



Madelia Area Economic Development Authority

Madelia City Council Chambers
September 22nd, 6:00 PM Agenda

1. Call to Order

2. Approval of Agenda

3. Approval of August 25th, 2025 Board Minutes

4. Financial Reports

4.1 EDA Program Funds Reports

4.2 Outstanding Loans Report

5. Old Business

5.1 Consider Approval for Sale of 890 Mill Race Ct

6. New Business

7. Staff Report

7.1 EDA Specialist Update

8. Public Comment

9. Upcoming Events

October 27th, 2025: EDA Meeting

10. Adjournment



Madelia Area Economic Development Authority

Madelia City Council Chambers

August 25th, 2025, 6:00 PM Minutes

The meeting was called to order by Chair Cody Eager at 6:00 pm. Those in attendance were Cody Eager, Matthew Gunderson, Andrew Gappa, Glen Christensen, and Mark Slater. Others present include Chris Fischer, Chief Rob Prescher, Celia Simpson, Heather Utz, Patrick Casey, Kathy Guyer, and Jim Petterson.

Eager asked for a motion to approve the agenda. Gappa made a motion to approve the agenda with the two additions. Christensen seconded. The motion was passed unanimously.

A motion was made by Gappa and seconded by Gunderson to approve the minutes from July 28th. The motion was passed unanimously.

The board reviewed the program fund reports and outstanding loan reports.

Simpson presented an offer to the board of \$8,000 for 890 Mill Race Ct. The lot is currently listed at \$24,750. The City's current incentive of 40% with a build within 2 years brings the price down to \$14,850. Following discussion, Slater made a motion to counter the offer at \$10,000. Christensen seconded the motion. The motion was passed unanimously. Given the reduced price offered, Gunderson then made a motion to re-evaluate the pricing of all remaining lots in Riverview Heights so they are adjusted proportionally to the square footage of 890 Mill Race Ct., based on its new price of \$10,000. Gappa seconded the motion. The motion was passed unanimously.

Simpson provided a 2025 legislative summary to the board from the regional meeting hosted by the Coalition of Greater MN Cities.

Simpson presented the 2026 budget request and noted one change from the version included in the packet: hired outside labor would remain at the 2025 level rather than increasing as shown. Gappa made a motion to approve the budget request with the update. Christensen seconded. The motion passed unanimously.

Simpson provided annual budget estimates for the EDA Program Funds. Discussion was held on sustainable funding for Fund 52. The fund currently grows through loan repayments and Riverview Heights lot sales. Investments of unallocated funds and general fund levies were both discussed. No action was taken.

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

The meeting was opened to public comment at 6:36 pm. No public comment was brought before the EDA board at that time. Public comment was closed.

Eager reviewed the upcoming events.

With no further business before the EDA, a Motion was made by Slater and seconded by Gunderson to adjourn the meeting at 6:36 pm.

Typed this 26th day of August, 2025,

Celia Simpson, CEDA

TO: EDA Board
 FROM: Celia Simpson, CEDA
 SUBJECT: EDA Program Funds Report
 DATE: August 25th, 2025

EDA Program Funds Report (Estimate as of July 31st)

Fund Name	Fund 39	Fund 40	Fund 41	Fund 43	Fund 44	Fund 45	Fund 46			Fund 52
Fund Purpose	Housing	Commercial	Commercial: Small and Emerging	Child Care	Commercial: Small and Emerging	Commercial	Housing - MF Construction	Housing- Rehabilitati on	Housing- Down Payment Assistance	Development Fund
Fund Source	SCDP	SCDP	USDA and City (SCDP)	First Children's Finance	USDA	SCDP	SCDP			Riverview Heights Lot Sales and Loan Repayments
Program Policy	2015 SCDP Housing	2015 SCDP Commercial	Business Assistance Program	Madelia Child Care Start-Up / Expansion Grant	Business Assistance Program	Business Assistance Program	Multifamily Housing Loan Program	<i>In Developm ent</i>	Down Payment Assistance Program - CLOSED	Loans: Business Assistance Program
Current Structure	Forgivable Loan	Forgivable Loan + Installment Loan	Low-interest loans	Grants	Low-interest loans	Low-interest loans	Low-interest loans	<i>In Developm ent</i>	Low-interest loans	Loans
Cash on Hand	\$52,478.00	\$3,457.34	\$60,443.93	\$11,524.49	\$99,000	\$77,783.86	\$151,787.40			\$165,458.22
Restricted Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$60,000
Loans Receivable	\$400,675.00	\$0.00	\$55,629.05	\$0.00	\$0.00	\$270,509.29	\$139,486.59			\$155,300.84
Loans Outstanding	14	0	2	0	0	8	1	None	8	2

EDA Outstanding Loans Report (Estimate as of August 31st, 2025)

*Forgivable loan with clawback for early sale
or death*

Beneficiary	Loan Status	Principal balance	Origination Date	Maturity Date
Valdez, Maria and Angel	Current	\$32,000.00	11/12/2016	11/12/2026
Tiedeken, Mary	Satisfied	\$24,693.00	5/25/2016	5/25/2026
Schmidt, Vicki	Current	\$29,280.00	6/15/2017	6/15/2027
Schwartz, Tara	Current	\$22,502.00	11/7/2016	11/7/2026
Rojas, Delmy	Current	\$31,870.00	1/28/2017	1/28/2027
Rodriguez, Maria	Current	\$23,131.00	4/15/2017	4/15/2027
Moore, Alan and Angela	Current	\$25,750.00	7/31/2017	7/31/2027
Kuennen, Aaron and Carol	Current	\$25,735.00	8/24/2017	8/24/2027
Kilmer, Shari	Current	\$32,000.00	8/1/2017	8/1/2027
Lopez, Josseline and Gomez, Mario	Current	\$32,000.00	11/10/2016	11/10/2026
Coners, Amy	Current	\$28,571.00	12/16/2016	12/16/2026
Balderas, Maria and Niave, Carlos	Current	\$24,900.00	5/25/2016	5/25/2026
Callejas, Benancio and Zeidy	Current	\$30,051.00	10/20/2016	10/20/2026
Gomez, Iris	Current	\$31,885.00	10/6/2017	10/6/2027
Orellana, Gladys	Current	\$31,000.00	11/11/2016	11/11/2026
Total Balance Outstanding		\$400,675.00		
Total Cash Balance in Fund		\$52,478.00		

Fund 40-Commercial SCDP

Company Name	Loan Status	Principal balance	Origination Date	Maturity Date
Total Balance Outstanding		\$0.00		
Total Cash Balance in Fund		\$3,457.34		

Fund 41-Commercial USDA

Company Name	Loan Status	Outstanding Balance	Monthly Payment Amount	Interest Rate	Origination Date	Principal Start Date
Dream River Marketing Group, LLC	Current	\$6,102.27	\$341.67	1%	2/13/2017	03/15/2017
J Henry Properties, LLC	Current	\$49,526.78	\$344.92	1%	5/1/2018	06/01/2018
Total Balance Outstanding		\$55,629.05				
Total Cash Balance in Fund		\$60,443.93				

EDA Outstanding Loans Report (Estimate as of August 31st, 2025)

Fund 45-Commercial

Company Name	Loan Status	Outstanding Balance	Monthly Payment Amount	Interest Rate	Origination Date	Principal Start Date
Madelia Lumber	Current	\$31,167.62	\$636.69	1.00%	7/22/2019	09/01/2019
Madelia Lanes	Delinquent	\$26,682.61	\$251.77	1.00%	12/31/2018	01/31/2019
Sud UR Duds	Current	\$1,396.35	\$175.25	1.00%	04/12/2016	05/20/2016
Lost Sanity Brewing	Current	\$83,212.43	\$597.86	1.00%	09/01/2017	10/01/2017
J Henry Properties	Current	\$19,210.65	\$114.97	1.00%	08/01/2020	09/01/2020
Shellum Properties Management, LLC	Current	\$54,492.65	\$659.89	4.00%	09/01/2023	10/01/2023
Bryngelsson Holdings	Current	\$54,346.98	\$580.59	3.00%	07/15/2024	08/15/2024
Total Balance Outstanding		\$270,509.29				
Total Cash Balance in Fund		\$77,783.86				

Fund 46-Downpayment Assistance/Housing

Beneficiary	Loan Status	Outstanding Balance	Monthly Payment Amount	Interest Rate	Origination Date	Principal Start Date
Biehn, William and Jennifer	Paid in Full	\$0.00	\$95.46	5.00%	11/28/2012	12/28/2012
Eser, Sterling	Current	\$807.18	\$91.18	4.00%	05/09/2016	06/15/2016
Forstner, Michael	Current	\$1,429.21	\$100.00	6.00%	11/15/2016	12/15/2016
Guyer, Ryan	Current	\$1,716.64	\$99.95	6.00%	02/13/2017	03/15/2017
Hogg, Darrell	Current	\$917.70	\$53.05	5.00%	02/13/2017	03/15/2017
Rodriguez, Maricela	Current	\$1,608.26	\$91.19	4.00%	05/01/2017	05/01/2017
Ordoff, Brandon and Sonya	Current	\$3,565.36	\$109.07	8.00%	09/20/2018	10/15/2018
Sandoval, Ismael	Current	\$4,442.24	\$104.50	7.00%	09/01/2019	10/01/2019
J Henry 115 LLC	Current	\$125,000.00	\$693.25	3.00%	04/01/2025	10/15/2025
Total Balance Outstanding		\$139,486.59				
Total Cash Balance in Fund		\$151,787.40				

Fund 52- Economic Development

Company Name	Loan Status	Outstanding Balance	Monthly Payment Amount	Interest Rate	Origination Date	Principal Start Date
VanHale Properties	Current	\$134,550.97	\$920.14	1%	5/1/2018	06/15/2018
ProSide LLC	Current	\$20,749.87	\$569.72	1%	8/13/2018	10/01/2018
Total Balance Outstanding		\$155,300.84				
Total Cash Balance in Fund		\$165,458.22				

TO: EDA Board
FROM: Celia Simpson, CEDA
SUBJECT: Consider Offer for 890 Mill Race Ct
DATE: September 22nd, 2025



Background: The EDA has received an offer for 890 Mill Race Ct prior to the August 2025 EDA board meeting. The prospective buyer had proposed purchasing the lot for \$8,000. The currently listed price is \$24,750. Our current discounted price is \$14,850. The buyer plans to build in spring 2026.

The EDA board provided a counter offer following the August 2025 EDA meeting of \$10,000. The buyer accepted that offer contingent on approval of a setback variance. Planning and Zoning met in early September to review the setback variance request.

A public hearing was held earlier today to review the lot sale.

Board Action Requested: Review and take appropriate action on the sale of 890 Mill Race Court for \$10,000.

TO: EDA Board
FROM: Celia Simpson, CEDA
SUBJECT: September Monthly Update
DATE: September 22nd, 2025



Campground Saferoom Grant Application: Continued work on application to prepare for submission by September 26th

ESMC Riverfront Redevelopment Plan: Community Survey data analysis

Housing Institute: Continued work on Infill Housing Lot Portfolio for Martin and Watonwan Counties.

Housing Study: Kick-off meeting, survey promotion, data collection on apartments and building permits

Organic Waste Collection: Joined Climate Smart St James for several discussions regarding organic waste in Watonwan County and Lake Crystal

Sidewalk Inventory: Continued mapping of sidewalk network.