



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