DOUBLE MALE ADAPTOR
896948	E 100-43100-404	Street Maintenanc	Repairs/Maint Equipment	\$189.99	2YR WTY BAT
896497	E 100-45200-210	Parks (GENERAL)	Operating Expenses	\$19.99	FERTILIZER
896788	E 100-43100-210	Street Maintenanc	Operating Expenses	\$1.80	PIN
898671	E 601-49400-210	Water Utilities (GE	Operating Expenses	\$1.58	FOAM BRUSH



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	896555	E 100-43100-240	Street Maintenanc	Small Tools and Minor E	\$50.44	PIN CLIP, REDUCER
	897054	E 601-49400-240	Water Utilities (GE	Small Tools and Minor E	\$15.98	ANGLE SASH BRUSH
CHATFIELD PARTS HOUSE					\$561.52	
CITY OF CHATFIELD						
	07/24/2	E 100-45124-380	Swimming Pools -	Utility Services (GENERA	\$979.66	10-00000121-00-7 POOL
	07/24/2	E 220-42280-380	Fire Department *	Utility Services (GENERA	\$64.72	10-00000051-00-9 FIRE HALL
	07/24/2	E 100-45200-380	Parks (GENERAL)	Utility Services (GENERA	\$74.10	10-00000071-00-5 TOURIST CENTER
	07/24/2	E 602-49450-380	Sewer (GENERAL)	Utility Services (GENERA	\$551.79	10-00000031-00-3 WWTP
	07/24/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$103.03	10-00000081-008 CITY SHOP
	07/24/2	E 100-41940-380	Municipal Building	Utility Services (GENERA	\$336.68	10-00000001-00-4 THURBER BLDG GA
	07/24/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$65.53	10-00002410-91-8 PWFAC1
	07/24/2	E 211-45500-380	Libraries (GENERA	Utility Services (GENERA	\$84.79	10-00000011-00-7 PUBLIC LIBRARY
	07/24/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$65.53	10-00000101-01-4 PWFAC2
CITY OF CHATFIELD					\$2,325.83	
CLEMENS EXCAVATING						
	244667	E 100-43100-406	Street Maintenanc	Street-Grdng/Chlrd/Crckf	\$1,250.00	10 HRS BLADE ROADS
CLEMENS EXCAVATING					\$1,250.00	
DECOOK LANDSCAPING LLC.						
	8194	E 100-45200-210	Parks (GENERAL)	Operating Expenses	\$250.00	BROWN MULCH
DECOOK LANDSCAPING LLC.					\$250.00	
EO JOHNSON, BUSINESS TECH.						
	INV137	E 100-42110-404	Police Administrati	Repairs/Maint Equipment	\$48.00	#46719-01 POLICE L7545
	INV137	E 100-41910-404	Planning and Zoni	Repairs/Maint Equipment	\$24.90	#56246 NETWORK L9124 MP C4503
	INV137	E 602-49450-404	Sewer (GENERAL)	Repairs/Maint Equipment	\$45.65	#56246 NETWORK L9124 MP C4503
	INV137	E 601-49400-404	Water Utilities (GE	Repairs/Maint Equipment	\$45.65	#56246 NETWORK L9124 MP C4503
	INV137	E 100-41500-404	City Clerk	Repairs/Maint Equipment	\$95.45	#56246 NETWORK L9124 MP C4503
	INV137	E 240-46500-404	Economic Dev (GE	Repairs/Maint Equipment	\$24.90	#56246 NETWORK L9124 MP C4503
	INV137	E 230-42270-404	Ambulance	Repairs/Maint Equipment	\$87.15	#56246 NETWORK L9124 MP C4503
	INV137	E 603-49500-404	Refuse/Garbage (	Repairs/Maint Equipment	\$45.65	#56246 NETWORK L9124 MP C4503
	INV137	E 100-42110-404	Police Administrati	Repairs/Maint Equipment	\$45.65	#56246 NETWORK L9124 MP C4503
EO JOHNSON, BUSINESS TECH.					\$463.00	
FREDERICK S. SUHLER, ATTY						
	JUL 202	E 100-41100-304	Legislative	Legal Fees	\$600.00	MONTHLY RETAINER - JUL 2023
FREDERICK S. SUHLER, ATTY					\$600.00	
GOPHER STATE ONE CALL						
	307028	E 601-49400-310	Water Utilities (GE	Other Professional Servic	\$78.30	ACCOUNT #MN00240
GOPHER STATE ONE CALL					\$78.30	
HAWKINS, INC.						
	653931	E 601-49400-210	Water Utilities (GE	Operating Expenses	\$600.00	WATER SUPPLY CHEMICALS
HAWKINS, INC.					\$600.00	
HBC						
	8/2/202	E 601-49400-438	Water Utilities (GE	Internet Expenses	\$45.49	50% 1520399 19 2ND ST SW
	8/2/202	E 602-49450-438	Sewer (GENERAL)	Internet Expenses	\$89.99	50% 1520399 3 INTERNET LOC
	08/02/2	E 602-49450-438	Sewer (GENERAL)	Internet Expenses	\$114.50	1439299 BUS VALUE PKG 120MBPS
	8/2/202	E 100-45200-438	Parks (GENERAL)	Internet Expenses	\$45.49	50% 1520399 19 2ND ST SW
	8/2/202	E 601-49400-438	Water Utilities (GE	Internet Expenses	\$89.98	50% 1520399 3 INTERNET LOC
	08/02/2	E 602-49450-321	Sewer (GENERAL)	Telephone	\$12.78	1439299 867-4321BASIC & TOLL
HBC					\$398.23	



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LINDE						
	374703	E 100-43100-210	Street Maintenanc	Operating Expenses	\$51.29	HIGH PRESSURE
					\$51.29	
LINDE						
LUMEN-LEVEL3 (WEBEX)						
	648898	E 100-41500-320	City Clerk	Communications (GENER	\$244.38	WEBEX 10@23 + TAX/LIC
					\$244.38	
LUMEN-LEVEL3 (WEBEX)						
MEDIACOM						
	07/26/2	E 230-42270-438	Ambulance	Internet Expenses	\$101.84	1/3 CITY HALL HSD & STATIC IPS
	07/26/2	E 100-41500-438	City Clerk	Internet Expenses	\$101.53	1/3 CITY HALL HSD & STATIC IPS
	07/26/2	E 100-42110-438	Police Administrati	Internet Expenses	\$101.53	1/3 CITY HALL HSD & STATIC IPS
					\$304.90	
MEDIACOM						
MINNESOTA ENERGY RESOURCES						
		E 100-45124-380	Swimming Pools -	Utility Services (GENERA	\$54.60	000011 POOL
		E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$66.30	00014 PPLS 19 SCND ST SW
		E 601-49400-380	Water Utilities (GE	Utility Services (GENERA	\$59.77	00015 547 HLLSD BSTR STTN
		E 601-49400-380	Water Utilities (GE	Utility Services (GENERA	\$59.77	00016 100 OTR GNRTR
					\$240.44	
MINNESOTA ENERGY RESOURCES						
OLMSTED COUNTY PUBLIC WORKS						
	JUN 23	E 100-43100-406	Street Maintenanc	Street-Grdng/Chlrd/Crckf	\$2,666.40	APPLIED CHLORIDE
					\$2,666.40	
OLMSTED COUNTY PUBLIC WORKS						
PEOPLES ENERGY COOPERATIVE						
	08/04/2	E 100-45200-380	Parks (GENERAL)	Utility Services (GENERA	\$97.55	2410200 MAIN ST-CITY PARK
	08/04/2	E 100-42110-380	Police Administrati	Utility Services (GENERA	\$534.66	2407900 1/3 21 2ND ST SE
	08/04/2	E 602-49450-380	Sewer (GENERAL)	Utility Services (GENERA	\$140.96	242390 MILL CREEK PK - LIFT ST
	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$166.68	2154400 10208 HILLSIDE DRIVE
	08/04/2	E 100-45200-380	Parks (GENERAL)	Utility Services (GENERA	\$149.73	2367400 TOURIST PARK
	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$360.93	2400202 PPLS 19 SCND ST SW
	08/04/2	E 230-42270-380	Ambulance	Utility Services (GENERA	\$534.68	2407900 1/3 21 2ND ST SE
	08/04/2	E 100-41940-380	Municipal Building	Utility Services (GENERA	\$534.66	2407900 1/3 21 2ND ST SE
	08/04/2	E 220-42280-380	Fire Department *	Utility Services (GENERA	\$193.48	2410000 318 S MAIN ST-WHISTLE
	08/04/2	E 220-42280-380	Fire Department *	Utility Services (GENERA	\$251.80	2410100 3/4 FIRE HALL
	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$2,057.00	3011800 STREET LIGHTS
	08/04/2	E 211-45500-380	Libraries (GENERA	Utility Services (GENERA	\$537.94	2402500 LIBRARY 322 MAIN ST S
	08/04/2	E 100-45200-380	Parks (GENERAL)	Utility Services (GENERA	\$54.62	2432400 400 3RD ST SW
	08/04/2	E 100-45124-380	Swimming Pools -	Utility Services (GENERA	\$3,292.84	3237701 107 UNION ST NE
	08/04/2	E 100-45200-380	Parks (GENERAL)	Utility Services (GENERA	\$812.40	2428000 MILL CREEK PARK
	08/04/2	E 100-45200-380	Parks (GENERAL)	Utility Services (GENERA	\$57.00	2432200 CHATFIELD SIGN
	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$10.00	2182100 SIREN - 10210 HILLSIDE
	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$64.20	2436500 CR 2 HWY S
	08/04/2	E 100-45200-380	Parks (GENERAL)	Utility Services (GENERA	\$56.00	2438500 MILL CREEK PARK
	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$56.74	2447300 UNION ST NE - XING
	08/04/2	E 601-49400-380	Water Utilities (GE	Utility Services (GENERA	\$1,012.73	3011700 BLUFF ST WELL
	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$83.90	2410100 1/4 FIRE HALL
	08/04/2	E 602-49450-380	Sewer (GENERAL)	Utility Services (GENERA	\$3,207.74	2430200 126 LIBRARY LN WWTP
	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$158.88	3260000 52 3RD ST SW - STL MTR
	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$103.13	3260100 301 TH 52 - TRAFFIC SI
	08/04/2	E 601-49400-380	Water Utilities (GE	Utility Services (GENERA	\$59.02	3211800 250 OLD TERRITORIAL RD
	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$179.00	7823600 MEYERS AND TERMAR
	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$161.06	3265100 20 2ND ST SE - LIGHTS



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	08/04/2	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$66.05	3376900 EV CHARGER - 405 MAIN ST
PEOPLES ENERGY COOPERATIVE					\$14,995.38	
QUADIENT - FOLDING MACHINE						
	N10043	E 100-41500-403	City Clerk	Prev. Maint. Agreements	\$164.16	FOLDING MACHINE STD MAINT AGRE
QUADIENT - FOLDING MACHINE					\$164.16	
QUALITY FLOW SYSTEMS, INC.						
	45275	E 602-49450-404	Sewer (GENERAL)	Repairs/Maint Equipment	\$7,260.00	REPAIR OF KSB K150
QUALITY FLOW SYSTEMS, INC.					\$7,260.00	
QUILL.COM						
	337226	E 100-41940-210	Municipal Building	Operating Expenses	\$96.66	PPR TOWELS BIG FOLD
	336708	E 601-49400-210	Water Utilities (GE	Operating Expenses	\$39.53	UB PERF PAPER ALLOC 20.18%
	337139	E 220-42280-210	Fire Department *	Operating Expenses	\$59.99	CREW EASY PAK BOWEL CLEANER
	335476	E 100-41500-210	City Clerk	Operating Expenses	\$114.92	305 - CLERK TONER
	335476	E 100-41500-210	City Clerk	Operating Expenses	\$123.06	312 - CLERK TONER
	337139	E 100-41940-210	Municipal Building	Operating Expenses	\$18.99	150- 13 GAL. TRASH BAGS
	336708	E 602-49450-210	Sewer (GENERAL)	Operating Expenses	\$118.68	UB PERF PAPER ALLOC 60.58%
	336708	E 603-49500-210	Refuse/Garbage (	Operating Expenses	\$37.69	UB PER PAPER ALLOC 19.24%
QUILL.COM					\$609.52	
REINDERS						
	318784	E 100-45200-210	Parks (GENERAL)	Operating Expenses	\$94.80	DBR-20 (6), 131OND12 (1)
	318802	E 100-45200-210	Parks (GENERAL)	Operating Expenses	\$37.73	EDGING DIAMONDBACK ROYAL, FERO
REINDERS					\$132.53	
SCHUMACHER ELEVATOR CO						
	905904	E 100-41940-403	Municipal Building	Prev. Maint. Agreements	\$200.24	MUNI ELEV MAINT
SCHUMACHER ELEVATOR CO					\$200.24	
SOUTHEAST MECHANICAL						
	32869	E 100-45124-404	Swimming Pools -	Repairs/Maint Equipment	\$105.00	FIXED SLUSHEE MACHINE
SOUTHEAST MECHANICAL					\$105.00	
UC LABORATORY						
	117000	E 602-49450-217	Sewer (GENERAL)	Testing	\$1,250.75	WWTP LABS
UC LABORATORY					\$1,250.75	
WSE ENGINEERING SERVICES, LTD						
	804-23	E 100-42400-441	Building Inspectio	Plan Review	\$164.45	PLAN REVIEW
	804-23	E 100-42400-440	Building Inspectio	Building Inspections	\$1,930.08	INSPECTIONS
WSE ENGINEERING SERVICES, LTD					\$2,094.53	
ZEP MANUFACTURING						
	900880	E 100-43100-210	Street Maintenanc	Operating Expenses	\$148.47	VDC 6602T C-PULL 2PLY,FUZION AB F
	900878	E 100-43100-210	Street Maintenanc	Operating Expenses	\$339.39	WESTERN DAYS GARBAGE BAGS
ZEP MANUFACTURING					\$487.86	
2023 08FA01U					\$42,687.31	
					\$250,390.96	

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BLUE CROSS BLUE SHIELD							
	112308	230801	G 910-21721			\$104.80	EE VNDR LBLTY
BLUE CROSS BLUE SHIELD							
						\$104.80	
CHATFIELD PUBLIC LIBRARY							
	112306	2023-1	G 910-21728			\$100.00	EE VNDR LBLTY
		2023-1	R 211-45500-3620	Libraries (GENERA		-\$100.00	EE VNDR LBLTY
CHATFIELD PUBLIC LIBRARY							
						\$0.00	
EFTPS							
	112312	811457	G 910-21709			\$11.52	PR VNDR LBLTY
	112301	955050	G 910-21701			\$5,041.72	PR VNDR LBLTY
		955050	G 910-21703			\$6,802.70	PR VNDR LBLTY
		955050	G 910-21709			\$1,993.74	PR VNDR LBLTY
	112312	811457	G 910-21701			\$15.00	PR VNDR LBLTY
EFTPS							
						\$13,864.68	
EMPOWER | MNDCP							
	112304	111344	G 910-21719			\$690.17	EE VNDR LBLTY
EMPOWER | MNDCP							
						\$690.17	
HEALTH EQUITY							
	112305	i8bk2jk	G 910-21726			\$2,391.67	PR VNDR LBLTY
HEALTH EQUITY							
						\$2,391.67	
LAW ENFORCEMENT LABOR SERVICES							
		AUG 20	G 910-21717			\$135.00	EE VNDR LBLTY
LAW ENFORCEMENT LABOR SERVICES							
						\$135.00	
MN REVENUE							
	112309	0-112-0	E 100-42110-437	Police Administrati	Sales Tax - Purchases	\$1.00	7316521 POLICE CHRGS
		0-112-0	E 603-49500-436	Refuse/Garbage (	Sales Tax	\$1,040.00	7316521 GARBAGE TAX
	112313	1-322-6	G 910-21702			\$15.00	PR VNDR LBLTY
	112302	1-294-4	G 910-21702			\$2,506.58	PR VNDR LBLTY
	112309	0-112-0	E 100-45124-437	Swimming Pools -	Sales Tax - Purchases	\$888.00	7316521 POOL SALES & ADM
		0-112-0	E 601-49400-437	Water Utilities (GE	Sales Tax - Purchases	\$28.00	7316521 WTR TWR LEASE SALES
MN REVENUE							
						\$4,478.58	
NCPERS GROUP LIFE INSURANCE							
		384000	G 910-21707			\$96.00	PR VNDR LBLTY
NCPERS GROUP LIFE INSURANCE							
						\$96.00	
PERA							
	112310	SOMPE	G 910-21705			\$117.28	PR VNDR LBLTY 16.02
	112303	SOMPE	G 910-21705			\$4,348.63	PR VNDR LBLTY
		SOMPE	G 910-21704			\$5,291.47	PR VNDR LBLTY
PERA							
						\$9,757.38	
PRIORITY PAYMENT SYSTEMS							
	112311	07/31/2	E 100-45124-323	Swimming Pools -	Administration Expense	\$364.21	CC PROCESSING FEES
PRIORITY PAYMENT SYSTEMS							
						\$364.21	
TASC							
	112307	08/03/2	G 910-21714			\$331.26	PR VNDR LBLTY
TASC							
						\$331.26	
2023 0803VNDRPRMNREV						\$32,213.75	



City of Chatfield
Batch Listing - Unposted Summary
Current Period: August 2023
2023 0803VNDPRMNREV

Check Nbr	Invoice	Account	Dept Descr	Object Descr	Amount	Comments
					\$32,213.75	

([BatchID] in (19151))



City of Chatfield
Batch Listing - Unposted Summary
 Current Period: July 2023
 2023 07ADM01

Check Nbr	Invoice	Account	Dept Descr	Object Descr	Amount	Comments
ROOT RIVER STATE BANK						
112299	7/31/20	E 100-41500-310	City Clerk	Other Professional Servic	\$93.50	INT BANKING CHARGE 55+23.50+15
					\$93.50	
ROOT RIVER STATE BANK						
TASC						
112298	IN2814	E 100-41500-310	City Clerk	Other Professional Servic	\$187.16	COBRA - RENEWAL FEE 08/23-07/24
	IN2814	E 100-41500-310	City Clerk	Other Professional Servic	\$16.04	COBRA - ADMINISTRATION FEE
					\$203.20	
UNITED STATES POSTAL SERVICE						
058274	557065	E 603-49500-322	Refuse/Garbage (	Postage	\$111.03	UB PSTG ALLCTN 19.24%
	557065	E 602-49450-322	Sewer (GENERAL)	Postage	\$349.61	UB PSTG ALLCTN 60.58%
	557065	E 601-49400-322	Water Utilities (GE	Postage	\$116.46	UB PSTG ALLCTN 20.18%
					\$577.10	
UNITED STATES POSTAL SERVICE						
					\$873.80	
2023 07ADM01					\$873.80	
					\$873.80	

((BatchID] in (19118))



City of Chatfield
Batch Listing - Unposted Summary
 Current Period: August 2023
 2023 08MNENRGY

Check Nbr	Invoice	Account	Dept Descr	Object Descr	Amount	Comments
MINNESOTA ENERGY RESOURCES						
112318	363074	E 601-49400-380	Water Utilities (GE	Utility Services (GENERA	\$59.77	00016 100 OTR GNRTR
112316	363037	E 100-43100-380	Street Maintenanc	Utility Services (GENERA	\$66.30	00014 PPLS 19 SCND ST SW
112315	363040	E 100-45124-380	Swimming Pools -	Utility Services (GENERA	\$54.60	000011 POOL
112317	363039	E 601-49400-380	Water Utilities (GE	Utility Services (GENERA	\$59.77	00015 547 HLLSD BSTR STTN
MINNESOTA ENERGY RESOURCES					\$240.44	
2023 08MNENRGY					\$240.44	
					\$240.44	

([BatchID] in (19179))



City of Chatfield
Batch Listing - Unposted Summary
 Current Period: August 2023
 2023 08RT

Check Nbr	Invoice	Account	Dept Descr	Object Descr	Amount	Comments
REVTRAK JETPAY						
112314	JUL 202	E 602-49450-323	Sewer (GENERAL)	Administration Expense	\$1,086.79	2023 ADMIN FEE ALLOC 60.58%
	JUL 202	E 603-49500-323	Refuse/Garbage (	Administration Expense	\$345.16	2023 ADMIN FEE ALLOC 19.24%
	JUL 202	E 230-42270-323	Ambulance	Administration Expense	\$2.02	ADMIN FEE ALLOC
	JUL 202	E 100-42400-323	Building Inspectio	Administration Expense	\$43.81	ADMIN FEE ALLOC
	JUL 202	E 100-42110-323	Police Administrati	Administration Expense	\$0.92	ADMIN FEE ALLOC
	JUL 202	E 601-49400-323	Water Utilities (GE	Administration Expense	\$362.02	2023 ADMIN FEE ALLOC 20.18%
REVTRAK JETPAY					\$1,840.72	
2023 08RT					\$1,840.72	
					\$1,840.72	

((BatchID] in (19163))

RESOLUTION 2023-07
A RESOLUTION ACCEPTING A DONATION TO THE CITY

WHEREAS, the City of Chatfield is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 et seq. for the benefit of its citizens and is specifically authorized to accept gifts.

WHEREAS, the following persons and entities have offered to contribute the cash amounts set forth below to the city:

<u>Chatfield Youth Sports Association</u>	<u>\$2000</u>
---	---------------

WHEREAS, the terms or conditions of the donations, if any, are as follows:

To be used for the Frisbee Golf Project

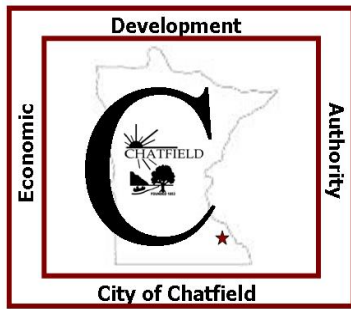
WHEREAS, all such donations have been contributed to the city for the benefit of its citizens, as allowed by law; and

WHEREAS, the City Council finds that it is appropriate to accept the donations offered.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATFIELD, MINNESOTA AS FOLLOWS:

1. The donations described above are accepted and shall be used to establish and/or operate services either alone or in cooperation with others, as allowed by law.
2. The city clerk is hereby directed to issue receipts to each donor acknowledging the city's receipt of the donor's donation.

Passed by the City Council of Chatfield, Minnesota this 12th day of June, 2023.



Chatfield Economic Development Authority
Thurber Community Center - Chatfield Municipal Building
21 Second Street SE
Chatfield, MN 55923
Voice 507.867.1523 Fax 507.867.9093
www.ci.chatfield.mn.us

August 14, 2023

MEMO

To: City Council
From: Chris Giesen, EDA Coordinator
RE: TIF Assistance Request: Grand Street Apartment

Background

The former apartment building on Grand Street burned in late 2022 and was a total loss. The owner, Main Street Properties, LLP would like to redevelop the site into a new and slightly larger apartment building. The former building had 8 units, the new building is proposed to have 14 units.

The new units would be a mix of 1 and 2 bedrooms, with a total of 21 bedrooms throughout all units. Rents are proposed to begin at \$950 and \$1,250 per month for 1 and 2 bedroom units, respectively.

In March 2023, the EDA and Council agreed that the property met the state definition of a substandard property primarily because of the extent of the fire damage. That action by council allowed the owners to demolish the structure and clear the site, which was completed, and still qualify for redevelopment TIF.

Because of issues such as the cost of demolition, clean up, site prep, materials cost, and the like, the owner is requesting assistance through redevelopment TIF. The total project cost is estimated at \$1.8 million. In May 2023, the EDA and Council agreed to begin consideration of establishing a TIF district as requested.

The taxable value of the new building is estimated at \$1,155,000.

This request provides up to \$410,000 in TIF, plus interest, over 20 years, in a “pay as you go” format and is a “not to exceed” amount, per our usual policy.

In order to approve the request, the council must hold a public hearing which is scheduled for tonight. As in the past, Mike Bubany of David Drown Associates will be present to discuss the particulars of creating this TIF district.

EDA reviewed and recommended approval of the assistance as requested. Main Street Properties, LLP has signed the proposed development agreement and has paid the required deposit.

Action Requested

Approve the creation of the TIF district and development agreement as recommended by EDA.

Draft

City of Chatfield, Minnesota

Tax Increment Financing Plan for

Tax Increment Financing District No. 3-6

(Grand Street Apartments Redevelopment Project 2023)

Public Hearing: August 14, 2023

To be Adopted: August 14, 2023



DDA

David Drown Associates, Inc.
Public Finance Advisors

Minneapolis Office:
5029 Upton Avenue South
Minneapolis, MN 55410
612-920-3320 (phone); 612-605-2375 (fax)
www.daviddrown.com

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Tax Increment Financing Plan for Tax Increment Financing District No. 3-6

Section 1 Definitions

The terms defined in this section have the meanings given herein, unless the context in which they are used indicates a different meaning:

"Authority" means the City of Chatfield, Minnesota.

"City" also means the City of Chatfield, Minnesota.

"City Council" means the City Council of the City of Chatfield, Minnesota.

"County" means Fillmore County, Minnesota.

"County Board" means the County Board of Fillmore County.

"Developer" means any person undertaking construction or renovation in the Project Area, including Main Street Properties LLP, its successors and assigns.

"Development District" means Development District No. 3 in the City.

"Development Program" means the Development Program for the Development District.

"Project" means redevelopment activities within TIF District No. 3-6 by private enterprise, including the demolition and clearance of substandard structures and construction of a 14-unit apartment complex .

"Project Area" means the geographic area of the Development District.

"School District" means Independent School District No. 227.

"State" means the State of Minnesota.

"TIF Act" means Minnesota Statutes, Sections 469.174 through 469.1794, inclusive.

"TIF District" means Tax Increment Financing District No. 3-6.

"TIF Plan" means the tax increment financing plan for the TIF District (this document).

Section 2 Statement of Need and Public Purpose

See the Development Program for Development District No. 3 which is on file at the City Administrator's office at City Hall in Chatfield.

Section 3 Statutory Authorization

The City is empowered under the provisions of the TIF Act to establish a tax increment financing district.

Section 4 Statement of Objectives

The objectives of this tax increment financing plan are consistent with the objectives outlined in the Development Program.

Section 5 Development Activities for which the City has Designated a Developer

In November 2022, the apartment building located at 815 Grand Street within the City suffered a total loss due to fire. The remnants of the fire were inspected and found to be substandard. The Developers intend to replace the substandard building with a new 14-unit apartment complex.

According to documentation submitted by the Developers, redevelopment of the property is cost prohibitive due to demolition costs, site preparation, the need for larger utility service connections, and additional onsite parking. As such, the Developers are requesting tax increment financing to make the project feasible.

The assistance contemplated for the Project will be provided on a pay as you go basis to reimburse the developers for eligible site improvement expenses.

Section 6 Property to be Included in the TIF District

The TIF District includes a single parcel located along Grand Street, as well as all adjacent street rights-of-way and utility / drainage easements:

260023040

A map showing the location of the TIF District is provided in Exhibit 1. Parcel valuation and other statistics is included in Exhibit 2.

Section 7 Estimated Sources and Uses of Funds (Public Costs)

The estimated costs of the proposed development in the TIF District which are eligible for funding with tax increments generated from the TIF District and the projected sources of revenue available to pay these costs are summarized below.

Estimated Project/Financing Costs to be paid or financed with increment:

<u>Project / Capital Costs:</u>	
Land Acquisition	0
Site Improvement/Prep	514,709
Utilities	0
Other Public Improvements	0
Construction of Affordable Housing	0
Small City Authorized Costs	0
	\$514,709
 <u>Finance Costs:</u>	
Bond & Note Interest Expense	\$545,836
 <u>Administrative Costs</u>	
Administration funded with TIF	\$117,838
Total Uses of Funds	\$1,178,383

Estimated Tax Increment Revenues

Tax Increments	1,178,383
Investment Interest	0
Sales/Lease Proceeds	0
Market Value Homestead Credit	0
	0
Total Sources of Funds	\$1,178,383

Estimated Amount of Bonds to be issued **\$632,547**

The Authority reserves the right to adjust the amount of Capital and Administrative line items listed above or to incorporate additional eligible items, so long as the total Capital and Administrative costs are not increased (\$632,547). Adjusting financing costs, principal or interest, will require a public hearing and formal TIF Plan modification process pursuant to Minnesota Statutes Section 469.175 Subd. 4. The Authority also reserves the right to fund any of the identified costs with any other legally available revenues but anticipates that such costs will be primarily financed with tax increments. Therefore, the total estimated costs to be financed with tax increments, including capital costs, administrative costs and financing costs (interest) is stated as \$1,178,383.

Section 8 Estimated Impact on Other Taxing Jurisdictions

Exhibit 4 shows the estimated impact on other taxing jurisdictions if the projected Retained Captured Net Tax Capacity of the TIF District were hypothetically available to the other jurisdictions. The Authority believes that there will be no adverse impact on other taxing jurisdictions during the life of the TIF District, since the proposed development would not have occurred without the establishment of the TIF District and the provision of public assistance. A positive impact on other taxing jurisdictions will occur when the TIF District is decertified and the

development therein becomes part of the general tax base.

Section 9 Fiscal and economic implications

M.S. Section 469.175 Subdivision 2(b) requires a specific description of the fiscal and economic implications of the proposed TIF District. Please refer to Exhibit 4 for an estimate of the captured tax increments by jurisdiction. The probable impact of the TIF District on City-provided services, such as police and fire protection, is minimal since the area is already highly developed and currently being served by these services.

Development expected within the TIF District shall occur in a fairly developed area of the City. No sizeable public improvements are expected to be necessary to serve the Project.

It is the opinion of the City that the existing sanitary sewer and water systems of the City have adequate capacity to serve the project and are ultimately paid for through utility rates which this new development will pay. In terms of public safety, it is the Authority's opinion that there will be no significant increase in police calls or the need for additional fire protection personnel for the City. Additionally, it is the opinion of the Authority that police and fire protection services can be provided to the TIF District with no identifiable budget impacts or the direct need for any additional capital equipment. The factors supporting this finding include the nature of the project, its projected tenants, and its location in the City.

The Authority intends to assist the Project via the issuance of Pay As You Go Contracts. This type of debt instrument does not apply to the City's legal debt limit, nor does it carry the City's General Obligation pledge. As such, this TIF District will not have an adverse impact on the City's current bond credit rating or capacity to borrow for future projects. The City reserves the right to issue bonds if necessary, however (see Section 11).

Section 10 Property to be acquired in the TIF District

While the Authority does not contemplate the use of tax increments for the purpose of funding site acquisition costs, the Authority still reserves the right to do so should it be deemed necessary in the future. Specifically, the TIF Plan hereby authorizes the direct acquisition, or reimbursement to developers for acquisition costs, of any and all property in the TIF District, as itemized on Exhibit 2 and illustrated on Exhibit 1

Section 11 Estimated Amount of Bonded Indebtedness

The Authority reserves the right to fund all Project costs permitted by law using internal funding, general obligation bonds, pay-as-you-go financing or any other financing mechanism authorized by law. The maximum amount of bonds to be funded with tax increment revenue from TIF District No. 3-6 is \$632,547.

Internal Loans, including a negative balance in the TIF fund, must be authorized by resolution of the entity advancing the loan before money is transferred, advanced or spent. The resolution must include the terms and conditions for repayment of the loan to include, at a minimum, the principal amount of the loan, the interest rate and the maximum term. The interest rate to be charged on internal loans shall not exceed 5% based upon the limit of the greater of the rates specified under Minnesota Statutes 270C.40 or 549.09 as of the date this Plan is approved.

Section 12 Designation of TIF District as a Redevelopment District

The Tax Increment District qualifies as a redevelopment district. M.S. 469.174, Subd. 10 defines a redevelopment district as an area where the following conditions are reasonably distributed throughout the district:

- a. Parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, or other improvements and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance; or
- b. The property consists of vacant, unused, underused, inappropriately used, or infrequently used rail yards, rail storage facilities or excessive or vacated railroad rights-of-way.

For purposes of this section, “structurally substandard” means containing defects in structural elements, essential utilities, light and ventilation, fire protection, interior layout and condition or similar factors of significance to justify substantial renovation or clearance. A building is not substandard if it could be modified to satisfy the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same square footage and type on the site. A parcel cannot be considered “occupied by buildings, streets, utilities or other improvements” unless 15 percent of the area of the parcel contains improvements.

As summarized on Exhibit 2, improved parcels constitute more than 70% of the area of the TIF District, and more than 50% of existing buildings have been found to be structurally substandard. Accordingly, it is the Authority’s finding that the proposed parcels satisfy the standards for a redevelopment district.

Section 13 Original Net Tax Capacity

The County Auditor will certify the Original Net Tax Capacity of the TIF District, which will be the total Net Tax Capacity of all property in the TIF District. For districts certified between January 1 and June 30, inclusive, this value is based on the previous assessment year. For districts certified between July 1 and December 31, inclusive, this value is based on the current assessment year.

The City intends to file the request for certification after July 1, 2023. As such, the Original Tax Capacity will be the net tax capacity as of January 2, 2023 (assessed value for taxes payable 2024) and is unknown at this time. The assessed values for taxes payable 2023 are included for estimation purposes only.

The Market Value of all property within the TIF District as of January 2, 2022 for taxes payable in 2023 is estimated at \$44,200. At this value, the Original Net Tax Capacity of the TIF District would be \$553 (see Exhibit 2).

Each year the County Auditor will certify the amount that the Original Net Tax Capacity has increased or decreased as a result of:

1. changes in the tax-exempt status of property;
2. reductions or enlargements of the geographic area of the TIF District;
3. changes due to stipulation agreements or abatements; or
4. changes in classification rates.

Section 14 Original Local Tax Rate

The County Auditor shall also certify the Original Local Tax Rate of the TIF District. This rate shall be the sum of all local tax rates that apply to property in the TIF District. This rate shall be for the same taxes payable year as the Original Net Tax Capacity.

In future years, the amount of tax increment generated by the TIF District will be calculated using the lesser of (a) the sum of the current local tax rates at that time or (b) the Original Local Tax Rate of the TIF District.

As noted in Section 13, the City intends to file the TIF District for certification after July 1, 2023; therefore, the Original Local Tax Rate will be the rate that applies for taxes payable in 2024, which is unknown at this time. The rates associated with taxes payable 2023 are included for estimation purposes only:

<u>Taxing Jurisdiction</u>	<u>2022/2023 Local Tax Rate</u>
City of Chatfield	90.085%
Fillmore County	29.584%
School District 227*	18.963%
Other	0.000%
Total	138.632%

The projected original local tax rate does not include the State of Minnesota property tax rate on commercial, industrial and seasonal recreation property because it does not apply to multifamily residential properties.

** Minnesota Statutes Section 469.177 Subd. 1a was amended in 2013 redefining what portion of the local school district tax capacity rate will be used in calculating tax increments. Specifically, this amendment now excludes that portion of the school rate attributable to the general education levy under Section 126C.13. The rate shown is only an estimate of the applicable rate.*

Section 15 Projected Retained Captured Net Tax Capacity and Tax Increment

Each year the County Auditor will determine the current net tax capacity of all property in the TIF District. To the extent that this total exceeds the Original Net Tax Capacity, the difference shall be known as the Captured Net Tax Capacity of the TIF District. It is the City's intention to retain 100% of the Captured Net Tax Capacity of the TIF District.

Exhibit 3 estimates the total amount of retained net captured tax capacity, gross tax increments, adjustments, and the net tax increment revenues which will be available annually and cumulatively over the life of the TIF District.

Section 16 Statutory Duration of the TIF District

Redevelopment districts may remain in existence for 25-years from receipt of the first tax increment. This results in 26 collections of tax increments. The Authority is requesting that the first tax increment be collected in 2025, which would result in the District terminating at year-end 2050. Modifications of this plan (see Section 28) may not extend these duration limits.

Section 17 Use of Tax Increments – Redevelopment Districts

Ninety percent (90%) of the tax increments generated from the TIF District must be used to finance the cost of correcting conditions that allow designation as a redevelopment district. These costs include, but are not limited to, acquiring properties containing substandard buildings or improvements, acquiring adjacent parcels necessary to provide a site of sufficient size to permit development, demolition of structures, clearing of the land, and installation of utilities, roads, sidewalks and parking facilities for the site.

Section 18 Use of Tax Increments – General

Each year County Treasurer shall deduct an estimated 0.36% of the annual tax increment generated by the TIF District and pay such amount to the state general fund. Such amounts will be appropriated to the state auditor for the cost of financial reporting and auditing of tax increment financing information throughout the state. Exhibits 3a and 3b show the projected deduction for this purpose over the anticipated life of the TIF District.

The Authority has determined that it will use 100% of the remaining tax increment generated by the TIF District for any of the following purposes:

1. Pay for the estimated public costs of the TIF District (including administrative expenses, see Section 7) and City administrative costs associated with the TIF District (see Section 29);
2. Pay principal and interest on tax increment bonds, notes or other financial obligations issued to finance the public costs of the TIF District;
3. Accumulate a reserve securing the payment of tax increment bonds or other bonds issued to finance the public costs of the TIF District;
4. Pay all or a portion of the County road costs as may be required by the County Board under M.S. Section 469.175, Subdivision 1a; or
5. Return excess tax increments to the County Auditor for redistribution to the City, County and School District in proportion to their local tax capacity rates.

Tax increments from property located in one County must be expended for the direct and primary benefit of a project located within that County, unless both County boards involved waive this requirement. Tax increments shall not be used to circumvent levy limitations.

Tax increment shall not be used to finance the acquisition, construction, renovation, operation, or maintenance of a building to be used primarily and regularly for conducting the business of a municipality, County, school district, or any other local unit of government or the State or federal government, including social, recreational or conference facilities or a public park used as a commons area. Tax increments may be used to finance public parking facilities.

Tax increment may not be spent outside the TIF District on improvements, equipment, or other items whose primary purpose is decorative or aesthetic or if the materials used or design cost twice that of more commonly used equipment or improvements. This prohibition does not apply to improvements related to rehabilitating historic structures on national register or in a historic district listed on the national register.

If there exist any type of agreement or arrangement providing for the developer, or other beneficiary of assistance, to repay all or a portion of the assistance that was paid or financed with tax increments, such payments shall be subject to all of the restrictions imposed on the use of tax increments. Assistance includes sales of property at less than the cost of acquisition or fair market value, grants, ground or other leases at less than fair market rent, interest rate subsidies, utility service connections, roads, or other similar assistance that would otherwise be paid for by the developer or beneficiary.

Section 19 “Green Acres”

The TIF District may not include parcels that qualified as “green acres” in any of the five (5) years preceding the request for certification, unless 85% of development in the district is restricted to qualified manufacturing or distribution facilities directly related to production of tangible personal property and paying at least 90% of its employees wages equal to or greater than 160% of the federal minimum wage; or the development in the district is a qualified housing project.

No land to be included in the TIF District have been enrolled in the Green Acres Program.

Section 20 4-Year Knock-Down Rule

If after four years from certification of the TIF District no demolition, rehabilitation, renovation, or qualified improvement of an adjacent street has commenced on a parcel located within the TIF District, then that parcel shall be excluded from the TIF District and the Original Net Tax Capacity shall be adjusted accordingly. Qualified improvements of a street are limited to construction or opening of a new street, relocation of a street, or substantial reconstruction or rebuilding of an existing street. The Authority must submit to the County Auditor, by February 1 of the fifth year, evidence that the required activity has taken place for each parcel in the TIF District.

If a parcel is excluded from the TIF District and the Authority or owner of the parcel subsequently commences any of the above activities, the Authority shall certify to the County Auditor that such activity has commenced and the parcel shall once again be included in the TIF District. The County Auditor shall certify the net tax capacity of the parcel, as most recently certified by the Commissioner of Revenue, and add such amount to the Original Net Tax Capacity of the TIF District.

Section 21 Tax Increment Pooling – 5-year Rule

At least 80% of the tax increments from the TIF District must be expended on activities within the district or to pay for bonds used to finance the estimated public costs of the TIF District. No more than 20% of the tax increments may be spent on costs outside of the TIF District, but within the boundaries of the Project Area. All administrative expenses are considered to have been spent outside of the TIF District. Tax increments are considered to have been spent within the TIF District if such amounts are:

1. actually paid to a third party for activities performed within the TIF District within five years after certification of the district;
 2. used to make payments or reimbursements to a third party under binding contracts for activities performed within the TIF District, which were entered into within five years after certification of the district;
- or

3. used to pay bonds that were issued and sold to a third party, the proceeds of which are reasonably expected on the date of issuance to be spent within the later of the five-year period or a reasonable temporary period or are deposited in a reasonably required reserve or replacement fund-

Beginning with the sixth year following certification of the TIF District, at least 80% of the tax increments must be used to pay outstanding bonds or make contractual payments obligated within the first five years. When outstanding bonds have been defeased and sufficient money has been set aside to pay for such contractual obligations, the TIF District must be decertified.

Section 22 Excess Tax Increment

On December 31st of each year, the Authority must determine the amount of excess increments for the TIF District. Excess increments may only be used to:

1. prepay any outstanding tax increment Bonds;
2. discharge the pledge of tax increments on any outstanding Bonds;
3. pay amounts into an escrow account dedicated to the payment of any outstanding Bonds; or
4. return excess tax increments to the County Auditor for redistribution to the City, County and School District in proportion to their local tax capacity rates. The County Auditor must report to the Commissioner of Education the amount of any excess tax increment redistributed to the School District within 30 days of such redistribution.

Section 23 Limitation on Administrative Expenses

Administrative expenses are defined as all costs of the Authority other than:

1. amounts paid for the purchase of land;
2. amounts paid for materials and services, including architectural and engineering services directly connected with the proposed development within the TIF District;
3. relocation benefits paid to, or services provided for, persons or businesses located within the TIF District; or
4. amounts used to pay interest on, fund a reserve for, or sell at a discount, tax increment bonds.
5. amounts used to make payments on other financial obligations used to finance costs outlines above.

Administrative expenses include amounts paid for services provided by bond counsel, fiscal consultants, planning or economic development consultants, and actual costs incurred by the City in administering the TIF District. For TIF Districts with certification request dates after July 31, 2001 tax increments may be used to pay administrative expenses of the TIF District up to the lesser of (a) 10% of the total tax increment expenditures authorized by the TIF plan or (b) 10% of the total tax increments received by the TIF District. However, tax increments used to pay County expenses pursuant to M.S. Section 469.176 Subd. 3(d) are not subject to these percentage limits.

The Authority intends to retain the full 10% of tax increment collected allowed by law to pay its expenses related to administering the TIF District. See Exhibit 3.

Section 24 Prior Planned Improvements

The Authority shall accompany its request for certification to the County Auditor a listing of all properties within the TIF District for which building permits have been issued during the 18 months immediately preceding approval of the TIF Plan. The County Auditor shall increase the Original Net Tax Capacity of the TIF District by the net tax capacity of each improvement for which a building permit was issued.

No permits were issued in the prior 18 months.

Section 25 Development Agreements

If more than 25% of the acreage of a project (within a redevelopment TIF district) is to be acquired by the Authority with proceeds from tax increment bonds then, prior to such acquisition, the Authority must enter into an agreement for the development of the property. Such agreement must provide recourse for the Authority should the development not be completed.

Section 26 Business Subsidy Laws

Minnesota Statutes 116J.994 requires a City or Authority providing financial assistance of between \$25,000-150,000 or a business subsidy worth \$150,000 or more to complete an approval process as described below. Housing projects and many redevelopment projects are exempt from the requirements.

For financial assistance of \$25,000-149,999:

1. Adopt criteria for awarding business subsidies following a public hearing.
2. Complete the Financial Assistance Report annually for two years.

For a business subsidy of \$150,000 or more, the Authority must complete the following:

1. Adopt criteria for awarding business subsidies following a public hearing.
2. Conduct a public hearing on the subsidy, after providing at least 10 days published notice in the local newspaper.
3. Enter into a subsidy agreement which must include the following information and requirements:
 - a. A description of the subsidy.
 - b. A statement of the public purpose and goals of the subsidy.
 - c. Wage and job creation goals (or job retention goals if job loss is imminent and demonstrable) to be achieved within 2 years of receiving the subsidy.
 - d. A description of the recipient's financial obligation if the goals are not met. The recipient must pay back the assistance with interest if goals are not met, although pro-rata to reflect partial fulfillment of goals is permitted.
 - e. A statement of why the subsidy is needed.
 - f. A commitment from the recipient to continue operations at the site for at least 5 years;
 - g. The name and address of the parent company of the recipient;
 - h. A list of all other financial assistance to the project; and
 - i. A requirement for the recipient to provide the Authority and the Department of Employment and Economic Development with annual information regarding goals for two years after receiving the subsidy or until the goals are achieved. The reports must be filed by March 1 for the prior year.

While the assistance contemplated in this plan is not expected to exceed \$150,000, the Project is nevertheless exempt from the Business Subsidy Act. It is exempted because the Project is related to housing.

Section 27 Assessment Agreements

The City may, upon entering into a development agreement, also enter into an assessment agreement with the developer, which establishes a minimum market value of the land and improvements for each year during the life of the TIF District.

The assessment agreement shall be presented to the County or City Assessor who shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land, and so long as the minimum market value contained in the assessment agreement appears to be a reasonable estimate, shall certify the assessment agreement as reasonable. The assessment agreement shall be filed for record in the office of the County Recorder of each county where the property is located. Any modification or premature termination of this agreement must first be approved by the City, and if the project is valued below the minimum market value, also approved by the County and School District.

Section 28 Modifications of the Tax Increment Financing Plan

Any reduction or enlargement in the geographic area of the Project Area or the TIF District; increase in the amount of bonded indebtedness to be incurred; increase in the amount of capitalized interest; increase in that portion of the Captured Net Tax Capacity to be retained by the Authority; increase in the total estimated public costs; or designation of additional property to be acquired by the Authority shall be approved only after satisfying all the necessary requirements for approval of the original TIF Plan. This paragraph does not apply if:

1. the only modification is elimination of parcels from the Project Area or the TIF District; and
2. the current net tax capacity of the parcels eliminated equals or exceeds the net tax capacity of those parcels in the TIF District's Original Net Tax Capacity, or the Authority agrees that the TIF District's Original Net Tax Capacity will be reduced by no more than the current net tax capacity of the parcels eliminated.

The Authority must notify the County Auditor of any modification that reduces or enlarges the geographic area of the Project Area or the TIF District. The geographic area of the TIF District may be reduced but not enlarged after five years following the date of certification.

Section 29 Administration of the Tax Increment Financing Plan

Upon adoption of the TIF Plan, the Authority must submit a copy of such plan to the State Auditor's Office and the Department of Revenue. The Authority must also request that the County Auditor certify the Original Net Tax Capacity and Net Tax Capacity Rate of the TIF District. To assist the County Auditor in this process, the Authority must submit copies of the TIF Plan, the resolution establishing the TIF District and adopting the TIF Plan, and a listing of any prior planned improvements. The Authority must also send the County Assessor any assessment agreement establishing the minimum market value of land and improvements in the TIF District and shall request that the County Assessor review and certify this assessment agreement as reasonable.

The County will distribute to the Authority the amount of tax increment as it becomes available. The amount of tax increment in any year represents the applicable property taxes generated by the Retained Captured Net Tax Capacity of the TIF District. The amount of tax increment may change due to development anticipated by the TIF Plan, other development, inflation of property values, or changes in property classification rates or formulas. In administering and implementing the TIF Plan, the following actions should occur on an annual basis:

1. Prior to July 1, the Authority shall notify the County Assessor of any new development that has occurred in the TIF District during the past year to ensure that the new value will be recorded in a timely manner.
2. If the County Auditor receives the request for certification of a new TIF District, or for modification of an existing TIF District, before July 1, the request shall be recognized in determining local tax rates for the current and subsequent levy years. Requests received on or after July 1 shall be used to determine local tax rates in subsequent years.
3. Each year the County Auditor shall certify the amount of the Original Net Tax Capacity of the TIF District.

The amount certified shall reflect any changes that occur as a result of the following:

- a) the value of property that changes from tax-exempt to taxable shall be added to the Original Net Tax Capacity of the TIF District. The reverse shall also apply;
- b) the Original Net Tax Capacity may be modified by any approved enlargement or reduction of the TIF District;
- c) if laws governing the classification of real property cause changes to the percentage of Estimated Market Value to be applied for property tax purposes, then the resulting increase or decrease in net tax capacity shall be applied proportionately to the Original Net Tax Capacity and the Retained Captured Net Tax Capacity of the TIF District.

The County Auditor shall notify the Authority of all changes made to the Original Net Tax Capacity of the TIF District.

Section 30 Financial Reporting and Disclosure Requirements

The City is responsible for information and financial reporting on the activities of the TIF District. These responsibilities include:

1. Prepare and Publish an Annual Statement. No later than August 1 of each year, the City must prepare and publish an annual statement which includes at least the following information:
 - (a) tax increment received and expended in that year
 - (b) Original Net Tax Capacity
 - (c) captured Net Tax Capacity
 - (d) amount of outstanding bonded indebtedness
 - (e) increments paid to other government bodies
 - (f) administrative costs
 - (g) increments paid directly or indirectly outside of the district
 - (h) if a fiscal disparities contribution is computed under section 469.177, Subd. 3(a), the increase in property tax imposed on other properties in the municipality as a result of the fiscal disparities contribution in the manner prescribed by the commissioner of revenue.

A copy of the annual statement must also be provided to the State Auditor, county board and county auditor, and the municipality.

2. Prepare an Annual Report. (469.175 Subds. 5 and 6) The State Auditor enforces the provisions of the TIF Act and has full responsibility for financial and compliance auditing of the City's use of tax increment financing. The State Auditor's office provides detailed tax increment reporting forms for use in complying with annual reporting requirements. On or before August 1 of each year, the City and/or the City must prepare a status and financial report for the TIF District and submit it to the state auditor, the county board, the county auditor, and the governing body of the municipality, if the municipality is not also the City.
3. Prepare a Minnesota Business Assistance Form. (116J.994) By April 1, the Authority must submit a report to the Department of Employment and Economic Development on wage and job goals and progress made in achieving them. A reporting form is provided by the Department and must be submitted for each business which has received TIF assistance.

Section 31 Findings and Need for Tax Increment Financing

In establishing the TIF District, the Authority makes the following findings:

1. The TIF District qualifies as a redevelopment district;

The TIF District qualifies as a redevelopment district in that the proposed development described in this TIF Plan (see Section 5) meets all of the criteria listed in Sections 12 and 17 above.

2. The proposed development, in the opinion of the Authority, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future, and the increased market value of the site that could reasonably be expected to occur without the use of tax increment would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan;

The above finding is based on a letter submitted by the Developer stating that without the use of tax increment financing the Project could not proceed.

The Authority has further determined that no other development is expected to occur that would create a greater market value than that proposed, adjusting for the tax increment assistance. Any other development of the TIF District would have to create a market value increase of more than \$1,183,902 in order to exceed the value increase expected under the current proposal, after subtracting the present value of the tax increment for 26 years (See Market Value Analysis, Exhibit 5). Due to the amount of time the site in question has sat in its current condition by a private party the Authority has no reason to expect any significant development to occur without tax increment assistance. Therefore, the Authority reasonably believes that the expected increase in market value at this site without TIF assistance is limited to appreciation in existing real estate value, estimated to be approximately \$34,476 over the life of the TIF District.

To summarize the basis for the City's findings, the City makes the following determinations:

- a) *The Authority's estimate of the amount by which the market value of the site will increase without the use of tax increment financing is \$34,476 (for the reasons described above).*
 - b) *If the proposed development to be assisted with tax increment occurs in the TIF District, the total increase in market value would be approximately \$1,755,800. The increase in market value would be due primarily to redevelopment of the site and new construction within the TIF District. (See Exhibit 3)*
 - c) *The present value of tax increments from the TIF District for the maximum duration of the district permitted by the TIF Plan is estimated to \$571,898 (See Exhibit 5)*
 - d) *Even if some development other than the proposed development were to occur, the Authority finds that no alternative would occur that would produce a market value increase greater than \$1,183,902 (the amount in clause b less the amount in clause c) without tax increment assistance.*
3. The TIF Plan conforms to the general plan for development or redevelopment of the City as a whole.

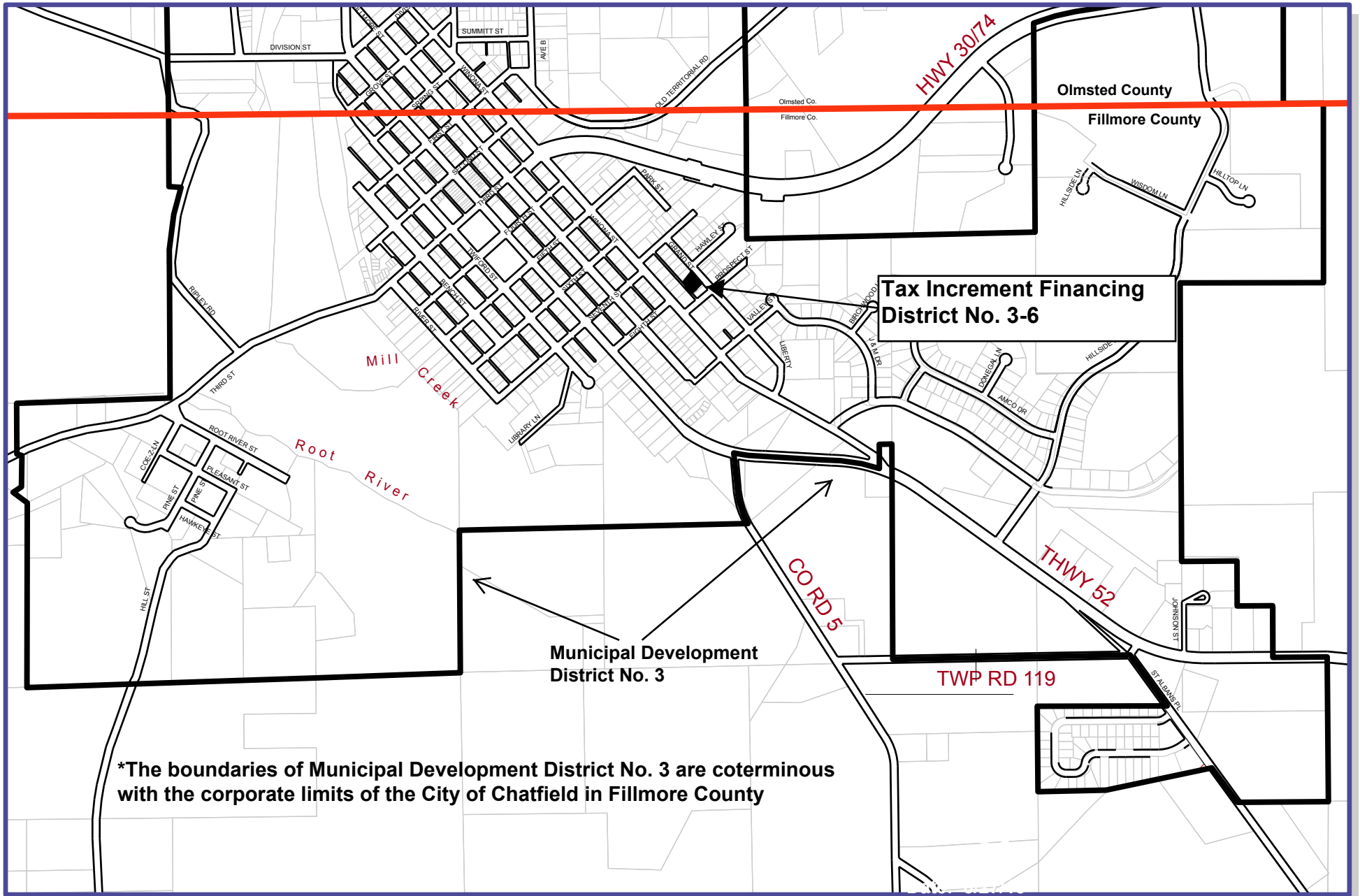
The reasons and facts supporting this finding are that the redevelopment proposal is consistent with the City's zoning ordinances and comprehensive plans for the area and serves to promote the Authority's development objectives.

4. The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the redevelopment of the Project by private enterprise.

The reasons and facts supporting this finding are that the assistance contemplated in this TIF Plan will assist the Developer with site improvement expenses necessary to make the site ready for redevelopment into multifamily residential facilities.

Exhibits

Map of Tax Increment Financing District and Project Area.....	Exhibit 1
Parcels and Valuations.....	Exhibit 2
Tax Increment Projections	Exhibit 3
Statement of Fiscal and Economic Impacts	Exhibit 4
Market Value Analysis	Exhibit 5



**City of Chatfield, Minnesota (Fillmore County)
 Tax Increment Financing District No. 3-6
 within Municipal Development District No. 3**

City of Chatfield, Minnesota
Redevelopment Tax Increment Financing District No. 3-6

Grand Street Apartments Redevelopment Project 2023

PARCEL INFORMATION

#	PIN #	Owner	2022/2023 Valuations			Approx. Lot Area	Estimated sq. ft. Improvements	Coverage	Lot improved?	building?	Found to be Substandard?		
			Land	Building	Total M.V.							Taxable MV	Tax Cap.
1	260023040	Main Street Properties, LLP	44,200	-	44,200	44,200	553	21,400	10,700	50%	Y	Y	Y
					44,200	44,200	553	21,400					
Total Area of parcels in TIF District						21,400							
Total area of improved parcels						21,400							
% of total area						100%	>70% OK						
# parcels						1							
# parcels with buildings						1							
# primary buildings substandard						1							
% buildings substandard						100%	> 50% OK						

NOTE: Property was subject to a fire, so building value reduced to \$0 by County. Building remains were inspected and declared substandard.

NOTE: Request for certification will occur before 6/30/2024, so original valuations will be based on 2023/2024 valuations, which are unknown at this time. 2022/2023 values used for estimation purposes only.

TIF PROJECTIONS

Valuations & Projected Increases

	Market	Tax Capacity
Estimated Original value	44,200	553
Completed Value after Redevelopment	1,800,000	22,500
Captured / Increased Values	1,755,800	21,948

Tax Rate Assumptions:

	2022/2023 Tax Rate	Est. Applicable TIF Tax Rate
City	90.085%	90.085%
County	29.584%	29.584%
School	23.370%	18.963%
Other	0.000%	0.000%
	143.039%	138.632%

Projected Tax Increment

3.0% Assumed inflation rate:

Payable Year	Original Tax Capacity	Projected Tax Capacity	Net Captured Tax Capacity	Less Fiscal Disparities	Retained Net Captured Tax Capacity	Projected Tax Rate	0.36% Less OSA Fees	Gross Tax Increment	Adjustments		TOTAL NET REVENUES
									10.00% Admin. Retainage	0.00% Other Deductions	
2023	553	553	-	-	-						
2024	553	553	-	-	-	138.63%		-	-	-	-
2025	553	22,500	21,948	-	21,948	138.63%	(110)	30,317	3,032	-	27,285
2026	553	23,175	22,623	-	22,623	138.63%	(113)	31,249	3,125	-	28,124
2027	553	23,870	23,318	-	23,318	138.63%	(116)	32,209	3,221	-	28,989
2028	553	24,586	24,034	-	24,034	138.63%	(120)	33,199	3,320	-	29,879
2029	553	25,324	24,771	-	24,771	138.63%	(124)	34,218	3,422	-	30,796
2030	553	26,084	25,531	-	25,531	138.63%	(127)	35,267	3,527	-	31,740
2031	553	26,866	26,314	-	26,314	138.63%	(131)	36,348	3,635	-	32,713
2032	553	27,672	27,120	-	27,120	138.63%	(135)	37,461	3,746	-	33,715
2033	553	28,502	27,950	-	27,950	138.63%	(139)	38,608	3,861	-	34,747
2034	553	29,357	28,805	-	28,805	138.63%	(144)	39,789	3,979	-	35,810
2035	553	30,238	29,686	-	29,686	138.63%	(148)	41,006	4,101	-	36,905
2036	553	31,145	30,593	-	30,593	138.63%	(153)	42,259	4,226	-	38,033
2037	553	32,080	31,527	-	31,527	138.63%	(157)	43,549	4,355	-	39,194
2038	553	33,042	32,490	-	32,490	138.63%	(162)	44,879	4,488	-	40,391
2039	553	34,033	33,481	-	33,481	138.63%	(167)	46,248	4,625	-	41,623
2040	553	35,054	34,502	-	34,502	138.63%	(172)	47,658	4,766	-	42,892
2041	553	36,106	35,553	-	35,553	138.63%	(177)	49,111	4,911	-	44,200
2042	553	37,189	36,637	-	36,637	138.63%	(183)	50,607	5,061	-	45,546
2043	553	38,305	37,752	-	37,752	138.63%	(188)	52,148	5,215	-	46,933
2044	553	39,454	38,901	-	38,901	138.63%	(194)	53,736	5,374	-	48,362
2045	553	40,638	40,085	-	40,085	138.63%	(200)	55,371	5,537	-	49,834
2046	553	41,857	41,304	-	41,304	138.63%	(206)	57,055	5,705	-	51,349
2047	553	43,112	42,560	-	42,560	138.63%	(212)	58,789	5,879	-	52,910
2048	553	44,406	43,853	-	43,853	138.63%	(219)	60,576	6,058	-	54,518
2049	553	45,738	45,185	-	45,185	138.63%	(226)	62,416	6,242	-	56,174
2050	553	47,110	46,558	-	46,558	138.63%	(232)	64,311	6,431	-	57,880
								1,178,383	117,838	-	1,060,544

Proposed PAYG Contract for Project >>	Net Present Value 20 collections @ 5% >>	417,148
	Net Present Value 26 collections @ 5% >>	514,709

City of Chatfield, Minnesota
Redevelopment Tax Increment Financing District No. 3-6

Grand Street Apartments Redevelopment Project 2023

STATEMENT OF FISCAL AND ECONOMIC IMPACTS

Taxing Jurisdiction	Without TIF District		With TIF District						
	2022/2023 Taxable Net Tax Capacity ⁽¹⁾	Original Local TIF Tax Rate	2022/2023 Taxable Net Tax Capacity ⁽¹⁾	Projected Captured Net Tax Capacity	Hypothetical Tax Generated By TIF	New Taxable Net Tax Capacity	Hypothetical Adjusted Local Tax Rate	Hypothetical Decrease in Tax Rate	
City of Chatfield	2,713,846	90.085%	2,713,846	21,948	19,771	2,735,794	89.362%	0.723%	765,729
Fillmore County	41,019,732	29.584%	41,019,732	21,948	6,493	41,041,680	29.568%	0.016%	251,466
School District	9,610,325	23.370%	9,610,325	21,948	5,129	9,632,272	23.317%	0.053%	161,187
Other ⁽²⁾	--	0.000%	--	21,948	-	--	0.000%	--	-
Totals		143.039%			31,393		142.247%	0.792%	1,178,383

Statement #1: If all of the projected captured net tax capacity of the project were hypothetically immediately available to each taxing jurisdiction if TIF were not used, the tax capacities of each jurisdiction would be increased by the amounts shown above, and the local tax rates of each jurisdiction would be decreased by the amounts shown. 9,610,325

- Statement #2:** As the projected captured tax capacity of the project would not be available without the use of TIF, the tax capacities and tax rates of each jurisdiction will not be affected.
- Statement #3:** The estimated amount of tax increment (gross increment less State Auditor's deduction) generated over the life of the TIF District is estimated to be \$1,178,383.
- Statement #4:** A description of the probable impact of the TIF District on City services as a result of the creation of this TIF District would include the following: The City will be collecting an estimated \$765,729 in city property tax revenue from the proposed project area and applying it to project related expenses rather than general services such as police, fire, and other services not paid by user fees.
- Statement #5:** The estimated amount of increment attributed to the school districts' tax levies and captured as a result of the creation of this TIF District is \$161,187 for School District 227.
- Statement #6:** The estimated amount of increment attributed to the county tax levy and captured as a result of the creation of this TIF district is \$251,466.
- Statement #7:** The final Original Net Tax Capacity and Local Tax Rate of the TIF District will be based upon data for taxes payable 2024 as the Authority intends to request certification of the TIF District before 6/30/2024.

⁽¹⁾ Taxable net tax capacity = total net tax capacity less value captured in TIF Districts and powerline value.
⁽²⁾ The impacts upon other taxing jurisdictions not included since they represent a small percentage of the total tax rate.

City of Chatfield, Minnesota

Redevelopment Tax Increment Financing District No. 3-6

MARKET VALUE ANALYSIS

Increased Market Value of Site	1,755,800
Less Present Value of TIF Revenues	<u>571,898</u>
	1,183,902
Reasonably expected increase w/out TIF*	<u>34,476</u>
Net Value Increase	1,149,426

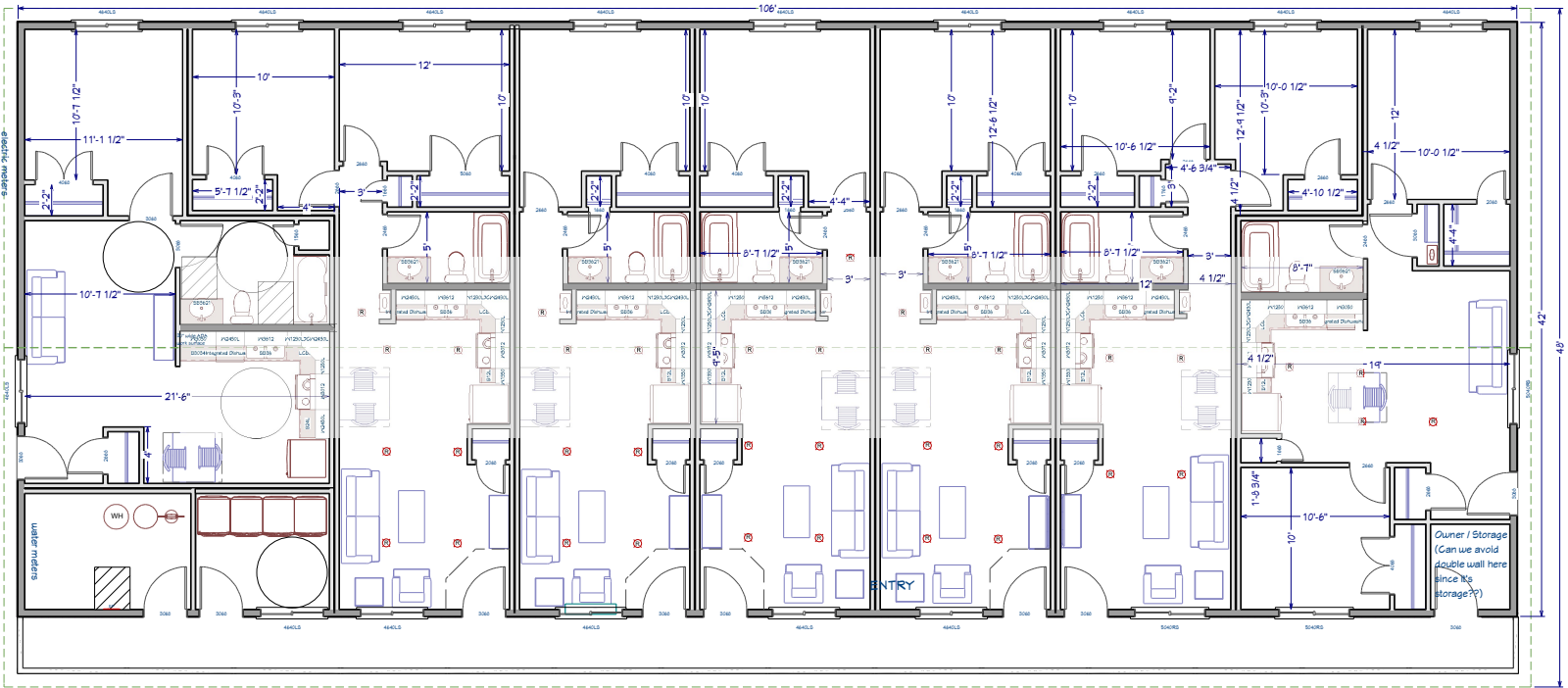
Present Value Calculation

Calculation Date	12/31/2015
Present Value Factor	5.00%

#	Year	Gross Tax Increment	Present Value
0	2023	-	-
1	2024	-	-
2	2025	30,317	27,498
3	2026	31,249	26,994
4	2027	32,209	26,499
5	2028	33,199	26,012
6	2029	34,218	25,534
7	2030	35,267	25,064
8	2031	36,348	24,602
9	2032	37,461	24,148
10	2033	38,608	23,702
11	2034	39,789	23,264
12	2035	41,006	22,833
13	2036	42,259	22,411
14	2037	43,549	21,995
15	2038	44,879	21,587
16	2039	46,248	21,187
17	2040	47,658	20,793
18	2041	49,111	20,407
19	2042	50,607	20,027
20	2043	52,148	19,654
21	2044	53,736	19,288
22	2045	55,371	18,928
23	2046	57,055	18,575
24	2047	58,789	18,229
25	2048	60,576	17,888
26	2049	62,416	17,554
27	2050	64,311	17,226
		<u>1,178,383</u>	<u>571,898</u>

* Without the use of TIF, market value increases would be expected to be limited to inflation only. No development is expected without the use of TIF. Inflation is estimated at 3% per year for 26 years.

SOUTH 106 x 48' max footprint.

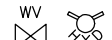
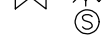



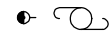

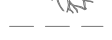

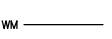
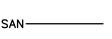
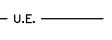

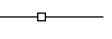
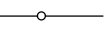
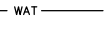
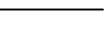
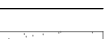

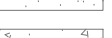




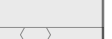

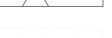





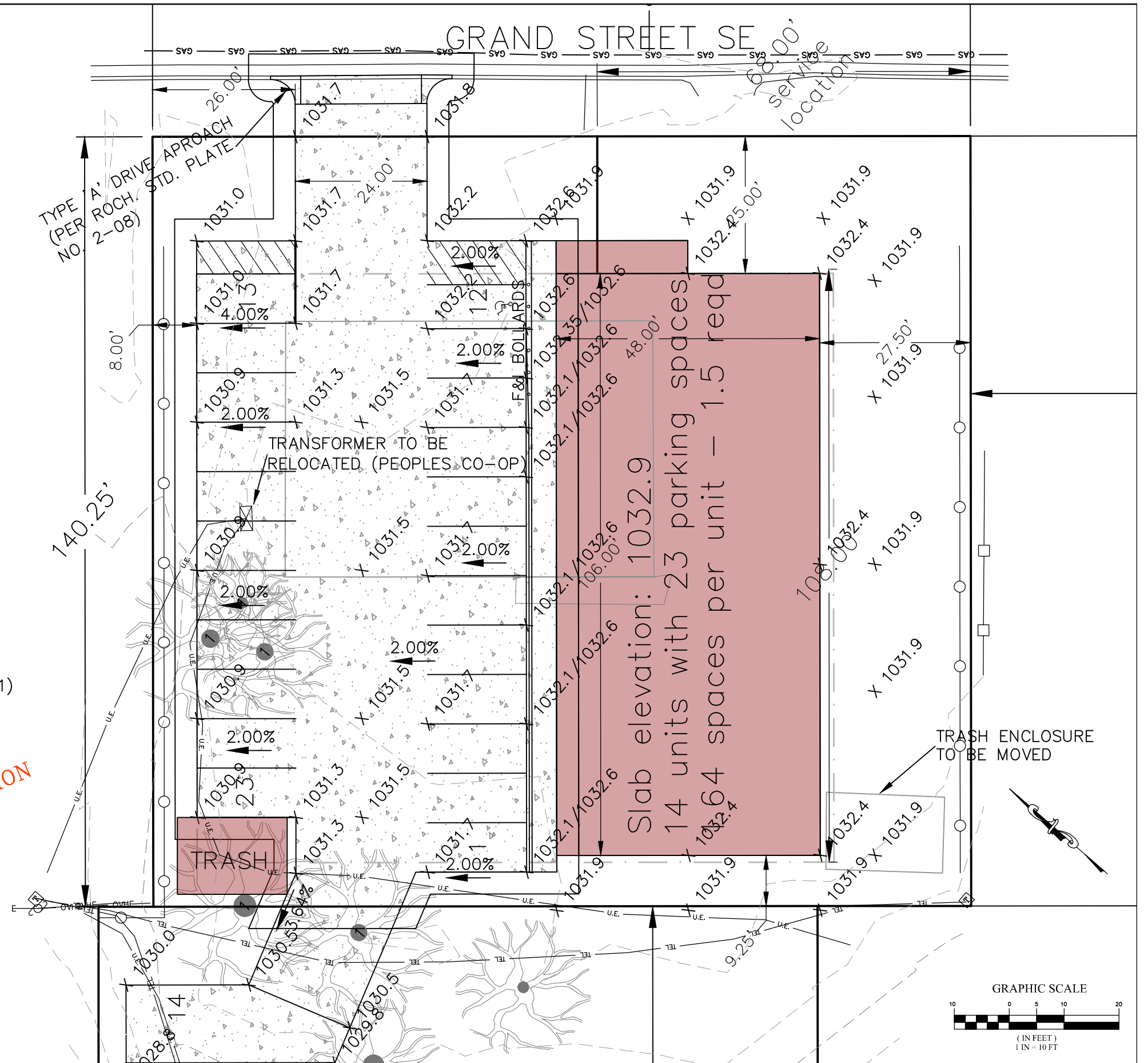
EAST
(GRAND ST)

WEST

NORTH (Parking) LIVING AREA
4881 SQ FT

LEGEND

-  WATER HYDRANT & GATE VALVE
-  SANITARY MANHOLE
-  STORM MANHOLE & CATCHBASIN
-  COMMUNICATIONS BOX
-  ELECTRICAL BOX
-  ELECTRIC POLE
-  TREE
-  MAJOR CONTOUR
-  MINOR CONTOUR
-  WATERMAIN
-  SANITARY SEWER
-  UNDERGROUND ELECTRIC LINES
-  UNDERGROUND COMMUNICATIONS LINE
-  EXISTING RAILING, CHAINLINK FENCE
-  PROPOSED RAILING, CHAINLINK FENCE
-  WATER SERVICE
-  PROPOSED MAJOR CONTOUR
-  PROPOSED MINOR CONTOUR
-  BITUMINOUS SURFACING
-  CONCRETE SURFACING
-  AGGREGATE SURFACING
-  BUILDING
-  ROCK CONSTRUCTION ENTRANCE (PER ROCH. STD. PLATE 7-06)
-  PROPOSED CONCRETE SURFACING
-  PROPOSED BOULEVARD TREE
-  SILT FENCE (PER ROCH. STD. PLATE 7-01)
-  GRADING LIMITS
-  X 1060.00 EXISTING SPOT ELEVATION
-  X 1060.00 PROPOSED SPOT ELEVATION
-  2.00% PROPOSED SLOPE



PRELIMINARY — NOT FOR CONSTRUCTION

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

MARK R WELCH
REG. NO. 42736
DATE

DATE: 05/11/2023
Prepared For:
Main Street Properties, LL
P.O. Box 415
Chatfield, MN 55923
FILE NO.: 23-022 Base

G³
G-Cubed
14070 Hwy 52 S.E.
Chatfield, MN 55923

ENGINEERING SURVEYING PLANNING
Ph. 507.867.1666
Fax. 507.867.1665
www.gcg.io

DESIGNED MRW
DRAWN ASH
CHECKED MRW

REVISED	BY	DATE
SITE LAYOUT	MRW	5/15/23

CITY OF CHATFIELD
FILLMORE COUNTY
BENCHMARK:

GRAND STREET APARTMENTS
SITE/GRADING PLAN
SHEET 1
OF 2 SHEETS

MAIN STREET PROPERTIES, LLP

P.O. Box 415 Chatfield MN 55923

Mayor John McBroom
City of Chatfield
21 SE Second Street
Chatfield, MN 55923

Chatfield Economic Development Authority
c/o Michael Tuohy, Chair
21 SE Second Street
Chatfield, MN 55923

April 28, 2023

Re: Grand Street Apartment Redevelopment TIF Request

Dear Mayor McBroom and Chair Tuohy:

As you know, our apartment building on Grand Street had a devastating fire in November 2022. The building was a total loss and needed to be demolished. As we have discussed with the City prior, we intend to redevelop this property with a new apartment building. Currently there are limited options and vacancy for rental units in Chatfield and this project would result in 14 new, market rate units. This will be an increase of 6 units from the former building.

Unfortunately, because of the demolition costs of the burned building as well as costs associated with site preparation, the need for larger utility service connections, and additional onsite parking, this project isn't feasible without financial assistance from the city. This project is even less feasible when factoring in the current market and economic conditions.

We will not be able to redevelop this property or move forward with this project without the assistance of tax increment financing. Without assistance, the costs of the items noted above will result in per unit rents that are not feasible for the Chatfield market or this type of project. In addition, the city has already declared the project site as substandard as defined by Minnesota statute, and this project would remedy those substandard conditions.

With the City and EDA's assistance, we look forward to a successful project and future growth in Chatfield. We are confident that this project will spark even more opportunities for growth within the community. Thank you for your consideration and support.

Sincerely,



Mark Welch and Mike Sogla - Partners in Main Street Properties, LLP

Cc: Joel Young, City Administrator

**EXTRACT OF MINUTES OF A MEETING OF THE
CITY COUNCIL OF THE CITY
OF CHATFIELD, MINNESOTA**

HELD: August 14, 2023

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Chatfield, Fillmore County, Minnesota, was duly called and held on the 14th day of August 2023, at 7:00 p.m.

The following members of the Council were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION _____
APPROVING
THE ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 3-6
WITHIN MUNICIPAL DEVELOPMENT DISTRICT NO 3
AND ADOPTION OF THE TAX INCREMENT FINANCING PLAN RELATING THERETO

WHEREAS:

A. It has been proposed that the City of Chatfield, Minnesota (the "City") create Tax Increment Financing District No. 3-6 within Municipal Development District No. 3 and adopt a tax increment financing plan with respect thereto, under the provisions of Minnesota Statutes, Sections 469.174 to 469.1794 (inclusive, the "Act"); and

B. The City of Chatfield has investigated the facts and has caused to be prepared a tax increment financing plan for Tax Increment Financing District No. 3-6; and

C. The City has performed all actions required by law to be performed prior to the creation of Tax Increment Financing District No. 3-6 within Municipal Development District No. 3 and the adoption of the tax increment financing plan relating thereto, including, but not limited to, notification of Fillmore County and Chatfield Public Schools (ISD #227) having taxing jurisdiction over the property to be included in Tax Increment Financing District No. 3-6, and the holding of a public hearing upon published and required notice as required by law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chatfield as follows:

1. Tax Increment Financing District No. 3-6 within Municipal Development District No. 3. The City hereby approves the establishment of Tax Increment Financing District No. 3-6 within Municipal Development District No. 3, the boundaries of which are fixed and determined as described in the Tax Increment Financing Plan.
2. Tax Increment Financing Plan. The Tax Increment Financing Plan is adopted as the tax increment financing plan for Tax Increment Financing District No. 3-6, and the City Council makes the following findings;

- (a) Tax Increment Financing District No. 3-6 is a redevelopment district as defined in Minnesota Statutes, Section 469.174, Subd. 10.

The reasons and facts supporting this finding are that the proposed development meets all of the criteria listed in Sections 5, 12 and 17 of the TIF Plan.

- (b) The proposed development in the opinion of the City Council, would not occur solely through private investment within the reasonably foreseeable future & that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan.

The above finding is based on a letter submitted by the Developer stating that without the use of tax increment financing the Project could not proceed.

The Authority has further determined that no other development is expected to occur that would create a greater market value than that proposed, adjusting for the tax increment assistance. Any other development of the TIF District would have to create a market value increase of more than \$1,183,902 in order to exceed the value increase expected under the current proposal, after subtracting the present value of the tax increment for 26 years (See Market Value Analysis, Exhibit 5). Due to the amount of time the site in question has sat in its current condition by a private party the Authority has no reason to expect any significant development to occur without tax increment assistance. Therefore, the Authority reasonably believes that the expected increase in market value at this site without TIF assistance is limited to appreciation in existing real estate value, estimated to be approximately \$34,476 over the life of the TIF District.

A comparative analysis of estimated market values both with and without establishment of the TIF District and the use of tax increments has been performed. Such analysis indicates that:

1. the increase in estimated market value of the proposed development is \$1,755,800; and
2. the present value of expected tax increments collected over the maximum duration of the TIF District is \$571,898; and
3. the expected increased estimated market value of the site without the use of tax increment is \$34,476; and
4. even if some development other than the proposed development were to occur, the Authority finds that no alternative would occur that would produce a market value increase greater than \$1,183,902 (the amount in number 1 less the amount in number 2).

- (c) The Tax Increment Financing Plan for Tax Increment Financing District No. 3-6 conforms to the general plan for development or redevelopment of the City of Chatfield as a whole.

The reasons and facts supporting this finding are that the development proposal is found by the City Council to be consistent with the City's zoning ordinances and comprehensive plans for the area and serves to promote the City's development objectives.

- (d) The Tax Increment Financing Plan will afford maximum opportunity, consistent with the sound needs of the City of Chatfield as a whole, for the development of the Project Area by private enterprise.

The reasons and facts supporting this finding are that the assistance contemplated in this TIF Plan will assist the Developer with site improvement expenses necessary to make the site ready for redevelopment into multifamily residential facilities.

3. Public Purpose. The adoption of the Tax Increment Financing Plan conforms in all respects to the requirements of the Act and will help fulfill a need to develop an area of the City which is already built up to provide employment opportunities to improve the tax base, and to improve the general economy of the State and thereby serves a public purpose.
4. Interfund Loan. The City has determined that it may pay for certain costs (the "Qualified Costs") identified in the Tax Increment Financing Plan which costs may be financed on a temporary basis from the City's general fund or any other fund from which such advances may be legally made (the "Fund"). Under Minnesota Statutes, Section 469.178, Subd. 7, the City is authorized to advance or loan money from the Fund in order to finance the Qualified Costs. The City intends to reimburse itself for the payment of the Qualified Costs, plus interest thereon, from the tax increments derived from the TIF District in accordance with the following terms (which terms are referred to collectively as the "Interfund Loan"):
 - (a) The City shall repay to the Fund from which Qualified Costs are initially paid, the principal amount of \$632,547 (or, if less, the amount actually paid from such fund) together with interest at 5.00% per annum (which is not more than the greater of (i) the rate specified under Minnesota Statutes, Section 270C.40, or (ii) the rate specified under Minnesota Statutes, Section 549.09) from the date of the payment.
 - (b) Principal and Interest on the Interfund Loan ("Payments") shall be paid semi-annually on each February 1 and August 1 commencing with the first February 1 or August 1 occurring after the date the tax increments from the TIF District are available and not otherwise pledged to and including the earlier of (a) the date the principal and accrued interest of the Interfund Loan is paid in full, or (b) the date of the last receipt of tax increment from the TIF District ("Payment Dates") which Payments will be made in the amount and only to the extent of available tax increments. Payments shall be applied first to accrued interest, and then to unpaid principal.
 - (c) Payments on the Interfund Loan are payable solely from the tax increment generated in the preceding six (6) months with respect to the TIF District and remitted to the City by Morrison County, all in accordance with Minnesota Statutes, Sections 469.174 to 469.1794, as amended. Payments on this Interfund Loan are subordinate to any outstanding or future bonds, notes, or contracts secured in whole or in part with tax increment and are on parity with any other outstanding or future interfund loans secured in whole or in part with tax increments.
 - (d) The principal sum and all accrued interest payable under this Interfund Loan are pre-payable in whole or in part at any time by the City without premium or penalty. No partial prepayment shall affect the amount or timing of any other regular payment otherwise required to be made under this Interfund Loan.
 - (e) The Interfund Loan is evidence of an internal borrowing by the City in accordance with Minnesota Statutes, Section 469.178, Subd. 7, and is a limited obligation payable solely from tax increment pledged to the payment hereof under this resolution. The Interfund Loan and the interest hereon shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the city. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on the Interfund Loan or other costs incident hereto except out of tax increment, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on the Interfund Loan or other costs incident hereto. The City shall have no obligation to pay any principal amount of the Interfund Loan or accrued interest thereon, which may remain unpaid after the termination of the TIF District.

- (f) The City may amend the terms of the Interfund Loan at any time by resolution of the City Council, including a determination to forgive the outstanding principal amount and accrued interest to the extent permissible under law.
5. Certification. The Auditor of Fillmore County is requested to certify the original net tax capacity of Tax Increment Financing District No. 3-6 as described in the Tax Increment Financing Plan, and to certify in each year thereafter the amount by which the original net tax capacity has increased or decreased in accordance with the Act; and the City Administrator is authorized and directed to forthwith transmit this request to the County Auditor in such form and content as the Auditor may specify, together with a list of all properties within Tax Increment District No. 3-6 for which building permits have been issued during the 18 months immediately preceding the adoption of this Resolution.
6. Filing. The City Administrator is further authorized and directed to file a copy of the amended Development Program and the Tax Increment Financing Plan with the Commissioner of Revenue and Office of the State Auditor.

The motion for the adoption of the foregoing resolution was duly seconded by member _____ and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTY OF FILLMORE
CITY OF CHATFIELD

I, the undersigned, being the duly qualified and acting Administrator of the City of Chatfield, Minnesota, DO HEREBY CERTIFY that, I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to the establishment of Tax Increment Financing District No. 3-6 within Municipal Development District No. 3 in the City.

WITNESS my hand this 14th day of August 2023.

Joel Young, City Administrator

DEVELOPMENT AGREEMENT

BY AND BETWEEN

CITY OF CHATFIELD, MINNESOTA

AND

MAIN STREET PROPERTIES, LLP

This document drafted by:

TAFT STETTINIUS & HOLLISTER LLP
2200 IDS Center, 80 South 8th Street
Minneapolis, Minnesota 55402

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DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the "Agreement"), made as of the 14th day of August, 2023 by and between the City of Chatfield, Minnesota (the "City"), a municipal corporation existing under the laws of the State of Minnesota, and Main Street Properties, LLP a Minnesota limited liability partnership (the "Developer"),

WITNESSETH:

WHEREAS, pursuant to Minnesota Statutes, Section 469.124 to 469.133, the City has heretofore established Municipal Development District No. 3 (the "Development District") and has adopted a development program therefor (the "Development Program"); and

WHEREAS, pursuant to the provisions of Minnesota Statutes, Section 469.174 through 469.1794, as amended (hereinafter, the "Tax Increment Act"), the City has heretofore established, within the Development District, Tax Increment Financing (Redevelopment) District No. 3-6 (the "Tax Increment District") and has adopted a tax increment financing plan therefor (the "Tax Increment Plan") which provides for the use of tax increment financing in connection with certain development within the Tax Increment District and the Development District; and

WHEREAS, in order to achieve the objectives of the Development Program and particularly to make the land in the Development District available for development by private enterprise in conformance with the Development Program, the City has determined to assist the Developer with the financing of certain costs of a Project (as hereinafter defined) to be constructed within the Tax Increment District as more particularly set forth in this Agreement; and

WHEREAS, the City believes that the redevelopment and construction of the Project (as hereinafter defined), and the fulfillment of this Agreement are vital and are in the best interests of the City, the health, safety, morals and welfare of the residents of the City, and in accordance with the public purpose and provisions of the applicable state and local laws and requirements under which the Project has been undertaken and is being assisted; and

WHEREAS, the requirements of the Business Subsidy Law, Minnesota Statutes, Section 116J.993 through 116J.995, do not apply to this Agreement pursuant to an exemption for housing.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

Agreement means this Development Agreement by and between the City and the Developer as the same may be from time to time modified, amended or supplemented;

Business Day means any day except a Saturday, Sunday or a legal holiday or a day on which banking institutions in the City are authorized by law or executive order to close;

City means the City of Chatfield, Minnesota;

County means Fillmore County, Minnesota;

Developer means Main Street Properties, LLP, a Minnesota limited liability partnership, its successors and assigns;

Development District means Municipal Development District No. 3, including the real property described in the Development Program;

Development Program means the development program approved in connection with the Development District;

Development Property means the real property described in Exhibit A, attached to this Agreement;

Event of Default means any of the events described in Section 4.1 hereof;

Legal and Administrative Expenses means the fees and expenses incurred by the City in connection with the review and analysis of the development proposed under this Agreement with the adoption and administration of the Tax Increment Financing Plan and establishment of the Tax Increment District, the preparation of this Agreement, the issuance of the TIF Note, including, but not limited to, attorney and municipal advisor fees and expenses;

Note Payment Date means August 1, 2025, and each February 1 and August 1 thereafter to and including February 1, 2045; provided, that if any such Note Payment Date should not be a Business Day, the Note Payment Date shall be the next succeeding Business Day;

Prime Rate means the rate of interest from time to time publicly announced by U.S. Bank National Association in Minneapolis, Minnesota, as its "reference rate" or any successor rate, which rate shall change as and when that prime rate or successor rate changes;

Project means the construction of an approximately 14-unit rental housing facility to be constructed by the Developer on the Development Property;

Site Improvements means the site improvements undertaken or to be undertaken on the Development Property, more particularly described on Exhibit C attached hereto;

State means the State of Minnesota;

Tax Increments means 90% of the tax increments derived from the Development Property which have been received by the City in accordance with the provisions of Minnesota Statutes, Section 469.177;

Tax Increment Act means Minnesota Statutes, Sections 469.174 through 469.1794, as amended;

Tax Increment District means Tax Increment Financing (Redevelopment) District No. 3-6 located within the Development District, a description of which is set forth in the Tax Increment Financing Plan, and qualified as an redevelopment district under the Tax Increment Act;

Tax Increment Financing Plan means the tax increment financing plan approved for the Tax Increment District by the City Council on August 14, 2023, and any future amendments thereto;

Termination Date means the earlier of (i) February 1, 2045, (ii) the date the TIF Note is paid in full, (iii) the date on which the Tax Increment District expires or is otherwise terminated, or (iv) the date this Agreement is terminated or rescinded in accordance with its terms;

TIF Note means the Tax Increment Revenue Note (Redevelopment) to be executed by the City and delivered to the Developer pursuant to Article III hereof, a form of which is attached hereto as Exhibit B; and

Unavoidable Delays means delays, outside the control of the party claiming its occurrence, which are the direct result of strikes, other labor troubles, unusually severe or prolonged bad weather, acts of God, fire or other casualty to the Project, litigation commenced by third parties which, by injunction or other similar judicial action or by the exercise of reasonable discretion, directly results in delays, or acts of any federal, state or local governmental unit (other than the City) which directly result in delays.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of the City. The City makes the following representations and warranties:

(1) The City is a municipal corporation, duly organized, and has the power to enter into this Agreement and carry out its obligations hereunder.

(2) The Tax Increment District is a "redevelopment district" within the meaning of Minnesota Statutes, Section 469.174, Subdivision 10, and was created, adopted and approved in accordance with the terms of the Tax Increment Act.

(3) The development contemplated by this Agreement is in conformance with the development objectives set forth in the Development Program.

(4) To finance certain costs within the Tax Increment District, the City agrees, subject to the further provisions of this Agreement, to apply Tax Increments to reimburse the Developer for a portion of the costs of the construction of Site Improvements incurred in connection with the Project as further provided in this Agreement.

(5) The City makes no representation or warranty, either expressed or implied, as to the Development Property or its condition or the soil conditions thereon, or that the Development Property shall be suitable for the Developer's or Developer's purposes or needs.

Section 2.2 Representations and Warranties of the Developer. The Developer makes the following representations and warranties:

(1) The Developer is a Minnesota limited liability partnership and has the power and authority to enter into this Agreement and to perform its obligations hereunder and doing so will not violate its partnership agreement, or other applicable agreements governing the partnership, or the laws of the State and by proper action has authorized the execution and delivery of this Agreement.

(2) The Developer shall cause the Project to be constructed in accordance with the terms of this Agreement, the Development Program, Tax Increment Financing Plan, and all applicable local, state and federal laws and regulations (including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations).

(3) The Developer will obtain or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met before the Project may be lawfully constructed.

(4) The construction of the Project would not be undertaken by the Developer, and in the opinion of the Developer would not have been or be economically feasible within the

reasonably foreseeable future, without the assistance and benefit to the Developer provided for in this Agreement.

(5) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provision of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(6) The Developer will cooperate fully with the City with respect to any litigation commenced with respect to the Project.

(7) The Developer will cooperate fully with the City in resolution of any traffic, parking, trash removal or public safety problems which may arise in connection with the construction and operation of the Project.

(8) Prior to receiving a building permit from the City for the Project, the Developer shall pay the normal and customary City fees and expenses for the approval and construction of the Project, including, but not limited to, sewer accessibility charges (SAC) and water accessibility charges (WAC) in the amount of \$5,400, park dedication fees in the amount of \$6,900, and standard building permit fees, in an amount, based on City rules and regulations, on file with the City.

(9) The construction of the Project shall commence no later than September 1, 2023 and barring Unavoidable Delays, the Project will be substantially completed by August 31, 2024.

(10) The Developer acknowledges that Tax Increment projections contained in the Tax Increment Financing Plan are estimates only and the Developer acknowledges that it shall place no reliance on the amount of projected Tax Increments and the sufficiency of such Tax Increments to reimburse the Developer for a portion of the costs of the construction of the Site Improvements as provided in Article III.

ARTICLE III

UNDERTAKINGS BY DEVELOPER AND CITY

Section 3.1 Project; Site Improvements; and Costs. The parties agree that the Site Improvements to be constructed on the Development Property by the Developer are essential to the successful completion of the Project. The costs of the Site Improvements shall be paid by the Developer. The City shall reimburse the Developer for the lesser of (a) \$410,000, or (b) the costs of construction of Site Improvements actually incurred and paid by the Developer (the "Reimbursement Amount") as further provided in Section 3.3.

Section 3.2 Limitations on Undertaking of the City. Notwithstanding the provisions of Section 3.1, the City shall have no obligation to the Developer under this Agreement to reimburse the Developer for the Reimbursement Amount, if the City, at the time or times such payment is to be made is entitled under Section 4.2 to exercise any of the remedies set forth therein as a result of an Event of Default which has not been cured.

Section 3.3 Reimbursement: TIF Note. The City shall reimburse for the costs identified in Section 3.1 through the issuance of the City's TIF Note in substantially the form attached to this Agreement as Exhibit B, subject to the following conditions:

(1) The TIF Note shall be dated, issued and delivered when the Developer shall have (a) demonstrated in writing to the reasonable satisfaction of the Authority and the City that the construction of the Project has been completed and the Developer has paid the costs of the construction of the Site Improvements, as described in and limited by Section 3.1; and (b) shall have submitted paid invoices for the costs of construction of the Site Improvements in an amount not less than the Reimbursement Amount.

(2) The unpaid principal of the TIF Note shall bear simple non-compounding interest from the date of issuance of the TIF Note, at 5.00% per annum. Interest shall be computed on the basis of a 360-day year consisting of twelve (12) 30-day months.

(3) The principal amount of the TIF Note and the interest thereon shall be payable solely from the Tax Increments.

(4) On each Note Payment Date and subject to the provisions of the TIF Note, the City shall pay, against the principal and interest outstanding on the TIF Note, the Tax Increments received by the City during the preceding six (6) months. All such payments shall be applied to accrued interest and then to reduce the principal of the TIF Note.

(5) The TIF Note shall be a special and limited obligation of the City and not a general obligation of the City, and only Tax Increments shall be used to pay the principal of and interest on the TIF Note.

(6) The City's obligation to make payments on the TIF Note on any Note Payment Date or any date thereafter shall be conditioned upon the requirement that there shall not at that time be an Event of Default that has occurred and is continuing under this Agreement.

(7) The TIF Note shall be governed by and payable pursuant to the additional terms thereof, as set forth in Exhibit B. In the event of any conflict between the terms of the TIF Note and the terms of this Section 3.3, the terms of the TIF Note shall govern. The issuance of the TIF Note pursuant and subject to the terms of this Agreement, and the taking by the City of such additional actions as bond counsel for the TIF Note may require in connection therewith, are hereby authorized and approved by the City.

Section 3.4 Prohibition Against Transfer of Project and Assignment of Agreement. The Developer represents and agrees that prior to the Termination Date the Developer shall not transfer the Project or any part thereof or any interest therein, without the prior written approval of the City. The City shall be entitled to require as conditions to any such approval that:

(1) Any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer.

(2) Any proposed transferee, by instrument in writing satisfactory to the City shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all of the obligations of the Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Developer is subject.

(3) There shall be submitted to the City for review and prior written approval all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Project.

Section 3.5 Real Property Taxes. The Developer shall, so long as this Agreement remains in effect, pay all real property taxes which are payable pursuant to any statutory or contractual duty that shall accrue until title to the property is vested in another person. The Developer agrees that for all real property taxes, so long as this Agreement remains in effect:

(1) It will not seek a reduction in the market value as determined by the Fillmore County Assessor of the Project or any facilities located or to be located on the Development Property, pursuant to the provisions of this Agreement, for so long as the TIF Note remains outstanding.

(2) It will not seek administrative review or judicial review of the applicability of any tax statute relating to the ad valorem property taxation of real property contained on the Development Property determined by any tax official to be applicable to the Project or the Developer or raise the inapplicability of any such tax statute as a defense in any proceedings with respect to the Development Property, including delinquent tax proceedings; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax.

(3) It will not seek administrative review or judicial review of the constitutionality of any tax statute relating to the taxation of real property contained on the Development Property determined by any tax official to be applicable to the Project or the Developer or raise the unconstitutionality of any such tax statute as a defense in any proceedings, including delinquent

tax proceedings with respect to the Development Property; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax.

(4) It will not seek any tax deferral or abatement, either presently or prospectively authorized under State or federal law, of the ad valorem property taxation of the Development Property so long as this Agreement remains in effect.

Section 3.6 Legal and Administrative Expenses. The Developer has deposited \$15,000 with the City to pay actual out of pocket Legal and Administrative Expenses and any excess will be returned to the Developer after payment of all Legal and Administrative Expenses. If the City determines the deposit to be inadequate, the Developer shall provide additional funds in the amount requested by the City in writing.

ARTICLE IV

EVENTS OF DEFAULT

Section 4.1 Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean whenever it is used in this Agreement any one or more of the following events:

(1) Failure by the Developer to timely pay any ad valorem real property taxes assessed, special assessments, or other applicable City charges with respect to the Development Property when due and payable.

(2) Failure by the Developer to cause the construction of the Project to be completed pursuant to the terms, conditions, and limitations of this Agreement.

(3) Failure of the Developer to observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement.

(4) The holder of any mortgage on the Project commences foreclosure proceedings as a result of any default under the applicable mortgage documents.

(5) If the Developer shall:

(A) file any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended or under any similar federal or state law; or

(B) make an assignment for the benefit of its creditors; or

(C) admit in writing its inability to pay its debts generally as they become due; or

(D) be adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of the Developer as bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within sixty (60) days after the filing thereof; or a receiver, trustee or liquidator of the Developer, or of the Project, or part thereof, shall be appointed in any proceeding brought against the Developer, and shall not be discharged within sixty (60) days after such appointment, or if the Developer, shall consent to or acquiesce in such appointment.

Section 4.2 Remedies on Default. Whenever any Event of Default referred to in Section 4.1 occurs and is continuing, the City, as specified below, may take any one or more of the following actions after the giving of thirty (30) days' written notice to the Developer, but only if the Event of Default has not been cured within said thirty (30) days:

(1) The City may suspend its performance under this Agreement and the TIF Note until it receives assurances from the Developer, deemed adequate by the City, that the Developer will cure its default and continue its performance under this Agreement.

(2) The City may cancel and rescind the Agreement and the TIF Note.

(3) The City may take any action, including legal or administrative action, in law or equity, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement.

Section 4.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 4.4 No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 4.5 Agreement to Pay Attorney's Fees and Expenses. Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it shall, on demand therefor, pay to the City the fees of such attorneys and such other expenses so incurred by the City.

Section 4.6 Indemnification of City.

(1) The Developer releases from and covenants and agrees that the City, its governing body members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "Indemnified Parties") shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Project, provided that the foregoing indemnification shall not be effective for any actions of the Indemnified Parties that are not contemplated by this Agreement.

(2) Except for any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, the Developer agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of the Developer (or other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project; provided, that

this indemnification shall not apply to the warranties made or obligations undertaken by the City in this Agreement or to any actions undertaken by the City which are not contemplated by this Agreement but shall, in any event and without regard to any fault on the part of the City, apply to any pecuniary loss or penalty (including interest thereon from the date the loss is incurred or penalty is paid by the City at a rate equal to the Prime Rate) as a result of the Developer operating the Project so that the Tax Increment District does not qualify or cease to qualify as a "redevelopment district" under Section 469.174, Subdivision 10, of the Act, or (ii) to violate limitations as to the use of Tax Increments as set forth in Section 469.176, Subdivision 4j.

(3) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City.

ARTICLE V

DEVELOPER'S OPTION TO TERMINATE AGREEMENT

Section 5.1 Developer's Option to Terminate. This Agreement may be terminated by Developer, if (i) the Developer is in compliance with all material terms of this Agreement and no Event of Default has occurred; and (ii) the City fails to comply with any material term of this Agreement, and, after written notice by the Developer of such failure, the City has failed to cure such noncompliance within ninety (90) days of receipt of such notice, or, if such noncompliance cannot reasonably be cured by the City within ninety (90) days, of receipt of such notice, the City has not provided assurances, reasonably satisfactory to the Developer, that such noncompliance will be cured as soon as reasonably possible.

Section 5.2 Action to Terminate. Termination of this Agreement pursuant to Section 5.1 must be accomplished by written notification by the Developer to the City within sixty (60) days after the date when such option to terminate may first be exercised. A failure by the Developer to terminate this Agreement within such period constitutes a waiver by the Developer of their rights to terminate this Agreement due to such occurrence or event.

Section 5.3 Effect of Termination. If this Agreement is terminated pursuant to this Article VI, this Agreement shall be from such date forward null and void and of no further effect; provided, however, the termination of this Agreement shall not affect the rights of either party to institute any action, claim or demand for damages suffered as a result of breach or default of the terms of this Agreement by the other party, or to recover amounts which had accrued and become due and payable as of the date of such termination. Upon termination of this Agreement pursuant to this Article VI, the Developer shall be free to proceed with the Project at its own expense and without regard to the provisions of this Agreement.

ARTICLE VI

ADDITIONAL PROVISIONS

Section 6.1 Restrictions on Use. The Developer agrees for itself, its successors and assigns and every successor in interest to the Project that during the term of this Agreement the Developer and its successors and assigns shall operate, or cause to be operated, the Project as contemplated in this Agreement, shall devote the Project to, and in accordance with, the uses specified in this Agreement.

Section 6.2 Conflicts of Interest. No member of the governing body or other official of the City shall have any financial interest, direct or indirect, in this Agreement, the Development Property or the Project, or any contract, agreement or other transaction contemplated to occur or be undertaken thereunder or with respect thereto, nor shall any such member of the governing body or other official participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to the City in the event of any default or breach by the Developer or successor or on any obligations under the terms of this Agreement.

Section 6.3 Titles of Articles and Sections. Any titles of the several parts, articles and sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 6.4 Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

- (1) in the case of the Developer is addressed to or delivered personally to:

Main Street Properties, LLP
Mark Welch & Mike Sogla
PO Box 415
Chatfield, MN 55923

- (2) in the case of the City is addressed to or delivered personally to the City at:

City of Chatfield, Minnesota
Attention: City Clerk
Chatfield City Hall
21 Second Street SE
Chatfield, MN 55923-1204

with a copy to:

Taft Stettinius & Hollister LLP
Attention: Mary Ippel
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other, as provided in this Section.

Section 6.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 6.6 Law Governing. This Agreement will be governed and construed in accordance with the laws of the State.

Section 6.7 Expiration. This Agreement shall expire on the Termination Date.

Section 6.8 Provisions Surviving Rescission or Expiration. Sections 4.5 and 4.6 shall survive any rescission, termination or expiration of this Agreement with respect to or arising out of any event, occurrence or circumstance existing prior to the date thereof.

Section 6.9 Assignability of TIF Note. The TIF Note may only be assigned pursuant to the terms of the TIF Note.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and on its behalf and its seal to be hereunto duly affixed, and the Developer has caused this Agreement to be duly executed on its behalf, on or as of the date first above written.

CITY OF CHATFIELD, MINNESOTA

By: _____
Its: Mayor

By: _____
Its: City Clerk

This is a signature page to the Development Agreement by and between
the City of Chatfield, Minnesota and Main Street Properties, LLP

MAIN STREET PROPERTIES, LLP

By: Mark R. Welch

Its: Partner

This is a signature page to the Development Agreement by and between
the City of Chatfield, Minnesota and Main Street Properties, LLP

EXHIBIT A

DESCRIPTION OF DEVELOPMENT PROPERTY

Property located in the City of Chatfield, Fillmore County, Minnesota with the following property identification number:

260-023-040

EXHIBIT B
FORM OF TIF NOTE

No. R-1

\$ _____

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTIES OF FILLMORE AND OLMSTED
CITY OF CHATFIELD

TAX INCREMENT REVENUE NOTE
(REDEVELOPMENT PROJECT)

The City of Chatfield, Minnesota (the "City"), hereby acknowledges itself to be indebted and, for value received, hereby promises to pay the amounts hereinafter described (the "Payment Amounts") to Main Street Properties, LLP or its registered assigns (the "Developer" or "Registered Owner"), but only in the manner, at the times, from the sources of revenue, and to the extent hereinafter provided.

The principal amount of this Note shall equal from time to time the principal amount stated above, as reduced to the extent that such principal installments shall have been paid in whole or in part pursuant to the terms hereof; provided that the sum of the principal amount listed above shall in no event exceed \$410,000 as provided in that certain Development Agreement, dated as of August 14, 2023, as the same may be amended from time to time (the "TIF Agreement"), by and between the City and the Developer. The unpaid principal amount hereof shall bear interest from the date of this Note at the simple non-compounded rate of four percent (5.00%) per annum. Interest shall be computed on the basis of a 360 day year consisting of twelve (12) 30-day months.

The amounts due under this Note shall be payable on August 1, 2025, and on each February 1 and August 1 thereafter to and including February 1, 2045, or, if the first should not be a Business Day (as defined in the TIF Agreement), the next succeeding Business Day (the "Payment Dates"). On each Payment Date the City shall pay by check or draft mailed to the person that was the Registered Owner of this Note at the close of the last business day of the City preceding such Payment Date an amount equal to the sum of the Tax Increments (hereinafter defined) received by the City during the six (6) month period preceding such Payment Date. All payments made by the City under this Note shall first be applied to accrued interest and then to principal. This Note is prepayable by the City, in whole or in part, on any date.

The Payment Amounts due hereon shall be payable solely from 90% of tax increments (the "Tax Increments") from the Development Property (as defined in the Development Agreement) within the City's Tax Increment Financing (Redevelopment) District No. 3-6 (the "Tax Increment District") within its Municipal Development District No. 3 which are paid to the City and which the City is entitled to retain pursuant to the provisions of Minnesota Statutes, Sections 469.174 through 469.1794, as the same may be amended or supplemented from time to

time (the "Tax Increment Act"). This Note shall terminate and be of no further force and effect following the termination of the Tax Increment District, on any date upon which the City shall have terminated the Development Agreement under Section 4.2(2) thereof or the Developer shall have terminated the Development Agreement under Article V thereof, or on the date that all principal and interest payable hereunder shall have been paid in full, whichever occurs earliest.

The City makes no representation or covenant, expressed or implied, that the Tax Increments will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder.

The City's payment obligations hereunder shall be further conditioned on the fact that no Event of Default under the Development Agreement shall have occurred and be continuing at the time payment is otherwise due hereunder, but such unpaid amounts shall become payable if said Event of Default shall thereafter have been cured; and, further, if pursuant to the occurrence of an Event of Default under the Development Agreement the City elects to cancel and rescind the Development Agreement, the City shall have no further debt or obligation under this Note whatsoever. Reference is hereby made to all of the provisions of the Development Agreement, including without limitation Section 3.3 thereof, for a fuller statement of the rights and obligations of the City to pay the principal of this Note, and said provisions are hereby incorporated into this Note as though set out in full herein.

This Note is a special, limited revenue obligation and not a general obligation of the City and is payable by the City only from the sources and subject to the qualifications stated or referenced herein. This Note is not a general obligation of the City of Chatfield, Minnesota, and neither the full faith and credit nor the taxing powers of the City are pledged to the payment of the principal of this Note and no property or other asset of the City, save and except the above-referenced Tax Increments, is or shall be a source of payment of the City's obligations hereunder.

This Note is issued by the City in aid of financing a project pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including the Tax Increment Act.

This Note may be assigned only with the consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed. In order to assign the Note, the assignee shall surrender the same to the City either in exchange for a new fully registered note or for transfer of this Note on the registration records for the Note maintained by the City. Each permitted assignee shall take this Note subject to the foregoing conditions and subject to all provisions stated or referenced herein.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to have happened, and to be performed precedent to and in the issuance of this Note have been done, have happened, and have been performed in regular and due form, time, and manner as required by law; and that this Note, together with all other indebtedness of the City outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the City to exceed any constitutional, statutory or charter limitation thereon.

IN WITNESS WHEREOF, City of Chatfield, Minnesota, by its City Council, has caused this Note to be executed by the manual signatures of its Council President and City Clerk and has caused this Note to be issued on and dated _____, 20__.

City Clerk

Mayor

DO NOT EXECUTE UNTIL PAID INVOICES FOR SITE IMPROVEMENTS ARE GIVEN TO THE CITY - REFER TO SECTION 3.3(1).

CERTIFICATION OF REGISTRATION

It is hereby certified that the foregoing Note, as originally issued on _____, 2023, was on said date registered in the name of Main Street Properties, LLP, and that, at the request of the Registered Owner of this Note, the undersigned has this day registered the Note in the name of such Registered Owner, as indicated in the registration blank below, on the books kept by the undersigned for such purposes.

<u>NAME AND ADDRESS OF REGISTERED OWNER</u>	<u>DATE OF REGISTRATION</u>	<u>SIGNATURE OF CITY CLERK</u>
Main Street Properties, LLP Attention: <u>Mark Welch</u> PO Box 415 <u>Chatfield, MN, 55923</u>	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

EXHIBIT C

SITE IMPROVEMENTS

Site Preparation
Grading/earthwork
SAC/WAC
Landscaping, including irrigation
Foundations and Footings
Engineering
Survey
Environmental Testing
Soil Borings
Onsite Utilities
Storm Water/Ponding
Outdoor Lighting
Onsite Road, Curb, Gutter, Driveway, Sidewalk and Streetscape Improvements
Parking
Entrance Driveway and Access Road

Developer:

Main Street Properties, LLP
Mark Welch & Mike Sogla (partners)
PO Box 415
Chatfield, MN 55923

Development Site:

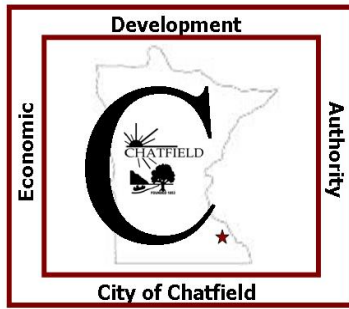
PIN 260023040 (815 Grand Street SE, Chatfield, MN 55923)

Developer Agrees:

- To prepare site for redevelopment, including the construction of a new apartment building with 14 units.
- To commence construction activities by Sept 1, 2023 and be substantially complete by 12/31/2024.
- To provide copies of paid invoices for eligible site improvement expenses totaling up to \$410,000.
- To not challenge market value of property for duration of contract.
- To indemnify City for the project.
- To not transfer property and/or interest in TIF contract (and associated note) without prior approval by City Council (which is not guaranteed), or City reserves the right to cancel contract.
- Developer is responsible for all consultant and legal expenses with establishing the TIF District and associated contract.

City Agrees:

- To establish Redevelopment TIF District No. 3-6
- To reimburse the Developer tax increments for up to \$410,000 for eligible site improvement expenses (with 5% simple interest) on a PAYG basis.
- City will retain 10% of tax increment for administrative purposes.
- Payments will begin with August 1, 2025 (and continue every Feb 1 and Aug 1 thereafter) and terminate when the principal has been repaid or February 1, 2045, whichever is sooner (max 20 collections).



Chatfield Economic Development Authority
Thurber Community Center - Chatfield Municipal Building
21 Second Street SE
Chatfield, MN 55923
Voice 507.867.1523 Fax 507.867.9093
www.ci.chatfield.mn.us

August 14, 2023

To: City Council
From: Chris Giesen, EDA Coordinator
RE: Enterprise Drive Development Incentive Program Extension & Modification

Background

In August 2021 the city created a rebate program to promote new commercial building construction and the sale of Enterprise Drive lots. Rebates are provided to the owner of the property once a qualified building is constructed, based on the taxable value of the land and building once completed.

The program is set to expire in about a week. Currently rebates range from \$20,000 for \$250,000 in taxable value to \$40,000 for \$450,000 in taxable value.

Extension & Recommended Updates

If it's wished to extend the program, a couple of updates are suggested:

1. Add two smaller rebate brackets to provide a \$10,000 and \$15,000 rebate for \$150,000 and \$200,000 properties, respectively.
 - a. While higher value buildings are possible on these lots, the size of the lots does limit building/tax value creation potential.
2. Add a requirement that rebates must be approved within one year of purchase.
 - a. When we sell a lot we need to retain a portion of the sale price on our books to ensure we have the funds available to pay a future rebate. We don't want to hold those funds in limbo for too long as they would otherwise be transferred to pay down the debt fund for Enterprise Drive. Construction of the building still must be completed within one year of rebate approval.

Outline of Program:

1. Applicant submits a program application and purchase offer to EDA staff for review.
 - a. Applicant must purchase lot at advertised price.
 - b. Applicant must be approved for rebate within 12 months of purchase.
 - c. Construction must be complete within 12 months of rebate approval.
 - d. Incentive amount paid out once certificate of occupancy is issued.
2. Public works committee reviews purchase offer.
3. EDA reviews rebate application.
4. City council considers approval of sale and rebate.

5. Incentive amount is on a sliding scale, dependent upon the estimated future taxable value of the land and building once construction is completed.
6. Duration of program: until August 31, 2025
7. Building constructed must be of equal or greater taxable value than building proposed in application.

The draft program guidelines with the updates recommended above are attached for reference.

The public works committee and EDA have reviewed this concept and are agreeable with the proposed extension and updates.

Action Requested:

Approve the extension and modifications of the Enterprise Drive construction rebate program as recommended.

Enterprise Drive Construction Rebate Program (DRAFT)

Guidelines

City of Chatfield

Purpose and overview

To incentivize the sale and development of the city owned commercial lots along Enterprise Drive SE in Chatfield; creating new tax base, utility users, jobs, and businesses.

Rebates will be awarded to qualified applicants based on the estimated taxable value of the property once construction is complete. Only city-owned lots along Enterprise Drive zoned as B3 (light commercial) qualify for this program.

Rebates will be awarded based on the total estimated taxable value of the land and building proposed for construction, on a sliding scale as shown below:

Estimated Taxable Value	150,000	200,000	250,000	300,000	350,000	400,000	450,000
Incentive Amount	10,000	15,000	20,000	25,000	30,000	35,000	40,000

Application process and additional information/guidelines

1. Applicant submits a program application and purchase offer to EDA staff for review.
 - a. Applicant must purchase lot at advertised price.
 - b. Applicant must provide taxable value estimate from Fillmore County with application.
2. Public works committee reviews purchase offer.
3. EDA reviews incentive application.
4. City council approves both the sale and incentive.
5. Rebate amount is determined on a sliding scale based on the above schedule.
6. The building constructed must be of equal or greater taxable value than building proposed in application. Estimate of taxable value from Fillmore County in application will be used for rebate basis, no adjustments will be made to rebate amount after approval by council.
7. Minimum rebate amount: \$10,000.
8. Maximum rebate amount: \$40,000.
9. Program ends August 31, 2025. All construction must be complete prior to August 31, 2026.
10. Applicants have one year from date of purchase to be approved for rebate, or the lot will be ineligible for this program.
11. No rebates will be paid if construction is not completed within 12 months of approval of application.
12. Rebate paid out once certificate of occupancy is issued.

To apply or for questions, please contact the Chatfield EDA at 507-867-3810 or cgiesen@ci.chatfield.mn.us



City of Chatfield

Thurber Community Center • Chatfield Municipal Building
21 Second Street Southeast • Chatfield, Minnesota 55923 • 507-867-3810
www.ci.chatfield.mn.us

MEMORANDUM

TO: CHATFIELD CITY COUNCIL
FROM: CRAIG BRITTON
SUBJECT: BENCH STREET DRAINAGE IMPROVEMENT PROJECT – PAY REQUEST NO. 2
DATE: AUGUST 9, 2023
CC: CITY ADMINISTRATOR, JOEL YOUNG
SUPERINTENDENT OF CITY SERVICES, BRIAN BURKHOLDER

Action Requested: Recommend payment of pay application number 2 in the amount of \$5,855.00. Payment includes the seeding and restoration of the disturbed areas of construction along with the reshaping of the drainage swale from the end of apron to the property line to the south. Pay application number 1 was processed in January in the amount of \$92,458.50.

Background: Pearson Backhoe Service started work on the drainage improvement project in late October of last year. The storm sewer was installed prior to the end of the year and the restoration was completed in the spring of this year. The main project overrun in cost was due to additional fill that was brought in on the project in order to provide a more gradual slope on the south side of 7th Street and along the pipe north of 7th Street. The original contract amount was \$92,133.50 and the total project cost to date is \$98,313.50, \$6,180 over the original contract amount. No additional work is anticipated on the project.

Please let me know if you have any questions.

Sincerely,

Craig Britton



PEARSON BACKHOE SERVICE INC
 24330 Richland Rd.
 St.Charles, MN 55972

Invoice

DATE	INVOICE #
7/12/2023	7379

BILL TO
City of Chatfield 21 2nd St SE Chatfield, MN 55923

P.O. NO.	TERMS
	Net 30

Date	ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT
5/1/2023	service	1	erosion control for Bench Street Project	5,075.00	5,075.00
	service	1	extra work from end of pipe going to property line, reshaping and seeding	780.00	780.00

Thank you for your business.

Total

\$5,855.00



City of Chatfield

Thurber Community Center • Chatfield Municipal Building
21 Second Street Southeast • Chatfield, Minnesota 55923 • 507-867-3810
www.ci.chatfield.mn.us

MEMORANDUM

TO: CHATFIELD PUBLIC WORKS COMMITTEE AND CITY COUNCIL
FROM: CRAIG BRITTON
SUBJECT: 2023 STREET IMPROVEMENT PROJECT – PAY APPLICATION 1
DATE: AUGUST 10, 2023
CC: CITY ADMINISTRATOR, JOEL YOUNG AND
SUPERINTENDENT OF CITY SERVICES, BRIAN BURKHOLDER

Action Requested: Consideration of Pay Application #1 in the amount of \$190,034.92 to Griffin Construction for work completed on the 2023 Street Improvement Project.

Background: Griffin Construction has submitted Pay Application #1 in the amount of \$190,034.92 for work completed mainly on Prospect Street SE. Work completed includes the removal of the bituminous pavement and installation of the sanitary sewer, water main and services on Prospect Street SE. Underground work is expected to be completed on Prospect by August 16th at which time Griffin will begin installing storm sewer on Grand Street from Valley Street to the north end of Prospect Street. Once the underground work is completed at the intersection of Grand & Prospect crews will begin street construction on Prospect and on Grand from Valley to Prospect. The pay application is attached to this report. Below is a quick summary of the contract amount and proposed payment.

1. Contract Amount - \$1,759,308.26
2. Pay Application 1 - \$190,034.92
3. Retainage (5%) - \$10,001.84
4. Balance to Finish - \$1,559,271.50

Please let me know if you have any questions.

Sincerely,

Craig Britton

PARTIAL PAYMENT ESTIMATE
Pay Estimate 1

Name of Contractor: Griffin Construction

Name of Owner: City of Chatfield

Date of Substantial Completion:	Amount of Contract:	Dates of Estimate
Original: 11/1/2023	Original: \$ 1,759,308.26	From: 07-10-23
Revised: NA	Revised: NA	To: 08-04-23

Widseth Project Number: 2022-11251
Description of Job: 2023 Street Improvement Project

ITEM NO.	ITEM DESCRIPTION	CONTRACT ITEMS				THIS PERIOD		TOTAL TO DATE	
		UNIT	QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
	BID SCHEDULE A. - GRAND, PROSPECT ST SE								
1	CONTRACTOR TESTING - DENSITY	L.S.	1	\$4,550.00	\$4,550.00	0.15	\$682.50	0.15	\$682.50
2	MOBILIZATION	L.S.	1	\$68,520.00	\$68,520.00	0.25	\$17,130.00	0.25	\$17,130.00
3	CLEARING	EACH	25	\$335.00	\$8,375.00	19	\$6,365.00	19	\$6,365.00
4	GRUBBING	EACH	25	\$335.00	\$8,375.00	6	\$2,010.00	6	\$2,010.00
5	SALVAGE SIGN	EACH	1	\$50.00	\$50.00	1	\$50.00	1	\$50.00
6	REMOVE SIGN	EACH	11	\$50.00	\$550.00	3	\$150.00	3	\$150.00
7	REMOVE MANHOLE (SANITARY)	EACH	11	\$600.00	\$6,600.00	4	\$2,400.00	4	\$2,400.00
8	REMOVE MANHOLE (STORM)	EACH	2	\$600.00	\$1,200.00	0	\$0.00	0	
9	REMOVE CATCH BASIN	EACH	8	\$500.00	\$4,000.00	0	\$0.00	0	
10	REMOVE GATE VALVE & BOX	EACH	7	\$300.00	\$2,100.00	0	\$0.00	0	
11	REMOVE HYDRANT	EACH	4	\$500.00	\$2,000.00	0	\$0.00	0	
12	REMOVE CURB & GUTTER	LIN FT	3665	\$3.00	\$10,995.00	1832	\$5,496.00	1832	\$5,496.00
13	REMOVE SEWER PIPE (STORM)	LIN FT	626	\$15.00	\$9,390.00	0	\$0.00	0	
14	REMOVE SEWER PIPE (SANITARY)	LIN FT	1976	\$6.00	\$11,856.00	726.4	\$4,358.40	726.4	\$4,358.40
15	REMOVE PIPE CULVERT	LIN FT	32	\$15.00	\$480.00	0	\$0.00	0	
16	SALVAGE RETAINING WALL	LIN FT	39	\$25.00	\$975.00	39	\$975.00	39	\$975.00
17	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	434	\$4.65	\$2,018.10	285	\$1,325.25	285	\$1,325.25
18	SAWING BIT PAVEMENT (FULL DEPTH)	LIN FT	363	\$3.60	\$1,306.80	163	\$586.80	163	\$586.80
19	REMOVE CONCRETE FLUME	SQ YD	21	\$12.50	\$262.50	0	\$0.00	0	
20	REMOVE CONCRETE DRIVEWAY PAVEMENT	SQ YD	747	\$8.00	\$5,976.00	358	\$2,864.00	358	\$2,864.00
21	REMOVE BITUMINOUS PAVEMENT	SQ YD	7353	\$2.75	\$20,220.75	2205.9	\$6,066.23	2205.9	\$6,066.23
22	REMOVE BITUMINOUS DRIVEWAY PAVEMENT	SQ YD	657	\$8.00	\$5,256.00	259	\$2,072.00	259	\$2,072.00
23	REMOVE CONCRETE SIDEWALK	SQ FT	281	\$2.00	\$562.00	0	\$0.00	0	
24	COMMON EXCAVATION (EV) (P)	CU YD	3324	\$15.40	\$51,189.60	0	\$0.00	0	
25	COMMON EXCAVATION (SUBGRADE) (EV)	CU YD	474	\$15.40	\$7,299.60	0	\$0.00	0	
26	EXCAVATION SPECIAL (EXPLORATORY)	HOUR	24	\$125.00	\$3,000.00	1.5	\$187.50	1.5	\$187.50
27	GEOTEXTILE FABRIC TYPE V	SQ YD	10763	\$1.70	\$18,297.10	640	\$1,088.00	640	\$1,088.00
28	AGGREGATE BASE CLASS 5 MODIFIED	TON	7943	\$18.15	\$144,165.45	0	\$0.00	0	

29	FULL DEPTH RECLAMATION	SQ YD	1671	\$3.64	\$6,082.44	1671	\$6,082.44	1671	\$6,082.44
30	TYPE SP 9.5 WEARING COURSE MIX (3,C)	TON	833	\$102.69	\$85,540.77	0	\$0.00	0	
31	TYPE SP 12.5 WEARING COURSE MIX (3,C)	TON	1386	\$99.42	\$137,796.12	0	\$0.00	0	
32	GRANULAR FOUNDATION AND/OR BEDDING	TON	380	\$21.50	\$8,170.00	35	\$752.50	35	\$752.50
33	6" PERF PVC PIPE DRAIN	LIN FT	3121	\$20.33	\$63,449.93	0	\$0.00	0	
34	12" RC PIPE SEWER DESIGN 3006 CLASS V	LIN FT	210	\$66.40	\$13,944.00	0	\$0.00	0	
35	15" RC PIPE SEWER DESIGN 3006 CLASS V	LIN FT	258	\$73.35	\$18,924.30	0	\$0.00	0	
36	18" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	35	\$78.55	\$2,749.25	0	\$0.00	0	
37	21" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	27	\$87.79	\$2,370.33	0	\$0.00	0	
38	24" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	958	\$101.82	\$97,543.56	0	\$0.00	0	
39	27" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	315	\$127.75	\$40,241.25	0	\$0.00	0	
40	30" RC PIPE SEWER DESIGN 3006 CLASS III	LIN FT	72	\$149.85	\$10,789.20	0	\$0.00	0	
41	MAINTENANCE OF SANITARY SEWER SERVICE	L.S.	1	\$19,750.00	\$19,750.00	0.15	\$2,962.50	0.15	\$2,962.50
42	CONNECT TO EXISTING SANITARY SEWER	EACH	3	\$500.00	\$1,500.00	2	\$1,000.00	2	\$1,000.00
43	CONNECT TO EXISTING STORM SEWER	EACH	1	\$750.00	\$750.00	0	\$0.00	0	
44	CONNECT TO EXISTING MANHOLES	EACH	4	\$1,000.00	\$4,000.00	0	\$0.00	0	
45	SANITARY SEWER SERVICE (4" PVC)	EACH	27	\$1,690.00	\$45,630.00	7	\$11,830.00	7	\$11,830.00
46	SANITARY SEWER SERVICE (6" PVC)	EACH	1	\$1,860.00	\$1,860.00	0	\$0.00	0	
47	8" X 4" PVC WYE	EACH	27	\$402.00	\$10,854.00	10	\$4,020.00	10	\$4,020.00
48	8" X 6" PVC WYE	EACH	1	\$472.00	\$472.00	0	\$0.00	0	
49	SANITARY SEWER INSPECTION	LIN FT	1975	\$3.00	\$5,925.00	0	\$0.00	0	
50	8" PVC PIPE SEWER	LIN FT	1975	\$57.14	\$112,851.50	773.9	\$44,220.65	773.9	\$44,220.65
51	INSTALL WATER SERVICE SYSTEM (1")	EACH	27	\$2,345.00	\$63,315.00	5	\$11,725.00	5	\$11,725.00
52	INSTALL WATER SERVICE SYSTEM (2")	EACH	1	\$4,930.00	\$4,930.00	0	\$0.00	0	
53	CONNECT TO EXISTING WATER MAIN	EACH	4	\$1,500.00	\$6,000.00	2	\$3,000.00	2	\$3,000.00
54	HYDRANT	EACH	4	\$7,097.00	\$28,388.00	0	\$0.00	0	
55	ADJUST VALVE BOX	EACH	11	\$275.00	\$3,025.00	0	\$0.00	0	
56	6" GATE VALVE & BOX	EACH	5	\$2,935.00	\$14,675.00	0	\$0.00	0	
57	8" GATE VALVE & BOX	EACH	11	\$3,735.00	\$41,085.00	2	\$7,470.00	2	\$7,470.00
58	6" PVC WATER MAIN	LIN FT	98	\$49.75	\$4,875.50	0	\$0.00	0	
59	8" PVC WATER MAIN	LIN FT	2288	\$56.50	\$129,272.00	280	\$15,820.00	280	\$15,820.00
60	DUCTILE IRON FITTINGS	POUND	1213	\$16.50	\$20,014.50	518	\$8,547.00	518	\$8,547.00
61	CONSTRUCT DRAINAGE STRUCTURE DESIGN SPECIAL	EACH	12	\$2,900.00	\$34,800.00	0	\$0.00	0	
62	CONSTRUCT DRAINAGE STRUCTURE DESIGN 48-4020	EACH	11	\$3,515.00	\$38,665.00	0	\$0.00	0	
63	CONSTRUCT DRAINAGE STRUCTURE DESIGN 60-4020	EACH	4	\$5,068.00	\$20,272.00	0	\$0.00	0	
64	CONSTRUCT DRAINAGE STRUCTURE DESIGN 72-4020	EACH	3	\$5,795.00	\$17,385.00	0	\$0.00	0	
65	ADJUST FRAME AND RING CASTING	EACH	21	\$575.00	\$12,075.00	0	\$0.00	0	
66	CONSTRUCT SANITARY MANHOLE	EACH	9	\$3,547.00	\$31,923.00	5	\$17,735.00	5	\$17,735.00
67	CONSTRUCT SANITARY MANHOLE (LF)	LIN FT	32.86	\$300.00	\$9,858.00	20.3	\$6,090.00	20.3	\$6,090.00
68	4" CONCRETE WALK	SQ FT	214	\$12.50	\$2,675.00	0	\$0.00	0	
69	CURB AND GUTTER DESIGN B624	LIN FT	3839	\$22.40	\$85,993.60	0	\$0.00	0	
70	CURB AND GUTTER DESIGN B624 (MOD.)	LIN FT	5	\$50.00	\$250.00	0	\$0.00	0	
71	6" CONCRETE DRIVEWAY PAVEMENT	SQ YD	894	\$72.00	\$64,368.00	0	\$0.00	0	

Date: 8/9/2023

Date: 8/9/2023

APPROVED BY OWNER:

Owner: City of Chatfield

By: _____

Date: _____