FAIRMONT T.M.
Fairmont Economic Development Authority www.fairmont.org

REGULAR MEETING

City Hall 2nd Floor Conference Room

AGENDA: Monday,

August 10, 2026, 4:30

1. Opening
    - 1.1 Welcome/Call to Order
    - 1.2 Approval of Agenda

2.0 Business Oversight / Responsibilities

- 2.1 Consent Agenda
    - 2.1.1 Previous Meeting Minutes – July 13, 2026
    - 2.1.2 July 2026 Financials

- 2.2 Actions Taken or Related to Progress/Status Reports
    - 2.2.1 Local Housing Trust Fund – Option of working with funding partners
    - 2.2.2 Potential Housing Lots List
    - 2.2.3 Strategic Conversation Toward Developing New Housing – Brandon's Draft Document
    - 2.2.4 Housing Study – Executive Summary from Bowen National Research

3.0 Strategic Conversations

- 3.1.1 Monthly Report
- 3.1.2 Multi Family Housing prospect for buildings on Dorothy St.
- 3.1.3 Free energy audits for local businesses – Initial Visits Complete
- 3.1.4 Conversation with Region 9 – CEDS participation (Comprehensive Economic Development Strategy

4.0 Board Discussion

5.0 Meeting Wrap-Up

- 5.1 Review Actions to be Taken
- 5.2 Next Meeting – September 14, 2026

6.0 Adjourn

FEDA Mission: We support the successful growth and pride of the Fairmont area businesses and citizens.

FAIRMONT T.M.
Fairmont Economic Development Authority www.fairmont.org

REGULAR MEETING

City Hall 2nd Floor Conference Room

AGENDA: Monday,

July 13, 2026, 4:30

Minutes

Present: Brian, Chris, Jeff, Jon, Brandon, Jay, Britney

Absent:

1. Opening
   - 1.1 Welcome/Call to Order
   - 1.2 Approval of Agenda – Motion Jay, 2nd Jon - Approved

2.0 Business Oversight / Responsibilities

- 2.1 Consent Agenda
  - 2.1.1 Previous Meeting Minutes – June 8, 2026 – Motion Jay, 2nd Jeff - Approved
  - 2.1.2 June 2026 Financials – Motion Chris, 2nd Jay - Approved

- 2.2 Actions Taken or Related to Progress/Status Reports
  - 2.2.1 Public Hearing for Land Sale in White Tail Ridge Development – Brian opened the public hearing for the sale of properties at 308 & 310 Belle Vue Rd. Motion to close the hearing – Motion Chris, 2nd Jay - Approved
  - 2.2.2 Proposed Sale of White Tail Ridge Lots – Parcel #s 233470030 & 233470040 – Motion John, 2nd Chris - Approved
  - 2.2.3 Strategic Conversation Toward Developing New Housing – Discussion revolved around available properties and possible incentives.
  - 2.2.4 Review of Revolving Loan Fund Required Application Proofs – Discussed and determined to stay as is.
  - 2.2.5 Bowen National Research – New Housing Study Completed, in Review Period

3.0 Strategic Conversations

- 3.1.1 Monthly Report – Ned answered questions
- 3.1.2 New Mall owner & new potential tenants – discussed possible new tenant prospects
- 3.1.3 Free energy audits for local businesses – FEDA partnership with UofM, Region 9, & Frontier Energy
- 3.1.4 LHTF Programs, Flexibility, other potential uses for funds

4.0 Board Discussion

5.0 Meeting Wrap-Up

5.1 Review Actions to be Taken

5.2 Next Meeting – August 10, 2026

6.0 Adjourn – Motion Jay, 2nd Chris - Approved

FEDA Mission: We support the successful growth and pride of the Fairmont area businesses and citizens.

Fairmont Economic Development Authority

7/31/2026

	Prospecting: Available Budget,		
Fund 210	Current Year	$ -	Budget not available on Springbrook
Fund 215	Non-Reportable Loans	$ 135,614.54	
Fund 216	Non-Reportable Loans	$ 488,631.07	
Fund 217	Micro Loans	$ 37,671.32	
Fund 218	CARES Loans	$ 414,323.69	
	Total All Funds	$ 1,076,240.62	

Balance Sheets

		Fund 210	Fund 215	Fund 216	Fund 217	Fund 218
		Econ Dev	Non-Reportable	Non-Reportable	Micro	CARES
Assets	Cash	$ 485,683.05	$ 135,614.54	$ 488,631.07	$ 37,671.32	$ 414,323.69
	Market Value Adjustment	$ (533.51)	$ (124.48)	$ (425.40)	$ (29.69)	
	Taxes Receivable, Delinquent	$ 1,925.03	$ -	$ -	$ -	$ -
	Accounts Receivable	$ -	$ -	$ -	$ -	$ -
	Loans Receivable	$ -	$ 89,654.46	$ 545,631.68	$ 8,317.00	$ 203,792.91
	Forgivable Loans Receivable	$ -	$ -		$ 66,953.68	$ -
	Due from Other Funds		$ -	$ -	$ -	
	Due from Martin County	$ 1,115.11	$ -	$ -	$ -	$ -
Total Assets		$ 488,189.68	$ 225,144.52	$ 1,033,837.35	$ 112,912.31	$ 618,116.60

Aging Report

City of Fairmont, MN

Cutoff Date: **7/31/2026**
Run Date: 08/05/2026
Run Time: 4:29:33 pm

Funds: **All** Status: **All** County: **All**
City: **All** Loan Officer: **All**

Include loans from 0101 to 9901

						----------Analysis of Payments Due--------------					
		Loan Amt	Disbursed	Current Balance	Regular Payment	1 Payment	2 Payments	3 Payments	Over 3	Total Due	Lt Days
1104	Crissinger , Cynthia	7,623.00	7,623.00	6,442.11	73.54	73.54	73.54	73.54	6,221.49	6,442.11	4958
1204	Well Minded Properties	75,000.00	75,000.00	6,371.61	554.77	0.00	0.00	0.00	0.00	0.00	0
1502	Wiederhoeft Welding & Machine	75,000.00	75,000.00	43,028.75	454.49	0.00	0.00	0.00	0.00	0.00	0
1601	Fairmont Butcher Block LLC	75,000.00	75,000.00	49,878.70	454.49	0.00	0.00	0.00	0.00	0.00	0
1602	Tonne , Dale	4,685.00	4,685.00	616.80	41.10	0.00	0.00	0.00	0.00	0.00	0
1902	Zierke Built Mfg.	240,000.00	240,000.00	12,629.86	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	19,466.76	155.13	0.00	0.00	0.00	0.00	0.00	0
2005	Fairmont Glass & Sign Products, Inc.	75,000.00	75,000.00	58,646.45	425.40	0.00	0.00	0.00	0.00	0.00	0
2101	Giddy Up Boutique	7,508.99	7,508.99	1,853.18	99.22	0.00	0.00	0.00	0.00	0.00	0
2107	Fairmont Brewing Company, LLC	75,000.00	75,000.00	23,848.27	304.38	304.38	304.38	304.38	3,652.56	4,565.70	432
2201	Cutting Edge Fitness of Fairmont, Inc.	50,000.00	50,000.00	19,642.76	595.24	0.00	0.00	0.00	0.00	0.00	0
2202	D&R Repair	55,000.00	55,000.00	21,607.24	654.76	0.00	0.00	0.00	0.00	0.00	0
2203	Serenity Salon, LLC	75,000.00	75,000.00	29,464.14	892.86	0.00	0.00	0.00	0.00	0.00	0
2301	Janzen's Greenhouse	50,000.00	50,000.00	28,038.07	683.44	0.00	0.00	0.00	0.00	0.00	0
2302	Indulge & Co.	65,000.00	65,000.00	51,267.96	689.43	0.00	0.00	0.00	0.00	0.00	0
2303	FBC Operations, LLC	75,000.00	75,000.00	59,132.30	795.49	0.00	0.00	0.00	0.00	0.00	0
2401	Cornerstone Clinic	70,000.00	70,000.00	64,573.74	461.97	0.00	0.00	0.00	0.00	0.00	0
2402	Shenanigans Cheer & Chow	9,000.00	9,000.00	6,271.10	129.33	0.00	0.00	0.00	0.00	0.00	0
2403	Lakes Law Properties, LLC	75,000.00	75,000.00	70,084.25	515.92	0.00	0.00	0.00	0.00	0.00	0
2404	Unke Properties, LLC	75,000.00	75,000.00	70,825.38	515.92	0.00	0.00	0.00	0.00	0.00	0
2405	RT Entertainment, LLC	75,000.00	75,000.00	70,712.91	515.92	0.00	0.00	0.00	0.00	0.00	0
2501	Recovery in Motion, LLC	65,000.00	65,000.00	57,167.19	689.43	0.00	0.00	0.00	0.00	0.00	0
2502	Kingdom Properties of MN, LLC	75,000.00	75,000.00	73,169.48	515.92	0.00	0.00	0.00	0.00	0.00	0
	Totals	1,474,416.99	1,474,416.99	844,739.01	13,282.33	377.92	377.92	377.92	9,874.05	11,007.81	
	*** Total Delinquent Dollars					30,290.38	30,290.38	30,290.38	30,290.38	30,290.38	
	Percent Delinquent Dollars					3.59%	3.59%	3.59%	3.59%	3.59%	

***Total of loan balances which are in arrears

General Ledger

Summary Trial Balance

User: nkoppen
Printed: 08/05/2026 - 4:23PM
Period: 01 to 07, 2026

FAIRMONT T.M.

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
Fund 210	Economic Development					
EXPENSE						
Department 46500	Economic Development					
210-46500-10120	Full-time Employees - Regular	118,121.00	0.00	63,231.84	0.00	63,231.84
210-46500-10220	Full-time Employees - Overtime	0.00	0.00	0.00	0.00	0.00
210-46500-10320	Part-time Employees	0.00	0.00	0.00	0.00	0.00
210-46500-12120	PERA Contributions	8,859.00	0.00	4,620.72	0.00	4,620.72
210-46500-12220	FICA Contributions	7,248.00	0.00	3,862.13	0.00	3,862.13
210-46500-12500	Medicare	1,713.00	0.00	903.24	0.00	903.24
210-46500-13120	Health Insurance	27,002.00	0.00	7,902.27	0.00	7,902.27
210-46500-13300	Life Insurance	0.00	0.00	0.00	0.00	0.00
210-46500-13400	Disability Insurance	0.00	0.00	0.00	0.00	0.00
210-46500-13500	Other Medical Agreements	520.00	0.00	252.57	0.00	252.57
210-46500-14220	Unemployment Insurance	0.00	0.00	0.00	0.00	0.00
210-46500-15100	Work Comp Insurance	484.00	0.00	294.04	0.00	294.04
210-46500-20120	Office Supplies & Accessories	3,500.00	0.00	850.02	0.47	849.55
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	1,000.00	0.00	40.00	0.00	40.00
210-46500-32100	Telephone	1,800.00	0.00	573.04	0.00	573.04
210-46500-32200	Postage	650.00	0.00	469.32	10.21	459.11
210-46500-33100	Travel & Training	3,500.00	0.00	0.00	0.00	0.00
210-46500-33400	Car Allowance	3,240.00	0.00	113.08	0.00	113.08
210-46500-34305	Other Advertising	500.00	0.00	0.00	0.00	0.00
210-46500-36115	General Liability	850.00	0.00	778.59	0.00	778.59
210-46500-36215	Property Insurance	0.00	0.00	0.00	0.00	0.00
210-46500-36500	Public Officials	0.00	0.00	0.00	0.00	0.00

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
210-46500-36600	Crime Liability	0.00	0.00	0.00	0.00	0.00
210-46500-43300	Dues & Subscriptions	4,000.00	0.00	1,956.00	0.00	1,956.00
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	58,513.00	0.00	32,890.29	0.00	32,890.29
210-46500-43815	Loan Write-offs	0.00	0.00	0.00	0.00	0.00
210-46500-43900	Other Miscellaneous	0.00	0.00	143.55	0.00	143.55
210-46500-43905	Taxes Paid	0.00	0.00	5,148.00	0.00	5,148.00
210-46500-49000	Donations to Civic Organizatio	3,000.00	0.00	0.00	0.00	0.00
	210-46500 EXPENSE Totals:	244,500.00	0.00	124,028.70	10.68	124,018.02

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
Department 46600	Incubator Building					
210-46600-31200	Other Contracted Services	0.00	0.00	0.00	0.00	0.00
	210-46600 EXPENSE Totals:	0.00	0.00	0.00	0.00	0.00
	EXPENSE Totals:	244,500.00	0.00	124,028.70	10.68	124,018.02
	Fund 210 Totals:	-244,500.00	0.00	124,028.70	10.68	124,018.02
	Report Totals:	-244,500.00	0.00	124,028.70	10.68	124,018.02

General Ledger

Summary Trial Balance

User: nkoppen
Printed: 08/05/2026 - 4:24PM
Period: 01 to 07, 2026

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
Fund 210	Economic Development					
ASSETS						
210-00000-10100	Cash	0.00	562,233.81	63,381.76	139,932.52	485,683.05
210-00000-10403	Market Value Adjustment	0.00	-533.51	0.00	0.00	-533.51
210-00000-10700	Taxes Receivable - Delinquent	0.00	1,925.03	0.00	0.00	1,925.03
210-00000-11500	AR - Utility Billing	0.00	0.00	0.00	0.00	0.00
210-00000-11502	AR - Credit Card	0.00	0.00	0.00	0.00	0.00
210-00000-11504	AR - Misc	0.00	0.00	0.00	0.00	0.00
210-00000-11506	AR - Merchandise	0.00	0.00	0.00	0.00	0.00
210-00000-11507	AR - Property Rental	0.00	0.00	0.00	0.00	0.00
210-00000-11900	Loans Receivable	0.00	0.00	0.00	0.00	0.00
210-00000-13100	Due From Other Funds	0.00	0.00	0.00	0.00	0.00
210-00000-13200	Due From Federal Gov't	0.00	0.00	0.00	0.00	0.00
210-00000-13204	Due From Martin County	0.00	1,115.11	0.00	0.00	1,115.11
210-00000-15500	Prepaid Items	0.00	0.00	0.00	0.00	0.00
210-00000-16100	Land	0.00	832,475.72	0.00	0.00	832,475.72
	ASSETS Totals:	0.00	1,397,216.16	63,381.76	139,932.52	1,320,665.40
LIABILITIES						
210-00000-20200	Accounts Payable	0.00	-123.52	72,284.89	72,161.37	0.00
210-00000-20700	Due to Other Funds	0.00	-164.83	6,929.36	8,622.17	-1,857.64
210-00000-21600	Accrued Wages & Salaries Payab	0.00	-1,494.65	44,939.68	43,445.03	0.00
210-00000-21703	Accrued FICA	0.00	0.00	0.00	0.00	0.00
210-00000-21704	Accrued PERA	0.00	0.00	0.00	0.00	0.00
210-00000-21709	Accrued Medicare	0.00	0.00	0.00	0.00	0.00
210-00000-21710	Accrued Vacation	0.00	0.00	0.00	0.00	0.00
210-00000-21711	Accrued Vacation - Current	0.00	0.00	0.00	0.00	0.00
210-00000-21712	Accrued Sick Leave	0.00	0.00	0.00	0.00	0.00
210-00000-21713	Accrued Sick Leave - Current	0.00	0.00	0.00	0.00	0.00

Account Number	Description	Budget Amount	Beginning Balance	Debit This Period	Credit This Period	Ending Balance
210-00000-21715	OPEB	0.00	0.00	0.00	0.00	0.00
210-00000-21720	Other Employee W/H	0.00	0.00	0.00	0.00	0.00
210-00000-21725	Split Period	0.00	0.00	0.00	0.00	0.00
210-00000-21750	Imputed Income	0.00	0.00	0.00	0.00	0.00
210-00000-21801	Federal W/H Payable	0.00	-232.22	7,049.07	6,816.85	0.00
210-00000-21802	State W/H Payable	0.00	-104.54	3,108.92	3,004.38	0.00
210-00000-21803	FICA Payable	0.00	-264.96	7,989.22	7,724.26	0.00
210-00000-21804	PERA Payable	0.00	-287.56	8,912.87	8,625.31	0.00
210-00000-21805	Retirement Payable	0.00	0.00	0.00	0.00	0.00
210-00000-21807	Union Dues Payable	0.00	0.00	0.00	0.00	0.00
210-00000-21808	ICMA Payable	0.00	0.00	0.00	0.00	0.00
210-00000-21809	Medicare Payable	0.00	-61.96	1,868.44	1,806.48	0.00
210-00000-21810	PERA Term Ins Payable	0.00	0.00	0.00	0.00	0.00
210-00000-21811	HSA Payable	0.00	-37.90	1,168.20	1,130.30	0.00
210-00000-21812	Colonial Life Payable	0.00	0.00	5.11	5.11	0.00
210-00000-22000	Deposits Payable	0.00	0.00	0.00	0.00	0.00
210-00000-22206	Deferred Rev-Delinquent Taxes	0.00	-1,925.03	0.00	0.00	-1,925.03
210-00000-22207	Deferred Revenue - Forgivable	0.00	0.00	0.00	0.00	0.00
	LIABILITIES Totals:	0.00	-4,697.17	154,255.76	153,341.26	-3,782.67
FUND BALANCE						
210-00000-25000	Fund Balance / RE	0.00	-1,392,518.99	0.00	0.00	-1,392,518.99
	FUND BALANCE Totals:	0.00	-1,392,518.99	0.00	0.00	-1,392,518.99
	Fund 210 Totals:	0.00	0.00	217,637.52	293,273.78	-75,636.26

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	128,319.92	7,294.62	0.00	135,614.54
215-00000-10403	Market Value Adjustment	0.00	-124.48	0.00	0.00	-124.48
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	94,397.45	0.00	4,742.99	89,654.46
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	222,592.89	7,294.62	4,742.99	225,144.52
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	-222,592.89	0.00	0.00	-222,592.89
	FUND BALANCE Totals:	0.00	-222,592.89	0.00	0.00	-222,592.89
	Fund 215 Totals:	0.00	0.00	7,294.62	4,742.99	2,551.63

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	455,859.36	54,903.97	22,132.26	488,631.07
216-00000-10403	Market Value Adjustment	0.00	-425.40	0.00	0.00	-425.40
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	581,992.43	0.00	36,360.75	545,631.68
216-00000-11910	Forgivable Loans Receivable	0.00	0.00	0.00	0.00	0.00
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	1,037,426.39	54,903.97	58,493.01	1,033,837.35
LIABILITIES						
216-00000-20200	Accounts Payable	0.00	-80.00	22,132.26	22,052.26	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	-25,418.99	18,122.75	0.00	-7,296.24
216-00000-22208	Deferred Revenue - Other	0.00	0.00	0.00	0.00	0.00
	LIABILITIES Totals:	0.00	-25,498.99	40,255.01	22,052.26	-7,296.24
FUND BALANCE						
216-00000-25000	Fund Balance / RE	0.00	-1,011,927.40	0.00	0.00	-1,011,927.40
	FUND BALANCE Totals:	0.00	-1,011,927.40	0.00	0.00	-1,011,927.40
	Fund 216 Totals:	0.00	0.00	95,158.98	80,545.27	14,613.71

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	30,743.17	19,877.38	12,949.23	37,671.32
217-00000-10403	Market Value Adjustment	0.00	-29.69	0.00	0.00	-29.69
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	12,404.52	64.23	4,151.75	8,317.00
217-00000-11910	Forgivable Loans Receivable	0.00	54,114.68	12,839.00	0.00	66,953.68
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	97,232.68	32,780.61	17,100.98	112,912.31
LIABILITIES						
217-00000-20200	Accounts Payable	0.00	0.00	12,949.23	12,949.23	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	12,949.23	12,949.23	0.00
FUND BALANCE						
217-00000-25000	Fund Balance / RE	0.00	-97,232.68	0.00	0.00	-97,232.68
	FUND BALANCE Totals:	0.00	-97,232.68	0.00	0.00	-97,232.68
	Fund 217 Totals:	0.00	0.00	45,729.84	30,050.21	15,679.63

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	376,515.16	38,012.53	204.00	414,323.69
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	238,319.54	1.20	34,527.83	203,792.91
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	614,834.70	38,013.73	34,731.83	618,116.60
LIABILITIES						
218-00000-20200	Accounts Payable	0.00	0.00	204.00	204.00	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	0.00	0.00	0.00	0.00
	LIABILITIES Totals:	0.00	0.00	204.00	204.00	0.00
FUND BALANCE						
218-00000-25000	Fund Balance / RE	0.00	-614,834.70	0.00	0.00	-614,834.70
	FUND BALANCE Totals:	0.00	-614,834.70	0.00	0.00	-614,834.70
	Fund 218 Totals:	0.00	0.00	38,217.73	34,935.83	3,281.90
	Report Totals:	0.00	0.00	567,906.91	653,298.09	-85,391.18

	Potential Single Family Properties	
300 E. Belle Vue	White Tail Ridge	
304 E. Belle Vue	White Tail Ridge	
507 Lake Ave	South portion of the Day Farm (north of Hentgen)	
1170 Horatio		
1110 Horatio		
1680 Patriot		
1721 Knollwood		
1731 Knollwood		
1651 Patriot		
601, 602, 603, 604, 605 Limerick Circle		
701, 702, 703, 704, 705 Jameson		HRA
701, 702, 703, 704, 705 Bush Mill		HRA
1601 N. Prairie		
1800 Hwy 15 S.		Krueger Realty
1900 Charles		Krueger Realty
1700 Charles		Krueger Realty
1700 Charles		Hertzke
2100, 2120, 2130, 2140, 2150 Knollwood		
557 Interlaken Rd		
1600 Blue Earth Ave		
1451,1501, 1551 Webster		
433 Lake Ave.		
322 S. Park St.		

FAIRMONT HOUSING
DEVELOPER INCENTIVE PACKAGE

Option #1: A Single, Standardized, Builder-Readable Offering

Concept and Implementation Draft
Prepared for discussion by the Fairmont Economic Development Authority and City of Fairmont
July 2026

Purpose of this document
Translate Fairmont's existing housing tools into one clear incentive program that developers can understand, model, and act on. This is a policy-development draft, not legal advice or a commitment of public funds. Final program terms should be reviewed by the city attorney, financial advisor, county partners, and applicable governing bodies.

Executive Summary

Fairmont already has several meaningful housing-development tools, including a published multifamily property-tax abatement program, tax increment financing, demolition assistance, city-owned land, and the ability to negotiate land or building cost reductions in selected redevelopment projects. The central competitive weakness is not necessarily the maximum value of these tools. It is that the offer is fragmented, project-specific, and difficult for a developer to model before entering discussions with the city.

This proposal creates a single program—the Fairmont Housing Development Advantage Package—that combines those tools into a standardized menu with four project tracks, published eligibility rules, defined approval steps, target response times, and project-performance safeguards. The fourth track establishes rehabilitation and restoration of existing housing as a primary production strategy, consistent with the preliminary finding from Fairmont's newly completed housing study that restoration is among the community's top housing priorities. The package is designed to make Fairmont easier to evaluate than competing communities such as St. James, Blue Earth, Jackson, and Windom.

Recommended policy direction

Adopt a unified incentive framework first. Do not begin by promising every developer the maximum subsidy. Publish the available tools, show how they can be combined, and reserve final awards for projects that demonstrate a documented financing gap, measurable public benefit, and readiness to proceed.

The proposed package at a glance

Project track	Typical project	Primary tools	Competitive objective	Approval approach
A. Builder / Spec Home	New single-family or duplex construction	City/county tax abatement; discounted or deferred city lot; fee support; expedited review	Reduce land and carrying costs	Administrative intake followed by required board/council actions
B. Missing-Middle Housing	Townhomes, twin homes, fourplexes, 5–12 unit projects	Abatement or housing TIF; land write-down; infrastructure participation; fee support	Make small multifamily projects financially feasible	Standard underwriting and development agreement
C. Workforce Rental	Approximately 13+ market-rate or mixed-income units	Housing TIF or abatement; land; infrastructure; state-program stacking; gap financing	Attract experienced regional developers	Formal project underwriting and negotiated agreement
D. Rehabilitation / Restoration	Substantial rehabilitation, adaptive reuse, and conversion of distressed or underused property	Rehabilitation gap financing; abatement or TIF; acquisition/site support; fee assistance; predevelopment	Restore housing faster, preserve neighborhoods, and remove barriers created by acquisition and rehabilitation costs	Standard scope-of-work review, gap underwriting, inspections, and development/loan agreement

Project track	Typical project	Primary tools	Competitive objective	Approval approach
		support		

1. Why Fairmont Needs a Unified Developer Offering

1.1 The current competitive issue

A developer selecting among small regional markets evaluates more than the theoretical dollar value of an incentive. The developer also evaluates certainty, land readiness, approval speed, carrying cost, local coordination, and whether the public partner can explain the full package in one conversation. Nearby communities increasingly package these factors together.

- St. James publicly combines reduced lot prices, installment payments, deferred payment for qualifying spec-home lots, extended construction windows, and extremely low-cost local construction financing.
- Blue Earth presents available lots, city tax abatement, county participation, and a joint application path in a coherent public-facing format.
- Jackson pairs a clearly stated county tax-abatement program with city subdivision inventory and homebuyer support.
- Fairmont has strong individual tools, but developers must currently piece together information from multiple pages, entities, and project precedents.

1.2 The strategic response

Fairmont should compete by becoming the easiest community in the region to understand and the most dependable community in which to execute. The proposed package does that through five commitments:

1. One public incentive menu
2. One lead development contact
3. A preliminary incentive indication early in the process
4. Defined review milestones and target response times
5. A transparent "public benefit for public assistance" framework

1.3 Program name and positioning

Proposed program name
Fairmont Housing Development Advantage Package

Developer-facing message: "Fairmont helps qualified housing projects reduce land, infrastructure, tax, and carrying costs through one coordinated development process."

2. Program Objectives and Governing Principles

2.1 Program objectives

- Increase the production and preservation of housing identified as needed by Fairmont's current housing study and adopted plans. Preliminary study information indicates that restoration of existing properties is one of Fairmont's top housing priorities; final program targeting should be refined when the complete study is released.
- Reduce the financial gap that prevents otherwise viable projects from proceeding.
- Encourage use of vacant, underutilized, blighted, or publicly controlled property.
- Attract builders and developers who do not currently operate in Fairmont.
- Create a predictable process without eliminating project-specific underwriting.

- Protect public resources through performance requirements, clawbacks, and reimbursement-based assistance.

2.2 Governing principles

Principle	Application
But-for test	Public assistance should be limited to the amount reasonably necessary for the project to proceed in Fairmont.
Readiness	Priority should go to projects with site control, credible financing, a realistic schedule, and qualified team members.
Public benefit	Awards should correspond to housing units, redevelopment outcomes, affordability commitments, workforce need, tax-base growth, or other measurable benefits.
Reimbursement preference	Whenever practical, assistance should be paid after documented costs are incurred or after agreed milestones are achieved.
No double counting	The same cost should not be reimbursed by more than one public source.
Consistency with flexibility	Use standard terms as the default, but permit exceptions when the public benefit justifies them and findings are documented.

3. Incentive Tracks

The package should be marketed as one program but administered through four project tracks. This allows Fairmont to respond differently to a property-restoration project, a local spec-home builder, a missing-middle project, and a larger workforce-rental development without creating a separate policy for every proposal.

Track A — Builder and Spec-Home Initiative

Single-family homes and duplexes, including builder-owned spec homes.

Suggested eligibility

- New construction on a vacant lot or replacement of a removed blighted structure.
- Project must comply with zoning and building requirements.
- Applicant must demonstrate the ability to begin construction within an agreed period.
- Priority may be given to city-owned lots, infill sites, and homes within a targeted sales-price range.

Available tools

- City property-tax abatement, subject to statutory process and adopted policy.
- Coordination with Martin County housing abatement when available.
- Discounted city/HRA/EDA lot price based on project economics and public benefit.
- Deferred lot payment until certificate of occupancy, permanent financing, or sale, subject to security requirements.
- Building, zoning, utility-connection, or related fee reduction where legally permissible.
- Expedited pre-application and plan-review coordination.

- Potential local-lender construction-loan partnership.

Intended outcome
Reduce the land, financing, and carrying-cost barriers that prevent small builders from constructing homes before a buyer is committed.

Track B — Missing-Middle Housing Initiative

Twin homes, townhomes, cottage developments, fourplexes, and approximately 5–12 unit projects.

Suggested eligibility

- New construction, adaptive reuse, or redevelopment.
- Project should add a housing type that is underrepresented in Fairmont.
- Applicant must provide a development budget, operating assumptions where applicable, sources and uses, schedule, and financing evidence.

Available tools

- Property-tax abatement or housing TIF, depending on eligibility and project structure.
- City-owned land write-down or phased land takedown.
- Public-infrastructure participation for eligible streets, utilities, demolition, site preparation, or public improvements.
- Permit or connection-fee assistance when justified.
- Pay-as-you-go reimbursement from future tax increment or abated taxes.
- Support for state and regional grant applications.

Intended outcome
Create a repeatable path for projects that are too large for a small homebuilder but too small to absorb the transaction costs of a major development.

Track C — Workforce Rental and Strategic Housing Initiative

Larger market-rate, mixed-income, senior, or workforce-oriented rental projects, generally 13 or more units.

Suggested eligibility

- Project must address a documented housing need.
- Applicant must submit full development underwriting and demonstrate financing capacity.
- Project must satisfy applicable TIF, abatement, business-subsidy, land-disposition, environmental-review, and procurement requirements.

Available tools

- Housing TIF or property-tax abatement.
- Land contribution, land write-down, building-cost reduction, or phased site control.
- Infrastructure assistance and eligible site-development reimbursement.
- Local match for Minnesota Housing or other competitive programs when approved.

- Coordination of Workforce Housing Development Program, State Housing Tax Credit, Low-Income Rental Classification, USDA, DEED, and other applicable resources.
- Development agreement with performance, reporting, and recapture provisions.

Intended outcome
Position Fairmont as the best-prepared small regional city for assembling a complete capital stack and moving a sophisticated housing project to closing.

Track D — Existing Housing Rehabilitation and Property Restoration Initiative

Substantial rehabilitation of vacant, deteriorated, code-deficient, underused, or functionally obsolete residential property. This track may also support adaptive reuse and conversion projects that create safe, durable housing while preserving structures that can be economically restored.

Why this track is a priority

Fairmont's recently completed housing study has not yet been released in full, but preliminary information provided to local leaders identifies restoration as one of the community's top priorities for increasing housing. The program should therefore treat rehabilitation as a direct housing-production strategy rather than as a secondary form of blight removal. Final eligibility, geographic targeting, and funding priorities should be adjusted after the complete study findings are received.

Suggested eligible projects

- Acquisition and substantial rehabilitation of vacant or deteriorated single-family homes, duplexes, and small multifamily buildings.
- Rehabilitation of code-deficient rental housing when the work produces a defined improvement in safety, habitability, energy performance, accessibility, or long-term property condition.
- Conversion of oversized or obsolete residential structures into duplexes, accessory dwelling units, or other code-compliant housing configurations where zoning permits.
- Adaptive reuse of upper-floor commercial space, former institutional property, or other underused buildings into housing.
- Stabilization and reuse of tax-forfeited, abandoned, estate-held, or nuisance properties that can be economically restored.
- Rehabilitation associated with preservation of historically or architecturally significant structures, when feasible.

Suggested eligibility and underwriting

- The project must involve substantial rehabilitation rather than routine maintenance or cosmetic improvement.
- The applicant must provide acquisition cost, rehabilitation scope, contractor estimates, sources and uses, expected finished value, financing evidence, and a project schedule.
- The city should require a third-party inspection, code assessment, or rehabilitation work specification sufficient to distinguish a viable restoration project from a structure that is unsafe or economically infeasible to preserve.
- Assistance should be limited to a documented financing gap or the reasonable cost of achieving specific public benefits.
- Projects receiving assistance should be subject to completion deadlines, inspection milestones, property-maintenance requirements, and recapture provisions.

Available tools

- Deferred, low-interest, or partially forgivable rehabilitation financing through an EDA/HRA revolving loan fund or a dedicated housing-restoration fund, subject to available authority and capitalization.

- Property-tax abatement on qualifying increased value, where legally permissible and properly structured; assistance should not be represented as an automatic exemption from all property taxes.
- Housing TIF for qualifying rehabilitation, adaptive-reuse, or multifamily projects when statutory requirements are met.
- Acquisition, demolition of noncontributing structures, environmental remediation, site preparation, or utility repair assistance when necessary to complete the restoration.
- Permit, inspection, utility-connection, or related fee assistance when legally permissible and justified by the project gap.
- Coordination with Minnesota Housing, DEED, USDA Rural Development, energy-efficiency programs, lead-hazard programs, historic-preservation resources, and local lenders.
- Predevelopment assistance for environmental testing, structural analysis, architectural plans, code analysis, or feasibility work on priority properties.

Recommended delivery model: rehabilitation gap financing

The preferred structure is reimbursement-based gap financing. The developer or owner documents acquisition price, eligible rehabilitation costs, private financing, expected completed value or stabilized operating performance, and the remaining gap. Fairmont then provides only the amount reasonably necessary to close that gap, subject to an approved scope of work. Funds should be disbursed after verified work, inspections, lien waivers, and agreed milestones rather than paid entirely at closing.

Rehabilitation-versus-demolition review

Before public demolition assistance is approved for a residential structure, Fairmont should use a simple "rehab versus raze" assessment. The review should consider structural condition, code deficiencies, environmental hazards, rehabilitation cost, expected completed value, neighborhood impact, historic or architectural value, and whether a qualified party is prepared to complete the work. Demolition should remain available when restoration is unsafe or economically unreasonable, but preservation should receive a fair evaluation first.

Intended outcome

Return deteriorated or underused properties to productive housing use, preserve neighborhood fabric, reduce nuisance conditions, increase taxable value, and create housing more quickly where rehabilitation is more practical than new construction.

4. Standard Incentive Menu

The following menu should be published as "potentially available," not automatically guaranteed. Each award remains subject to eligibility, underwriting, statutory requirements, public hearings where required, and approval by the appropriate public body.

Tool	Suggested standard position	Best fit	Delivery structure	Key control
City property-tax abatement	Up to 100% of the city share on qualifying new value for a term supported by adopted policy and law. Use a shorter term when it closes the gap.	All tracks	Annual reimbursement after taxes are paid or another legally approved structure	Public hearing, statutory findings, cap, and termination conditions

Tool	Suggested standard position	Best fit	Delivery structure	Key control
Martin County abatement coordination	Provide one coordinated application checklist and clearly state the current county term and eligibility.	All tracks	Separate county approval coordinated through one project schedule	County controls its own award
Housing TIF	Use for qualifying housing projects when TIF is more effective than abatement.	Tracks B and C	Pay-as-you-go note preferred unless another structure is justified	But-for test, eligible costs, statutory income requirements where applicable
City-owned land discount	Price may be reduced to appraised value, project-supported value, or another legally supportable amount.	All tracks	Purchase agreement or development agreement	Construction deadline, minimum improvements, reversion or repurchase rights
Deferred land payment	Payment delayed until sale, permanent financing, occupancy, or a fixed outside date.	Track A and selected Track B	Promissory note, mortgage, or other security	Interest, maturity, default, and repayment trigger
Phased lot takedown	Developer controls multiple lots but purchases them in phases.	Tracks A and B	Option or phased purchase agreement	Milestones and release schedule
Infrastructure participation	City funds or reimburses eligible public improvements based on project benefit and gap.	Tracks B and C	Direct public project or reimbursement agreement	Cost cap, bidding/procurement compliance, public ownership where applicable
Fee support	Waive, reduce, defer, or reimburse eligible local fees when authorized.	All tracks	Administrative credit or reimbursement	Published cap and list of eligible fees
Demolition/site preparation	Apply existing demolition tools or negotiate eligible redevelopment assistance.	Tracks B and C; infill A	Grant, reimbursement, or TIF/abatement eligible cost	Environmental review, bids, documentation

Tool	Suggested standard position	Best fit	Delivery structure	Key control
Expedited development review	Named project manager, consolidated comments, pre-scheduled review milestones.	All tracks	Administrative service commitment	Complete application and applicant responsiveness
State-program packaging	City leads or supports applications and documents local match.	Tracks B and C	Grant agreement or development agreement	Award contingent on outside funding and closing
Rehabilitation gap financing	Create a dedicated deferred, low-interest, or partially forgivable loan tool for substantial rehabilitation. Size assistance to the verified gap and public benefit.	Track D; selected B/C projects	Reimbursement or construction draws after inspection and lien documentation	Recorded mortgage/security, completion deadline, eligible-cost rules, recapture
Predevelopment and property assessment assistance	Support structural, environmental, code, architectural, or feasibility work on priority restoration properties when the cost prevents a viable project from advancing.	Track D	Grant, recoverable grant, or reimbursable advance	Property eligibility, capped award, required deliverable, repayment if project closes where appropriate
Adaptive-reuse and conversion support	Coordinate zoning, code, TIF/abatement, utility, and financing tools for conversion of underused buildings or upper floors into housing.	Tracks B, C, and D	Negotiated package based on statutory eligibility and gap	Code compliance, unit creation, affordability or occupancy commitments where applicable

5. Suggested Assistance Tiers

Fairmont should avoid a simple “first come, maximum subsidy” model. A tiered framework gives staff and governing bodies a consistent basis for matching assistance to public benefit.

Tier	Project characteristics	Typical package	Required finding
Tier 1 — Standard	Buildable site, modest gap, standard housing product	Abatement coordination, expedited review, modest fee or land assistance	Project advances housing supply and can proceed with limited assistance

Tier 2 — Targeted	Priority housing type, infill/redevelopment, multiple units, or meaningful gap	Tier 1 plus land write-down, deferred payment, demolition, or infrastructure participation	Additional assistance is necessary and proportional to documented public benefit
Tier 3 — Strategic	Large unit count, catalytic site, major redevelopment, state-funding opportunity, or exceptional workforce need	Negotiated package using TIF/abatement, land, infrastructure, local match, and state stacking	Project will not reasonably proceed without assistance and delivers substantial measurable benefit

6. Project Evaluation Scorecard

A scorecard should guide, but not mechanically determine, awards. Suggested 100-point framework:

Category	Points	Evaluation considerations
Housing need and product fit	20	Addresses a documented shortage; adds needed price point, tenure, accessibility, senior, workforce, or missing-middle product.
Project readiness	20	Site control, experienced team, realistic schedule, preliminary plans, lender interest, and credible financing path.
Public return	20	Units created or preserved, tax base, redevelopment value, restoration of deteriorated property, blight removal, infrastructure efficiency, historic/neighborhood preservation, and neighborhood impact.
Financial necessity	15	Documented gap; reasonable developer fee and return; other sources pursued; assistance limited to need.
Leverage	10	Private and outside public dollars generated per local dollar.
Location and land readiness	10	Uses priority site, existing infrastructure, infill, city-owned land, or strategic redevelopment area.
Execution risk	5	Market, entitlement, construction, financing, and operational risks are understood and manageable.

Suggested threshold

Projects scoring below 60 should generally not receive discretionary financial assistance without specific written findings. Projects scoring 60–74 may qualify for Tier 1 assistance; 75–84 for Tier 2; and 85+ for Tier 3 consideration.

7. Developer Process and Service Standards

The process itself should be part of the incentive. Fairmont should publish the following target workflow, subject to statutory notice, hearing, board, and council schedules.

Stage	Developer submits	Fairmont response	Target timing
1. Introductory call	Basic concept, unit count, site, estimated cost, schedule	Assign lead contact and identify likely track	Within 2 business days
2. Pre-application meeting	Concept plan and preliminary sources/uses	Consolidated feedback from EDA, planning, engineering, utilities, finance, HRA, and other staff	Meeting targeted within 10 business days
3. Preliminary incentive indication	Short application, gap summary, site control status	Nonbinding letter identifying potentially available tools, missing information, and approval path	Within 15 business days after complete submission
4. Formal application	Full plans, underwriting, financing evidence, public-benefit commitments	Staff and advisor review; negotiate term sheet	Project-specific
5. Public approvals	Final application and negotiated terms	Required notices, hearings, EDA/HRA/council/county actions	Aligned to published meeting calendar
6. Closing and construction	Executed agreements, financing, permits, insurance	Close land/incentive documents and begin compliance monitoring	Based on project schedule

7.1 One-project-manager model

Every qualifying housing lead should receive one named project manager. That person is responsible for coordinating internal comments and communicating a single consolidated response to the developer. The developer should not be required to independently navigate each city department or public entity to determine the status of the proposal.

7.2 Preliminary incentive indication

The most important new deliverable is a two-to-three-page, nonbinding preliminary incentive indication. It should state:

- The project track and preliminary eligibility determination.
- Potential city, county, HRA/EDA, and state tools.
- A preliminary range or method for calculating assistance—not a guaranteed amount.
- Information still required to establish the financial gap.
- Required public approvals and estimated meeting sequence.
- Known zoning, infrastructure, environmental, or land-control issues.
- Expiration date of the preliminary indication.

8. Standard Terms, Safeguards, and Compliance

8.1 Performance requirements

- Construction commencement deadline.
- Substantial completion deadline.
- Minimum number and type of units.
- Minimum taxable value or project investment when appropriate.
- Occupancy, affordability, or workforce commitments when applicable.
- Ongoing reporting for the term of assistance.

8.2 Security and recapture

- Reversion or repurchase rights for discounted public land.
- Mortgage, promissory note, letter of credit, guaranty, or other security when appropriate.
- Prorated repayment or termination if units are not delivered.
- Clawback for material misrepresentation, prohibited transfer, or failure to maintain required use.
- Right to suspend reimbursements during default.

8.3 Cost and underwriting controls

- Detailed sources-and-uses statement.
- Disclosure of developer fee, related-party costs, and projected return when relevant.
- Evidence that other reasonable financing sources have been pursued.
- Independent review by the city's financial advisor for major projects.
- Maximum assistance stated as a dollar cap, percentage, term, or eligible-cost limit.

8.4 Legal and procedural compliance

- Minnesota property-tax abatement statutes and required findings.
- Minnesota TIF statutes and housing-district requirements.
- Business subsidy law and public-hearing requirements when applicable.
- Constitutional public-purpose and land-disposition requirements.
- Prevailing wage, bidding, environmental review, relocation, and grant requirements where triggered.
- Separate approvals by the City of Fairmont, FEDA, HRA, Martin County, school district, or other entities as applicable.

Important legal note
The city cannot promise or control another taxing jurisdiction's share of taxes. The developer-facing package may coordinate city and county processes, but each political subdivision must independently approve its own assistance.

9. Flagship Competitive Elements Fairmont Should Consider

The following features would make the unified package materially more competitive than a tax-abatement-only approach. They should be evaluated during policy adoption and piloted on selected city-controlled sites.

9.1 Fairmont Spec-Home Lot Pilot

- Designate a limited number of city/HRA/EDA-controlled residential lots.
- Offer a reduced lot price or defer payment until sale, permanent financing, or an outside date.
- Allow a 18–24 month construction-and-sale window, subject to milestones.
- Require approved plans, builder qualifications, proof of financing, and a completion guaranty or other security.
- Limit the number of lots controlled by one builder until performance is demonstrated.

9.2 Local lender partnership

Invite local banks and credit unions to propose a standardized builder construction-loan product. The city would not necessarily subsidize the interest rate. Its role could be to convene lenders, provide predictable lot and incentive terms, and reduce collateral or timing uncertainty. Any public credit enhancement would require separate legal and financial review.

9.3 Published development-ready site sheets

For each priority housing site, publish a one-page sheet showing ownership, asking price, zoning, allowable density, parcel size, utility availability, known environmental conditions, estimated special assessments, development constraints, and the incentive tools that may apply. An incentive package is much more persuasive when paired with a truly development-ready site.

9.4 "Fairmont Fast Track" review

- One pre-application meeting with all relevant departments.
- One consolidated written comment letter.
- Parallel review of land, zoning, engineering, and incentive issues when feasible.
- Priority plan-review scheduling for projects with complete submissions.
- Published meeting and public-hearing calendar.

10. Implementation Plan

Phase	Actions	Primary owners	Deliverable
Phase 1 — Confirm baseline	Reconcile current city and Martin County abatement terms; inventory city/HRA/EDA land; identify legal authorities and fiscal limits; confirm priority housing types and use the final housing study to identify restoration priorities, target property types, and any recommended geographic focus.	FEDA staff, city administration, finance, county partners, city attorney	Verified incentive matrix and site inventory
Phase 2 — Draft policy	Adopt program objectives, tracks, scoring, standard terms, fee schedule approach, delegated authority, and approval process.	FEDA/HRA, council, attorney, financial advisor	Formal program guidelines and application

Phase 3 — Build developer materials	Create one-page program sheet, project-track sheets, site sheets, application checklist, and preliminary indication template.	FEDA and communications staff	Developer-ready marketing package
Phase 4 — Launch pilot	Select initial city-controlled sites and priority restoration properties; solicit builders, rehabilitation developers, and property owners; convene lenders and contractors; issue targeted outreach.	FEDA/HRA and partners	First-round new-construction and restoration project pipeline
Phase 5 — Measure and adjust	Track inquiries, applications, approvals, units, investment, public cost, approval time, and project completion.	FEDA staff and governing bodies	Annual program report and recommended revisions

10.1 Decisions needed before adoption

- Which housing types and price points receive priority?
- Which city-owned or partner-owned sites can be included at launch?
- What land-price flexibility can staff recommend without returning for a new policy decision each time?
- Which fees may legally be waived, reduced, deferred, or reimbursed?
- What is the maximum annual fiscal exposure for abatements, land write-downs, infrastructure, and local matches?
- What authority, if any, may be delegated to staff or FEDA for preliminary or final actions?
- What current Martin County abatement term and application procedure should be shown in joint materials?

11. Program Performance Measures

Measure	Why it matters	Suggested reporting
Qualified developer inquiries	Shows market reach and clarity	Quarterly
Pre-application meetings	Measures pipeline formation	Quarterly
Preliminary indications issued	Measures conversion from inquiry to actionable project	Quarterly
Units approved and completed	Primary production outcome	Quarterly and annual
Housing type and price/rent range	Tests alignment with need	Annual
Private investment leveraged	Measures return on local support	Annual
Local assistance per completed unit	Allows comparison across projects	Annual
Average days from complete application to decision	Measures competitiveness of process	Annual

Projects completed on schedule	Measures execution quality	Annual
Tax-base and redevelopment outcomes	Measures long-term public return	Annual
Properties restored and returned to occupancy	Measures whether the program increases usable housing from the existing stock	Quarterly and annual
Housing units preserved or created through rehabilitation	Separates restoration production from new construction	Quarterly and annual
Public dollars per restored unit	Tests cost-effectiveness and supports comparison with demolition/replacement	Annual
Nuisance or code-deficient properties resolved	Measures neighborhood and blight-reduction impact	Annual

12. Draft Developer-Facing One-Page Copy

FAIRMONT HOUSING DEVELOPMENT ADVANTAGE
Build housing in Fairmont with one coordinated path to land, tax, infrastructure, and development assistance. Qualified projects may be eligible for city and county property-tax abatement, housing TIF, discounted or deferred public land, rehabilitation gap financing, property assessment and predevelopment support, demolition or site-preparation support, infrastructure participation, fee assistance, expedited review, and help pursuing Minnesota Housing and other outside funding.

Four project tracks:
• Existing Housing Rehabilitation and Property Restoration
• Builder and Spec Home
• Missing-Middle Housing
• Workforce Rental and Strategic Housing

Start with a confidential pre-application meeting. Fairmont will identify the likely approval path, available tools, required information, and next steps. Assistance is based on project need, readiness, public benefit, and governing-body approval.

Developer intake checklist

- Developer and project-team contact information
- Proposed site and site-control status
- Housing type and estimated unit count
- Preliminary concept or site plan
- Estimated development cost
- Estimated sale prices or rents
- Proposed construction and occupancy schedule
- Known financing sources and preliminary funding gap
- Requested city, county, or public assistance

Appendix A — Research Basis and Official Sources

This concept was informed by the public-facing programs and authorities below. Program details should be reverified before final policy adoption because terms, application windows, and statutory requirements can change.

Fairmont multifamily housing tax abatement program: https://www.fedamn.com/business-resources/incentives/local-incentives/p/item/1518/fairmont-multifamily-housing-tax-abatement-program

Fairmont local incentives and demolition program: https://www.fedamn.com/business-resources/incentives/local-incentives/

Martin County property-tax abatement: https://www.co.martin.mn.us/i_want_to/apply_for/property_tax_abatement/property_tax_abatement.php

St. James residential development incentives: https://www.ci.stjames.mn.us/374/Residential-Development-Incentives

St. James residential lots: https://www.ci.stjames.mn.us/161/Residential-Development-Lots-for-Sale

Blue Earth housing and tax-abatement materials: https://becity.org/index.php/play/housing

Jackson County New Housing Initiative: https://jacksoncountymn.gov/index.asp?SEC=730F45B6-F417-4F3A-8E5E-05689133511E

City of Jackson subdivisions: https://www.cityofjacksonmn.com/index.asp?DE=4BE6DFF4-CF3D-4398-940E-9F9FB16713E8&SEC=9D16A5D9-E353-4B9A-8FD5-6B8063043CE0

Cottonwood County real-estate tax and abatement information: https://www.cottonwoodcountymn.gov/departments/administrative/auditor_treasurer/real_estate_tax.php

League of Minnesota Cities: city housing tools: https://www.lmc.org/housing-development-resources/25-city-tools-for-housing-affordability-and-developer-assistance/

Minnesota House Research: economic development property-tax abatement: https://www.house.mn.gov/hrd/pubs/ss/ssptabt.pdf

Minnesota Housing Workforce Housing Development Program: https://www.mnhousing.gov/home/rental-housing/housing-development-and-capital-programs/workforce-housing

Minnesota Housing State Housing Tax Credit: https://www.mnhousing.gov/home/rental-housing/housing-development-and-capital-programs/deferred-loans-and-grant-programs/state-housing-tax-credit-shtc

Minnesota Housing Low-Income Rental Classification: https://www.mnhousing.gov/home/rental-housing/low-income-rental-classification-lirc

Appendix B — Items Requiring Verification

- The current Martin County abatement term, eligibility, fee, approval process, and expiration date.
- Whether Fairmont's published program applies to single-family construction as well as multifamily construction and the exact current term for each product.
- Current city, FEDA, and HRA land inventory, appraised values, infrastructure status, and disposition restrictions.
- Current permit, utility-connection, park, SAC/WAC, special-assessment, and other development fees and which may be reduced or deferred.
- The city's current business-subsidy policy, TIF policy, abatement policy, land-disposition policy, and delegated authority.
- Fiscal capacity and annual limits for abatements, land write-downs, infrastructure participation, and state-program local match.
- Complete results of the current Fairmont housing study, including the preliminary finding that restoration is a top priority; the property conditions, housing types, price points, and geographic areas recommended for intervention; and any quantified rehabilitation need.

BOWEN NATIONAL RESEARCH

FAIRMONT HOUSING NEEDS

TWO-PAGE EXECUTIVE SUMMARY | 2025-2030 OUTLOOK

PURPOSE: Evaluate Fairmont's housing needs and establish priorities and strategies using demographic, economic, housing supply, market conditions and community input findings.

HOUSING NEEDS AT A GLANCE

434	264	170
TOTAL UNITS Overall five-year housing gap	**RENTAL UNITS** Across all affordability levels	**FOR-SALE UNITS** Across all price points

MARKET SNAPSHOT

DEMOGRAPHIC SHIFT

+14.8%

Households age 75+

Notable projected growth is expected among senior households from 2025 to 2030. Overall households are projected to decline 1.5%, while owner households remain nearly stable.

AFFORDABILITY PRESSURE

1,324 households

Cost burdened

About 820 renter and 504 owner households pay more than 30% of income for housing. Severe cost burden affects 235 renters and 223 owners (households paying more than 50% of income for housing).

RENTAL TIGHTNESS

96.5% occupied

Multifamily rentals

Only nine surveyed multifamily units were vacant. Non-conventional rentals had a 0.9% vacancy rate, and 36 households were waiting for vouchers.

FOR-SALE CONSTRAINTS

1.4% availability

Homes for purchase

Only 43 homes were available in late May 2026. The 2025 median sales price was $185,000, which is 27.7% above the median sales price in 2022.

ADDITIONAL MARKET INDICATORS

124

Blighted residential properties

Exterior blight was identified citywide, resulting in a high 2.4% blight rate; 56.5% of affected units were in the North Submarket.

20

Potential development sites

Twelve identified sites are currently zoned residential, creating opportunities for targeted development.

411

Senior care units / beds

Eight senior care facilities were surveyed in Martin County and were 88.1% occupied overall; independent living was fully occupied.

WHAT THIS MEANS: Fairmont needs a variety of housing at multiple price points. Tight availability, persistent cost burden, an aging housing stock and rapid growth among older households create both immediate housing challenges and clear development opportunities.

BOWEN NATIONAL RESEARCH

HOUSING GAPS & PRIORITIES

FAIRMONT, MINNESOTA | RECOMMENDED ACTION FRAMEWORK

FIVE-YEAR HOUSING GAP BY AFFORDABILITY AND TENURE

2025-2030

RENTAL HOUSING GAP | 264 UNITS

≤ $1,225 rent ≤50% AMHI income ≤$49,000	**$1,226-$1,960** 51%-80% AMHI income $49,001-$78,400	**$1,961-$2,940** 81%-120% AMHI income $78,401-$117,600	**$2,941+ rent** 121%+ AMHI income $117,601+
115 UNITS NEEDED	**70** UNITS NEEDED	**51** UNITS NEEDED	**28** UNITS NEEDED

Key takeaway: 185 units—70.1% of the total rental gap—are needed at rents of $1,960 or less, while meaningful demand also exists at higher rent levels.

FOR-SALE HOUSING GAP | 170 UNITS

≤ $163,333 Entry price point	**$163,334-$261,333** Moderate price point	**$261,334-$392,000** Largest gap segment	**$392,001+** Upper price point
30 UNITS NEEDED	**50** UNITS NEEDED	**58** UNITS NEEDED	**32** UNITS NEEDED

Key takeaway: The largest for-sale gap is 58 homes priced from $261,334 to $392,000, followed by 50 homes priced from $163,334 to $261,333.

RECOMMENDED ACTION PLAN

1 SET GOALS AND PRIORITIES
Translate the housing gaps into annual and five-year targets for construction, rehabilitation and demolition. Prioritize income levels, populations and locations.

2 BUILD IMPLEMENTATION CAPACITY
Assess staff and partner capacity; consider a formal housing coalition or committee and short-term professional housing expertise.

3 REDUCE DEVELOPMENT BARRIERS
Evaluate higher-density zoning, fees and approval processes; consider infrastructure assistance, public/corporate land and construction-trade workforce training.

4 PRESERVE AND IMPROVE EXISTING HOUSING
Continue code enforcement, rehabilitation, weatherization and demolition. Monitor housing quality and explore tools such as a community land trust or land bank.

5 ENGAGE AND ATTRACT INVESTMENT
Educate residents and decision makers, then market Fairmont's housing gaps and 20 potential development sites to developers, investors and lenders.

IMPLEMENTATION NOTE: Housing gaps can be addressed through a mix of new construction, adaptive reuse, repair of existing housing and financial assistance. Recommendations should guide a formal action plan and be evaluated against legal, financial, staffing and infrastructure constraints.

Source: Bowen National Research, Fairmont Housing Needs Assessment Executive Summary (2026).