

**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](http://www.ci.chatfield.mn.us)**

---

## **ANNUAL & REGULAR MEETING NOTICE**

**CHATFIELD ECONOMIC DEVELOPMENT AUTHORITY**  
**4:30 p.m., Monday February 26, 2024**  
**Thurber Municipal Center**  
**Chatfield, Minnesota**

### **AGENDA**

- I. Call to order
- II. Annual meeting
  - A. Election of officers
  - B. Appointment of committees
    - i. Loan committee
    - ii. Chatfield Center for the Arts advisory committee
  - C. 2023 annual report
  - D. 2023 regular meeting schedule
  - E. 2023 conflict of interest forms
- III. Approval/acceptance/statutory
  - A. January 22, 2024 meeting minutes
  - B. Revolving loan fund report
  - C. Prospects/community update
    - i. Chatfield Alliance report
    - ii. Chatfield Center for the Arts
    - iii. Cooperative tax abatement policy update
- IV. Business
  - A. Workforce Housing Development grant application
  - B. Lonestone Subdivision Outlot C project
- V. Other business
- VI. Adjourn



**Chatfield Economic Development Authority**

**2023 Annual Report**

*(For 12 months ending January 31, 2024)*

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

During 2023, there were 11 regular meetings and 2 special meetings. This compares to 10 regular meetings and 0 special meetings in 2022. Special meetings this year were held to discuss development potential on the former People’s Energy property downtown and possible housing incentives.

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

This year no meetings were cancelled due to a lack of quorum compared to one such cancellation in 2022.

**Meeting attendance record:**

Member															Absences		
	2/27	3/27	4/3	4/24	5/22	6/26	7/24	8/28	9/25	10/23	11/15	12/18	1/22	2023	2022	2021	
M. Tuohy	x	x	x		x	x	x	x	x	x	x	x		2	3	2	
M. Urban	x	x	x	x	x	x	x	x	x	x	x	x		1	1	1	
S. Keefe	x	x	x	x	x	x	x	x	x	x	x	x	x	-	-	2	
M. Baum		x		x	x		x	x	x	x		x	x	4	2	2	
R. Paulson	x	x	x	x	x	x		x	x		x		x	3	5	5	
P. Novtony	x	x	x			x	x	x		x	x	x	x	3	1	5	
L. Isensee	x	x	x	x	x	x	x		x	x	x	x		2	1	1	

**Project Highlights:**

Chatfield Center for the Arts

- Completed Phase II renovation project providing oversight on project design, construction, budget, and state grant.
- Successfully closed out state grant obligations.

The Chatfield Alliance

- Assisted hosting quarterly community cocktail hour to engage members of the community with local topics of interest.

Hotel Attraction Project

- Secured special state legislation authorizing the use of tax increment financing (TIF) for a hotel project along Mill Creek Road, where TIF use would otherwise not be allowed.
- Continued discussions with Olmsted County staff and commissioners to consider a cooperative tax abatement. Drafted a policy template for county consideration.

#### Residential Housing Assistance

- Assisted with the preservation and utilization of redevelopment TIF for cleanup and reconstruction of the Grand Street Apartment building. **Approving \$410,000** in TIF to build a 14 unit apartment facility. Creating 6 new market rate rental units.
- Discussed several options to assist housing construction, recommending the creation of a new home construction rebate incentive.
- Examined the possible sale and development of Outlot C in the Lonestone Subdivision for affordable housing.

#### People's Energy Property/Twiford Street Public Works Property

- Held joint meetings with the Planning & Zoning Commission and Committee of the Whole to discuss and plan future use and redevelopment of the recently acquired downtown property.

#### Enterprise Drive

- Assisted with the sale of Lot 3 for the construction of a commercial building. **Approved a \$15,000 construction rebate** to assist the project creating \$240,800 in new tax base and a new headquarters for a local business.
- Assisted prospects with potential lot sales.
- Assisted public works committee with site improvements to the area.

#### Transit Management Organization Project

- **Received special state appropriation of \$350,000** to assist the regional organization Southeast Minnesota Together research the creation of a transit management organization.
- Managed the state grant contract for the project.

#### Revolving Loan Fund

- Managed loan portfolio and assisted inquiries.

#### 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 final post-close out annual report on Enterprise Drive BDPI Grant.

#### 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.
- Created new TIF and tax abatement application process and forms.
- Hosted annual appreciation gala.

**Revolving Loan Fund Summary:**Active Loan Portfolio

Total Number of Loans:	9
Total Original Principal Amount:	\$890,634
Balance Due:	\$429,102
Average Loan Amount:	\$98,959
Cash on Hand Available to Lend:	\$219,689

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	
2023	\$ 595,804	\$ 4,302,462	4
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)*

	2023	2022	2021
<b>Total Grants Received:</b>	<b>\$350,000</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Loans Made:</b>	<b>\$0</b>	<b>\$40,000</b>	<b>\$0</b>
<b>Total Short Term Funds Leveraged:</b>	<b>\$15,000</b>	<b>\$0</b>	<b>\$275,000</b>
<b>Total Long Term Funds Leveraged:</b>	<b>\$410,000</b>	<b>\$140,000</b>	<b>\$1,238,000</b>
<b>Total Dollars Leveraged for Chatfield:</b>	<b>\$775,000</b>	<b>\$180,000</b>	<b>\$1,513,000</b>
Total City Levy:	\$2,444,756	\$2,310,877	\$2,247,789
Total EDA/CCA Budget:	\$166,230	\$154,000	\$128,800

# **CHATFIELD ECONOMIC DEVELOPMENT AUTHORITY**

## **BOARD OF DIRECTORS**

### **POLICY ON CONFLICTS OF INTEREST**

#### **POLICY STATEMENT**

The Chatfield Economic Development Authority (EDA) Board of Directors expects its members to uphold the Directors oath of office and to maintain the highest standards of ethical conduct in order to ensure the public's confidence and respect. The avoidance of Director conflicts of interest, apparent or real, through the use of informed judgment and timely disclosures, is necessary in order to maintain this confidence and respect.

#### **II. CONFLICTS OF INTEREST: REPORTING**

Directors shall avoid any conduct or activity which might result in or create the appearance of a conflict of interest, including but not limited to:

- A. Improperly using public office for private gain.
- B. Improperly giving preferential treatment to any organization or person.
- C. Compromising the independence or integrity of the Authority or any employee.
- D. Impairing the EDA's efficiency or economy.
- E. Adversely affecting the confidence of the EDA employee(s) or the public in the integrity of the EDA.

#### **III. CONTRACTS**

When the EDA contracts with individuals or firms, Directors shall avoid the appearance of conflicts of interest such as those listed above. In some cases, the appearance of a conflict of interest may prevent the EDA from contracting with a particular individual or firm. This might occur if a Director has a direct financial interest in the contracted business.

The following factors should be considered:

- A. The extent of the Director's involvement in the business. Is the Director a part or sole owner, part-time employee? Does the Director have a stake in the business personally or through an immediate family member? If the Director is directly involved in the business or is closely related to a person who has a significant financial interest in the business, the appearance of a conflict of interest is greater and the facts must be disclosed.
- B. The size of contract and the contract award process including but not limited to the following:
  - Informal bid
  - Purchase order
  - Formal bid and award
  - Emergency award
  - Subcontracts
  - Consulting contracts (design, testing, services, etc.)

The more formal the bidding and award process, the less likely it is that a Director's interest in an outside firm could influence the award process. Nevertheless, if a Director has a close personal or family relationship with an individual who has a significant financial stake in the business, a conflict of interest could be found. Such situations shall be disclosed, and avoided to the extent reasonably possible.

- C. If a Director transacts non-EDA business with an individual or firm who also contracts with the EDA, or which bids on EDA work, an appearance of a conflict may arise. The potential conflict is that the Director, the contractor or third parties may believe that the Director can or will exert improper influence over the EDA contracting process to gain some personal advantage in the non-EDA contract. The factors listed above should be considered to determine whether it is proper for the Director to conduct non-EDA business with the contractor, and whether disclosure is required. If the contractor is aware of the Director's relationship with the EDA, the Director shall explain to the contractor that no preferential treatment is expected or permitted.

#### **IV. DISCLOSURES**

- A. To protect the EDA and its Directors, Directors shall disclose any potential conflicts of interest at least annually, or when necessary as changes occur which require reporting, and at the time when a potential conflict arises or may arise. Both the Director's own business relationships which create the conflict and those immediate family members (at least spouse, parent, minor/adult child, and sibling) shall be disclosed. The Director shall explain all relevant facts in writing:
  - 1. Within 48 hours of a Director's discovery of a conflict of interest, the Director shall prepare a written statement disclosing the conflict of interest.
  - 2. The Director shall deliver a copy to the EDA Executive Director and the President of the Board. (If the President has a conflict of interest, she/he shall deliver the statement to the Vice-President).
  - 3. If a conflict of interest presents itself and there is insufficient time to deliver a written statement as required herein, the Director shall verbally advise the Board, the President or the Executive Director of the potential conflict. A written statement shall then be delivered to the Executive Director and the President within one week after the conflict of interest presents itself.
  - 4. The completed disclosure forms and statements shall be retained in the Executive Secretary's Board of Directors file.
- B. The Director who has a conflict of interest as defined in Paragraph A of this section shall refrain from voting on or otherwise participating in the action or decision with which there is a conflict of interest. A Director is specifically exempted from the prohibitions of this paragraph when the action to be taken or the decision to be rendered is one which is solely advisory.

#### **V. GIFTS, GRATUITIES AND OTHER FINANCIAL TRANSACTIONS**

No Director shall, by reason of his or her appointment to the Board, whether on behalf of the Director or a relative of the Director, solicit or receive any gift, gratuity or any other item with a monetary value from any person or entity, including a business which contracts with the EDA.

## **VI. VIOLATIONS**

Because of the importance to the EDA of upholding the public trust by avoiding conflicts of interest, a Director who violates this policy by failing to fully disclose a situation which presents a significant conflict of interest shall be subject to censure or other action by the Board. In consultation with legal counsel and the Executive Director, the President or Vice-President or other Directors shall recommend to the full Board appropriate action. Such action might include a recommendation to the Mayor for removal from office.

Any Director who believes that another Director has not adequately disclosed a significant conflict of interest, should report the matter to the EDA Board President, Vice-President or Executive Director, who may then consult with legal counsel to determine an appropriate course of action.

## **VII. ADMINISTRATION OF POLICY**

The Executive Director shall issue appropriate forms and procedures to implement this policy.

**CHATFIELD ECONOMIC DEVELOPMENT AUTHORITY**  
**BOARD OF DIRECTORS**  
**POLICY ON CONFLICTS OF INTEREST**  
**ANNUAL REPORTING FORM**

**Director:** \_\_\_\_\_  
*(Please Print Full Name)*

**Date:** \_\_\_\_\_

**CONFLICTS OF INTEREST DISCLOSURE**

I have read the Chatfield Economic Development Authority's policy for Directors on Conflicts of Interest.

Neither I nor my immediate family<sup>1</sup> have any financial interest which may violate this Conflicts of Interest policy other than the following: (If none, write none.)

---

---

---

---

I will promptly notify the Board President or Executive Director if I or any member of my immediate family will acquire a financial interest in a business which may contract with the EDA, or if I or an immediate family member becomes involved in any other transaction which may appear to be a conflict of interest.

<sup>1</sup> *Immediate family members include at least spouse, minor or adult child, and siblings*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date Signed



# ECONOMIC DEVELOPMENT AUTHORITY

MEETING MINUTES MONDAY JANUARY 22, 2024

---

**MEMBERS PRESENT:** RANDY PAULSON, PAUL NOVOTNY, MOLLY BAUM, AND SUE KEEFE

**MEMBERS ABSENT:** MICHAEL TUOHY, LUKE ISENSEE, AND MIKE URBAN

**OTHERS PRESENT:** GRETCHEN MENSINK-LOVEJOY, SARA STURGIS, ALLISON BENTLEY, AND CHRIS GIESEN

---

With a quorum present, the regular meeting was called to order at 4:35 p.m. by Paulson at the Thurber Municipal Center.

- A. The board reviewed the minutes of the December 18, 2023 meeting. Motion by Novotny, second by Baum to approve the minutes as presented. The motion carried unanimously.
- B. The board reviewed the status of the loan fund. All loans were current.
- C. Sara Sturgis and Allison Bentley gave an update on recent Chatfield Alliance activities including the upcoming Chillfest weekend. Sturgis noted that she has recently taken a position as the executive director of the Chatfield Center for the Arts and the Alliance board is in the process of filling her position; several options are being considered. In the meantime Bentley is helping on a volunteer basis to assist the Alliance with its activities. It was reported that another successful community cocktail hour was held and that for 2024 the venue will move to various locations around Chatfield. It has been well attended so far. The Alliance also noted hosting a ribbon cutting for the new fitness center downtown.
- D. Sturgis gave a brief update from the Chatfield Center for the Arts noting that the CCA, Inc. has welcomed new board members at both in late 2023 and in early 2024.
- E. The board heard an update on a project staff has worked on with Olmsted County staff over the last several years. Giesen noted that in light of the hotel project the city has been working on, he and staff from neighboring cities Stewartville and Byron have approached Olmsted County in hopes of establishing economic development assistance tools through the county for major local projects. In particular, the use of cooperative tax abatement would prove beneficial for projects outside the scope of other tools like TIF and provide a city/county participation. Giesen noted that he and his counterparts in Stewartville and Byron went so far as drafting a template tax abatement policy that could be used as a guide for the county to help them understand the impact and use of such a development tool. Giesen reported that Olmsted County has invited Chatfield, Stewartville, and Byron to a committee meeting to discuss tax abatement and economic development. Staff requested a motion of support for the request and template tax abatement policy. Motion by Keefe, second by Baum to support a request to Olmsted County to establish a cooperative tax abatement program for major local projects. Motion carried unanimously.

- F.** The board discussed the prospect of selling Outlot C in the Lonestone Subdivision for the construction of an affordable home. Several options were discussed. The board reviewed the buildable area of the property noting that it appeared to be large enough for a single family home and possibly a twin home. Consensus was to continue discussion at the next meeting after researching the opportunity further. Further, the board agreed that the city should explore selling the property itself, control development to ensure affordability of the end product, and cycle any proceeds from the projects into a housing fund to support similar projects in the future.

Keefe left the meeting at 5:01 PM. A quorum was lost and the meeting adjourned.

- G.** There was no other business.

Respectfully submitted by: Chris Giesen

EDA President Signature: \_\_\_\_\_

Michael P. Tuohy

**REVOLVING LOAN FUND**  
Account Balances - Active Loans

2/21/2024										
NAME	DATE	LOAN AMOUNT	REPAID PRINCIPAL	INTEREST	ADJUST	LOAN BALANCE	LAST PAYMENT	PAID THROUGH	MONTHLY PAYMENT	FUND
Big Girl Stickers & Stems	8/20/2018	40,000.00	19,002.00	6,511.74	-	20,998.00	2/20/2024	2/20/2024	\$ 404.98	360
Broadwater Original	8/20/2019	55,500.00	20,297.16	8,373.92	-	37,902.84	2/20/2024	2/20/2024	\$ 561.91	360
Corner Cuts Salon	9/20/2017	25,353.50	14,421.71	4,573.35	-	10,931.79	2/20/2024	2/20/2024	\$ 256.69	360
EZ FAB I - FEDERAL 360	10/1/2014	125,000.00	74,195.68	8,097.52	-	50,804.32	2/15/2024	3/1/2024	\$ 748.12	360
EZ FAB II - State Modified MIF - #CDAP-13-0031	2/1/2015	397,080.96	236,632.98	24,724.86	-	160,447.98	2/15/2024	3/1/2024	\$ 2,465.64	361
EZ FAB III - STATE MIF \$25K	9/1/2019	25,000.00	10,330.91	838.60	-	14,669.09	2/15/2024	3/1/2024	\$ 219.01	361
EZ FAB IV - STATE MIF #CDAP-18-0018-H-FY19 I	9/1/2019	120,000.00	32,245.45	4,382.24	-	87,754.55	2/15/2024	3/1/2024	\$ 718.19	361
Joy Ridge	3/20/2022	40,000.00	6,472.01	2,842.53	-	33,527.99	2/20/2024	2/20/2024	\$ 404.98	360
MT Properties	10/1/2014	62,700.00	56,501.96	13,327.14	-	6,198.04	2/20/2024	3/1/2024	\$ 634.81	360
<b>TOTAL ACTIVE LOANS</b>		<b>890,634.46</b>	<b>470,099.86</b>	<b>73,671.90</b>	<b>-</b>	<b>423,234.60</b>			<b>6,414.34</b>	
<b>GRAND TOTAL A P D + MODIFICATIONS</b>		<b>2,092,069.46</b>	<b>958,242.01</b>	<b>139,369.39</b>	<b>-</b>	<b>567,017.41</b>	<b>-</b>	<b>-</b>		

**TOTAL COMMERCIAL LOANS**

Cash Flow		Balance Sheet	
Contributions   Start Up & Grants	1,409,088.00	Cash	226,155.75
Fund Interest Allocation Income	34,000.00		Linked cell from Cash Flow Balance
Repayments	1,097,611.40	Loans Made	1,516,797.46
Total Revenue	2,540,699.40	Less Payments	947,323.01
	Sum	Less Write Offs	143,782.81
Loans Made	2,092,069.46	Total Loans Receivable	425,691.64
	Grand Total Loan Amount	Total Assets	651,847.39
From Cell B116 See Notes	Expenses	Payables	-
	222,474.19	Total Liabilities	-
Total Expenses	2,314,543.65	Equity	651,847.39
Balance	226,155.75		Total Assets - Total Liabilities
	Total Rev Sum-Total Exp		
Banyon Fund Acctg.			
360	170,531.97		
361	44,501.36		
	215,033.33		

---

## EDA Meeting Report 2.2024

- **Activities Report:**
  - Community Cocktail Hour
    - Topic: Community Events: What gets you out of the house?
    - At the Chatfield Center for the Arts, Atrium
    - 15 people attended with 3 new attendees
  
  - Chillfest
    - Market- nearly 50 vendors (Local and Regional)
      - Positive feedback from both vendors and attendees
      - NEW Bunco- 25 people attended
    - Medallion Hunt
      - Feedback has been positive and we had lots of families searching
      - Ingrid Forbes was the winner
    - Outdoor Activities
      - 300 people in attendance during Wagon Rides, Burn Barrels and Dog Sleds
      - Served 150 hotdogs/ chips cookies
      - Served over 275 cups of hot cocoa/ hot apple cider
    - Concert
      - 193 people attended
    - NEW Cribbage tournament
      - 31 people attended
      - All positive feedback
  
  - New Business Open House
    - Dog Wash Station (Laundromat)
- **Upcoming Meetings:**
  -

Full Events Listing: <https://www.chatfieldmn.org/events>

www.chatfieldmn.org/chillfest

FEBRUARY 3 & 4, 2024

# CHILLFEST!

Chatfield, MN



## CHILLFEST MEDALLION HUNT | 8AM

The first clue will be posted at **Carly Mae's Bakery, Jac's** and the **Silver Grille**. Following clues released on the hour on the ChillFest Facebook Page. Win \$250 in Chatfield Gift Cards.

## MIDWINTER MARKET | 9AM-2PM

Chatfield Center for the Arts - Atrium | Over 50 Vendors! Concessions available.

## HISTORY HUNT & WARMING STATION | 9AM-2PM

Chatfield Center for the Arts - Fourth Street Entry "Wine" not warm up, inside and out. Grab a glass, explore the building and drink in its history.

## JUSTIN FRIEDRICH HOCKEY TOURNAMENT | 11 AM - DUSK

Mill Creek Park | See Justin Friedrich Hockey Tournament FB for registration and information. Spectators welcome!

## SNOW SCULPTING CONTEST | NOON - 4 PM

Register and pick up supplies at the Center For the Arts Fourth Street Entry. Sculptures will be judged at 4 PM and winners announced at the Community Social at 4:30.

## BUNGO | 1 PM - 3PM

Chatfield Center for the Arts, Studio Room - Refreshments and concessions available. Ages 4-104, all are welcome!

## SNOWMOBILE RADAR RUN | SIGN IN STARTS @ 2 PM

Near Cty 2 Canoe Launch | Bring your sled or just come to watch as riders compete for braggin' rights. More information contact Jacob Gartner @ 507-259-0803

## COMMUNITY SOCIAL | 2 PM - 7PM

Fourth Street - Outside the Chatfield Center for the Arts  
Fire Barrels, Music, Kids Snowshoe Course, Turkey Bowling  
3-4) Sled Dog Meet N Greet from Lost Creek Kennels  
3-5) Horse-Drawn Wagon Rides, S'more's, Cider, Hot Cocoa 'til gone.  
4) Hot Dogs, until gone. Free will donations accepted.

SATURDAY

## BANDS & BARRELS COMMUNITY CONCERT

CLAY FULTON & THE LOST FORTY  
W/JOSIAH SMITH

FREE ADMISSION | CASH BAR  
CHATFIELD CENTER FOR THE ARTS  
DOORS OPEN AT 6:30

Scan for more info  
& to reserve your seats...



## SUNDAY FFA DRIVE THROUGH | 10:30 AM - 1 PM

Chatfield High School | \$10/meal. Scalloped potatoes and ham, green beans, dinner roll, cookie, water

## CRIBBAGE TOURNAMENT | 1 PM

Joy Ridge Event Center | BYOBoard - \$5/person. Registration is encouraged. Sign up at www.chatfieldmn.org/chillfest or call/text Melissa at 507-421-5592. Limited spots available.

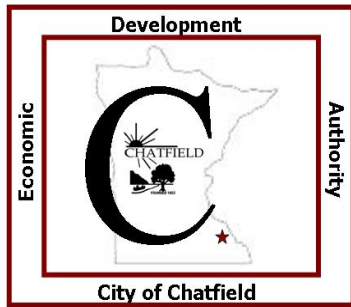
SUNDAY

Activities may change due to weather or other unforeseen circumstances.  
Check the website for updates.



Meridian Lodge #25





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](http://www.ci.chatfield.mn.us)

---

February 26, 2023

To: Economic Development Authority

From: Chris Giesen

RE: Workforce Housing Development Program Application

The State of Minnesota has made available a competitive program that will award up to \$39 million to workforce rental housing projects across Greater Minnesota. The program can provide up to \$2 for every \$1 of match provided by a city, up to 50% of the project cost, with some additional stipulations.

If awarded, the program provides a deferred forgivable loan to assist with development costs for market rate workforce rental units.

It seems that the Grand Street Apartment project would be an excellent fit to utilize this program. I am working with the project developer to see if this project will be a fit for them. The city has already committed up to \$410,000 in TIF for this project, which we could use as our match. In an overview of the program it would seem we could submit a competitive application.

**ACTION REQUESTED: Recommend that city council approve the attached resolution authorizing the submission of a Workforce Housing Development Program application, pending approval from the project developer.**

**CERTIFIED COPY OF RESOLUTIONS ADOPTED BY THE**

**MEMBERS OF the Common Council of the City of Chatfield**

---

**I HEREBY CERTIFY**, that I am the duly elected Secretary and keeper of the records of the City of Chatfield {Insert Legal Name of Recipient}, a municipal corporation under the laws of Minnesota {Insert Designation} ("Recipient"), that the following is a true and correct copy of Resolutions duly and unanimously adopted by all of the members of the [*city council*] of Recipient on \_\_\_\_\_, 20\_\_\_\_\_, all of the members being present and constituting a quorum for the transaction of business; further, that such meeting was called in compliance with all applicable laws and any other requirements of Recipient; that such Resolutions do not conflict with any laws of Recipient nor have such Resolutions been in any way altered, amended or repealed and are in full force and effect, unrevoked and unrescinded as of this day, and have been entered upon the regular Minute Book of Recipient, as of the aforementioned date, and that the members of the [*city council*] of Recipient have, and at the time of adoption of such Resolutions, had full power and lawful authority to adopt such Resolutions and to confer the powers thereby granted to the officer(s) therein named who has (have) full power and lawful authority to exercise the same:

**WHEREAS**, Recipient has submitted an application (the "Application") for a project (the "Project") pursuant to the Workforce Housing Development Program ("Program") in order to obtain funding from the Minnesota Housing Finance Agency ("Minnesota Housing").

**WHEREAS**, on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, there has been presented to the meeting of the [*city council*] of Recipient a proposal for Recipient, upon selection by Minnesota Housing, to enter in to a Deferred Loan Agreement pursuant to the Program in order to obtain funding from Minnesota Housing .

**NOW, THEREFORE, BE IT RESOLVED**, that Recipient is authorized to enter into a Deferred Loan Agreement, substantially in the form as attached to these Resolutions as **Exhibit A**, pursuant to the Program in order to obtain funding from Minnesota Housing in an amount not to exceed \$\_\_\_\_\_ (the "Loan").

**BE IT FURTHER RESOLVED**, that Recipient is an Eligible Project Area, as defined in Minnesota Statute Section 462A.39, subdivision 2, has the legal authority to apply for financial assistance, and has the institutional, managerial and financial capability to ensure adequate construction, operation, maintenance and replacement of the Project for its design life.

**BE IT FURTHER RESOLVED**, that Recipient certifies that it will use the Loan for qualified expenditures for the Project to serve employees of business located in the \_\_\_\_\_ (Eligible Project Area) or surrounding area.

**BE IT FURTHER RESOLVED**, that the Loan will be matched by \_\_\_\_\_ (local unit of government, business, nonprofit organization, or federally recognized Indian Tribe in Minnesota) with at least \$1 for every \$2 provided.

**BE IT FURTHER RESOLVED**, that Recipient certifies that the average vacancy rate for rental housing located in \_\_\_\_\_ (Eligible Project Area), and in any other city located within 15 miles or less of the boundaries of the area, has been five percent or less for at least the prior two-year period.

**BE IT FURTHER RESOLVED**, that the Loan will not exceed 50 percent of the Project costs.

**BE IT FURTHER RESOLVED**, that \_\_\_\_\_ (Title of First Authorized Official) and \_\_\_\_\_ (Title of Second Authorized Official), or their successors in office, are hereby authorized to execute the Deferred Loan Agreement and such other agreements, and amendments thereto, as are necessary to implement the Project on behalf of Recipient.

**BE IT FURTHER RESOLVED**, that Minnesota Housing is authorized to rely on the continuing force and effect of these Resolutions until receipt by the Commissioner of Minnesota Housing at its principle office of notice in writing from Recipient of any amendment or alteration of such Resolutions.

**ATTEST:**

---

Secretary

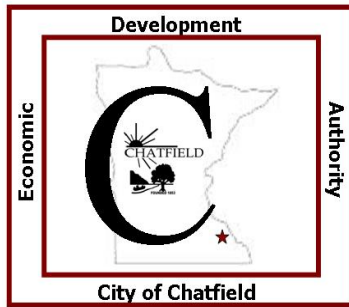
---

Dated: \_\_\_\_\_, 20

---

(Seal)





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](http://www.ci.chatfield.mn.us)

---

February 26, 2024

To: Economic Development Authority

From: Chris Giesen

RE: Lonestone "Outlot C" – Possible House Development

### **Background**

At the last meeting, the board discussed the possibility of selling Outlot C within the Lonestone subdivision. The lot has an area of about 51' x 121' that is buildable and is zoned R1. The purpose of the sale is to construct a new, affordable, owner occupied home on otherwise underutilized city-owned property.

The board asked to continue the discussion and possibly put a recommendation for action forward at the next meeting.

Generally, the board agreed:

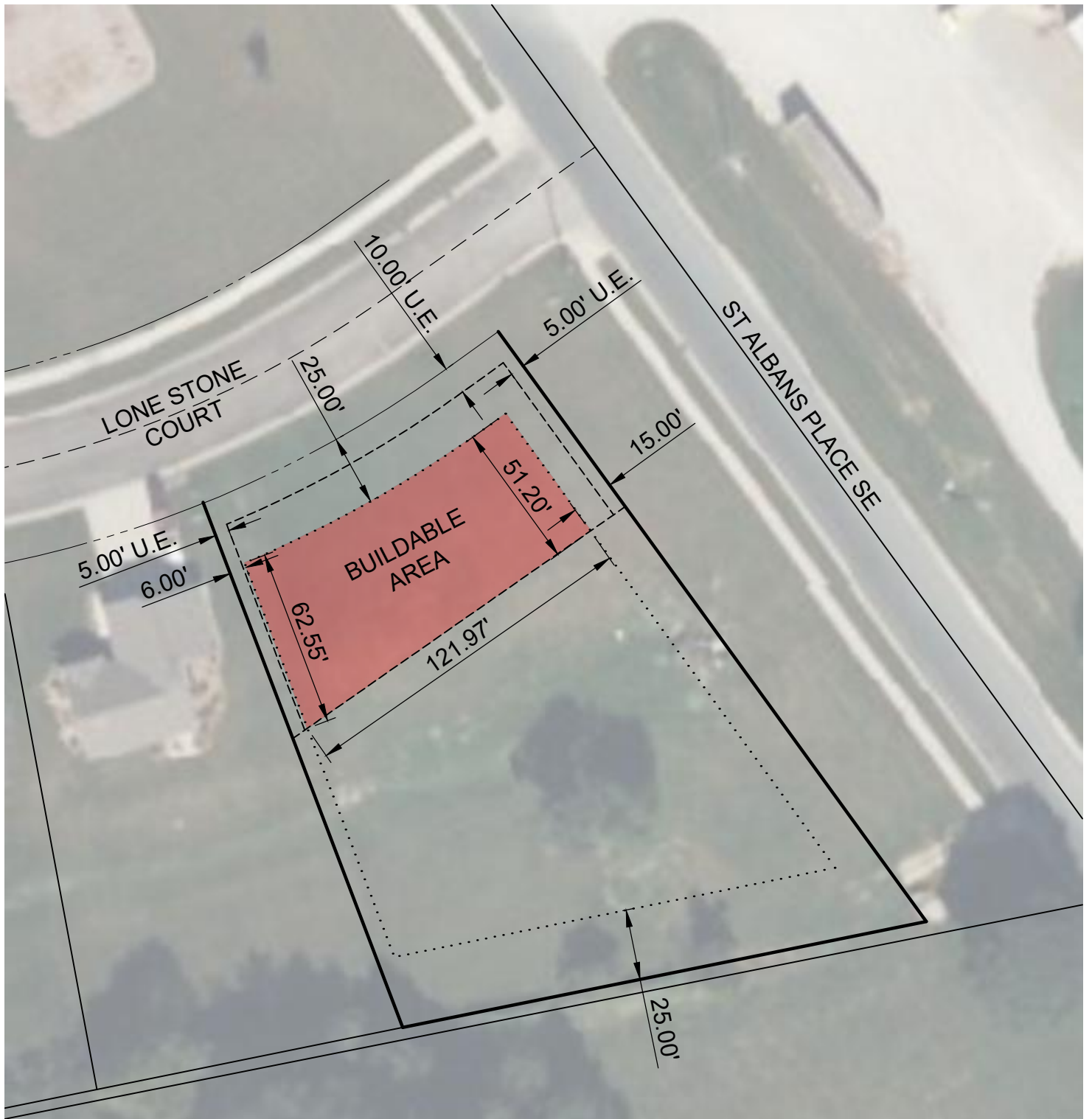
1. The city should market and sell the property itself.
2. Staff should work with buyers/builders to promote interest.
3. The board preferred a general sale vs. a "submit your proposal" type process.
4. The lot should be sold as-is (without utility connections, exact amount TBD) and priced accordingly for a quicker sale.
5. As a condition of sale, limit the construction to a home that is within an affordable price point and fits with the neighborhood/zoning requirements.
6. The home should be constructed/finished within a reasonable time frame (within 12 months?)
7. The type of home constructed was open for discussion. Affordability was most important.
8. Proceeds of the sale should be retained in a development fund for further community investment.

### **Next steps - Finalize thoughts on the property sale:**

1. Price?
2. Affordability requirements – maximum price point for home?
3. Timeline – how quickly is construction required?

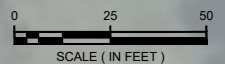
The terms and conditions of the sale/building requirements could be included in a development agreement recorded on the property to ensure compliance.

**ACTION REQUESTED: Finalize discussion and make a recommendation to city council for sale/development.**



**R-1 (SINGLE-FAMILY RESIDENTIAL) SETBACKS**

- FRONT YARD: 25 FT
- INTERIOR SIDE YARD: 6 FT
- SIDE STREET SIDE YARD: 15 FT
- REAR YARD: 25 FT



DATE	REV#	REVISIONS DESCRIPTION	BY

DATE: 01/08/2024	LONESTONE SUBDIVISION CITY OF CHATFIELD CHATFIELD, MN
SCALE: AS SHOWN	
DRAWN BY: RSH	
CHECKED BY: RSH	
JOB NUMBER: 2024-10012	<b>BUILDABLE AREA EXHIBIT</b>