

**Committee of the Whole
Monday, April 25, 2022
City Council Chambers**

1. Committee of the Whole **5:30 p.m.** Monday, April 25, 2022
2. Annual Dialogue with the Heritage Preservation Commission:
 - A. Review of HPC activity over past 12 months.
 - B. Goals and activities planned for the next 12 months +
 - C. MN Historic Rehabilitation Tax Credit
 - D. Status report regarding the Haven Wall and request for engineering services.
 - E. Student Commissioners
 - F. Downtown Revitalization program proposal
3. Open Discussion

Members Present: Mayor Russ Smith, Councilors Paul Novotny, Mike Urban, Pam Bluhm, Josh Broadwater and Dave Frank.

Members Absent: None.

Others Present: Kay Wangen, Shane Fox, Rocky Burnett, Monica Erickson, Chris Giesen, Gretchen Mensink-Lovejoy, Brian Todd, and Joel Young.

The committee reviewed the results of the National Community Survey as it related to services provided by the City. The results indicate that the residents are satisfied with the quality of services and with how those services are delivered. The City measured less favorably in areas related to diversity, recreational opportunities and other items. It was noted that the sample size was relatively low but it does represent a benchmark for future surveys.

The committee reviewed the progress that is being made in pursuit of the initiatives identified in the strategic plan. No formal action was taken.

The committee reviewed the results of a recent Dynamic Network Review, which is a quarterly review conducted as part of the effort to monitor cyber security threats.

Joel Young

From: Robert Vogel <rcvogel@pathfindercrm.com>
Sent: Monday, March 28, 2022 10:58 AM
To: Joel Young
Subject: HPC minutes
Attachments: ChatfieldHPCminutes.03.22.2022.docx

Joel,

The draft minutes of the March 22 HPC meeting are attached. Please note the 4 items where the commission is seeking council action in the form of a council resolution in support of renewal of the MN Historic Rehabilitation Tax Credit. directing the city engineer to provide a cost estimate for designing accessibility improvements at the Haven Wall (specifically the public easement from Winona St. to Old Pioneer Rd.), and amending the city code to provide the HPC with two student members (ex-officio, non-voting) per your memo. The commission also recommends placing Chris Giesen's proposal for creating a downtown revitalization grant program on the agenda for the joint city council COW-HPC meeting scheduled for April 25. I was thinking you might want to bring this matter to the council's attention at their next regular meeting so that we can gauge their level of interest in such an initiative. Chris has been working on a written proposal and it is my understanding that he wants to request a \$25,000 appropriation as part of the 2023 general fund budget to set the program in motion.

Robert C. Vogel

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**CITY OF CHATFIELD
HERITAGE PRESERVATION COMMISSION
MINUTES OF MARCH 22, 2022
REGULAR MEETING**

A meeting of the Heritage Preservation Commission (HPC) was held in the council chambers at City Hall on March 22, 2022. The meeting was called to order by Chairperson Giesen at 7:00 P.M.

Members present: Chris Giesen, Ben Frederichs, Ruth Ann Lund, Sara Sturgis and Michael Martin. Pam Bluhm and Myrthis Griffith were absent.

Others present: Preservation Planner Robert Vogel.

Approval of minutes: Sturgis moved to approve the draft minutes of the February 22, 2022 meeting as presented; the motion was seconded by Martin and unanimously approved. Preservation Planner Vogel thanked City Clerk Young for preparing the minutes in his absence.

CCA progress report: Preservation Planner Vogel provided an update on the status of the arts center renovation and modernization project. Rehabilitation work has begun in the gymnasium and assembly room spaces and the design team is working on several critical preservation issues. Vogel advised the commission that if the plans and specifications need to be substantially changed, additional certificates of appropriateness (COAs) may need to be issued by the HPC. There was discussion of the HPC's role in planning for future preservation work that is not within the scope of the present project; Vogel will provide a list of potential projects for the commission's consideration at the next HPC meeting.

Minnesota historic rehabilitation tax credit: In 2010, the state legislature enacted the Minnesota Historic Rehabilitation Tax Credit, which provided a 20% investment tax credit for certified historic preservation projects involving historic properties. Since 2011, the tax credit has generated \$11.30 million in economic activity. If it is not reauthorized by the legislature, the program will expire on June 30, 2022. Legislation to renew the tax credit has strong bipartisan support; Senator Miller and Representative Davids have both voiced their support for extending the tax credit. Martin moved to ask the city council to pass a resolution expressing the city's support for an 8-year extension of the Minnesota Historic Rehabilitation Tax Credit; the motion was seconded by Lund and unanimously approved.

Haven Wall accessibility: Preservation Planner Vogel asked the commission to request city council authorization to have the city engineer prepare a cost estimate for design services relating to improving public access at the historic Haven Wall. Vogel explained that when the historic site was donated to the city in 2019, the gift included an easement providing public pedestrian access from Winona Street and a cash donation to be used financing future improvements. At the present time, the public easement exists only on paper and pedestrian access to the historic stone wall is limited. Discussion focused on how the engineer's cost estimate could be used in completing the historic site preservation plan and preparation of future budget requests. Frederichs moved to request the council to direct the city engineer to provide the HPC with a

cost estimate for landscape architecture design services relating to improving public access to the Haven Wall; the motion was seconded by Martin and unanimously approved.

HPC student member: Commissioners continued their discussion regarding student members begun at last month's meeting. An outline of the duties and responsibilities of student commissioners prepared by the city clerk was reviewed. The consensus of the members present was that the concept of an ex-officio (non-voting) student commissioner had merit and could improve the effectiveness of the HPC as a citizen advisory body. Members also expressed support for adding two student HPC commissioners, based on their belief that this would encourage their participation in discussion of policy matters before the commission. Sturgis moved to request council action to amend the city code to add two non-voting student members to the HPC; the motion was seconded by Lund and unanimously approved.

Preservation Month: The City of Chatfield will celebrate Preservation Month in May with a city council proclamation, a poster and presentation of the 14th annual Preservation Award. The call for nominations for 2022 Preservation Award has been released; the HPC will select this year's recipient(s) at its April 26 meeting, with presentation by the mayor at a city council meeting (date to be announced).

Joint meeting with mayor and council: The annual joint meeting of the HPC with the mayor and council has been scheduled for Monday, April 25 at 5:00 P.M. There was discussion of possible agenda items. Chairman Giesen suggested that the HPC use this year's joint meeting to generate discussion and council feedback on the idea of creating a downtown revitalization grant program that would be used to provide financial assistance to property owners for investment in historic building façade improvements such as storefront restoration, masonry and window repairs, and rehabilitation of historic architectural features. This initiative is one of the HPC's priorities for 2022 and a written proposal has been prepared; implementation will require an appropriation of funds as part of the city's annual budget. Sturgis moved to adopt Giesen's proposal and submit it to the mayor and council for discussion on April 25; the motion was seconded by Frederichs and unanimously approved.

There being no further business, the meeting was adjourned at 8:20 P.M.

Respectfully submitted,

Robert C. Vogel

Preservation Planner

MEMO

To: Chatfield City Council
Chatfield Heritage Preservation Commission
Date: April 25, 2022
From: Chris Giesen, HPC Chair
RE: Concept Downtown Revitalization Program

Background

Through several discussions at both HPC and EDA, commercial building rehabilitation in the downtown area has been identified as a point of attention.

Last fall the city unsuccessfully attempted to apply for small cities block grant funds to assist with commercial rehab funding, but the demographics of the city did not support a successful application.

Because the need for a commercial rehab program is discussed at HPC and EDA, I took the liberty to assemble a program outline based on a program I created in another community that could also fit Chatfield's needs.

About 5-7 years ago, the HPC and EDA team up to provide a small downtown rehab program using Rochester sales tax funds. It was successful. The proposal below would take a larger look to accomplish "once in a lifetime" type fixes to buildings, with the idea that we eliminate as many barriers as possible to fix one building per year – eventually rehabilitating the entire downtown.

Outline of Program

The below is only an outline for discussion purposes, the proposed program guidelines and application form are attached for reference.

Program Goal: To protect and enhance the character of Chatfield's historic downtown by strategically providing funding to renew and extend the life of core downtown buildings. Thereby supporting a core feature of the Chatfield community which will retain and attract businesses and residents, improve tax base, and encouraging new growth throughout the community.

1. Provide major grant funding for major visible exterior renovations that will be long term "once in a lifetime" type repairs/improvements.
2. Provide funding for projects that would not otherwise happen.
3. Eliminate barriers for participation in the program.
4. Create high-impact results.

Program Guidelines Outline (all hypothetical for now):

- A. Once a year in the fall, accept applications for major exterior renovation projects from owners of commercially taxed buildings in the core downtown area (exact area definition TBD).
- B. HPC will review applications and recommend to EDA and council the project(s) to award by December 1.
- C. Applications will be reviewed based on eligibility criteria, how it achieves the program goals, impact to the community, need, and overall project scope.
- D. Up to 100% grant (no match). Structured as a forgivable loan.

- E. Can be used in conjunction with other programs (EDA loan, etc...).
- F. Applications must detail the project scope, cost, materials used, any ancillary improvements that will be made in conjunction with the proposal, etc...
- G. No self performance/self work allowed. Must use licensed and insured contractors and secure building permits.
- H. Materials must be high quality, have a long life expectancy (20+ years).
- I. Must not simply cover up, remove, or diminish historic features of the building.
- J. Could apply and be awarded multiple years in a row if a large project.
- K. EDA staff to market and administer this program individually to downtown building owners.

One of the issues with any program is the actual accessibility/use-ability of the program. A building owner with major repairs may not have the cash, equity, ability to borrow etc... to provide a typical “match” required by most programs. The “up to” 100% grant allows everyone to take advantage.

Applications would be considered all at once in a competitive format – this would allow for the most flexibility to award the most funding to the best projects. Maybe only one project is approved– all dependent on what comes in/what the needs are. But, within a 5 year period we could have 5 buildings extensively repaired downtown that otherwise might continue into disrepair.

We don’t have a funding stream identified for such a program at this time.

Action Requested

I have not taken this idea to EDA yet, but did bring it to the last HPC meeting. The HPC has requested that we discuss this concept program at the committee of the whole meeting to determine:

1. Is this program needed?
2. Should more discussion occur?
3. Would it be feasible/possible to request funding in the 2022 levy? Ideally to make this successful we might want to consider \$20,000+ in annual funding realizing that funds would likely stem from the tax levy.

Downtown Revitalization Grant Program

Chatfield Heritage Preservation Commission

Chatfield Economic Development Authority

What does the Program Do?

- Grants for major, visible, exterior renovations.
- Must be “once in a lifetime” type improvements/repairs/restorations.
- Preserve, restore, and enhance the character of the core downtown commercial area.



What can I Apply For?

- Tuck pointing
- Restoration of storefronts
- Repair/replacement of:
 - Exterior brick
 - Windows
 - Exterior doors
 - Trim
 - Architectural features

All materials must be of high quality, durable, and in style with the original character of the building.

What is Not Eligible?

- Painting
- Siding
- Roofs
- Interior renovations
- Signage
- Landscaping
- Awnings
- Lighting
- Mismatched materials or materials that don't fit the original building character.

The information on this sheet is for illustrative purposes only to help you create a successful application proposal. The eligibility items listed are not exhaustive. HPC & EDA staff can help with questions and applications. Eligibility does not guarantee approval. Funding will be approved by HPC, EDA, and city council. Potentially only one application per year may be funded.

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The Best Proposals Will:

- **Work with HPC & EDA staff prior to submission for advice.**
- **Fully demonstrate the project scope and need.**
- **Include “before” pictures.**
- **Include drawings and/or building plans for proposed elements.**
- **Leverage private or other public funding sources (e.g. use the EDA loan fund, other grants available at the time, bank loans, owner equity/cash).**
- **Include ineligible improvements in addition to items proposed for grant funding (e.g. improve building electrical or plumbing, HVAC, roof, painting, etc...)**

How to Apply/Additional Considerations:

- **Full guidelines and application is on the city website or available from HPC & EDA staff.**
- **Complete applications are due by October 1 each year.**
- **A match is not required.**
- **The HPC & EDA will review applications and make funding recommendations between October and December.**
- **Construction may begin any time after city council approves.**
- **Grant funds will be repaid on a reimbursement basis to vendors.**
- **NO FUNDING WILL BE GIVEN to projects that started prior to council approval or that deviate from the application, including but not limited to using different materials, different colors, different vendors, and different contractors.**

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City of Chatfield

Downtown Revitalization Program – Guidelines

APPLICATIONS ARE DUE BY OCTOBER 1

Program goal

To protect and enhance the character of Chatfield's historic downtown by strategically providing funding to renew and extend the life of core downtown buildings. Thereby supporting a core feature of the Chatfield community which will retain and attract businesses and residents, improve tax base, and encourage new growth throughout the community.

This program will:

- Provide major grant funding for major visible exterior renovations that will be long term "once in a lifetime" type repairs/improvements.
- Provide funding for projects that would not otherwise happen without assistance.
- Eliminate barriers for participation in the program.
- Create high-impact results to save and improve the unique structures that give downtown Chatfield its identity.

Program overview

1. Up to \$_____ is available each year.
2. The City may award all \$_____ to one project. Ideally this project could fund one building each year, and over 10 years most of downtown will be renovated.
3. Applications will be accepted from eligible property owners each year.
4. Applications are due October 1 each year.
5. The HPC will review applications and recommend to the EDA and council the projects(s) to award by December 1.
6. Applications will be reviewed based on eligibility criteria, how it achieves the program goals, impact tot the community as a whole, need, and overall project scope.
7. This program can provide up to 100% grant (no match required) structured as a forgivable loan. 10% of the award amount will be forgiven each year until completely forgiven. If the building is sold, the prorated remaining portion must be repaid and will be immediately due in full.
8. This program can be used in conjunction with all other programs, assuming that program allows for use of this program (EDA loans, etc...).

Application and award process

1. Applicants must complete the program application, provide supporting documents, and submit it to EDA staff on or before October 1 each year.
2. In addition to a completed application and supporting documents, applications must detail the project scope, cost, materials used, any ancillary improvements that will be made in addition to their application, and any other information that will show the benefit to Chatfield's downtown and community at large.

Additional rules

1. Only commercially taxed properties generally between _____ are eligible. See eligibility Map for detail.
2. No self performance/self work allowed. All work must be completed by a third party that is licensed to do such work.
3. Materials must be of high quality, have long life expectancy (20+ years).
4. Project must not simply cover up, remove, or diminish historic features of the building.
5. Applicants may apply and be awarded multiple years in a row if funding, project size, and benefit to the community warrant additional funding.
6. EDA staff will help with questions, rules, and review/award process.

Please submit application with supporting materials to City Hall, incomplete applications will not be accepted.

City of Chatfield

Downtown Revitalization Program – Application

APPLICATIONS ARE DUE BY October 1**Applicant Information**

Name: _____ Date: _____

Address: _____

City/State/Zip: _____ Phone: _____

Email: _____

Project Location Address: _____

Amount Requested: \$ _____

Describe your project scope:

Describe the materials to be used:

Project Budget

Please list the sources of your project funding:

EDA Grant: _____ Bank Loan: _____

EDA Loan: _____ Owner Cash: _____

Other (please describe): _____

Other (please describe): _____

Total Project Cost: _____

Please list the cost of each project element and attach quotes:

Please list all contractors to be used and the project elements that they will be responsible for:

Statement of Need

This program is only used to assist projects that would not be able to proceed otherwise. Please indicate why your project cannot proceed without this program's assistance:

Applicant Certification

We, the undersigned certify that the information submitted is true and accurate to the best of our knowledge, that we have read, understand, and that we will comply with the program guidelines. We understand that this application will be reviewed based on the information provided and that we will only receive reimbursements for approved project expenses which utilize approved materials and contractors. We understand that the City of Chatfield reserves the right to deny this application and any or all payments if the program guidelines are not followed.

Name/Title (Printed)

Name/Title (Printed)

Signature

Date

Signature

Date

Please submit application with supporting materials to Chatfield EDA, incomplete applications will not be accepted.