



Chatfield Economic Development Authority

2017 Annual Report

(For 12 months ending January 31, 2018)

The Chatfield EDA regularly meets the fourth Monday of each month at 4:00 PM at the Chatfield Center for the Arts.

During 2017, there were 10 regular meetings and no special meetings. This compares to 11 regular and 5 special meetings in 2016, and 7 regular and 6 special meetings in 2015.

The difference in meeting count between years is due to approvals required for the Chatfield Center for the Arts Phase I renovation project which did not align with the normal meeting schedule. 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 2017, 2016, or 2015.

Meeting attendance record:

Member		Meeting Dates										Absences		
		2/27	3/27	4/24	5/22	6/26	7/24	8/28	9/25	12/18	1/22	2017	2016	2015
M. Tuohy		x	x	x		x	x	x		x	x	2	5	5
M. Urban		x	x	x	x	x	x	x	x	x	x	-	1	-
S. Keefe		x	x	x	x	x	x	x	x	x	x	-	2	2
M. Baum		x	x	x	x	x	x		x	x	x	1	5	3
R. Paulson		x	x	x	x	x	x	x	x	x		1	1	3
P. Novtony				x		x	x	x				6	7	2
E. Allen		x		x								8	10	n/a

Project Highlights:

Industrial Drive

- Encouraged city council to improve the roadway surface from gravel to bituminous, achieving a long standing city goal to complete the project.
- Awarded **\$177,103 grant** from the Greater Minnesota Public Infrastructure (BDPI) for roadway improvements in conjunction with an expansion at Tuohy Furniture.
- Received **\$300,000, 0% loan** from MiEnergy Cooperative, saving taxpayers approximately \$50,000 in interest savings.
- Created pricing structure and marketing strategy for the city-owned vacant lots so that they can be sold and developed.
- Successfully encouraged city council to rename Industrial Drive to “Enterprise Drive.”

Chatfield Center for the Arts

- Completed Phase I renovations.
- Successfully closed out Phase I renovation grant contract with the State of Minnesota.
- Approved the 2017 programming plan for Chatfield Center for the Arts, Inc.
- Applied to the Minnesota Department of Management and Budget for \$7.985 million of 2018 bonding funds to complete Phase II renovations. Funds could be potentially appropriated by the Legislature in spring 2018.
- Coordinated with lobbyist for Phase II renovation funding, making several trips to the Capitol to discuss the renovation project with legislators.

- Potter Auditorium received a “Best of the Best” award from readers of the Fillmore County Journal.

Public Transportation

- Assisted SEMCAC Rolling Hills Transit to develop and implement a bussing service in Chatfield.

Community Marketing

- Created the 2017 community “visitor’s guide” brochure which includes a map of points of interest, narrative about Chatfield fun facts and history, and community photos. Distributed the brochure to 100 tourism related locations in Minnesota, Iowa, and Wisconsin.
- Created 3D concept renderings of both the Twiford Street and Industrial Drive properties owned by the city that are being marketed for development. Updated community marketing pieces to include these new images.
- Hosted approximately 65 developers, builders, realtors, architects and the like in June on the CEDA 2017 “Regional Development Tour” which gave participants a tour of the city, potential development sites, discussed past projects, and other community highlights. The tour led to the city receiving a \$300,000, 0% loan from MiEnergy Cooperative and several developer inquiries.
- Redesigned and recreated the content of the EDA section of the city website.
- Refreshed general community marketing pieces.
- Chose design for 2018 community “visitor’s guide” brochure.

Downtown Façade Improvement Grant Program

- Completed and closed out the program. In total, the program assisted 7 downtown businesses with grants totaling \$28,338 for exterior improvements. Project investments totaled \$38,929.

Revolving Loan Fund:

- **\$25,353 loan** made to Sarah Iverson – Corner Cuts Salon
- Managed past due and defaulted loans.

Hosted a visit from the Minnesota commissioners of Transportation, Natural Resources, Employment and Economic Development, and Agriculture.

Hosted Annual EDA Gala – November 2016

- Approximately 65 attendees, including 2 state senators and 2 state representatives.

Regional Development Participation

- Renewed membership and participated in regional development initiatives including Rochester Area Economic Development, Inc. and Journey to Growth.
- Pledged to contribute to regional economic development indicator “dashboard” project, although the project did not move forward. No EDA funds were expended.

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 48 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 1/17/2018)*

Active Loan Portfolio	2017	2016	2015
Total Number of Loans:	7	6	7
Total Principal Amount:	\$717,054	\$700,190	\$678,275
Total Principal Due:	\$569,247	\$569,462	\$572,871
Average Loan Amount:	\$102,436	\$100,027	\$96,896
Cash on Hand Available to Lend:	\$112,454	\$106,879	\$139,612

Loan Portfolio since Inception

Total Loans Made:	23	22	20
Total Principal Amount:	\$1,242,217	\$1,216,863	\$1,146,892
Total Repayments:	\$549,012	not available	not available
Total Write Off/Uncollectable:	\$61,359	not available	not available
Average Loan Amount:	\$56,464	\$55,541	\$57,347

Building Permit Summary:

	Permit Value (\$)		
Year	Commercial	Residential	New Homes
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
2013	\$ 1,187,773	\$ 1,670,500	6

Population Adjusted Comparison

2016	pop. (2015 est)	multiple (x1)	# permits	adjusted	difference	res value	adjusted	difference	com value	adjusted	difference
Rochester	110,000	39.29	418	418	-	\$ 101,491,801	\$ 101,491,801	\$ -	\$ 34,573,239	\$ 34,573,239	\$ -
Chatfield	2,800	1.00	15	589	171	\$ 3,260,400	\$ 128,087,143	\$ 26,595,342	\$ 1,426,600	\$ 56,045,000	\$ 21,471,761
2017	pop. (2016)	multiple (x1)	# permits	adjusted	difference	res value	adjusted	difference	com value	adjusted	difference
Rochester	114,071	40.68	429	429	-	\$ 119,291,331	\$ 119,291,331	\$ -	\$ 114,540,532	\$ 114,540,532	\$ -
Chatfield	2,804	1.00	19	773	344	\$ 4,742,000	\$ 192,911,798	\$ 73,620,467	\$ 10,029,948	\$ 408,033,594	\$ 293,493,062

Economic Development Authority's Financial Impact on Chatfield:*(Excluding loan repayments & fund interest earnings)*

	2017	2016	2015
Total Grants Received:	\$177,103	\$0	\$0
Total Loans Made:	\$25,353	\$75,000	\$21,000
Total Short Term Funds Leveraged:	\$300,000	\$36,537	\$146,450
Total Long Term Funds Leveraged:	\$0	\$0	\$81,000
Total Dollars Leveraged for Chatfield:	\$502,456	\$111,537	\$248,450

Total City Levy:	\$1,554,864	\$1,422,396	\$1,316,122
Total EDA/CCA Budget:	\$131,700	\$150,850	\$150,160