



Chatfield Economic Development Authority

2016 Annual Report

(For 12 months ending December 31, 2016)

The Chatfield EDA regularly meets the fourth Monday of each month at 4:00 PM at the Chatfield Center for the Arts. Before the May 23, 2016 meeting, the regular meeting was held at 5:30 PM on the fourth Thursday.

During 2016, there were 11 regular meetings and 5 special meetings. This compares to 7 regular and 6 special meetings in 2015, and 10 regular and 2 special meetings in 2014.

The difference is mainly due to approvals required for the Chatfield Center for the Arts Phase I renovation project which did not align with the normal meeting schedule. Because of the number of special meetings, the board approved measures to streamline the CCA approval process. No regular meeting is held in November because of the annual EDA Gala held on the Tuesday before Thanksgiving.

No meetings were cancelled due to a lack of quorum in 2016 or 2015 compared with two such occurrences in 2014.

Meeting attendance record:

Member	Meeting Dates																Absences		
	1/14	1/28	2/11	2/25	3/10	3/24	4/14	4/28	5/23	6/27	7/7	7/25	8/29	9/26	10/24	12/19	2016	2015	2014
M. Tuohy	x	x				x		x	x		x	x	x	x		x	5	5	4
M. Urban	x	x	x	x	x		x	x	x	x	x	x	x	x	x	x	1	-	-
S. Keefe	x		x	x	x	x	x	x	x	x	x	x	x		x	x	2	2	7
M. Baum	x				x	x	x	x	x	x	x	x		x	x		5	3	1
R. Paulson	x	x	x	x	x	x	x	x	x	x	x	x		x	x	x	1	3	5
P. Novtony			x	x	x	x	x			x	x	x				x	7	2	3
E. Allen	n/a	x	x			x							x		x		10	n/a	n/a

Project Highlights:

Cobblestone Hotel Project

- Finalized and executed preliminary development agreement with developer.
- Finalized and executed an option to purchase Twiford property with developer; term of 1 year.
- Constructed financial assistance package totaling \$840,000 to eliminate redevelopment costs related to the site and public infrastructure improvements, which covered all city fees and costs.
- Coordinated one public, potential investor meeting and several individual meetings, but no investment group materialized.

Chatfield Center for the Arts

- Developed and approved an operating lease with Chatfield Center for the Arts, Inc. nonprofit. The lease covers most aspects of day to day operations and programming which provided the foundation for professional staff to be hired to manage the facility.
- Realized the 3rd straight year of stabilized financials of the facility.
- Coordinated with Center for the Arts Advisory Committee to carry out Phase I renovations.

- Administered Phase I grant contract with State; monthly/bi monthly draw requests and grant extension.
- Held several monthly special meetings to approve construction invoices on a timely basis to ensure contractor payment for the first half of the year.
- Coordinated with lobbyist for Phase II renovation funding, making several trips to the Capitol to discuss the renovation project with legislators. Had legislation written for \$7.985 million in state bond funding which would complete Phase II (mainly renovations to 1916 building, link between buildings, and grounds improvements).

Public Transportation

- Worked with SEMCAC Rolling Hills Transit to develop a bussing service in Chatfield.
 - Conducted survey to poll resident interest – receiving 142 responses; overall supporting the service.
- Discussed ride sharing services and the potential opportunities such services present for Chatfield.

Community Marketing

- Developed preliminary marketing plan.
 - Implemented first goal: developed annual community brochure/visitor's guide for distribution in 2017.

Downtown Façade Improvement Grant Program

- Promoted and administered grant program to improve downtown buildings in partnership with the Chatfield Heritage Preservation Commission.
 - Awarded \$21,787.50 in grants to 4 businesses and one grant to itself (\$1,500 for handrails at the CCA) **leveraging matches to complete \$36,537** in improvements.

Revolving Loans Made:

- **\$45,000** to Ries Auto Stores
- **\$30,000** to Bick n Berry Boutique

Wit Boyz Potential Project

- Working with prospective developer to purchase and redevelop existing Wit Boyz location.
- Working with Wit Boyz to relocate and expand their business at site on Industrial Drive.

Industrial Drive

- EDA discussed the need for additional business/industrial space relative to the increase in inquiries received. Recommended that the City Council investigate improving Industrial Drive so that the EDA can market and sell lots.
 - Developed several strategies for pricing and intentionally marketing the lots, depending on council action/improvements that will be made.

Veterans Home

- Discussed idea with Chosen Valley Care Center and local legislators.

Hosted Annual EDA Gala – November 2016

- Approximately 55 attendees, including 2 state senators and 1 state representative.

Other Required Reporting

- Completed annual Business Subsidy report to Minnesota DEED.
- Completed bi-annual reports on the economic development sales tax grant funds to the City of Rochester.

General Business Assistance

- Met with 33 individual current and/or prospective businesses in regards to projects, issues, programs, business planning, financial packaging and other general assistance.

Revolving Loan Fund Summary:

(as of 2/14/2017)

<u>Active Loan Portfolio</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Number of Loans:	6	7	6
Total Principal Amount:	\$700,190	\$678,275	\$657,275
Total Principal Due:	\$569,462	\$572,871	\$606,882
Average Loan Amount:	\$100,027	\$96,896	\$109,546
Cash on Hand Available to Lend:	\$106,879	\$139,612	\$117,496
 <u>Loan Portfolio since Inception</u>			
Total Loans Made:	23	21	19
Total Principal Amount:	\$1,216,863	\$1,146,892	\$1,125,892
Total Repayments:	\$609,429	\$549,230	\$493,406
Total Write Off/Uncollectable:	\$61,556	\$61,556	\$61,556
Average Loan Amount:	\$55,541	\$57,347	\$59,257

Building Permit Summary:

Year	Permit Value (\$)		
	Commercial	Residential	New Homes
2016	\$ 1,426,600	\$ 3,260,400	14
2015	\$ 4,963,000	\$ 2,626,500	8
2014	\$ 840,099	\$ 1,954,835	8
2013	\$ 1,187,773	\$ 1,670,500	6

Economic Development Authority's Financial Impact on Chatfield:

(Excluding loan repayments & fund interest earnings)

	2016	2015	2014
Total Grants Received:	\$0	\$0	\$6,083,753
Total Loans Made:	\$75,000	\$21,000	\$595,700
Total Short Term Funds Leveraged:	\$36,537	\$146,450	\$161,818
Total Long Term Funds Leveraged:	\$0	\$81,000	\$84,000
Total Dollars Leveraged for Chatfield:	\$111,537	\$248,450	\$6,925,271
Total City Levy:	\$1,422,396	\$1,316,122	\$1,225,793
Total EDA/CCA Budget:	\$150,850	\$150,160	\$144,650