Madelia Economic Development Authority
Madelia City Council Chambers
August 5th, 2026, 5:00 PM Agenda

1. **Call to Order**
2. **Approval of Agenda**
3. **Old Business**

   5.1 Consideration of EDA Resolution 2026-05 ACCEPTING AN INTERFUND LOAN FROM THE CITY OF MADELIA AND APPROVING A LOAN TO MADELIA HEALTH

4. **New Business**

   6.1 Loan Request – VanHale Properties LLC

5. **Upcoming Events**

   August 24th, 2026: EDA Meeting

6. **Adjournment**

TO: EDA Board
FROM: Celia Viesselman
SUBJECT: Accepting An Interfund Loan From The City Of Madelia And Approving A Loan To Madelia Health
DATE: August 5th, 2026

CITY OF MADELIA Minnesota Pride of the Prairie

Topic: The EDA is considering Resolution 2026-05 ACCEPTING AN INTERFUND LOAN FROM THE CITY OF MADELIA AND APPROVING A LOAN TO MADELIA HEALTH

See the attached resolution for consideration.

Board Action Requested: Review and take appropriate action in regard to Resolution 2026-05 ACCEPTING AN INTERFUND LOAN FROM THE CITY OF MADELIA AND APPROVING A LOAN TO MADELIA HEALTH

EXTRACT OF MINUTES OF A MEETING OF THE
OF THE BOARD OF COMMISSIONERS OF THE
ECONOMIC DEVELOPMENT AUTHORITY OF MADELIA, MINNESOTA

HELD: AUGUST 5, 2026

Pursuant to due call and notice thereof, a special meeting of the Board of Commissioners of the Economic Development Authority of Madelia, Minnesota, was held at the Madelia City Hall on August 5, 2026, at _____ P.M., for the purpose, in part, of approving a loan to Madelia Health

The following members of the Board of Commissioners were present:

and the following were absent:

Commissioner __________ introduced the following resolution and moved its adoption:

RESOLUTION NO. _________

RESOLUTION ACCEPTING AN INTERFUND LOAN FROM THE CITY OF MADELIA AND APPROVING A LOAN TO MADELIA HEALTH

BE IT RESOLVED by the Board of Commissioners (the "Board") of the Economic Development Authority of Madelia, Minnesota (the "Authority"), as follows:

Section 1. Recitals.

(a) By resolution of the Board of the Authority adopted July 27, 2026, the Authority has heretofore (i) established Redevelopment Project Area No. 1 and adopted Redevelopment Plan for Redevelopment Project Area No. 1, dated as of June 27, 2026, pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.001 through 469.047 and 469.090 through 469.1082; (ii) established Economic Development District No. 1 pursuant to and in accordance with Minnesota Statutes, Sections 469.090 through 469.1082, inclusive, as amended; and (iii) approved a business subsidy to be granted by the Authority to Madelia Health under Minnesota Statutes, Section 116J.993 to 116J.995 (the "Business Subsidy"), all for the purpose of making a loan to Madelia Health (the “Loan”) to assist in the restructuring of Madelia Health's financial obligations and supporting continuation of operations in the City.

(b) On the date hereof, the Board of Commissioners of Madelia Light and Power (“Light and Power”) approved a resolution authorizing an interfund loan of $1,500,000 to the City (the “Light and Power Interfund Loan”), for the purpose of making a loan to the Authority, to be subsequently loaned to Madelia Health, and the City Council of the City of Madelia, Minnesota (the “City”) approved a resolution accepting the Light and Power Interfund Loan and authorizing an interfund loan of $3,000,000 to the Authority (the “City Interfund Loan”) to be loaned to Madelia Health.

(c) The Authority proposes to use the proceeds of the City Interfund Loan to make the Loan to Madelia Health, pursuant a Loan Agreement (the “Loan Agreement”) by and between the Authority and Madelia Health.

(d) Pursuant to the Loan Agreement, Madelia Health will repay the Loan pursuant to the terms of the Loan Agreement and a Promissory Note delivered by Madelia Health to the Authority (the "Note"). As further security for its obligations to repay the Loan, Madelia Health will execute and deliver to the Authority a Mortgage, Assignment of Leases and Rents, Security Agreement, and Financing Statement (the "Mortgage"), granting the Authority a mortgage and security interest in certain property owned by Madelia Health.

(e) Drafts of the Loan Agreement, the Note, and the Mortgage have been submitted to the Authority.

Section 2. Acceptance of the City Interfund Loan.

The Authority hereby accepts the $3,000,000 City Interfund Loan, subject to the terms set forth in the resolution of City dated as of the date hereof. The City Interfund Loan is payable to the extent that the Authority receives repayments from Madelia Health of the Loan or receives amounts from the security pledged therefor. The Authority agrees to remit all payments received from Madelia Health to the City.

Section 3. Approval of Loan Agreement.

(a) The Authority acknowledges, finds, determines and declares that the issuance of the Loan is consistent with the Redevelopment Plan and the purposes of the Economic Development District No. 1. This constitutes a public purpose and is in the best interests of the Authority and the City. The Loan will promote the welfare of residents of the City by providing for the continuity of healthcare services in the City and preventing blight in the City, among other public purposes.

(b) The Authority hereby approves the Loan in the amount of $3,000,000 and approves the Loan Agreement in substantially the form submitted, with necessary and appropriate variations, omissions, and insertions, as are approved by the Secretary and Taft Stettinius & Hollister LLP, as counsel to the Authority ("Counsel"), as evidenced by the execution thereof. The President and the Secretary are hereby authorized and directed to execute the Loan Agreement on behalf of the Authority.

(c) The Note and Mortgage are hereby approved in substantially the form submitted, with necessary and appropriate variations, omissions, and insertions, as are approved by the Secretary and Counsel, as do not materially adversely change the substance thereof.

(d) The officers of the Authority, Counsel, other attorneys, and other agents or employees of the Authority are hereby authorized to do all acts and things required of them by or in connection with this resolution and the financing documents for the full, punctual, and complete performance of all of the terms, covenants, and agreements contained therein and in this resolution. If for any reason the President and the Secretary are unable to execute and deliver the documents referred to in this resolution, such documents may be executed by any member of the Board or any officer of the Authority delegated their duties with the same force and effect as if such documents were executed and delivered by the President and Secretary.

Section 4. Effective Date. This resolution shall be in full force and effect from and after its approval, conditioned upon final approval by the City Council of the City.

The motion for the adoption of the foregoing resolution was duly seconded by Member ________________________, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Adopted this 5h day of August, 2026 by the Board of Commissioners of the Economic Development Authority of Madelia, Minnesota.

____
Cody Eager, President

Attest: _____________________
Chris Fischer, Secretary

STATE OF MINNESOTA
COUNTY OF WATONWAN

I, the undersigned, being the duly qualified and acting Secretary of the Economic Development Authority of Madelia, Minnesota, DO HEREBY CERTIFY that the attached resolution is a true and correct copy of an extract of minutes of a meeting of the Board of Commissioners of the Economic Development Authority of Madelia, Minnesota in so far as such minutes relate to the acceptance of a $3,000,000 interfund loan from the City of Madelia, Minnesota, and approval of a $3,000,000 loan to Madelia Health.

WITNESS my hand this 5th day of August, 2026.

____
Chris Fischer, Secretary

TO: EDA Board
FROM: Celia Viesselman
SUBJECT: Loan Request – VanHale Properties, LLC
DATE: August 5th, 2026

Background: The EDA has received an application from VanHale Properties LLC for $110,000 at 3% interest rate over 20 years for land acquisition. The total project is estimated at $165,000.

Public interest impacts include job retention.

The loan review committee reviewed the application on July 29th. They recommend that the request be approved for the requested amount and terms. No red flags were noted by the loan review committee.

The EDA board's role in the loan review process is to verify that the request meets the goals of the loan fund program, meets public interest goals, that funds are available to fulfill the request, and to evaluate the terms of the request. The board may provide a recommendation to conditionally approve, conditionally approve with an adjusted request or terms, or deny. The City Council has the final authority to approve or deny the request.

Board Action Requested: Review the loan review committee recommendation, fund balances, and program eligibility chart to provide a recommendation to the City Council on the business revolving loan fund request.

TO: EDA Board
FROM: Celia Viesselman
SUBJECT: EDA Program Funds Report
DATE: August 5th 2026

EDA Program Funds Report (Estimate as of June 30th)

Fund Name	**Fund 39**	**Fund 40**	**Fund 41**	**Fund 43**	**Fund 45**	**Fund 46**			**Fund 52**
Fund Purpose	Housing	Commercial	Commercial: Small and Emerging	Child Care	Commercial	Housing - MF Construction	Housing- Rehabilitation	Housing- Down Payment Assistance	Development Fund
Fund Source	SCDP	SCDP	USDA and City (SCDP)	First Children's Finance	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	Multifamily Housing Loan Program	*In Development*	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	*In Development*	Low-interest loans	Loans
Cash on Hand	$52,478.00	$3,457.34	$10,620.95	$9,166.11	$131,973.25	$169,075.72			$190,732.13
Restricted Funds	$0	$0	$0	$0	$0	$0			$38,500
Loans Receivable	$375,775.00	$0.00	$107,005.57	$0.00	$219,309.57	$130,197.71			$141,645.28
Loans Outstanding	13	0	3	N/A	5	1	None	6	2