

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

REGULAR MEETING NOTICE

CHATFIELD ECONOMIC DEVELOPMENT AUTHORITY
4:30 p.m., Monday March 25, 2024
Thurber Municipal Center
Chatfield, Minnesota

AGENDA

- I. Call to order
- II. Approval/acceptance/statutory
 - A. February 26, 2024 meeting minutes
 - B. Revolving loan fund report
 - C. Prospects/community update
 - i. Chatfield Alliance report
 - ii. Chatfield Center for the Arts
- III. Business
 - A. County Road 10 property annexation request
 - B. Lonestone Subdivision Outlot C project
- IV. Other business
- V. Adjourn

ECONOMIC DEVELOPMENT AUTHORITY

MEETING MINUTES MONDAY FEBRUARY 26, 2024

MEMBERS PRESENT: MICHAEL TUOHY, LUKE ISENSEE, MIKE URBAN, RANDY PAULSON, PAUL NOVOTNY, AND SUE KEEFE

MEMBERS ABSENT: MOLLY BAUM

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

With a quorum present, the annual and regular meeting was called to order at 4:31 p.m. by Tuohy at the Thurber Municipal Center.

A. The board considered nominations and election of board officers for 2024. Motion by Paulson, second by Urban to elect the same officers as the prior year. Motion carried unanimously. The officers are as follows: Michael Tuohy, President; Randy Paulson, Vice President; Sue Keefe, Secretary; Luke Isensee, Treasurer.

B. The chair considered annual appointments to standing committees. Tuohy appointed Novotny, Keefe, and Paulson to the loan committee. Tuohy appointed Baum and Isensee to the Chatfield Center for the Arts Advisory committee.

Isensee entered the meeting at 4:34 PM.

C. The board reviewed the 2023 annual report of activity. Motion by Paulson, second by Keefe to approve the annual report as presented. Motion carried unanimously.

D. Consensus of the board was to keep the regular monthly meetings as the 4th Monday of the month at 4:30 PM, in the council room at city hall.

E. The board reviewed the annual conflict of interest policy disclosures.

F. The board reviewed the minutes of the January 22, 2024 meeting. Motion by Keefe, second by Paulson to approve the minutes as presented. The motion carried unanimously.

Novotny entered the meeting at 4:40 PM.

G. The board reviewed the status of the loan fund. All loans were current.

H. Allison Bentley was present to give an update from the Chatfield Alliance. The board reviewed the report submitted in the agenda packet. It was noted that Chillfest, despite the warmer than normal weather had about 300 participants and was perhaps the largest yet. The board thanked Bentley for her report.

- I.** Isensee and Giesen reported that there were no new updates from the Chatfield Center for the Arts, but that an advisory committee meeting with the new executive director would be held at the next advisory committee meeting.
- J.** Giesen reported as an update that he and city administrator Michele Peterson presented information on a possible cooperative tax abatement program to a committee of Olmsted County board of commissioners. No decisions were made but the county received the information well and discussed looking at economic development more closely.
- K.** Giesen reported that a new workforce housing grant program was available. It is a competitive application but the proposed Grand Street Apartment project would be a good candidate. It would be a pass through grant where the state would grant dollars to the city to make a forgivable loan to a developer of market rate rental housing. Giesen is still working with the owners of the Grand Street Apartment project on whether or not they wish to apply, but assuming they are interested, Giesen requested that the board consider a recommendation to city council to approve a resolution to authorize the application. Motion by Keefe, second by Isensee to recommend that the city council approve a resolution authorizing submission of a workforce housing program application for the Grand Street Apartment project as requested. Motion carried unanimously.
- L.** The board discussed the undeveloped Outlot C in the Lonestone subdivision at length. Several possible options for sale and development were considered. Consensus of the board was that the city should sell the property for the development of an affordable home that was consistent with the neighborhood. The board requested that staff consolidate the conversation the board had into several options for consideration to proceed further. Possible options included whether or not the city should sell the property itself, with a real estate agent, or through an RFP process to consider various different proposals. In addition, several requirements were also discussed such as minimum size, lot cost, whether or not utilities should be installed prior, and other such similar elements. The board agreed that such an effort should produce an affordable home and would be a good project for the community. It was also agreed that funds generated by the project should be directed towards the development fund for future major projects.
- M.** There was no other business.
- N.** Motion by Paulson, second by Urban to adjourn the meeting. Motion carried unanimously. The meeting adjourned at 5:18 PM.

Respectfully submitted by: Chris Giesen

EDA President Signature: _____

Michael P. Tuohy

REVOLVING LOAN FUND
Account Balances - Active Loans

3/20/2024										
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	19,340.25	6,578.47	-	20,659.75	3/20/2024	3/20/2024	\$ 404.98	360
Broadwater Original	8/20/2019	55,500.00	20,790.40	8,494.38	-	37,409.60	3/20/2024	3/20/2024	\$ 561.91	360
Corner Cuts Salon	9/20/2017	25,353.50	14,643.66	4,608.09	-	10,709.84	3/20/2024	3/20/2024	\$ 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	6,770.43	2,949.09	-	33,229.57	3/20/2024	3/20/2024	\$ 404.98	360
MT Properties	10/1/2014	62,700.00	57,117.08	13,346.83	-	5,582.92	3/20/2024	4/1/2024	\$ 634.81	360
TOTAL ACTIVE LOANS		890,634.46	472,066.84	74,020.08	-	421,267.62			6,414.34	
GRAND TOTAL A P D + MODIFICATIONS		2,092,069.46	960,208.99	139,717.57	-	565,050.43				

TOTAL COMMERCIAL LOANS

Cash Flow		Balance Sheet	
Contributions Start Up & Grants	1,409,088.00	Cash	223,088.91
Fund Interest Allocation Income	34,000.00		Linked cell from Cash Flow Balance
Repayments	1,099,926.56	Loans Made	1,516,797.46
Total Revenue	2,543,014.56	Less Payments	949,289.99
		Less Write Offs	143,782.81
Loans Made	2,092,069.46	Total Loans Receivable	423,724.66
Expenses	227,856.19	Total Assets	646,813.57
Total Expenses	2,319,925.65	Payables	-
Balance	223,088.91	Total Liabilities	-
		Equity	646,813.57
Banyon Fund Acctg.			Total Assets - Total Liabilities
360	170,531.97		
361	44,501.36		
	215,033.33		

EDA Meeting Report
3.2024

- **Activities Report:**
 - New Business Open House
 - Dog Wash Station (Laundromat)
 - Cutting Edge Fitness Center
 - DRAFT- 2025/2026 Alliance Agreement

- **Attended Meetings:**
 - Meet with a perspective dentist
 - Root River Trail Towns Meeting

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

DRAFT

**AGREEMENT FOR SERVICES and
DESIGNATION OF A DESTINATION MARKETING ORGANIZATION**

This agreement, made this _____ day of _____, 2024, by and between the **Economic Development Authority of the City of Chatfield, Minnesota**, a body corporate and politic, and a political subdivision of the State of Minnesota (“EDA”) and **Chatfield Alliance, Inc.**, a corporation organized under Chapter 317 of the Statutes of the State of Minnesota (“Alliance, Inc.”), WITNESSETH that:

WHEREAS, EDA is charged with leading and supporting the overall development of the community; and,

WHEREAS, an integral element of the growth and development of a community is the marketing and promotion of the community, including the beautification of the community and engagement of volunteers; and,

WHEREAS, the EDA has determined that the public interest would best be served by designating a non-profit entity as the community’s Destination Marketing Organization (DMO) to serve as the communication and promotion hub of the community in an effort to work collaboratively to help make and market Chatfield as the best place in Southeast Minnesota to live, work, visit, and invest, and

WHEREAS, The Chatfield Alliance, Inc., has the necessary personnel, resources, and expertise to serve as a DMO;

Now therefore, in consideration of the mutual premises set forth, IT IS AGREED between the parties as follows:

- I. EDA hereby agrees to provide funding to The Chatfield Alliance, Inc., totaling \$55865 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, through a term ending December 31, 2026, subject to all of the other terms and conditions set forth herein.
- II. During the period of this Agreement:
 - A. Alliance will serve as Chatfield’s Destination Marketing Organization for the term ending December 31, 2026 and will function as described in the attached Exhibit A.
 - B. During the entire term of this Agreement, Alliance shall provide annually to the EDA and City Council, a program evaluation report and budget, including revenues and expenses.
 - C. A stipend of \$27,490 will be given in 2025 and a second stipend of \$28375 in 2026. Such stipends are to assist in meeting the basic costs of operations and are contingent upon a continued satisfactory evaluation by the EDA.
 - D. Alliance shall be responsible to manage and pay for any necessary personnel staffing (including workers compensation insurance).
 - E. Alliance shall use its best efforts to pursue grant applications for funding from outside sources to help pay for operations and services that it will provide.
 - F. This agreement constitutes the entire agreement between parties and supersedes any prior written or verbal agreement of the parties. No waiver consent, modification or change of terms of this lease shall bind either party unless in writing and signed by both parties and has been approved by the Board of Directors of the EDA. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements or representations, oral or written, not specified herein regarding this agreement.

Agreed to between the parties hereto the date previously set forth above.

Economic Development Authority
of the City of Chatfield, Minnesota.

Chatfield Alliance, Inc.

By _____

By _____

Its _____

Its _____

By _____

By _____

Its _____

Its _____

The Chatfield Alliance

Exhibit A

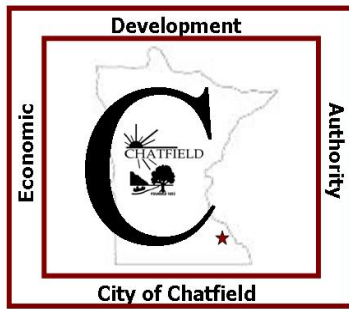
Dated: March 2024

Annual Deliverables

1. Leadership & Networking
 - a. Cultivate relationships with Chatfield's businesses/orgs/residents to stay informed of their situations and needs. (Hopefully partner with the Chatfield Commercial Club on this. There has been some new energy with a few business owners to revitalize the organization.)
 - b. Facilitate bi-monthly/quarterly networking "social"
 - c. Represent Chatfield with monthly Root River Trail Towns, SE MN Explore Minnesota Tourism, and other community/tourism groups as needed.
2. Communication & Marketing
 - a. Staff a community Welcome Center (5 days/week) = 15 hours.
 - b. Manage community website: www.chatfieldmn.org
 - c. Manage community social marketing platforms ie ChooseChatfield Facebook Page
 - d. Send monthly marketing and event e-newsletter to community stakeholders.
 - e. Distribute new resident welcome bags
 - f. Create and manage print and digital marketing campaigns for events.
 - g. Send press releases for community events and news items.
 - h. Design Community Enrichment Calendar in cooperation with Chatfield Community Education (3 issues/year)
 - i. Work with Chatfield's non-profit sector to help bring their message and work to a wider audience. 2022/2023 examples include the American Legion Auxiliary, Chatfield Historical Society and the Chatfield Growers Market.
3. Event Coordination/Marketing Assistance
 - a. Community Engagement Events
 - i. ChillFest
 - ii. Taste of the Trail/Welcoming Week
 - iii. Music in the Park and More
 - iv. Christmas in the Valley
 - b. New business ribbon cuttings
 - c. Assist with Downtown decorating efforts
4. Data & Reporting
 - a. Give monthly progress reports to supporting organizations ie city, EDA, etc.
 - b. Track Visitor Demographics and Feedback
 - c. Track Marketing Metrics

Project-based Deliverables in 2025-2026

1. Seek and author grants to support operations and projects.
2. Continue work on installing way-finding signage for local resources (canoe launch, ATV trail, hiking trails, etc).
3. Launch community bike share program in partnership with Fillmore County Public Health.
4. Reestablish community snowshoe loan program.
5. Finalize billboard advertising design and installation.
6. Engage high school students in the work of the Alliance. (Conversation already started with the Business instructor at CHS).
7. Sponsor educational sessions on topics relevant to the business/non-profit community ie social media, quickbooks, non- profit best practices, etc.
8. Revisit possible participation in SMIF's REV program, if offered through SMIF.



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March 25, 2024

MEMO

To: EDA

From: Chris Giesen, EDA Coordinator

RE: County Road 10 City Property – Recommendation for Annexation

Background:

In discussions with the public works committee, City Administrator Michele Peterson reported that there is an interest in proactively annexing the city-owned “County Road 10” site. This was briefly discussed in 2020 but there was not a desire to move forward at that time.

With the new interest to consider annexation, this would be a proactive way for the city to encourage development of the County 10 site with minimal effort/investment. Most developers won’t consider sites that aren’t already annexed or at least it is one more process to go through when trying to negotiate and close a deal. To have this property already within city limits, properly zoned, etc... will help streamline future projects on the site.

Annexation is also a timely discussion because adjacent property is beginning to develop. According to the city’s comprehensive plan, the county road 10 park is called to be zoned industrial. With rural residential developing on adjacent sites, it may be easier to get annexation and zoning out of the way now as opposed to having issues come forward when we have a prospective deal on the line. Alternatively, residential development of some type has also been discussed for this property. Proactively annexing this site sends a clear public message that Chatfield intends continued growth.

Recommended Action:

The EDA doesn’t have any formal part in the annexation process, but we have made recommendations to various entities in the past when we see an opportunity to promote development or better the community. This is a similar situation.

Staff recommends that the EDA request that the Planning and Zoning Commission and City Council move forward with annexation of the city owned county road 10 property.

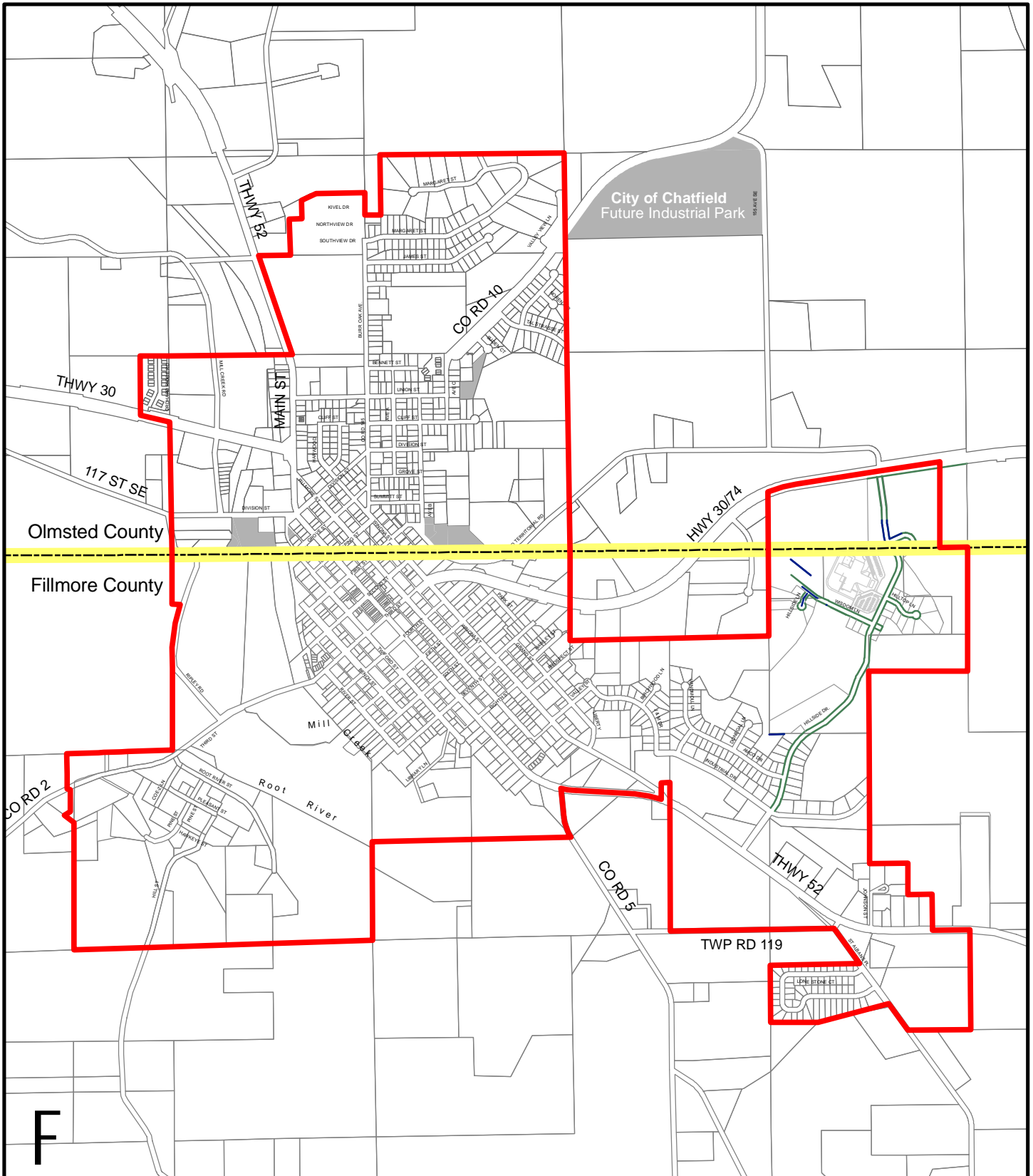


City of Chatfield

www.ci.chatfield.mn.us
21 Second St. S.E. Chatfield, MN 55923
Phone: 507-867-3810

Municipal Boundary

Chatfield, MN

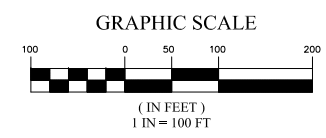
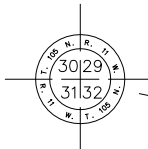


Legend

 Chatfield City Limits

 County Limits

Created by:
City of Chatfield
Planning & Zoning
Department
March 28, 2013



- LEGEND**
- O.E. — OVERHEAD ELECTRIC
 - x — BARB WIRE FENCE
 - wavy line — TREE LINE
 - solid line — PROPERTY LINE
 - - - MAJOR CONTOUR
 - · - · - MINOR CONTOUR
 - UTILITY POLE
 - GUY WIRE
 - TELEPHONE BOX

48" CMP CULVERT
NE. INV ELEV = 1134.31
SW. INV ELEV = 1131.17

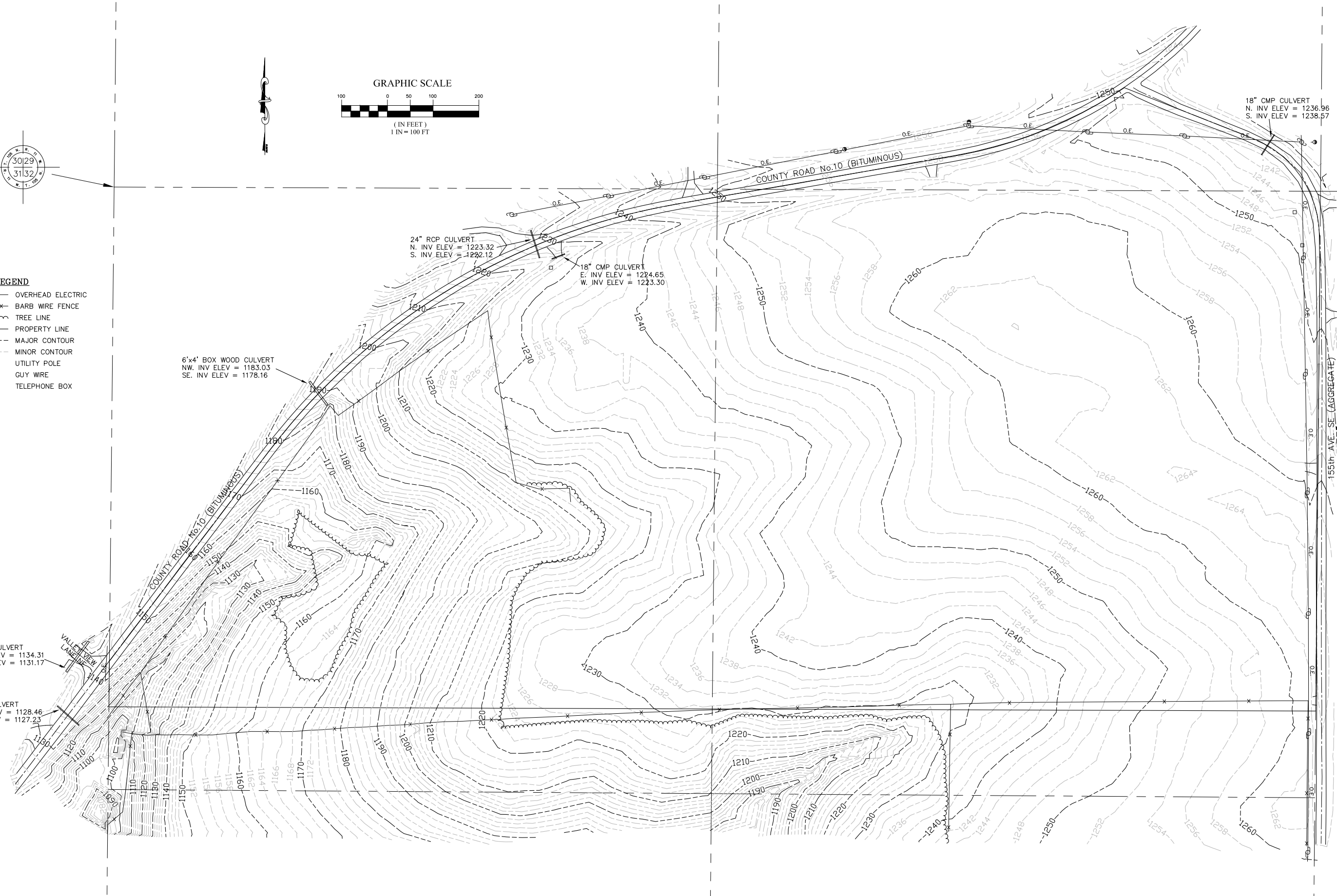
24" RCP CULVERT
NW. INV ELEV = 1128.46
SE. INV ELEV = 1127.23

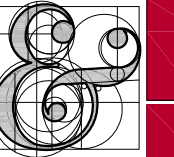
6'x4' BOX WOOD CULVERT
NW. INV ELEV = 1183.03
SE. INV ELEV = 1178.16

24" RCP CULVERT
N. INV ELEV = 1223.32
S. INV ELEV = 1222.12

18" CMP CULVERT
E. INV ELEV = 1224.65
W. INV ELEV = 1223.30

18" CMP CULVERT
N. INV ELEV = 1236.96
S. INV ELEV = 1238.57





Land Surveying
Urban-Land Planning
Consulting - Civil Engineering
Geotechnical Engineering
Construction Material Testing
Landscape Architecture

1848 Third Ave. S.E.
Rochester, MN 55904
Tel. 507.289.3919
Fax. 507.289.7333
email: mbi@mcghebets.com

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Registered Professional Engineer under the laws of the State of Minnesota.

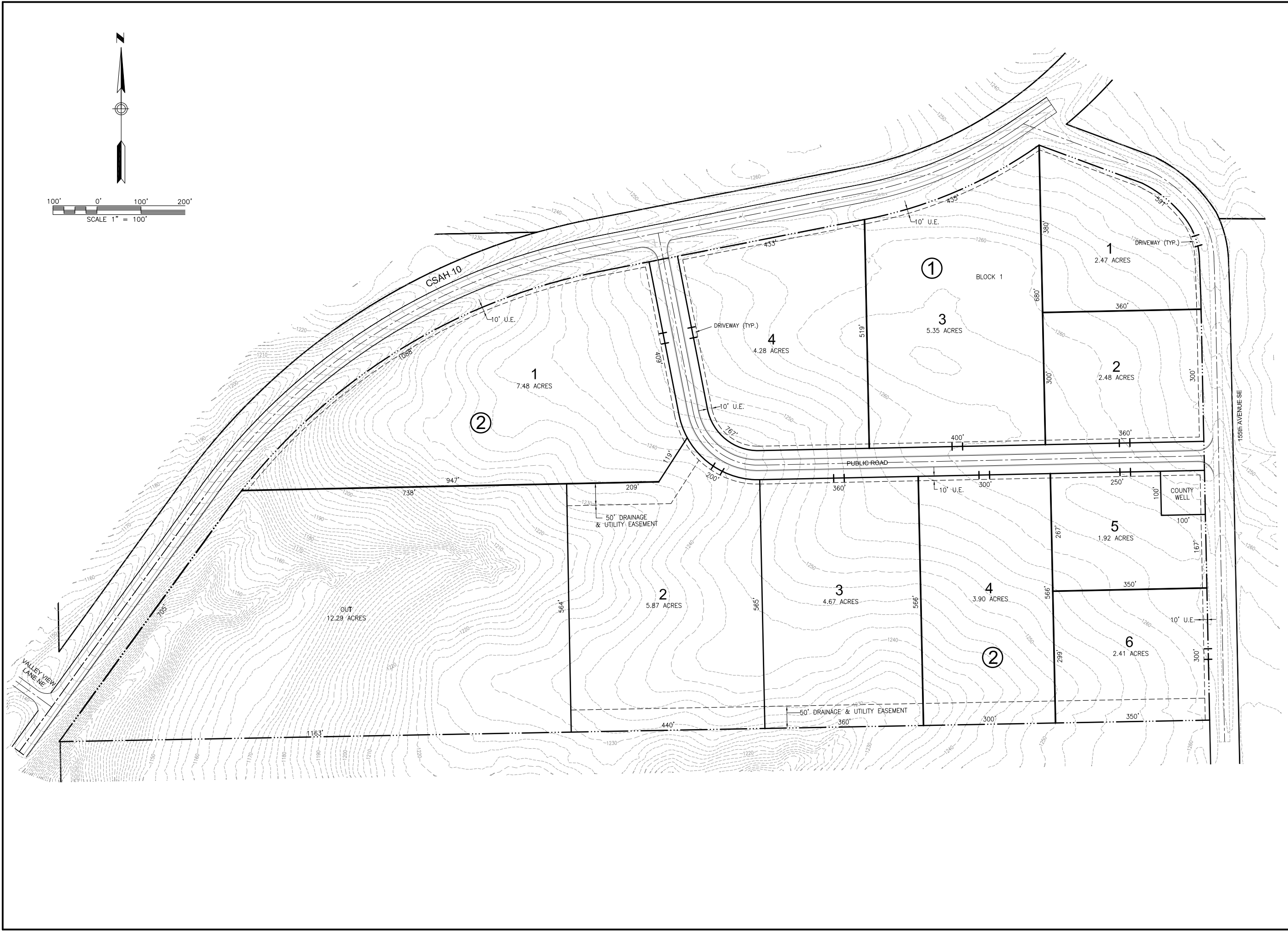
DAVID L. MORRILL

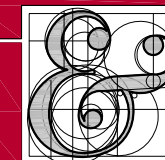
Date _____ Reg. No. _____

Date	Revisions	Initial

Designed By: DLM
Drawn By: PJM
Checked By: DLM
Scale: 1" = 100' Cadd No. 0102/13002
Date: 01/10/13 File No. 13002BASE

COUNTY ROAD 10 INDUSTRIAL PARK
CHATFIELD, MINNESOTA





Land Surveying
 Urban-Land Planning
 Consulting - Civil
 Engineering
 Geotechnical Engineering
 Construction Material
 Testing
 Landscape Architecture

1848 Third Ave. S.E.
 Rochester, MN 55904
 Tel. 507.289.3919
 Fax. 507.289.7333
 email: mbi@mcghebets.com

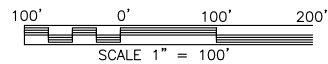
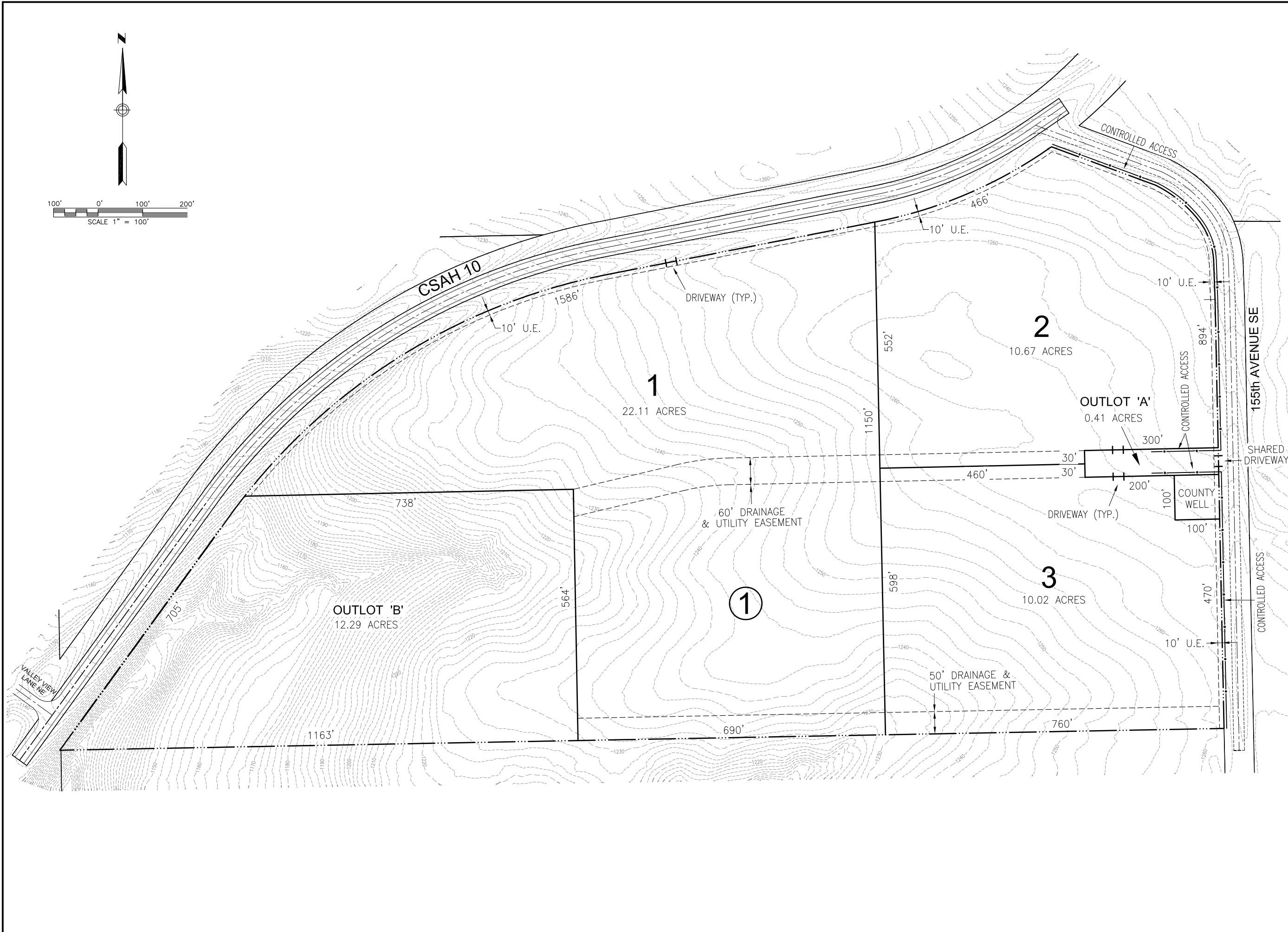
I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Registered Professional Engineer under the laws of the State of Minnesota.

DAVID L. MORRILL
 Date _____ Reg. No. _____

Date	Revisions	Initial

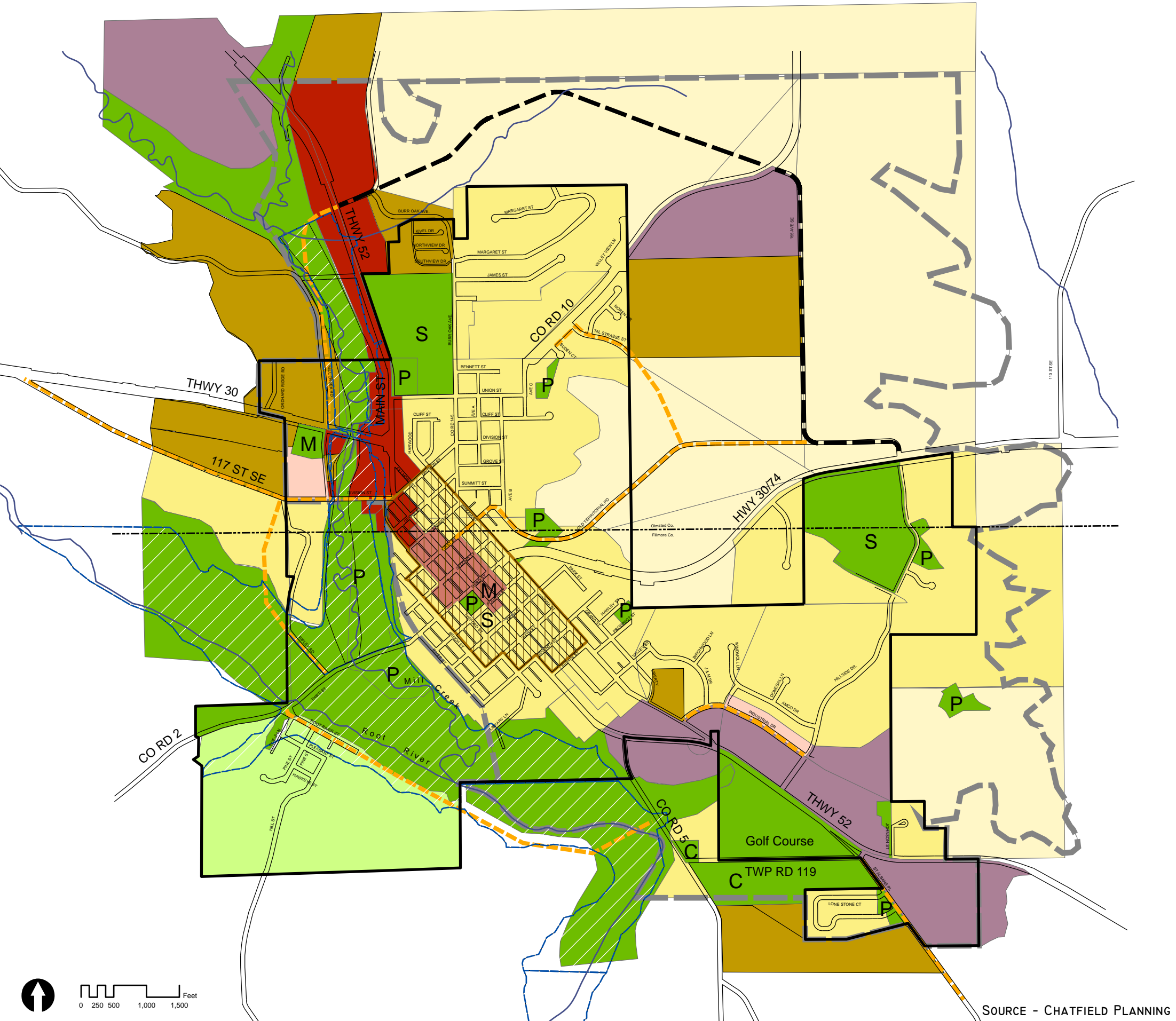
Designed By: DLM
 Drawn By: PJM
 Checked By: DLM
 Scale: 1" = 200' Cadd No. 0102/13002
 Date: 01/16/13 File No. 13002 OPT2

OPTION #2
COUNTY ROAD 10 INDUSTRIAL PARK
 CHATFIELD, MINNESOTA



LAND USE MAP

FIG. #26



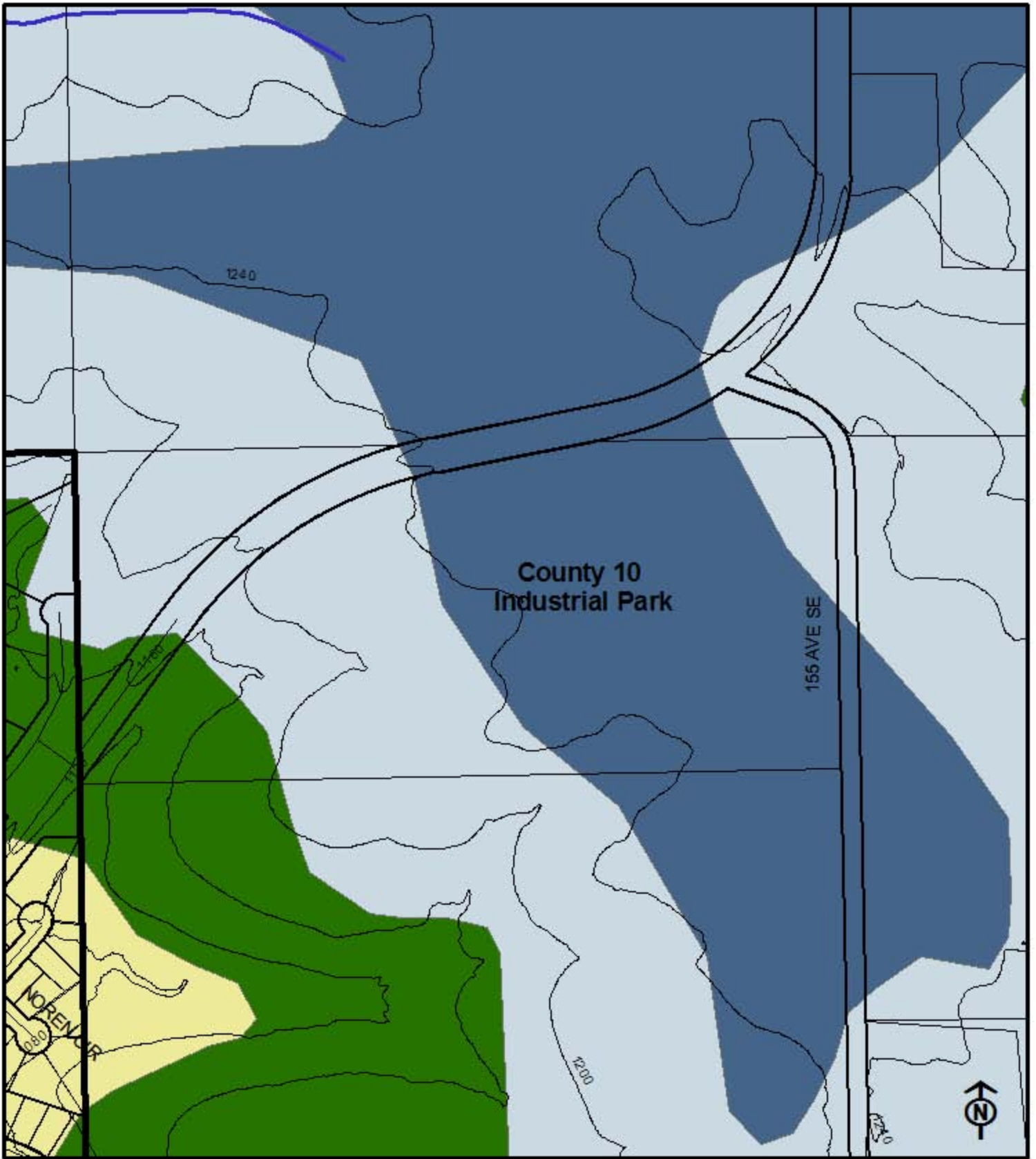
Legend

- Long Range Residential
- Low Density Residential
- Medium Density Residential
- Limited Low Density Residential
- Housing Overlay Study Area
- Open Space
- Floodplain
- Light Commercial
- Historic Downtown Commercial
- Highway Commercial
- Industrial
- Proposed Arterial Roads
- Proposed Collector Roads
- City Limit
- Urban Service Limit
- S Schools
- P Public Parks
- M Museum
- C Cemetery

Amended on 3/9/09 by Resolution

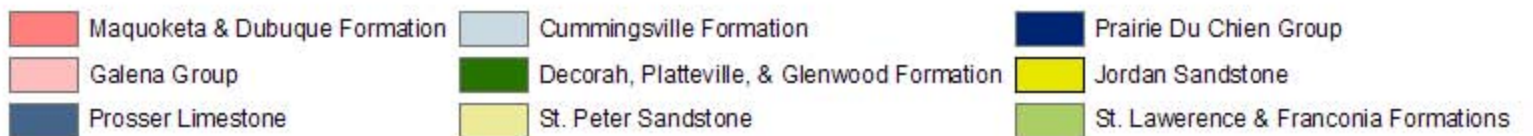


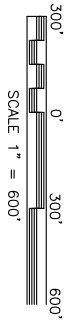
SOURCE - CHATFIELD PLANNING



5/16/11

Olmsted County Bedrock Geology





— SANITARY SEWER
 — WATERMAIN

MISCELLANEOUS INDUSTRIAL PARK DEVELOPMENT COSTS \$460,000

INDUSTRIAL PARK ROAD CONSTRUCTION \$770,000

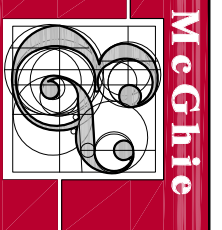
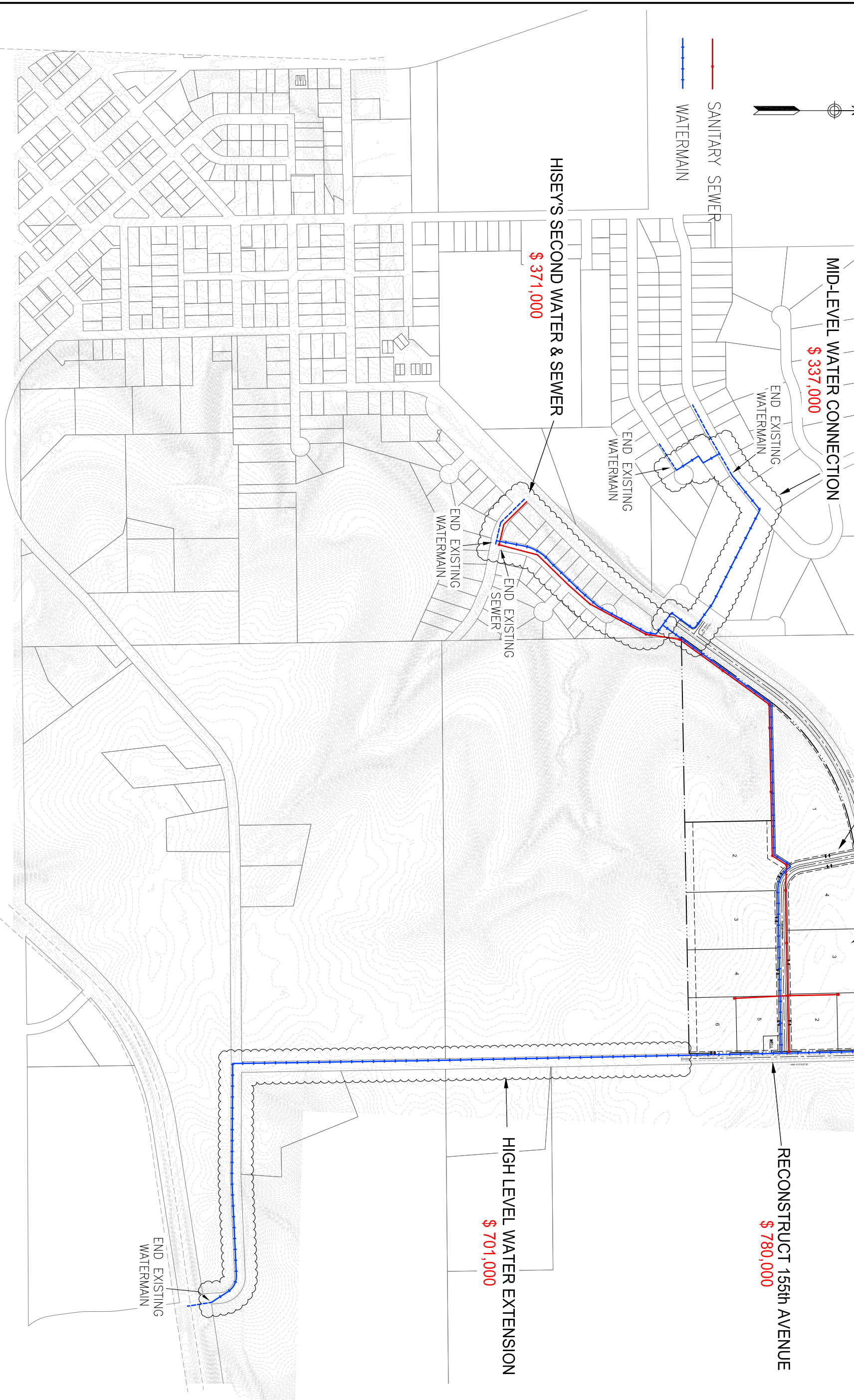
INDUSTRIAL PARK WATER & SEWER \$1,073,000

RECONSTRUCT 155th AVENUE \$780,000

HISEY'S SECOND WATER & SEWER \$371,000

MID-LEVEL WATER CONNECTION \$337,000

HIGH LEVEL WATER EXTENSION \$701,000



McGhie

Land Surveying
 Urban-Land Planning
 Consulting - Civil
 Engineering
 Geotechnical Engineering
 Construction Material
 Testing
 Landscape Architecture

1848 Third Ave., S.E.
 Rochester, MN 55904
 Tel: 507.289.3919
 Fax: 507.289.7333
 email: mh@mcghie.com

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a Registered Professional Engineer under the laws of the State of Minnesota.

DAVID L. MERRILL

Date	Rev. No.	By	For

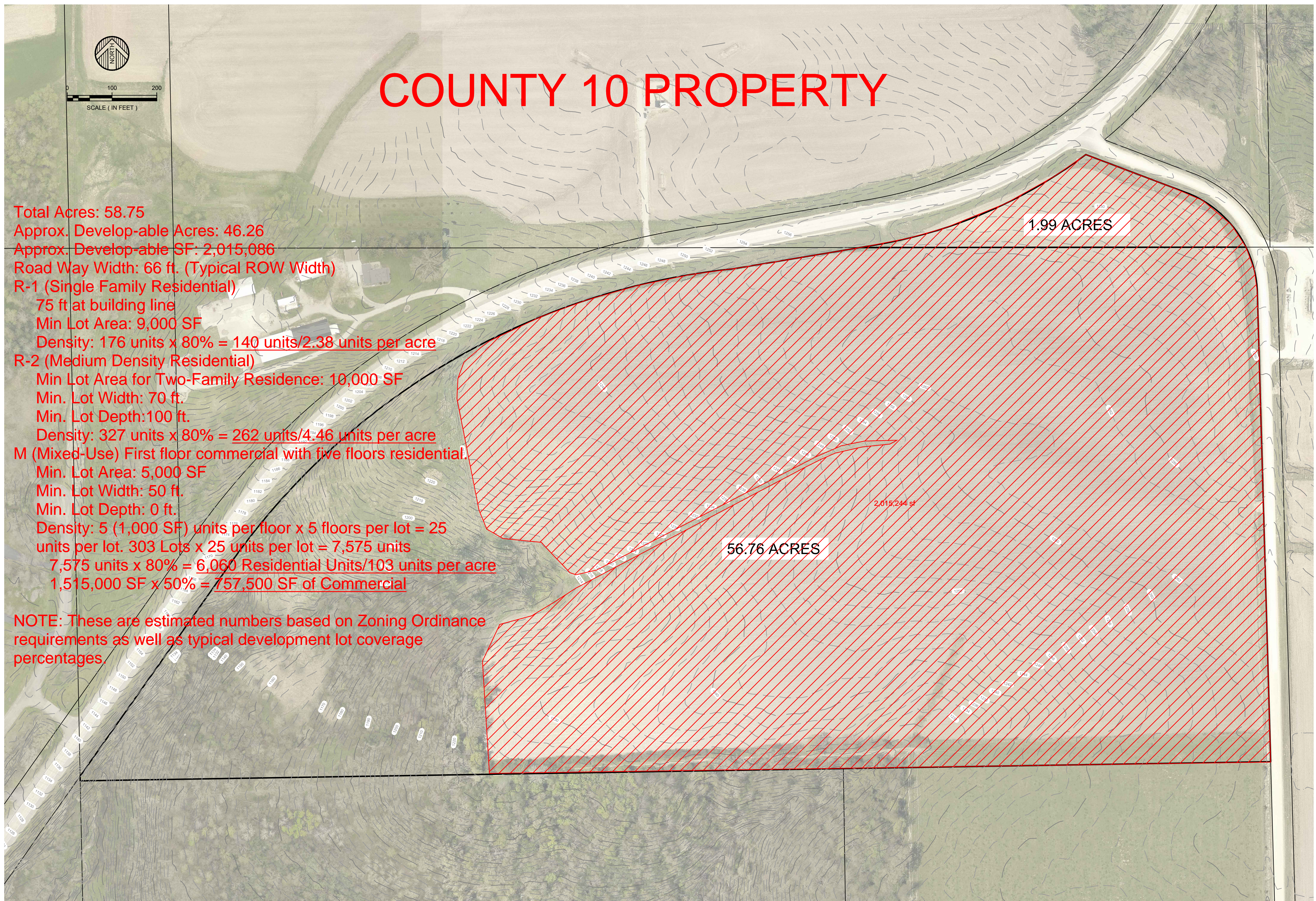
Designed By: DLM
 Drawn By: PJM
 Checked By: DLM
 Scale: 1" = 600' Cadd No. 0102/13002
 Date: 01/10/13 File No. 13002 0P11

OPTION #1
COUNTY ROAD 10 INDUSTRIAL PARK
 CHATFIELD, MINNESOTA

COUNTY 10 PROPERTY

Total Acres: 58.75
 Approx. Develop-able Acres: 46.26
 Approx. Develop-able SF: 2,015,086
 Road Way Width: 66 ft. (Typical ROW Width)
 R-1 (Single Family Residential)
 75 ft at building line
 Min Lot Area: 9,000 SF
 Density: 176 units x 80% = 140 units/2.38 units per acre
 R-2 (Medium Density Residential)
 Min Lot Area for Two-Family Residence: 10,000 SF
 Min. Lot Width: 70 ft.
 Min. Lot Depth: 100 ft.
 Density: 327 units x 80% = 262 units/4.46 units per acre
 M (Mixed-Use) First floor commercial with five floors residential.
 Min. Lot Area: 5,000 SF
 Min. Lot Width: 50 ft.
 Min. Lot Depth: 0 ft.
 Density: 5 (1,000 SF) units per floor x 5 floors per lot = 25 units per lot. 303 Lots x 25 units per lot = 7,575 units
 7,575 units x 80% = 6,060 Residential Units/103 units per acre
 1,515,000 SF x 50% = 757,500 SF of Commercial

NOTE: These are estimated numbers based on Zoning Ordinance requirements as well as typical development lot coverage percentages.



WIDSETH
ARCHITECTS • ENGINEERS • SCIENTISTS • SURVEYORS

DATE: AUGUST 2021	REVISIONS DESCRIPTION	BY:
SCALE: AS SHOWN		
DRAWN BY:		
CHECKED BY:		
JOB NUMBER: 2020-11340		
L.C. NO. _____		
DATE: _____		

COUNTY 10 PROPERTY
CITY OF CHATFIELD
CHATFIELD, MINNESOTA
EXISTING CONDITIONS

SHEET NO. **1**

2200 Second St. SW, Suite 300
Rochester MN 55902-4125
Phone: 507.282.0203
Fax: 507.282.4938
E-mail: info@RochesterArea.org



February 22, 2006

Joel Young
City Clerk
21 Second Street SE
Chatfield, MN 55923

Dear Mr. Young:

I am pleased to inform you that at its recent meeting the Board of Trustees of the Rochester Area Foundation adopted a resolution providing for transfer of property to the City of Chatfield for development of light industrial park.

This grant of property is being made from the Rochester Area Foundation's Robert & Helen Schoenfelder Donor Advised Fund.

Grant Payment:

Enclosed is a Quit Claim Deed transferring the property to City of Chatfield.

Use of Grant:

1. To use the property only for the designated purpose and not to use the property for any purpose prohibited by Law.
2. The use of this land for any purpose other than a light industrial park must be approved by the Rochester Area Foundation in advance.

Public Announcements:

Organizations are encouraged to make public announcements, especially when such notices may stimulate additional support or educate the community about important new projects.

All public announcements, news features, publications or information concerning the project supported by the Rochester Area Foundation funding should indicate its participation in the project. Copies of such announcements should be sent to the Foundation for its records.

Trustees: David Stenhaus, *Chair* * Mike McNeil, *Chair Elect* * Craig Wendland, *Vice-Chair* * Carol Kamper, *Secretary* * Charles Elliott, *Treasurer* * Nancy Brubaker * Nancy Domaille * Joe Duffy * Paul Harkess * Leigh Johnson * Jean Locke * Jon Losness * Joe Powers * Al Schafer * John Wade
Staff: Steve Thornton, *Executive Director* * Sean Allen, *Assistant Director* * Jane Campion, *Grant Administrator* * Al DeBoer, *Development Director* * Kevin Ewing, *First Steps Director* * Sheila Fishbauger * *Administrative Assistant* * Shirley Lee, *Program Officer* * Cheryl Richardson, *Program Officer*

Grant Agreement Letter
Page 2.

Limit of Commitment:

Unless otherwise stipulated in writing, this grant is made with the understanding that the Rochester Area Foundation has no obligation to provide other or additional support to the organization.

Acknowledge of Acceptance:

This grant is subject to the organization's performance of the conditions as outlined above. If you wish to accept the grant, please sign and return the acceptance on the enclosed copy before March 3, 2006.

Sincerely,



Steve Thornton
Executive Director

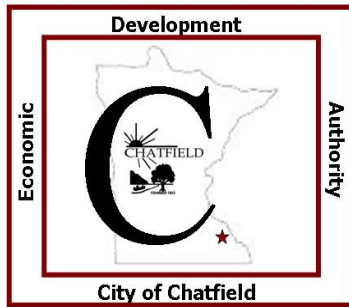
The foregoing grant and its conditions are accepted.

City of Chatfield

By  _____

Title Mayor _____

Date 2-27-2006 _____



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

March 25, 2024

To: Economic Development Authority

From: Chris Giesen

RE: Lonestone Subdivision "Outlot C" Project

Background

At the last meeting, the board requested that we consolidate the discussion of how to sell and develop Outlot C in the Lonestone subdivision into a few options to consider for action. The intent of the project is to develop underutilized city property, create a new "affordable" home, and use any net proceeds to invest in future development projects.

Options for Consideration

Common requirements for all options:

- A. Home built must be "affordable." Final sale price of constructed home (building + lot) must be \$350,000 or less.
- B. Certificate of occupancy must be issued within 12 months of purchase or the city may retake ownership/possession of the property.
- C. Minimum size of home is 1,000 square feet. Must have a fixed foundation.
- D. City is willing to hold ownership of the lot until sale of constructed home, if desired by buyer.
- E. Public/private utility services installed by buyer.
- F. Home constructed must meet the zoning standards of the property (R1).
- G. All other city ordinances/building permit requirements apply.

OPTION 1 – City sells lot itself

1. City posts/markets lot sale and opportunity itself.
2. Sell the lot for \$30,000 as-is (without utility service stubs installed).

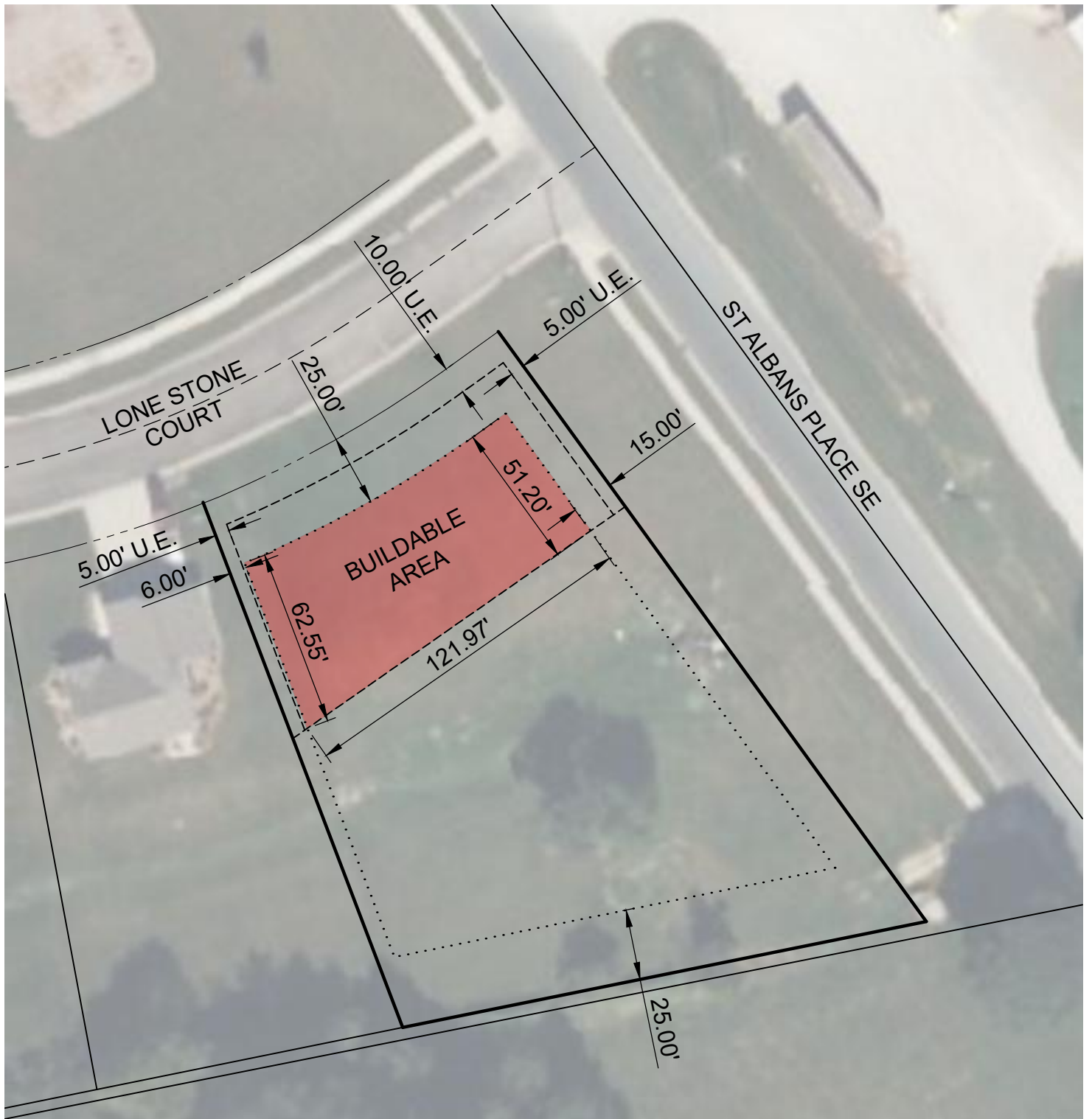
OPTION 2 – City sells lot through a real estate agent

1. Same as Option 1 except city hires an agent to list the lot professionally with access to MLS, assistance with showing the property, and help with finalizing the transaction. Agent to help determine lot sale price. Commission to be paid on sale.

OPTION 3 – City accepts proposals

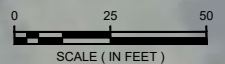
1. City issues a request for proposals (RFP) accepting offers from interested buyer/builders.
2. Interested parties propose:
 - a. Lot price they are willing to pay.
 - b. Type/size/layout/price point of home to be constructed.
 - c. Maximum sale price of home constructed.
3. City can review proposals side by side to determine which benefits the city/accomplishes the project goals, best.

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



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DATE	REV#	REVISIONS DESCRIPTION	BY

DATE: 01/05/2024	LONESTONE SUBDIVISION CITY OF CHATFIELD CHATFIELD, MN
SCALE: AS SHOWN	
DRAWN BY: RSH	
CHECKED BY: RSH	
JOB NUMBER: 2024-10012	BUILDABLE AREA EXHIBIT