

## REGULAR MEETING

### City Hall 2<sup>nd</sup> Floor Conference Room

**AGENDA:** Monday, January 10, 2022; 4:30 to 5:20

- 2 Minutes      1. Opening
  - 1.1 Welcome/Call to Order
  - 1.2 Approval of Agenda
  
- 40 Minutes     2.0 ‘Business Oversight / Responsibilities’
  - 2.1 Consent Agenda
    - 2.1.1 Previous Meeting Minutes- December 13, 2021 **(Pages 2-3)**
    - 2.1.2 December 2021 Financials **(Pages 4-13)**
  - 2.2 Actions Taken or Related to Progress/Status Reports
    - 2.2.1 Request for Support from Area Career Exploration **(Ned Koppert of Fairmont Area Chamber of Commerce)**
    - 2.2.2 Consider Modification of CARES Act RLF Program Guidelines **(Page 14)**
    - 2.2.3 Whitetail Ridge Lots RFP **(Pages 15-22)**
  
- 5 Minutes      3.0 Strategic Conversations (& “Education” when appropriate)
  - 3.1 Monthly Report: December 2021 **(Page 23)**
  
- 3 Minutes      4.0 Meeting Wrap-Up
  - 4.1 Review Actions to be Taken
  - 4.2 Next Meeting – February 10, 2022 at 4:30
  
- 5.0 Adjourn

## REGULAR MEETING MINUTES

### City Hall Conference Room

December 13, 2021 at 5:00 pm

**Members Present:** Sarah Gerhard, Michele Miller, Andy Noll, Chantill Kahler Royer, Aaron Speltz and Bruce Peters

**Members Absent:** Mike Wubbena

**Others Present:** Brooke Wohlrabe, Fairmont Sentinel; Linsey Preuss, Economic Development Coordinator

#### 1.0 Opening -

##### 1.1 Welcome/Call to Order

President Gerhard called the meeting to order at 5:00.

##### 1.2 Approval of Agenda

Kahler Royer made the motion to approve the agenda as presented. The motion was seconded by Peters and carried unanimously.

#### 2.0 'Business Oversight/Responsibilities'

##### 2.1 Consent Agenda

Speltz made the motion to approve the consent agenda including the minutes and financials of November 2021. The motion was seconded by Kahler Royer and carried unanimously.

##### 2.2 Actions Taken or Related to Progress/Status Reports

###### 2.2.1 Consider 2022 Membership to Greater Minnesota Partnership

Greater Minnesota Partnership is a lobbying firm that works to ensure that Greater Minnesota economic development challenges are heard and allocated state resources. Peters made the motion to approve membership to Greater Minnesota Partnership in the amount of \$1,500. The motion was seconded by Kahler Royer and carried unanimously.

###### 2.2.2 Consider Facilitator Proposal for Strategic Plan

Achieve Results Together submitted a proposal for strategic plan development that includes discover and designing the retreat, facilitation of the retreat and post analysis and a strategic plan for \$4,400. Preuss explained that this plan should be considered as an a la carte option as we can chose areas we don't need. The board decided to direct Preuss to plan and facilitate the strategic planning session instead of hiring a facilitator.

### **2.2.3 Whitetail Ridge Lots**

Preuss updated that although the RFP has been started, it is not yet complete and ready for board review.

## **Strategic Conversations**

### **3.1 Consideration of Recommendation to City Council to Establish Tax Increment Financing District No. 28**

A project summary was included in the meeting packet. This project (the business requested to remain confidential right now) includes an estimated project cost of \$15.1M and the addition of 24-27 jobs over the next 5 years. The business has entered into a purchase agreement with the property owner to acquire additional property. **Kahler Royer made the motion to approve Resolution 2021-01. The motion was seconded by Speltz and carried unanimously.**

### **3.2 Monthly Report: November 2021**

The report was included in the packet.

## **4.0 Meeting Wrap-Up**

### **4.1 Review of Actions to be Taken**

1. Finish RFP for Whitetail Ridge
2. Recommend Approval of Establishment of Tax Increment Financing District No. 28 to City Council

### **4.2 Next Meeting**

The next meeting is scheduled for Monday, January 10, 2022 at 4:30

## **5.0 Adjourn**

**Peters made the motion to adjourn the meeting at 5:39 pm. The motion was seconded by Speltz and carried unanimously.**

Respectfully submitted:

Linsey Preuss  
Economic Development Coordinator

## Fairmont Economic Development Authority

12/31/2021

Prospecting: Available Budget,		
Fund 210 Current Year	\$	-
Fund 215 Reportable Loans	\$	304,810.06
Fund 216 Non-Reportable Loans	\$	704,159.28
Fund 217 Micro Loans	\$	14,543.83
Fund 218 CARES Loans	\$	57,224.28
Total All Funds	\$	1,080,737.45

### Balance Sheets

		Fund 210	Fund 215	Fund 216	Fund 217	Fund 218
		Econ Dev	Reportable	Non-Reportable	Micro	CARES
Assets	Cash	\$ 455,456.02	\$ 304,810.06	\$ 704,159.28	\$ 14,543.83	\$ 57,224.28
	Taxes Receivable, Delinquent	\$ 2,096.97		\$ -	\$ -	
	Accounts Receivable	\$ (250.00)	\$ -	\$ -	\$ -	
	Loans Receivable	\$ 93.81	\$ 317,135.71	\$ 499,165.66	\$ 14,295.91	\$ 327,833.05
	Forgivable Loans Receivable	\$ -		\$ 2,000.00	\$ -	
	Due from Other Funds	\$ -	\$ -	\$ -	\$ -	
	Due from Martin County	\$ -	\$ -	\$ -	\$ -	
Total Assets		\$ 457,396.80	\$ 621,945.77	\$ 1,205,324.94	\$ 28,839.74	\$ 385,057.33

# Aging Report

City of Fairmont, MN

Cutoff Date: **12/31/2021**

Funds: **(200,210,215,216,217,218)**

Status: **All**

County: **All**

Run Date: **01/03/2022**

City: **All**

Loan Officer: **All**

Run Time: **3:32:20 pm**

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**Include loans from 101 to 9901**

		Loan Amt	Disbursed	Current Balance	Regular Payment	-----Analysis of Payments Due-----				Total Due	Lt Days
						1 Payment	2 Payments	3 Payments	Over 3		
1106	Rouse , Jeff	30,651.58	30,681.58	3,940.36	295.97	0.00	0.00	0.00	0.00	0.00	0
1201	Bean Town, LLC	75,000.00	75,000.00	46,942.76	474.49	0.00	0.00	0.00	0.00	0.00	0
1204	Well Minded Properties	75,000.00	75,000.00	33,145.60	554.77	0.00	0.00	0.00	0.00	0.00	0
1302	Midwest Audio Video	20,000.00	20,000.00	3,842.63	202.49	0.00	0.00	0.00	0.00	0.00	0
1502	Wiederhoeft Welding & Machine	75,000.00	75,000.00	58,639.08	454.49	0.00	0.00	0.00	0.00	0.00	0
1503	Hilltop Chem-Dry	60,000.00	60,000.00	5,709.06	824.03	0.00	0.00	0.00	0.00	0.00	0
1601	Fairmont Butcher Block LLC	75,000.00	75,000.00	64,343.27	454.49	0.00	0.00	0.00	0.00	0.00	0
1701	TMeyer, Inc.	20,000.00	20,000.00	7,385.65	278.00	0.00	0.00	0.00	0.00	0.00	0
1702	Zierke Built Mfg.	360,000.00	360,000.00	147,825.71	4,596.28	0.00	0.00	0.00	0.00	0.00	0
1901	Landscaping Plus, Inc.	8,380.75	8,380.75	5,115.47	110.74	0.00	0.00	0.00	0.00	0.00	0
1902	Zierke Built Mfg.	240,000.00	240,000.00	172,425.90	3,064.18	0.00	0.00	0.00	0.00	0.00	0
2001	B & B Gas Piping Plus, LLC	25,600.00	25,600.00	23,993.96	155.13	0.00	0.00	0.00	0.00	0.00	0
2002	Live Fit & Wellness Center, LLC	75,000.00	75,000.00	67,678.02	1,025.16	0.00	0.00	0.00	0.00	0.00	0
2003	El Agave, Inc.	25,000.00	25,000.00	19,999.96	416.67	0.00	0.00	0.00	0.00	0.00	0
2004	Minuteman Press	25,000.00	25,000.00	19,999.96	416.67	0.00	0.00	0.00	0.00	0.00	0
2005	Fairmont Glass & Sign Products, Inc.	75,000.00	75,000.00	72,252.47	425.40	0.00	0.00	0.00	0.00	0.00	0
2006	Old Northrop Bar	25,000.00	25,000.00	20,416.63	416.67	0.00	0.00	0.00	0.00	0.00	0
2007	D&R Repair	20,000.00	20,000.00	16,333.37	333.33	0.00	0.00	0.00	0.00	0.00	0
2008	Cutting Edge Fitness of Fairmont, Inc.	25,000.00	25,000.00	20,416.63	416.67	0.00	0.00	0.00	0.00	0.00	0
2009	Shenanigans	25,000.00	25,000.00	20,833.30	416.67	0.00	0.00	0.00	0.00	0.00	0
2010	Korte's Bar & Grill, Inc.	25,000.00	25,000.00	20,833.30	416.67	0.00	0.00	0.00	0.00	0.00	0
2011	The Ranch	25,000.00	25,000.00	20,833.30	416.67	0.00	0.00	0.00	0.00	0.00	0
2101	Giddy Up Boutique	7,508.99	7,508.99	6,708.41	99.22	0.00	0.00	0.00	0.00	0.00	0
2102	Live Fit & Wellness Center, LLC	25,000.00	25,000.00	21,249.97	416.67	0.00	0.00	0.00	0.00	0.00	0
2103	Bowlmor Lanes, LLC	25,000.00	25,000.00	21,249.97	416.67	0.00	0.00	0.00	0.00	0.00	0
2104	Fairmont Awards Manufacturing, Inc.	25,000.00	25,000.00	21,249.97	416.67	0.00	0.00	0.00	0.00	0.00	0
2105	Blazer Bar	25,000.00	25,000.00	21,249.97	416.67	0.00	0.00	0.00	0.00	0.00	0
2106	Our Story Studios	25,000.00	25,000.00	22,499.98	416.67	0.00	0.00	0.00	0.00	0.00	0
2107	Fairmont Brewing Company, LLC	75,000.00	75,000.00	74,522.58	201.69	0.00	0.00	0.00	0.00	0.00	0
2108	Bean Town, LLC	25,000.00	25,000.00	24,166.66	416.67	0.00	0.00	0.00	0.00	0.00	0
2109	Fairmont Brewing Company, LLC	25,000.00	25,000.00	25,000.00	416.67	0.00	0.00	0.00	0.00	0.00	0

# Aging Report

City of Fairmont, MN

Funds: (200,210,215,216,217,218)  
 City: All  
 Include loans from 101 to 9901

Status: All

County: All  
 Loan Officer: All

Cutoff Date: 12/31/2021  
 Run Date: 01/03/2022  
 Run Time: 3:32:20 pm  
 Page 2 of 2

	Loan Amt	Disbursed	Current Balance	Regular Payment	-----Analysis of Payments Due-----				Total Due	Lt Days
					1 Payment	2 Payments	3 Payments	Over 3		
Totals	<u>1,667,141.32</u>		<u>1,110,803.90</u>		<u>0.00</u>		<u>0.00</u>	<u>0.00</u>		
		<u>1,667,171.32</u>		<u>19,383.24</u>		<u>0.00</u>		<u>0.00</u>		
*** Total Delinquent Dollars					0.00	0.00	0.00	0.00	0.00	
Percent Delinquent Dollars					0.00%	0.00%	0.00%	0.00%	0.00%	
***Total of loan balances which are in arrears										



Account Number	Vendor	Description	GL Date	Check No	Amount
210-46500-32100	Preuss, Linsey	Dec 2021 Cell Phone Reimbursement	12/01/2021	0	46.44
210-46500-32100	Bevcomm Inc	Dec 2021 Telephone	12/01/2021	153811	5.94
210-46600-31200	Voss Cleaning Services, Inc.	Janitorial & Rug Service Dec 2021 Incubator	12/08/2021	154017	137.00
210-46600-38420	Waste Management Of So MN	Nov 2021 Refuse Removal Incubator Bldg	12/08/2021	154018	380.65
210-00000-11900	EZ Wash Laundromat	Refund Payment	12/08/2021	153989	93.81
210-36200-36205	EZ Wash Laundromat	Refund Payment	12/08/2021	153989	2.75
210-46500-31200	Resimplifi, Inc	Resimplifi Data Service 1 Year Subscription	12/08/2021	154014	3,500.00

Transactions by Account

User: linseypre  
 Printed: 01/03/2022 - 3:43PM  
 Batch: 00000.00.0000

# General Ledger

## Summary Trial Balance

User: linseypre  
 Printed: 01/03/2022 - 10:37AM  
 Period: 12, 2021



Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
Fund 210	Economic Development					
EXPENSE						
Department 46500	Economic Development					
210-46500-20120	Office Supplies & Accessories	3,500.00	1,035.04	0.00	0.00	1,035.04
210-46500-20720	Training & Instructional Suppl	0.00	0.00	0.00	0.00	0.00
210-46500-21200	Motor Fuels	0.00	0.00	0.00	0.00	0.00
210-46500-30100	Auditing & Accounting Services	0.00	0.00	0.00	0.00	0.00
210-46500-30300	Engineering Fees	0.00	0.00	0.00	0.00	0.00
210-46500-30400	Legal Fees	0.00	0.00	0.00	0.00	0.00
210-46500-31200	Other Contracted Services	5,000.00	131.00	3,500.00	0.00	3,631.00
210-46500-32100	Telephone	1,800.00	1,239.86	52.38	0.00	1,292.24
210-46500-32200	Postage	500.00	378.09	0.00	0.00	378.09
210-46500-33100	Travel & Training	7,500.00	1,946.06	0.00	0.00	1,946.06
210-46500-33400	Car Allowance	4,860.00	4,299.16	186.92	0.00	4,486.08
210-46500-34305	Other Advertising	2,000.00	0.00	0.00	0.00	0.00
210-46500-36115	General Liability	1,000.00	1,412.27	0.00	0.00	1,412.27
210-46500-36215	Property Insurance	500.00	343.00	0.00	0.00	343.00
210-46500-36500	Public Officials	0.00	0.00	0.00	0.00	0.00
210-46500-36600	Crime Liability	0.00	0.00	0.00	0.00	0.00
210-46500-43300	Dues & Subscriptions	5,000.00	1,231.99	0.00	0.00	1,231.99
210-46500-43500	Books & Pamphlets	0.00	0.00	0.00	0.00	0.00
210-46500-43800	Credit Card Fees	0.00	0.00	0.00	0.00	0.00
210-46500-43805	Interest Expense	0.00	0.00	0.00	0.00	0.00
210-46500-43810	Prospecting	7,958.00	12,299.52	0.00	0.00	12,299.52
210-46500-43815	Loan Write-offs	0.00	0.00	0.00	0.00	0.00
210-46500-43900	Other Miscellaneous	0.00	500.00	0.00	0.00	500.00
210-46500-43905	Taxes Paid	0.00	0.00	0.00	0.00	0.00
	210-46500 EXPENSE Totals:	39,618.00	24,815.99	3,739.30	0.00	28,555.29

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
Department 46600	Incubator Building					
210-46600-21100	Cleaning Supplies	0.00	221.94	0.00	0.00	221.94
210-46600-22300	Building Repair Supplies	500.00	0.00	0.00	0.00	0.00
210-46600-30400	Legal Fees	0.00	0.00	0.00	0.00	0.00
210-46600-31020	Other Professional Services	0.00	0.00	0.00	0.00	0.00
210-46600-31200	Other Contracted Services	6,000.00	6,174.17	137.00	0.00	6,311.17
210-46600-32100	Telephone	0.00	0.00	0.00	0.00	0.00
210-46600-36115	General Liability	0.00	0.00	0.00	0.00	0.00
210-46600-36215	Property Insurance	0.00	0.00	0.00	0.00	0.00
210-46600-36700	Contractors Equipment	500.00	449.11	0.00	0.00	449.11
210-46600-36800	Boiler Policy	0.00	0.00	0.00	0.00	0.00
210-46600-38100	Electric Utilities	6,000.00	3,871.02	0.00	0.00	3,871.02
210-46600-38200	Water	1,250.00	809.74	0.00	0.00	809.74
210-46600-38300	Gas Utilities	7,500.00	3,598.85	0.00	0.00	3,598.85
210-46600-38420	Refuse Disposal	3,800.00	3,547.49	380.65	0.00	3,928.14
210-46600-38500	Sewer	700.00	482.37	0.00	0.00	482.37
210-46600-38600	Storm Sewer	262.00	240.35	0.00	0.00	240.35
210-46600-40100	Repairs & Maint - Buildings	3,000.00	801.46	0.00	0.00	801.46
210-46600-43905	Taxes Paid	13,500.00	14,220.00	0.00	0.00	14,220.00
	210-46600 EXPENSE Totals:	43,012.00	34,416.50	517.65	0.00	34,934.15
	EXPENSE Totals:	82,630.00	59,232.49	4,256.95	0.00	63,489.44
	Fund 210 Totals:	-82,630.00	59,232.49	4,256.95	0.00	63,489.44
	Report Totals:	-82,630.00	59,232.49	4,256.95	0.00	63,489.44

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
Fund 215	Reportable Loan Fund					
ASSETS						
215-00000-10100	Cash	0.00	304,810.06	0.00	0.00	304,810.06
215-00000-11500	AR - Utility Billing	0.00	0.00	0.00	0.00	0.00
215-00000-11502	AR - Credit Card	0.00	0.00	0.00	0.00	0.00
215-00000-11504	AR - Misc	0.00	0.00	0.00	0.00	0.00
215-00000-11506	AR - Merchandise	0.00	0.00	0.00	0.00	0.00
215-00000-11900	Loans Receivable	0.00	317,135.71	0.00	0.00	317,135.71
215-00000-13100	Due From Other Funds	0.00	0.00	0.00	0.00	0.00
215-00000-13202	Due From State of MN	0.00	0.00	0.00	0.00	0.00
215-00000-13206	Due From Other Gov't	0.00	0.00	0.00	0.00	0.00
	ASSETS Totals:	0.00	621,945.77	0.00	0.00	621,945.77
LIABILITIES						
215-00000-20200	Accounts Payable	0.00	0.00	0.00	0.00	0.00
215-00000-20700	Due to Other Funds	0.00	0.00	0.00	0.00	0.00
215-00000-22209	Deferred Revenue - Accrued Int	0.00	0.00	0.00	0.00	0.00
	LIABILITIES Totals:	0.00	0.00	0.00	0.00	0.00
FUND BALANCE						
215-00000-25000	Fund Balance / RE	0.00	-610,665.96	0.00	0.00	-610,665.96
	FUND BALANCE Totals:	0.00	-610,665.96	0.00	0.00	-610,665.96
	Fund 215 Totals:	0.00	11,279.81	0.00	0.00	11,279.81

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
Fund 216	Non Reportable Loan Fund					
ASSETS						
216-00000-10100	Cash	0.00	704,159.28	0.00	0.00	704,159.28
216-00000-11500	AR - Utility Billing	0.00	0.00	0.00	0.00	0.00
216-00000-11502	AR - Credit Card	0.00	0.00	0.00	0.00	0.00
216-00000-11504	AR - Misc	0.00	0.00	0.00	0.00	0.00
216-00000-11505	MN Community Cap Fund Deposit	0.00	0.00	0.00	0.00	0.00
216-00000-11506	AR - Merchandise	0.00	0.00	0.00	0.00	0.00
216-00000-11900	Loans Receivable	0.00	499,165.66	0.00	0.00	499,165.66
216-00000-11910	Forgivable Loans Receivable	0.00	2,000.00	0.00	0.00	2,000.00
216-00000-13100	Due From Other Funds	0.00	0.00	0.00	0.00	0.00
216-00000-13202	Due From State of MN	0.00	0.00	0.00	0.00	0.00
216-00000-13206	Due From Other Gov't	0.00	0.00	0.00	0.00	0.00
	ASSETS Totals:	0.00	1,205,324.94	0.00	0.00	1,205,324.94
LIABILITIES						
216-00000-20200	Accounts Payable	0.00	0.00	0.00	0.00	0.00
216-00000-20700	Due to Other Funds	0.00	0.00	0.00	0.00	0.00
216-00000-20705	Due to State of MN	0.00	-307,062.40	0.00	0.00	-307,062.40
216-00000-22208	Deferred Revenue - Other	0.00	-19,668.23	0.00	0.00	-19,668.23
	LIABILITIES Totals:	0.00	-326,730.63	0.00	0.00	-326,730.63
FUND BALANCE						
216-00000-25000	Fund Balance / RE	0.00	-877,847.34	0.00	0.00	-877,847.34
	FUND BALANCE Totals:	0.00	-877,847.34	0.00	0.00	-877,847.34
	Fund 216 Totals:	0.00	746.97	0.00	0.00	746.97

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
Fund 217	Micro Loan Fund					
ASSETS						
217-00000-10100	Cash	0.00	14,543.83	0.00	0.00	14,543.83
217-00000-11500	AR - Utility Billing	0.00	0.00	0.00	0.00	0.00
217-00000-11502	AR - Credit Card	0.00	0.00	0.00	0.00	0.00
217-00000-11504	AR - Misc	0.00	0.00	0.00	0.00	0.00
217-00000-11506	AR - Merchandise	0.00	0.00	0.00	0.00	0.00
217-00000-11900	Loans Receivable	0.00	14,295.91	0.00	0.00	14,295.91
217-00000-11910	Forgivable Loans Receivable	0.00	0.00	0.00	0.00	0.00
217-00000-13100	Due From Other Funds	0.00	0.00	0.00	0.00	0.00
217-00000-13202	Due From State of MN	0.00	0.00	0.00	0.00	0.00
217-00000-13206	Due From Other Gov't	0.00	0.00	0.00	0.00	0.00
	ASSETS Totals:	0.00	28,839.74	0.00	0.00	28,839.74
LIABILITIES						
217-00000-20200	Accounts Payable	0.00	0.00	0.00	0.00	0.00
217-00000-20700	Due to Other Funds	0.00	0.00	0.00	0.00	0.00
	LIABILITIES Totals:	0.00	0.00	0.00	0.00	0.00
FUND BALANCE						
217-00000-25000	Fund Balance / RE	0.00	-28,311.00	0.00	0.00	-28,311.00
	FUND BALANCE Totals:	0.00	-28,311.00	0.00	0.00	-28,311.00
	Fund 217 Totals:	0.00	528.74	0.00	0.00	528.74

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
Fund 218	CARES Act RLF					
ASSETS						
218-00000-10100	Cash	0.00	57,224.28	0.00	0.00	57,224.28
218-00000-11500	AR - Utility Billing	0.00	0.00	0.00	0.00	0.00
218-00000-11502	AR - Credit Card	0.00	0.00	0.00	0.00	0.00
218-00000-11504	AR - Misc	0.00	0.00	0.00	0.00	0.00
218-00000-11506	AR - Merchandise	0.00	0.00	0.00	0.00	0.00
218-00000-11900	Loans Receivable	0.00	327,833.05	0.00	0.00	327,833.05
218-00000-11910	Forgivable Loans Receivable	0.00	0.00	0.00	0.00	0.00
218-00000-13100	Due From Other Funds	0.00	0.00	0.00	0.00	0.00
218-00000-13202	Due From State of MN	0.00	0.00	0.00	0.00	0.00
218-00000-13206	Due From Other Gov't	0.00	0.00	0.00	0.00	0.00
	ASSETS Totals:	0.00	385,057.33	0.00	0.00	385,057.33
LIABILITIES						
218-00000-20200	Accounts Payable	0.00	0.00	0.00	0.00	0.00
218-00000-20700	Due to Other Funds	0.00	0.00	0.00	0.00	0.00
218-00000-22200	Def Rev	0.00	-93,907.00	0.00	0.00	-93,907.00
	LIABILITIES Totals:	0.00	-93,907.00	0.00	0.00	-93,907.00
FUND BALANCE						
218-00000-25000	Fund Balance / RE	0.00	-101,407.26	0.00	0.00	-101,407.26
	FUND BALANCE Totals:	0.00	-101,407.26	0.00	0.00	-101,407.26
	Fund 218 Totals:	0.00	189,743.07	0.00	0.00	189,743.07
	Report Totals:	0.00	136,483.35	20,097.60	26,126.00	130,454.95



**Economic Development Authority  
CARES Act  
Revolving Loan Fund Guidelines**

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The Fairmont Economic Development Authority's Revolving Loan Fund is available within Martin County. The goal of this program is to assist businesses who have experienced sudden and severe economic dislocation caused by the coronavirus (COVID-19) pandemic.

**Investment Amount**

Up to \$25,000

**Eligibility Criteria**

- Eligible businesses will be those within Martin County.
- Preference will be given to both locally owned businesses and those who were directly affect by one of the Governor's Executive Orders due to COVID-19.

**Loan Terms**

- Loans will be considered up to \$25,000
- Interest rate will be zero.
- Loans will be amortized for up to 5 years
- It is desirable for loans to be fully secured; may be subordinate to the primary lender
- Personal guarantees equal to the amount of the loan are required
- Loan recipients will not be charged an origination fee

**Use of Funds**

- Payroll
- Inventory
- Utilities
- Working Capital
- Other

**Required Application Attachments**

- Receipt of Complete Loan Application
- One year of business financial statements
- One year of business income tax returns
- Personal Financial Statements of all stakeholders of more than 20%
- One year of personal income tax returns for all stakeholders of more than 20%
- Income/Expense Statements from March 1, 2019 to June 30, 2019 and March 1, 2020 to June 30, 2020

Once a completed loan application is received, FEDA staff will review the application. The application will then be reviewed by a Loan Committee and their recommendation will be made at a subsequent Fairmont Economic Development Authority meeting. Loans with an investment request of less than \$10,000 may not be required to have approval of the full FEDA board. It is typical to take 4-6 weeks from the time we receive a complete application to the time a decision is made if full FEDA board approval is required or requested. Your application may be approved as is, approved with changes, or denied. Loan processing takes an additional 1-2 weeks after FEDA makes a decision.

# Private Development Proposal for 8 Whitetail Ridge Lots

Released January, 2022

## Background Information

This Request for Proposals (RFP) is directed to private developers and development teams interested in the development of a housing project (the "Project") at the Whitetail Ridge subdivision in Fairmont, Minnesota.

Project Goal: To increase the supply of housing options within our community.

The Project site is owned by the Fairmont Economic Development Authority (FEDA). The site consists of eight (8) lots at the intersection of Belle Vue Rd, Prairie Ave, and Redbird Lane. See map on the next page.

The Fairmont Economic Development Authority (FEDA) is requesting proposals from qualified developers to purchase, own, and develop the property located at the Whitetail Ridge subdivision in Fairmont, Minnesota. The FEDA will consider all development proposals that include development compatible with the surrounding neighborhood which could include single family, twin, tri-plex, and/or 4-unit town homes.

FEDA intends to sell the property to a developer who will increase the tax base by developing units that provide needed housing. FEDA's goal is to promote development that meets the housing needs as identified as part of the *2020 Housing Study by Community Partners Research, Inc. Of Fairmont, MN*. The development of this property should be consistent and compatible with the surrounding neighborhood. Specific information regarding recommended housing concepts can be viewed at:

[http://www.fedamn.com/media/userfiles/subsite\\_62/files/Fairmont%20Housing%20Study%202020.pdf](http://www.fedamn.com/media/userfiles/subsite_62/files/Fairmont%20Housing%20Study%202020.pdf)



## **Overview**

The City of Fairmont, a regional center of over 10,000 in the heart of southern Minnesota, takes great pride in its beautiful chain of lakes. Known as the *City of Lakes*, Fairmont provides an array of recreation, educational, and health care services that support a regional service area population of over 45,000. Serving as the county seat for Martin County, known as *Bacon Capital USA*, Fairmont is centrally located along I-90 and State Highway 15.

The city's five picturesque lakes provide a valuable community resource and afford residents and visitors alike with recreational areas for swimming, pleasure boating, water skiing, and fishing. Other attractions include the Fairmont Aquatic Park and a variety of public and private 18-hole golf courses. The Red Rock Center for the Arts and the Fairmont Opera House are popular venues for artistic endeavors and enrichment.

A full array of K-12 educational services is available from the Fairmont Area School District and from private religious-based schools. The Fairmont Area District is a leader in providing trades-education opportunities in partnership with area businesses and industry. The District offers a variety of athletic programs and extracurricular activities. The Southern Plains Educational Cooperative, which serves five area school districts and provides an alternative learning center, recently opened a facility in Fairmont.

Mayo Clinic Health Systems Fairmont campus has been meeting the medical needs of Fairmont and the surrounding community for more than 20 years, offering in-patient and out-patient care, a hospital, an eye clinic, dental offices, 24-hour emergency room service, as well as other specialized programs. Other providers include the Center for Specialty Care, Dulcimer Medical Center, and the United Hospital District, which recently added a clinic in Fairmont. Lakeview Methodist Health Services, which is opening a new facility in Fairmont this spring, provides the area with skilled nursing, assisted living and memory care services.

Fairmont's economy consists of large and small industry and commerce. Major employers in Fairmont include CHS, 3M, Mayo Clinic Health, Avery Weigh-Tronix, HyVee, Walmart, Fairmont Foods, and REM Heartland to name a few. Fairmont is positioned for continued growth with several business expansions planned for 2022. The City recently installed utility extensions to prepare 37 acre industrial property for development and currently offers two more shovel-ready commercial subdivisions with state highway and interstate access.

## **Community Need:**

As with many communities in rural Minnesota, availability of housing is a major issue impacting different areas that make up a healthy community. Housing is necessary to maintain jobs and a quality employee base. Our community must provide safe housing for our families with children which allows us to have a strong school system.

The demand for quality housing in Fairmont is growing because:

- There has been a limited number of multi-family housing units built in our community in the last 20 years.
- Fairmont continues to see the average age of its residents increase. There are many homes that could accommodate families of four to six people, but are currently inhabited by one or two people. Many of the current inhabitants choose to stay in their homes for various reasons, but many stay in a space larger than preferred as there are not alternatives for housing for them in the community.
- Fairmont is not replacing the homes that are physically depreciated and are being demolished with new construction.

### **Completed Housing Study**

A Comprehensive Housing Study was finalized for the City of Fairmont in 2020 by Community Partners Research, Inc. The full study can be found here:

[http://www.fedamn.com/media/userfiles/subsite\\_62/files/Fairmont%20Housing%20Study%202020.pdf](http://www.fedamn.com/media/userfiles/subsite_62/files/Fairmont%20Housing%20Study%202020.pdf)

### **Project Description**

The project is envisioned to include development compatible with the surrounding neighborhood to meet the demands of the Fairmont area. Projects that include multifamily housing or both single family and multifamily housing such as twin homes, triplexes or 4-unit town homes.

Additional goals include:

- Promote the highest and best use of the available property to maximize the tax base value
- Construct housing that fits the context of the neighborhood through the aesthetic exterior design and materials used
- Retain the character of the neighborhood

### **Zoning**

Zoning is currently Residential R-1. The project will be subject the applicable restrictions and requirements of the R-1 zoning regulations.

The site is served by municipal utilities including electric, water, sanitary sewer. Developer will be responsible for the private connections and service lines.

### **Current Site Status**

All lots have utilities stubbed out to the property lines and were installed to accommodate single family homes. Lots 1-4 are graded to provide walk-out basements. The City of Fairmont has completed soil borings on Lots 1-4 where fill was placed, and the Geotechnical Report showing the results can be provided upon request.

## **Potential Public Financing Options and Development Agreement**

The City of Fairmont has partnered with the Fairmont Area School District and Martin County to create an incentive program for multifamily housing. Any new development of multifamily housing is eligible for a 10-year tax abatement. All eligible projects must submit an application for consideration by the City Council, School Board and County Commissioners.

Further, Martin County offers 10-year tax abatement options for single family housing as well. This program is administered through Martin County and all eligible projects must submit an application for consideration by the Martin County Commissioners.

Local incentives are not intended to replace financing from other private sources. They are intended to be flexible resources that may be able to assist in bridging funding gaps that may be created or compounded by local market conditions.

The Fairmont Economic Development Authority and the selected developer will enter into a development agreement. The Development Agreement will include terms for the conveyance of the property, security requirement to ensure Project completion; financial terms associated with the property conveyance, Tax Abatement documents; Project construction; terms regarding the condition of the property prior to conveyance; and any additional terms as may be necessary to ensure compliance with the Project goals as stated herein. FEEDA anticipates providing a clean site and title to the property.

### **Submittal Requirements**

All proposals will be reviewed by a committee. The committee reserves the right to seek verification of all information submitted. Proposals will consist of one signed original and an electronic copy of the required information. All proposals must be printed on 8.5 inch by 11-inch paper and shall be enclosed in a sealed envelope and marked on the outside as follows:

Private Developer Proposal for Whitetail Ridge Development

All proposals must comply with the following requirements and be numbered accordingly:

1. Signed letter on the proposer's letterhead indicating an interest in the Private Development of Whitetail Ridge
2. Primary contact person and contact information
3. Legal name and address of the development entity for this project, including all joint ventures, limited partnerships and limited liability companies. Identification of the legal entity with whom the City of Fairmont Economic Development Authority would contract, whether this entity exists currently or would be created for the purpose of this project, and the names and titles of all parties authorized to act on behalf of the proposer.
4. An organizational chart showing members of the proposed development team, including but not limited to the developer, management agency (if needed), legal, design professionals, and consultants. Contact information should be provided for each team member.

5. Description of the proposer's experience, or any experience in a similar project where the developer/team played a substantial role. The descriptions should include specific role of the proposer and current status of the projects. Sufficient contact information for references should be provided to permit the City to verify the information, such as a building official, etc.
6. Financial approval letter or a description of the proposer's financial capacity to obtain acquisition, construction, and permanent financing.
7. A visual description of the proposed Project, including:
  - a. Concept drawing or schematic;
  - b. Preliminary site plan
8. Narrative describing the proposer's plan for construction and financing of the Project. This should include:
  - a. Organization and management approach to the project
  - b. General schedule for completion of the Project following property acquisition
  - c. Description of a general financing plan including any anticipated or potential financing sources (sources and uses private and public)
  - d. The proposed purchase price and the explanation of the proposed purchase price for the Project property
  - e. The proposed amount and description of financial assistance requested from the Fairmont Economic Development Authority and/or the City of Fairmont
  - f. Identify any unique resources, capabilities, or assets which the proposer would bring to this Project

### **Attachment Checklist**

- ✓ Letter of Interest
- ✓ Project Narrative
- ✓ Development Team Organizational Chart
- ✓ Site Plan
- ✓ Colored Rendering
- ✓ Floor Plans or concepts
- ✓ Financial sources and uses
- ✓ Resume of Developer
- ✓ Anticipated Project Schedule
- ✓ Additional Attachments if Applicable

## **Reservation**

Issuance of this RFP does not commit the City of Fairmont Economic Development Authority to enter into a Development Agreement, pay any costs incurred in the preparation of a response to this request, or to procure or contract any services or supplies. FEDA reserves the right to reject any and all proposals and to make recommendations for changes in any proposal submitted, to waive informalities or irregularities, and may, in the process of this recommendation, allow the developer to make such recommended changes in its proposal. FEDA reserves the right to require additional information from developer, financial or otherwise, and to hold meetings with any developer to review the offer and development proposal, and to waive any of the requirements set forth herein.

FEDA may, at the conclusion of its review, in conjunction with appropriate legislative process, enter into a Development Agreement with the selected developer.

As an equal opportunity/affirmative action employer, the City prohibits discrimination on the basis of race, creed, color, sex, age, religion, sexual orientation, marital status, disability, or national origin. Minority and women's business enterprises will be afforded full consideration and are encouraged to respond.

## **Disposition of Proposals**

All proposals become the property of FEDA and will not be returned to the proposer.

## **Independent Contractor**

The selected developer will act as a separate legal entity and will not be in joint venture, employment or be otherwise affiliated with the City. The developer is responsible for all insurance, salaries, contracts, withholding taxes, social security, unemployment, worker's compensation and other taxes and all other liabilities it incurs in connection with the Project, and shall hold the City harmless from any and all claims for the same.

The City shall have the right to verify the accuracy of all information submitted and to make such investigation as it deems necessary or appropriate to determine the ability of a prospective developer to carry out the Project. FEDA reserves the right to reject any response where the information does not satisfy FEDA that the prospective developer is qualified to carry out the Project, is a person or firm of good reputation or character, or if the developer refuses to cooperate with and assist the City in the making of such investigation.

## **Evaluation Criteria**

A committee will evaluate each proposal individually and in the context of all other proposals. Proposals must be fully responsive to the requirements, and to any subsequent requests for clarification or additional information. Proposals must comply with and are subject to all provisions of applicable federal, state and local laws on development, zoning and building regulations. Proposals failing to comply with the submission requirements or those unresponsive to any part of this solicitation may be disqualified. FEDA may, at its sole discretion, elect to waive requirements either for all proposals or for a specific proposal.

The criteria against which each proposal will be considered may include the following, as well as other factors considered as appropriate:

1. Compliance with submittal requirements, as specified.
2. Developer experience and capabilities.
3. The assessment of how the Project meets the City's goals as identified herein.
4. Market and economic viability of the proposal.
5. Long-term fiscal benefit to the city.
6. Amount of requested financial assistance from the City of Fairmont and/or FEDA relative to Project cost.
7. Compliance with all applicable federal, state and local laws, rules, regulations and policies.
8. Project timeline.

Once FEDA has determined it is at an appropriate state in its evaluation of proposals, finalist developers may be invited to make oral presentations, which could be at a public meeting.

FEDA will notify proposers of the acceptance and/or rejection of proposals upon the conclusion of the evaluation process.

**Non-assignment of Interest**

No developer shall assign or transfer to any other person or corporation, any interest in its proposal prior to execution of a Development Agreement without the express written authorization of FEDA. After execution of a Development Agreement and until the proposed development has been completed, no interest in the contract may be assigned or transferred without the written permission of FEDA, except as set forth in the Development Agreement.

# City of Fairmont

## Economic Development Authority

### Monthly Report – December 2021

#### Projects:

- New industrial park – infrastructure extension nearly complete – will complete final touches in the spring
- Admin work continues on the CARES Act RLF including marketing, loan admin and reporting
- The Fairmont Area Life targeted advertising campaign was paused due to funding
- Worked with housing developers – no sites available
- Partner of the Career Navigator Program through the Chamber – the effort continues
- Received notification of the SMIF Economic Development Grant for Succession Planning Education
- Work with businesses on potential projects
  - Planning, Coordination and Administration of TIF 28
- Finished up writing RFP for a developer for Whitetail Ridge
- Attended Martin County Leadership Economic Development Day and served as the Day Leader and planning for Government Day in January
- Managed some changes at the Incubator Building
  - One tenant moved out, another moved in

#### Meetings:

- Attended Minnesota Marketing Partnership Meeting Virtually
- Attended WorkForce Council Meetings
- Held a kickoff meeting with ReSimplifi (helping us with our building and site management for 2022)
- Attended Noon Kiwanis meeting as the speaker
- Attended a Downtown Revitalization Meeting
- Attended the Visit Fairmont Board Meeting
- Attended Bureau 14
- Participated in several community development software demos
- Attended Ambassadors Visits
  - Sweet Financial – Name Change Recognition
  - Red Rock – New floor
  - Groomingdales – New Owner