



Chatfield Economic Development Authority

2022 Annual Report

(For 12 months ending January 31, 2023)

The Chatfield EDA regularly meets the fourth Monday of each month at 4:30 PM at the Thurber Municipal Center.

During 2022, there were 10 regular meetings and no special meetings. This compares to 11 regular meetings and 2 special meetings in 2021 and 11 regular and 2 special meetings in 2020.

Typically, no regular meeting is held in November because of the annual EDA Gala held on the Tuesday before Thanksgiving.

One meeting were cancelled due to lack of quorum during this period, compared to no such cancellations in 2021 or 2020.

Meeting attendance record:

| Member | | | | | | | | | | | | Absences | | |
|------------|------|------|------|------|------|------|------|------|-------|-------|------|----------|------|--|
| | 2/28 | 3/28 | 4/25 | 5/23 | 6/27 | 7/25 | 8/22 | 9/26 | 10/24 | 12/19 | 2022 | 2021 | 2020 | |
| M. Tuohy | x | x | | | x | x | x | | x | x | 3 | 2 | 1 | |
| M. Urban | x | x | x | x | x | x | x | x | x | | 1 | 1 | 1 | |
| S. Keefe | x | x | x | x | x | x | x | x | x | x | - | 2 | 1 | |
| M. Baum | | x | x | x | x | x | x | x | | x | 2 | 2 | 1 | |
| R. Paulson | x | x | | x | | | | | | x | 5 | 5 | 6 | |
| P. Novtony | x | x | x | | x | x | x | x | x | x | 1 | 5 | 2 | |
| L. Isensee | x | x | x | | x | x | x | x | x | x | 1 | 1 | - | |

Project Highlights:

Chatfield Center for the Arts

- Managed \$8,700,000 Phase II renovation project providing oversight on project design, construction, budget, and state grant.
- Saw substantial completion of Phase II renovation occur on August 31, 2022.
- Hosted ribbon cutting ceremony and open house to commemorate the reopening of the newly renovated art center.
- Renewed the six year operating lease with the Chatfield Center for the Arts, Inc.

The Chatfield Alliance

- Renewed the two year Destination Marketing Organization agreement.

Hotel Attraction Project

- Preliminarily approved an assistance package valued at \$1,417,600.
- Commissioned an updated hotel market study; proving an even stronger market than in the previous 2015 study.
- Crafted, supported, and nearly passed state legislation to update the 15,000 square foot size limit in the small city exception to the economic development TIF law.

Downtown Apartment Project

- Assisted developers seeking to construction two approximately 60 unit apartment complexes on two downtown sites.

Athletic Club Project

- **Created a TIF District providing \$140,000** to assist with the construction of a new athletic club, in order to address site development and construction costs.

People's Energy Property/Twiford Street City Property

- Negotiated purchase of the former People's Energy Cooperative property on Twiford Street for short term public works use and long term development/redevelopment opportunity.

Enterprise Drive

- Assisted multiple prospects with potential lot sales.

Revolving Loan Fund

- **Approved \$40,000** to Joy Ridge Event Center for renovations.

City Strategic Initiatives

- Assisted council, staff, and consultants with forwarding the city's strategic initiatives including building a hotel, building an apartment building downtown, extending city services to the north and west, identifying new areas for development, and affordable housing.

Required Reporting

- Annual Hilltop tax abatement report to Fillmore County and Chatfield Public Schools.
- Completed annual Business Subsidy report to Minnesota DEED.
- Completed post-close out annual report on Enterprise Drive BDPI Grant.
- CCA lease renewal report to Minnesota Department of Management and Budget.

General Business Assistance / Other Projects

- Met with 43 individual current and/or prospective businesses in regards to projects, issues, programs, business planning, financial packaging and other general assistance.
- Hosted annual appreciation gala.

Revolving Loan Fund Summary:

Active Loan Portfolio

| | |
|----------------------------------|-----------|
| Total Number of Loans: | 9 |
| Total Original Principal Amount: | \$890,634 |
| Balance Due: | \$486,785 |
| Average Loan Amount: | \$98,959 |
| Cash on Hand Available to Lend: | \$187,320 |

Loan Portfolio since Inception

| | |
|--------------------------------|-------------|
| Total Loans Made: | 28 |
| Total Principal Amount: | \$1,516,797 |
| Total Repayments: | \$883,772 |
| Total Write Off/Uncollectable: | \$143,782 |
| Average Loan Amount: | \$54,171 |

Building Permit Summary:

| Year | Permit Value (\$) | | New Homes |
|------|-------------------|--------------|-----------|
| | Commercial | Residential | |
| 2022 | \$ 238,000 | \$ 568,819 | 2 |
| 2021 | \$ 7,400,995 | \$ 2,381,730 | 11 |
| 2020 | \$ 965,170 | \$ 1,437,000 | 8 |
| 2019 | \$10,373,483 | \$ 1,883,600 | 7 |
| 2018 | \$ 1,453,000 | \$ 3,857,500 | 20 |
| 2017 | \$10,029,948 | \$ 4,742,000 | 19 |
| 2016 | \$ 1,426,600 | \$ 3,260,400 | 14 |
| 2015 | \$ 4,963,000 | \$ 2,626,500 | 8 |
| 2014 | \$ 840,099 | \$ 1,954,835 | 8 |

Economic Development Authority's Financial Impact on Chatfield:

(Excluding loan repayments & fund interest earnings)

| | 2022 | 2021 | 2020 |
|---|------------------|--------------------|--------------------|
| Total Grants Received: | \$0 | \$0 | \$8,700,000 |
| Total Loans Made: | \$40,000 | \$0 | \$4,200 |
| Total Short Term Funds Leveraged: | \$0 | \$275,000 | \$110,708 |
| Total Long Term Funds Leveraged: | \$140,000 | \$1,238,000 | \$0 |
| Total Dollars Leveraged for Chatfield: | \$180,000 | \$1,513,000 | \$8,814,908 |
| Total City Levy: | \$2,310,877 | \$2,247,789 | \$2,161,688 |
| Total EDA/CCA Budget: | \$154,000 | \$128,800 | \$136,200 |