



Madelia Area Economic Development Authority

Madelia City Council Chambers

July 22nd, 2024, 6:15 PM Agenda

1. Call to Order

2. Approval of Agenda

3. Approval of June 24, 2024 Board Minutes

4. Old Business

5.1 USDA RBDG Award

5. New Business

6.1 Mid-Year Work Plan Review

6. Staff Report

6.1 EDA Specialist Update

7. Public Comment

8. Adjournment



Madelia Area Economic Development Authority

Madelia City Council Chambers

June 24, 2024, 5:30 PM Minutes

The meeting was called to order by Chair Cody Eager at 5:31 pm. Those in attendance were Cody Eager, Andrew Gappa, Glen Christensen, and Phyllis Schickling, and Mark Slater. Others present include Chris Fischer, Celia Simpson, Patrick Casey, Heather Utz, Michelle VanHee, Chief Rob Prescher, and Jan Christensen.

Schickling made a motion to approve the agenda. Christensen seconded. The motion was passed unanimously.

A motion was made by Christensen and seconded by Schickling to approve the minutes from February 26th and April 22nd. The motion was passed unanimously.

Simpson shared the May financial reports including EDA program funds summary and the outstanding loans report.

Simpson informed the board that the Riverview Heights marketing campaign had been ended early due to limited inquiries into the lots and extra expenditures related to the windbreak project and landscaping costs. Going forward, Simpson proposed that the EDA look into two options to push these lots: Host a developer summit to discuss the available lots and necessary incentives and to explore a tax abatement program for new housing construction. The board indicated a desire to pursue the developer summit and then to circle back to a tax abatement program if indicated by the developers to be a strong incentive.

Simpson brought a loan application to the board from Bryngelsson Holdings, LLC for \$60,000 at 3% interest for 10 years. Simpson shared that the loan review committee had met and recommended that the request be approved contingent on receipt of the as-complete appraisal. To provide the loan, Simpson informed the EDA board that there would need to be a transfer of \$30,500 from Fund 52 to Fund 45 to provide a loan out of Fund 45. Gappa made a motion to recommend approval of the loan review committee's recommendation to City Council and request a transfer of \$30,500 from Fund 52 to Fund 45. Slater seconded the motion. The motion was approved unanimously.

Simpson brought to the EDA board a request to use funds from Fund 52 to demolish the building on 716 Second St SW as it is in significant disrepair and poses safety hazards to the community. Staff has spoken to the property owners and the property owners have agreed to be assessed for the cost of the demolition on their annual property taxes at 4.5% interest over 5

years. Gappa made a motion to approve the use of funds in Fund 52 to cover the initial cost of demolition for 716 Second St SW and assess the costs to the property owners as 4.5% interest over 5 years. Schickling seconded the motion. The motion was approved unanimously.

Simpson shared two quotes that staff had acquired for the demolition of 716 Second St SW. One from Total Lawn Care & Landscape for \$16,185 plus asbestos removal costs and one from Woratschka Excavation for \$35,380 plus asbestos removal costs. Christensen made a motion to accept the quote from Total Lawn Care & Landscape. Slater seconded the motion. The motion passed unanimously.

A copy of the EDA specialist report was provided in the agenda packet.

The meeting was opened to public comment at 5:47 pm. No public comment was brought before the EDA board at that time. Public comment was closed.

With no further business before the EDA, a Motion was made by Gappa and seconded by Christensen to adjourn the meeting at 5:47 pm.

Typed this 25th day of June 2024

Celia Simpson, CEDA

TO: EDA Board
FROM: Celia Simpson, CEDA
SUBJECT: USDA RBDG Award
DATE: July 22nd, 2024



The City of Madelia submitted an application for recapitalization of our business revolving loan program through the USDA Rural Business Development Grant Program (RBDG) in February 2024. On July 9th, the City received word that our application was selected for an award of \$99,000.

The City of Madelia now has \$99,000 of additional funding to provide loans to businesses within the community.

Eligible Projects:

- Acquisition/development of land, easements, and right-of-way.
- Construction, conversion, enlargement, repairs or modernization of buildings, plants/machinery, equipment, access streets and roads, parking areas, utilities, and pollution control and abatement facilities
- Startup operating costs and working capital

Min/Max: Limited by available funds in RLF

Interest Rate: 1% to 1% above prime value

Term: 7 years

Security: Best available lien on collateral

All businesses in the City of Madelia are eligible to apply. To apply, they can complete the Business Assistance application on the City's website. They are welcome to reach out to me via email with any questions at celia.simpson@madeliamn.com.

Board Action Requested: None at this time.

TO: EDA Board
 FROM: Celia Simpson, CEDA
 SUBJECT: Mid-Year Work Plan Review
 DATE: July 22nd, 2024



Areas of Focus	Tasks	Progress	Priority Level
Madelia EDA Marketing and Awareness	<ul style="list-style-type: none"> -Conduct Business Visits -Maintain online presence (website and social media) -Develop communication channels -Develop local and regional partnerships 	<ul style="list-style-type: none"> -City Newsletter launched -EDA Facebook page launched (61 followers) -EDA webpages developed 	Medium
Business Assistance	<ul style="list-style-type: none"> -Assist w/ marketing available property/land -Assist w/ identifying and applying for financing -Assist w/ Succession Planning -Support w/ Business Planning 	<ul style="list-style-type: none"> -Fielded 6 inquiries into Business/Childcare programs, 1 loan recipient -Identified all vacant commercial property 	High
Housing	<ul style="list-style-type: none"> -Develop and market Housing Rehabilitation program -Partner w/ Madelia Mobile Home Village to bring more affordable housing options 	<ul style="list-style-type: none"> -Supported development of County Housing Fix-Up Program -Held several meetings with MMV to discuss infrastructure needs 	High
Land Use	<ul style="list-style-type: none"> -Facilitate a zoning code update -Assist with projects or inquiries related to land use 	<ul style="list-style-type: none"> -Completed Windshield Survey of Madelia -Review of Zoning Code in progress 	Medium
Riverview Heights Subdivision	<ul style="list-style-type: none"> -Facilitate marketing plan for lots -Facilitate lot sales 	<ul style="list-style-type: none"> -Facilitated Riverview Heights Marketing Campaign -Sold 1 housing lot 	Medium
Language Barriers	<ul style="list-style-type: none"> -Translate all EDA materials into Spanish -Translate vital City documents into Spanish -Build relationships with individuals in the Hispanic Communities 	<ul style="list-style-type: none"> -Language Access Plan Drafted -Applied for grant to purchase two-way translation technology 	Medium

TO: EDA Board
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Projects Planned through YE:

1. Finalize draft amendments for Zoning Code
2. Develop and launch Madelia Housing Rehabilitation Program
3. Develop Business Retention and Expansion Program for Madelia
4. Identify how to build networks within Madelia to the Hispanic communities
5. Partner with Chamber to support the Madelia High School Entrepreneurship students

Board Action Requested: None at this time.

TO: EDA Board
FROM: Celia Simpson, CEDA
SUBJECT: July Monthly Update
DATE: July 22nd, 2024



CDBG Rural Development Webinar: Attended webinar to understand how CDBG funds can be used locally.

Loan Administration: Facilitated Business Assistance Loan closure and Housing Rehabilitation Loan inquiry

State Housing Tax Credit Webinar: Attended to understand funding available to support housing projects

Watonwan County Fair: Staff held joint booth with St James EDA to promote County EDA programs and individual programs within each community.

Zoning Code Update: Staff has reviewed the Windshield Survey results and current guidance to begin analysis of necessary updates/revisions.