



Madelia Economic Development Authority

Madelia City Council Chambers

October 26th, 2026, 5:30 PM Agenda

- 1. Call to Order**
- 2. Approval of Agenda**
- 3. Approval of Board Minutes – September 28th, 2026**
- 4. Financial Reports**
 - 4.1 EDA Program Funds Report
 - 4.2 Outstanding Loans Report
- 5. Old Business**
 - 5.1 Proposed Local Option Sales Tax
- 6. New Business**
 - 6.1 Loan Request – Eager Enterprises. LLC
 - 6.2 Annual Loan Program Projections and Policy Review
- 7. Staff Report**
- 8. Public Comment**
- 9. Upcoming Events**
 - November 23rd, 2026: EDA Meeting
- 10. Adjournment**



Madelia Area Economic Development Authority

Madelia City Council Chambers

September 28th, 2026, 6:20 PM Minutes

The meeting was called to order by Chair Cody Eager at 6:06 pm. Those in attendance were Cody Eager, Matthew Gunderson, Andrew Gappa, Glen Christensen, and Mark Slater. Others present include Chris Fischer, Heather Utz, Michelle VanHee, Jim Petterson, Matthew Filip, and Patrick Casey.

Eager asked for a motion to approve the agenda and approve the minutes from August 24th, 2026. Gappa made a motion to approve the agenda and the minutes from August 24th, 2026. Slater seconded. The motion was passed unanimously.

The board reviewed the program fund reports and outstanding loan reports. Fischer presented an update on Madelia Health as part of their loan from the City.

Fischer presented a loan request from Sweet! Indeed for \$5,000 at 3% interest over 5 years to support parking lot improvements. Gappa made a motion to recommend approval of the request to City Council. Christensen seconded the motion. The motion was passed unanimously with an abstention from Gunderson.

Viesselman presented a loan request from Filip Diesel Repair for \$40,000 at 3% interest over 7 years to fund purchase of semi and farm implement tire replacement machinery and HVAC. Matthew Filip informed the board that he plans to develop a retail portion of his shop. Gappa made a motion to recommend approval of the request to City Council. Slater seconded the motion. The motion was passed unanimously.

A copy of the EDA specialist update is included in the packet.

The meeting was opened to public comment at 6:22 pm. Public comment was closed.

Eager reviewed the upcoming events.

With no further business before the EDA, a Motion was made by Gappa and seconded by Gunderson to adjourn the meeting at 6:24 pm.

Typed this 30th of September, 2026,

Celia Viesselman

Fund 39-Housing SCDP*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
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	Forgiven	\$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 \$375,775.00

Total Cash Balance in Fund \$52,478.00

Fund 40-Commercial SCDP

Note: All installment loans repaid, awaiting maturity date to forgive deferred loans

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	Interest Rate	Origination Date	Principal Start Date
Filip Diesel Repair	Current	\$56,992.81	\$413.89	3%	11/1/2025	11/01/2025
Dream River Marketing Group, LLC	Current	\$1,704.71	\$341.67	1%	2/13/2017	03/15/2017
J Henry Properties, LLC	Current	\$45,559.57	\$344.92	1%	5/1/2018	06/01/2018
Total Balance Outstanding		\$104,257.09				
Total Cash Balance in Fund		\$13,922.39				

Fund 45-Commercial

Company Name	Loan Status	Outstanding Balance	Monthly Payment	Interest Rate	Origination Date	Principal Start Date
Madelia Lumber	Current	\$23,656.01	\$649.53	1.00%	7/22/2019	09/01/2019
Sud UR Duds	Paid in Full	\$0.00	\$175.25	1.00%	04/12/2016	05/20/2016
Lost Sanity Brewing	Current	\$76,307.25	\$597.86	1.00%	09/01/2017	10/01/2017
J Henry Properties	Current	\$17,917.70	\$114.97	1.00%	08/01/2020	09/01/2020
Shellum Properties Management, LLC	Current	\$46,247.39	\$659.89	4.00%	09/01/2023	10/01/2023
Bryngelsson Holdings	Current	\$48,504.24	\$580.59	3.00%	07/15/2024	08/15/2024
Mane Edit Salon	Current	\$9,845.31	\$179.69	3.00%	08/01/2026	09/01/2026
VanHale Properties	Current	\$110,000.00	\$609.69	3.00%	09/08/2026	10/01/2026
Total Balance Outstanding		\$332,477.90				
Total Cash Balance in Fund		\$21,318.80				

Fund 46-Downpayment Assistance/Housing

Beneficiary	Loan Status	Outstanding Balance	Monthly Payment	Interest Rate	Origination Date	Principal Start Date
Eser, Sterling	Paid in Full	\$0.00	\$91.18	4.00%	05/09/2016	06/15/2016
Forstner, Michael	Current	\$185.25	\$100.00	6.00%	11/15/2016	12/15/2016
Guyer, Ryan	Current	\$492.59	\$99.95	6.00%	02/13/2017	03/15/2017
Hogg, Darrell	Current	\$261.52	\$53.05	5.00%	02/13/2017	03/15/2017
Rodriguez, Maricela	Delinquent	\$659.42	\$91.19	4.00%	05/01/2017	05/01/2017
Ordorff, Brandon and Sonya	Current	\$2,410.99	\$109.07	8.00%	09/20/2018	10/15/2018
Sandoval, Ismael	Current	\$3,384.06	\$104.50	7.00%	09/01/2019	10/01/2019
J Henry 115 LLC	Current	\$120,367.69	\$693.25	3.00%	04/01/2025	10/15/2025
Total Balance Outstanding		\$127,761.52				
Total Cash Balance in Fund		\$172,398.73				

Fund 52- Economic Development

Company Name	Loan Status	Outstanding Balance	Monthly Payment	Interest Rate	Origination Date	Principal Start Date
VanHale Properties	Current	\$123,994.11	\$920.14	1%	5/1/2018	06/15/2018
ProSide LLC	Current	\$13,532.28	\$569.72	1%	8/13/2018	10/01/2018
Filip Diesel Repair	Current	\$40,000.00	\$534.40	3%	9/30/2026	11/01/2026
Total Balance Outstanding		\$177,526.39				
Total Cash Balance in Fund		\$191,763.64				

TO: EDA Board
 FROM: Celia Viesselman
 SUBJECT: EDA Program Funds Report
 DATE: October 26th, 2026

EDA Program Funds Report (Estimate as of September 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	<i>In Development</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	<i>In Development</i>	Low-interest loans	Loans
Cash on Hand	\$52,478.00	\$3,457.34	\$13,922.39	\$9,166.11	\$21,318.80	\$172,398.73			\$164,763.64
Restricted Funds	\$0	\$0	\$0	\$0	\$0	\$0			\$27,000
Loans Receivable	\$375,775.00	\$0.00	\$104,257.09	\$0.00	\$332,477.90	\$127,761.52			\$177,526.39
Loans Outstanding	13	0	3	N/A	7	1	None	6	3

TO: EDA Board
FROM: Celia Viesselman
SUBJECT: Proposed Local Option Sales Tax
DATE: October 26th, 2026



Staff is seeking following up regarding the Local Option Sales Tax that has been discussed.

Background: In 2025, the City of Madelia sought a Local Option Sales Tax Analysis from University of MN to identify the estimated revenue. Revenue was estimated at approximately \$124k annually but may increase with inflation. At the last Council meeting, the City heard from Flaherty and Hood regarding the process for a Local Option Sales Tax and how they could potentially support the City as a lobbyist. They provided a contract to the City for \$30k.

Staff and Council have spoken with Representative Olson about the potential Local Option Sales Tax. He has offered to author a bill on our behalf and work with us on the process.

Both Representative Olson and Flaherty and Hood have acknowledged the difficulty ahead for the process should Representative Gomez retain her position as Chair on the tax committee. Last year, more than a dozen cities came forward with a request given that the moratorium was lifted following the 2025 session. None passed.

The City has been interested in a Local Option Sales Tax to support project in Watona Park. As noted at the last Council meeting, following approval from the legislature, cities cannot bring this to the City for a vote until a general election unless they receive special permission from the legislature.

If the EDA Board/Council would like to proceed with a Local Option Sales Tax, we will need to complete the following steps:

1. Finalize the project(s) to be funded and rough estimates of the cost for each project
2. Adopt a resolution (City Council)
3. Submit resolution and supporting documentation to legislature (by Jan 31st)
4. Work w/ Representative Olson (or his successor) to prepare a bill (ASAP)

Board Action Requested: Review and take appropriate action regarding a potential Local Options Sale Tax

September 23, 2026

Christine Fischer
City Administrator
City of Madelia
18 Drew Avenue NE
Madelia, MN 56062

VIA EMAIL

Dear Ms. Fischer:

Flaherty & Hood, P.A. is pleased to submit this proposal to express our sincere interest in providing lobbying services to the City of Madelia related to seeking authority to impose a local sales tax. As you know, our firm has an extensive background in representing local governments at the state Capitol, and we believe that our experience and personnel uniquely qualify us to help you achieve your goals at the legislature and beyond. This letter serves as both proposal and agreement for Flaherty & Hood, P.A. ("Firm") to provide state government relations and lobbying services to the City of Madelia ("City").

Firm Overview and Experience

Flaherty & Hood, P.A. is a comprehensive lobbying and law firm based just steps away from the state Capitol in St. Paul. Our firm employs more than 30 attorneys, lobbyists, communications specialists, analysts, consultants, and administrative professionals dedicated to providing exceptional service to our clients. The current government relations team at Flaherty & Hood is among the most experienced at the Capitol and includes four licensed attorneys, former House Minority Leader Marty Seifert (R-Marshall) as well as former state agency employees and legislative staffers. In addition to our traditional lobbying capabilities, our government relations team includes an in-house media and communications department, policy analysis experts, and dedicated organizational and administrative staff.

Flaherty & Hood has built a foundation of successful advocacy with a collaborative, high-touch approach. For each client, the lead lobbyist is supported by other staff well-versed in the client's needs. This capacity means that we can ensure coverage of every critical floor vote, committee hearing, and stakeholder meeting for each one of our clients. We manage each team member's workload so that they are accessible and responsive to client needs, especially during the busy legislative session.

In addition to our broad legislative experience, we have a particular expertise in helping cities and counties pass local sales taxes through the legislature. Our most recent examples of this work include the cities of Moorhead, Waite Park, Monticello, Cottage Grove, Marshall, and Oakdale, as well as Beltrami County.

Scope of Services

In support of your local sales tax authorization efforts we anticipate that our work under this agreement will include the following:

- Advise the City on the process of meeting the statutory requirements for requesting legislative approval.
- Provide strategic guidance on navigating relevant political dynamics to support successful passage of the City's proposal.
- Assist with the development of sales tax legislation.
- Direct lobbying at the legislature of House and Senate Tax Committee chairs and members as well as members of the Governor's administration as necessary.
- Development of lobbying materials, handouts, talking points, and other items necessary to successful advocacy.
- Coordination of testimony at legislative hearings.
- Work closely with bill authors to ensure that they have all the tools and information necessary to help the City's request succeed.
- Provide regular written updates to City staff and council during session.

Key Personnel

While additional Flaherty & Hood staff members may be called upon where it would benefit the City of Madelia, the following individuals will be primarily responsible for delivering services to the City:

Lily Hijazi-Sacay, Lobbyist



Lily is a seasoned public policy and advocacy professional who joined Flaherty & Hood in 2026, bringing an extensive background in advancing legislation at the Capitol and supporting community-centered initiatives across Minnesota. She previously served as a Public Policy Manager at Lutheran Social Service of Minnesota, where she led statewide public policy efforts and grassroots advocacy strategies across diverse issue areas. Throughout her career, Lily has worked to build coalitions to strengthen nonpartisan civic engagement, collaborated with stakeholders to shape legislation, and facilitated engagement with lawmakers and agency staff. Prior to her time at

Lutheran Social Service of Minnesota, Lily served in various high-level management roles for Forward Global Women, Catholic Charities of the Twin Cities, and Education Minnesota.

Shane Zahrt, Shareholder Attorney/Lobbyist



Shane is a recognizable face at the Capitol in the areas of taxes, capital investment, transportation, energy, and economic development. Since joining Flaherty & Hood in 2016, Shane has worked on behalf of clients to secure hundreds of millions of dollars in state funding for regional and local projects, including more than \$250 million for improvements to U.S. Highway 14 in southern Minnesota. Shane has also received national recognition for his work with communities that host large, retiring power plants.

Prior to joining the firm, Shane worked on political campaigns in Minnesota and North Dakota. He also served as Legislative Assistant to the North Dakota Senate Minority Leader, where he oversaw research and legislative strategy on a diverse array of issues. Shane is a graduate of William Mitchell College of Law and the University of North Dakota. He is admitted to practice law in the state of Minnesota.

Project Management

If selected to provide legislative services, Lily Hijazi-Sacay will serve as the primary contact for the City of Madelia at the firm and will oversee the execution of activities described in this agreement. Ms. Hijazi-Sacay will be assisted by other Flaherty & Hood staff members as necessary. Shareholder Attorney/Lobbyist Shane Zahrt will be ultimately responsible for the delivery of services to the City.

Term of Agreement

The term of services in this agreement will commence when this agreement has been approved by the City of Madelia, fully executed by both parties, and a copy of the executed agreement has been received by Flaherty & Hood. This term of services will continue until November 30, 2027.

Compensation

The fee for the services specified in this agreement is \$30,000. This is a flat fee that will be billed to the City in three equal installments of \$10,000 each, billed in January, April, and July of 2027. Additional reasonable expenses, such as printing, postage, travel, and/or meal expenses related to the execution of City business, will be billed separately from the flat fee.

Termination and/or Amendment to Agreement

This agreement may be terminated by either party prior to November 30, 2027 by providing 30 days written notice to the other, at which time a pro-rated portion of the total fee owed will be promptly billed and paid.

The scope and/or terms of this agreement may be amended by mutual consent of both parties. The amendment must be in writing, describe the additional services, terms or compensation agreed to, and be signed by the designated representative of the City and a representative of the Firm.

Conflict of Interest

Like other contract lobbying firms, Flaherty & Hood represents a range of clients that may have similar interests at the legislature. The Firm does not believe that any of our current clients represent a direct conflict with the City of Madelia. In the unlikely event that a conflict does arise, Flaherty & Hood will immediately engage both parties to come to a mutually satisfactory resolution.

Minnesota Campaign Finance Board Requirements

The services outlined under this agreement will require Flaherty & Hood lobbyists to register as lobbyists for the City of Madelia with the Minnesota Campaign Finance Board (CFB). Lobbyists and entities that hire lobbyists are subject to certain rules and requirements. By entering into this agreement, the City agrees to comply with all relevant lobbying regulations and requirements. Please reach out to any member of Flaherty & Hood staff with questions.

Conclusion

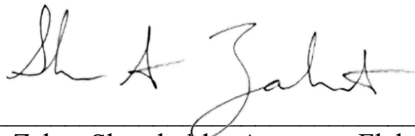
Flaherty & Hood is pleased to submit this proposal to provide legislative services to the City of Madelia for the 2027 legislative session and we are confident that we can have a significant impact in advancing your interests.

If the proposal contained in this letter meets your approval, please sign and return one copy to Flaherty & Hood and retain a copy for your records.

Very truly yours,

FLAHERTY & HOOD, P.A.

By:



Shane Zahrt, Shareholder Attorney, Flaherty & Hood, P.A.

9/23/2026

Date

Accepted By:

Cody Eager, Mayor, City of Madelia

Date

Accepted By:

Christine Fischer, City Administrator, City of Madelia

Date

TO: EDA Board
FROM: Celia Viesselman
SUBJECT: Loan Request – Eager Enterprises, LLC
DATE: October 26th, 2026



Background: The EDA has received an application from Eager Enterprises, LLC for \$40,000 at 3% interest rate over 7 years for building improvements. The total project is estimated at \$55,000.

Cody has been operating Eager Enterprises (DBA Minnesota Golf and Outdoor) since 2019. It expanded in 2024 to offer Minnesota Towing and Recovery with an expansion in 2025 to provide heavy duty towing. With this request, he aims to add 3600 sq ft of usable workspace and house their tow trucks indoors.

Public interest impacts include job creation (anticipated 1 PT mechanic).

The loan review committee reviewed the application earlier this evening.

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: Annual Loan Program Projections and Policy Review
DATE: October 26th, 2026



The Madelia Business Loan Policy was updated in 2023. It was drafted to maximize flexibility. Since then, the City has given out 10 loans totaling more than \$3,381,000. Most interest rates have been set at 3%. On average (except for Madelia Health loan), our loans have been about \$42,000.

Loan committee members have voiced a desire to set standards on interest rates.

Other Policies in our area:

- Watonwan County: Loans between \$5k-\$50k, Interest rates typically 2% below prime with a range of 3-9%, adjustable interest rate every 5 years of loan term
- Region Nine Development Commission: Loans between \$10k-\$200k, Minimum interest rates 4% below prime
- New Ulm: Loans between \$20k-\$250K, interest rates at 1-2%
- Fairmont: Loans up to \$75k, limit up to 33% of the project, interest rate determined on a case by case basis
- Lake Crystal: Loans between \$5k-\$50k, limit up to 50% of project, interest rate is 1% below prime
- Southern MN Initiative Foundation: Loans up to \$200k, limit up to 50% of the project, interest rates determined on a case-by-case
- Mankato: Loans between \$10-\$300k, limit up to 40% of project, interest rate at 70% of prime rate with minimum of 3 percent.

I have also developed loan projections for our loan funds to determine how much funding we will have in 2027.

Board Action Requested: Review the business loan program policy and take appropriate action moving forward.

City of Madelia & Madelia Economic Development Authority Business Assistance Program

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- IV. Business Assistance Objectives
- V. Business Assistance Programs
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- IX. Decisioning
- X. Disbursement
- XI. Servicing
- XII. Receipt of Funds
- XIII. Conflicts of Interest

Madelia Business Assistance Program

I. Policy

The City of Madelia (“City”) and the Madelia Economic Development Authority (“EDA”) have established a Business Assistance Program (“BAP”) to provide financial assistance to improve the economic condition of Madelia by focusing on appropriate commercial and industrial development, establishing a higher tax base, and creating additional job opportunities for the citizens of Madelia. The Business Assistance Program provides resources and tools, including loans and grants to support and attract businesses in the City of Madelia.

The fundamental purpose of the Business Assistance Program in Madelia is to encourage desirable development and/or redevelopment that would not otherwise occur “but for” assistance provided through the BAP.

II. Administrative Authority

The City of Madelia has an established Economic Development Authority which has all of the powers, duties and responsibilities of an Economic Development Authority created pursuant to Minnesota Statute sections 469.090 through 469.108. It shall be the role and responsibility of the Economic Development Authority to carry out economic and industrial development and redevelopment within the city in accordance with the general policies as may from time to time be established by the Council and pursuant to the by-laws as may be adopted by the authority with approval of the Council.

III. Statutory Limitations

Assistance requests made of the City of Madelia’s Business Assistance Program must comply with applicable Minnesota State Statutes, including sections 116J.993 through 116J.995 (governing business subsidies and financial assistance), sections 469.174-469.1791 (the Minnesota Tax Increment Financing Act), and sections 469.1812-469.1815 (governing tax abatements).

IV. Business Assistance Objectives

Financial assistance opportunities are provided to businesses in order to encourage the following:

- A. Encourage new technology*
- B. Create or retain jobs*

- C. Increase tax base*
- D. Elimination of slum or blight*
- E. Diversification of the overall industry base*
- F. Exportation of products and/or services outside the state*
- G. Provide job training and workforce development directed at retention of young people to the area*
- H. Increase health care service*

V. Business Assistance Programs

Funding can come from a variety of private, local, state and federal resources. The EDA may choose to seek funds with intentions to meet community needs that are immediate, related to short or long-term planning, or that support targeted uses on an ongoing basis.

Funds may come in the form of loans or grants. Each funding source may come with additional and often mandatory provisions for the use and management of the funds. Designated EDA staff can provide guidance as to application and reporting requirements.

VI. Eligibility Criteria

All business assistance programs, including business subsidies as defined in the Minnesota State Statutes sections 116J.993 through 116J.995, are subject to the following criteria. Meeting policy criteria does not guarantee the award of business assistance to the project.

A. “But-for” Test

The applicant must demonstrate that the project or development would not happen without business assistance.

B. Meets one or more business assistance objectives in section IV.

VII. Project Evaluation Criteria

In addition meeting the eligibility criteria, projects will be evaluated in accordance with the following:

- A. Madelia Comprehensive Plan
- B. Madelia Economic Resiliency Plan
- C. City Zoning Code
- D. Development projects in process
- E. State Statute Requirements as applicable

VIII. Application Process

A. Meeting with EDA Staff

The applicant meets with the appropriate EDA and City Staff to discuss the scope of the project, public participation being requested, and other information as may be necessary.

The intention of the inquiry process is to review prerequisites related to existing programs; limiting submissions that do not fall within the already approved program parameters. For example, if a program is established to only target start-up businesses it could be assumed that existing businesses need not apply. The initial inquiry process is not intended to provide any form of preliminary application, applicant, or project review or submission guidance.

B. Request for Application

Program application packets may be picked up at the City of Madelia City Hall.

Packets will include the general application, standard acknowledgements, release of information, closing fees, and a list of required supporting documentation. The information provided at the time of application submission is utilized to approve funding requests.

Detailed application instructions and provided forms are to serve as a guide to support the timely submission of completed applications.

To avoid conflicts the staff, authority related committees, and authorized approvers may not provide application submission support that constitutes approval guidance. Designated staff may, however, provide an explanation related to the published program parameters.

Applicants requiring accommodations must request accessibility documents or application support as needed. Upon request for accommodations, approved and designated support will be provided.

C. Application submitted to City Hall

The business seeking business assistance must complete and submit an application to Madelia City Hall.

All submitted applications will receive a time and date received stamp. Once an application has been submitted, no changes may be made and no additional

documentation may be provided. The submission of an application does not guarantee an approval.

D. Initial Application Review

Applications will be reviewed for completion by designated EDA administrative staff. Only completed applications will move forward, which must include all required forms, signatures, and complete sets of required support documents in the form and format requested. Any changes to the format or language of the forms provided by the authority will be considered an incomplete application.

Applicants that are denied due to incomplete applications may resubmit new applications, but must include all supporting documentation. Documentation received for any prior requests will not be transferred to new application requests for review, regardless of retention practices.

E. Application reviewed by Business Assistance Commission (“BAC”)

Applications are reviewed by the Business Assistance Commission on a first-come, first-served basis. The application review will take place within no less than 10 business days from the official application submission date. The BAC views the applications based on their totality, and considers all aspects in making a recommendation. No single factor is weighed exclusively, and each application is reviewed on its own merits.

This commission consists of members appointed by the EDA and the City Council of Madelia. This Commission shall consist of the Madelia City Administrator, two members of the Madelia City Council, one representative from the Madelia Area Redevelopment Corporation, one representative from a local bank, and whomever else the Council deems appropriate. There are no term limits for commission members, and members do not receive any monetary compensation.

This application review establishes whether the details of the information received reflect that the request meets all required program parameters and approval standards.

Applications that meet program parameters will be recommended for conditional approval by majority vote and submitted to the EDA. Submissions to the authority must include written review details that reflect the application met all program and approval parameters. In addition, the recommendation should include outline terms and conditions and detail all existing and known participating project funding partner terms, conditions and contingencies.

Applications that do not meet program parameters will be denied. Adverse actions will be provided in writing no less than 10 business days from the date of the denial by the subcommittee.

If the subcommittee deems the documentation provided is unclear or requires further explanation, a designated committee member may request additional information be provided by the applicant. This may only take place on an exception basis to clarify information that was received. It may not be used to request missing information.

The subcommittee may elect to move a recommendation forward with a contingency, basing it on the assumption of a positive outcome to the clarification. By doing so, a decision must be made on if or when to allocate funding if the details are not received prior to the scheduled authority review.

The recommendation for conditional approval by the subcommittee does not guarantee an approval by the city council, designate available funds, or guarantee funding availability for a future approval.

F. Application and BAC recommendation reviewed by EDA

Recommendations for conditional approval will be reviewed by the EDA during the next scheduled EDA meeting following the review and recommendation. Review requests must be placed on the EDA agenda with the attached write up and recommendation from the BAC.

Requests for review should be made in accordance with standard material submission guidelines and corresponding timelines. Files for EDA members should be made available at the City of Madelia City Hall leading up to the scheduled review meeting.

The EDA review committee will consider the subcommittees' written recommendation, and also conduct their own individual reviews. The committee will also review the existing funding balances with the designated Treasurer to establish availability and confirm authorized use.

Upon the final confirmation that funding sources are available and align with the request, in addition to the application project aligning with all program parameters and approval requirements, the EDA may vote to proceed. Applications should not proceed to city council with the assumption that additional funds will become available due to transfer options or new funds approvals.

The duty of the EDA in the review process is to make recommendations based on existing approvals, using funds immediately available at the time of review. If the EDA review establishes funds are not available, the application should be denied and a notice will be sent to the applicant.

A majority vote to proceed should include the recommendation to the city council. This should also include the request to restrict and designate the identified available funding source; details regarding the approval including the recommended approval terms and conditions; and the preliminary approval structure and conditions. All references to sources and including details provided from all other funding partners should be included in the recommendation.

Any recommendations that include any deterrence from published and approved program parameters must be included in the recommendation, detailing the deterrence with explicit justifications for how the added risk is outweighed by the benefits of an approval.

Recommendations made by the EDA to the city council do not guarantee a final approval by the council, designate available funds, or guarantee funding availability for approval.

G. City Council Review of EDA determination

A notice to the council for review of a pending application should be provided at the first meeting following the EDA recommendation.

The city council may pass a majority vote to restrict or designate funds. This should be done on a first come, first serve basis when multiple applications are presented. The vote to do so does not transfer funds to the applicant or guarantee final application approval.

A request to schedule a public hearing should take place as necessary, ensuring it is published in accordance with statutory requirements. The city council's conditional approval decisioning should always follow the public hearing.

Application decisioning announcements should also take place no sooner than the next regularly scheduled meeting, following the date the application review notification was received by the council. This enables the council sufficient time for application file review and to complete related discovery.

IX. Decisioning

Council has the authority to deny, approve, or request changes to the application.

X. Disbursement

Following city council approval, business assistance funding is disbursed as follows:

A. Disbursement Request by Designated Staff

Designated EDA staff provide the assistant City administrator with a disbursement request. The request outlines requested amount, program fund(s) to remove requested funds from, and supporting documentation.

B. Check Preparation

The assistant city administrator reviews the disbursement request to ensure funding availability and alignment with program fund policies. If the review is satisfactory, the assistant city administrator prepares a check and requests signatures from the mayor and city administrator.

If the review is unsatisfactory, notification is provided to the EDA to review the business assistance request for future action, including denial of assistance or review of alignment with other assistance opportunities.

C. Check Signature

Signatures are provided by the city administrator and mayor. Both individuals are required to ensure the check matches the amount approved by the City Council.

D. Signed Business Assistance Agreement

Business assistance recipients will meet with designated EDA staff to sign a Business Assistance Agreement outlined terms and conditions approved by City Council, and provide the required closing fees to cover recording, processing, and attorney fees. At that time, the recipient will be provided with the signed check.

XI. Servicing

The recipient business shall comply with all reasonable information requests made by the Madelia Economic Development Authority and/or the City of Madelia to insure compliance with any terms, conditions, covenants, obligations, agreements, observances or program requirements within the established time parameters set forth herein or in the signed program application.

Minnesota business subsidy reporting requirements may apply.

XII. Receipt of Funds

In the case of funds received from recipient businesses for loan repayments or defaults, receipt of funds by the City will proceed as follows:

A. Payment Provided by Recipient

Payment is provided to the City by the recipient.

B. Fund Allocation

The assistant City administrator reviews the payment and allocates funds accordingly. They are responsible for updating the financial records.

C. Fund Review by EDA Staff

The designated EDA staff reviews the records prior to each regularly scheduled EDA meeting to verify that the funds have been received and allocated appropriately.

XIII. Conflicts of Interest

No member of the governing body or other official of the City shall have any financial interest, direct or indirect, in the Development Property or the Project, or any contract, agreement or other transaction contemplated to occur or be undertaken thereunder or with respect thereto, nor shall any such member of the governing body or other official participate in any decision relating to the business assistance request which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to the City in the event of any default or breach by the Developer or successor on any obligations under the terms of a signed business assistance agreement.

This Business Assistance Program policy was adopted on October 9, 2023.

	Loans Outstanding			
	Outstanding Principal	Amount	Notes	
	Dream Marketing	\$683.11	As of January 1, 2027	
	J Henry Properties	\$ 44,637.94	As of January 1, 2027	
	Filip Diesel Repair	\$ 56,176.54	As of January 1, 2027	
		\$101,497.59		
	Revenues			
Account #	Source	Amount	Notes	
41-3100-5103	Principal Revenue-New Loans	\$0.00		
41-3100-5104	Interest Revenue-New Loans	\$0.00		
41-3100-5103	Principal Revenue-Current Loans	\$7,719.61	Assuming all payments made on time with no early payoffs	
41-3100-5104	Interest Revenue-Current Loans	\$2,069.45	Assuming all payments made on time with no early payoffs	
41-3100-5305	Miscellaneous-Loan Closing Fees	\$0.00	Applicant Payments	
41-3100-5305	Miscellaneous-Loan Payoff Fees	\$0.00	Applicant Payments	
	Total Revenue	\$9,789.06		
	Expenses			
Account #	Expense Category	Amount	Notes	
	Administration	\$0.00	All salaries are paid out of City and EDA funds	
	Loans	\$0.00		
	Loan Administration Costs	\$0.00	Covers Mortgages and UCCs	
	Total Expenses	\$0.00		
	Net Income	\$9,789.06		
	Fund Balance	Amount (\$)	Notes	
	Beginning Cash on Hand	\$4,018.07		
	Net Income	\$9,789.06		
	Ending Cash on Hand	\$13,807.13		

	Loans Outstanding			
	Outstanding Principal	Amount	Notes	
	Dream Marketing	\$4,754.24	As of January 1, 2026	
	J Henry Properties	\$48,310.67	As of January 1, 2026	
	Filip Diesel Repair	\$59,405.23	As of January 1, 2026	
		\$112,470.14		
	Revenues			
Account #	Source	Amount	Notes	
41-3100-5103	Principal Revenue-New Loans	\$0.00		
41-3100-5104	Interest Revenue-New Loans	\$0.00		
41-3100-5103	Principal Revenue-Current Loans	\$10,972.55	Assuming all payments made on time with no early payoffs	
41-3100-5104	Interest Revenue-Current Loans	\$2,233.21	Assuming all payments made on time with no early payoffs	
41-3100-5305	Miscellaneous-Loan Closing Fees	\$0.00	Applicant Payments	
41-3100-5305	Miscellaneous-Loan Payoff Fees	\$0.00	Applicant Payments	
	Total Revenue	\$13,205.76		
	Expenses			
Account #	Expense Category	Amount	Notes	
	Administration	\$0.00	All salaries are paid out of City and EDA funds	
	Loans	\$0.00		
	Loan Administration Costs	\$0.00	Covers Mortgages and UCCs	
	Total Expenses	\$0.00		
	Net Income	\$13,205.76		
	Fund Balance	Amount (\$)	Notes	
	Beginning Cash on Hand	\$4,018.07		
	Net Income	\$13,205.76		
	Ending Cash on Hand	\$17,223.83		

	Loans Outstanding			
	Outstanding Principal	Amount	Notes	
	Madelia Lumber	\$20,501.67	As of Dec. 31st, 2026	
	Lost Sanity Brewing	74,703.10	As of Dec. 31st, 2026	
	J Henry Properties	\$17,617.33	As of Dec. 31st, 2026	
	Shellum Property Management, LLC	\$41,711.22	As of Dec. 31st, 2026	
	Bryngelsson Holdings, LLC	\$47,126.82	As of Dec. 31st, 2026	
	Mane Edit Salon	\$9,378.92	As of Dec. 31st, 2026	
	VanHale Properties	\$108,926.04	As of Dec. 31st, 2026	
		\$319,965.10		
	Revenues			
Account #	Source	Amount	Notes	
45-3850-5954	Transfer In	\$0.00		
45-3850-5950	Principal-Revolving Loan-New Loans	\$0.00	Assuming all payments made on time with no early payoffs	
45-3850-5951	Interest Rev. Revolving Loan-New Loans	\$0.00	Assuming all payments made on time with no early payoffs	
45-3850-5950	Principal-Revolving Loan-Current Loans	\$45,507.39	Assuming all payments made on time with no early payoffs	
45-3850-5951	Interest Rev. Revolving Loan-Current Loans	\$7,199.51	Assuming all payments made on time with no early payoffs	
45-3850-5952	Misc. Revenue-Loan Closing Fees	\$0.00		
45-3850-5952	Misc. Revenue-Loan Payoff Fees	\$0.00		
	Total Income	\$52,706.90		
	Expenses			
Account #	Expense Category	Amount	Notes	
45-4850-6499	Revolving Loan Misc.-Filing/Recording Co	\$0.00		
45-4850-6605	Revolving Loans Paid Out	\$0.00		
45-4850-6305	Revolving Loan Legal Fees	\$0.00		
	Total Expenses	\$0.00		
	Net Income	\$52,706.90		
	Fund Balance	Amount (\$)	Notes	
	Beginning Fund Balance	\$45,786.41		
	Net Income	\$52,706.90		
	Ending Fund Balance	\$98,493.31		

	Loans Outstanding			
	Outstanding Principal	Amount	Notes	
	Madelia Lumber	\$27,495.65	As of Dec. 31st, 2025	
	Sud UR Duds	\$699.13	As of Dec. 31st, 2025	
	Lost Sanity Brewing	81,095.71	As of Dec. 31st, 2025	
	J Henry Properties	\$18,814.31	As of Dec. 31st, 2025	
	Shellum Property Management, LLC	\$52,582.16	As of Dec. 31st, 2025	
	Bryngelsson Holdings, LLC	\$52,570.45	As of Dec. 31st, 2025	
	Mane Edit Salon	\$10,000.00	Loan Originated 08/01/2026	
	VanHale Properties	\$110,000.00	Loan Originated 09/08/2026	
		\$353,257.41		
	Revenues			
Account #	Source	Amount	Notes	
45-3850-5954	Transfer In	\$10,000.00	USDA RBDG Grant Fund	
45-3850-5950	Principal-Revolving Loan-New Loans	\$1,695.04	Assuming all payments made on time with no early payoffs	
45-3850-5951	Interest Rev. Revolving Loan-New Loans	\$852.79	Assuming all payments made on time with no early payoffs	
45-3850-5950	Principal-Revolving Loan-Current Loans	\$31,597.27	Assuming all payments made on time with no early payoffs	
45-3850-5951	Interest Rev. Revolving Loan-Current Loans	\$4,693.38	Assuming all payments made on time with no early payoffs	
45-3850-5952	Misc. Revenue-Loan Closing Fees	\$20.00	Applicant Payments - UCC Filing	
45-3850-5952	Misc. Revenue-Loan Payoff Fees	\$20.00	UCC Termination	
	Total Income	\$48,878.48		
	Expenses			
Account #	Expense Category	Amount	Notes	
45-4850-6499	Revolving Loan Misc.-Filing/Recording Co	\$40.00	UCC Termination and Filing	
45-4850-6605	Revolving Loans Paid Out	\$120,000.00		
45-4850-6305	Revolving Loan Legal Fees	\$0.00		
	Total Expenses	\$120,040.00		
	Net Income	-\$71,161.52		
	Fund Balance	Amount (\$)	Notes	
	Beginning Fund Balance	\$116,947.93		
	Net Income	-\$71,161.52		
	Ending Fund Balance	\$45,786.41		

Loans Outstanding			
Outstanding Principal	Amount	Notes	
Guyer, Ryan	\$198.67	As of December 31st, 2026	
Hogg, Darrell	\$104.99	As of December 31st, 2026	
Rodriguez, Maricela	\$528.36	As of December 31st, 2026	
Ordoff, Brandon and Sonya	\$2,130.13	As of December 31st, 2026	
Sandoval, Ismael	\$3,128.30	As of December 31st, 2026	
J Henry 115 LLC	\$119,187.76	As of December 31st, 2026	
	\$125,278.21		
Revenues			
Source	Amount	Notes	
Transfer In	\$0.00		
Principal-Revolving Loan-MF Construction	\$3,509.86	Assuming all payments made on time with no early payoffs	
Interest Rev. Revolving Loan-MF Construc	\$4,809.10	Assuming all payments made on time with no early payoffs	
Principal-Revolving Loan-DPA	\$3,082.02	Assuming all payments made on time with no early payoffs	
Interest Rev. Revolving Loan-DPA	\$321.24	Assuming all payments made on time with no early payoffs	
Misc. Revenue-Loan Closing Fees	\$0.00		
Misc. Revenue-Loan Payoff Fees	\$138.00	Applicant Payments	
Total Income	\$11,860.22		
Expenses			
Expense Category	Amount	Notes	
Revolving Loan Misc.-Filing/Recording Cos	\$138.00	Applicant Payments	
Revolving Loans Paid Out	\$0.00		
Revolving Loan Legal Fees	\$0.00		
Total Expenses	\$138.00		
Net Income	\$11,722.22		
Fund Balance	Amount (\$)	Notes	
Beginning Fund Balance	\$176,250.42		
Net Income	\$11,722.22		
Ending Fund Balance	\$187,972.64		

Loans Outstanding			
Outstanding Principal	Amount	Notes	
Eser, Sterling	\$451.45	As of December 31st, 2025	
Forstner, Michael	\$1,055.01	As of December 31st, 2025	
Guyer, Ryan	\$1,348.43	As of December 31st, 2025	
Hogg, Darrell	\$719.56	As of December 31st, 2025	
Rodriguez, Maricela	\$1,232.16	As of December 31st, 2025	
Ordoff, Brandon and Sonya	\$3,220.73	As of December 31st, 2025	
Sandoval, Ismael	\$4,125.12	As of December 31st, 2025	
J Henry 115 LLC	\$123,854.90	As of December 31st, 2025	
	\$136,007.36		
Revenues			
Source	Amount	Notes	
Transfer In	\$0.00		
Principal-Revolving Loan-MF Construction	\$4,667.14	Assuming all payments made on time with no early payoffs	
Interest Rev. Revolving Loan-MF Construc	\$3,651.84	Assuming all payments made on time with no early payoffs	
Principal-Revolving Loan-DPA	\$6,408.46	Assuming all payments made on time with no early payoffs	
Interest Rev. Revolving Loan-DPA	\$627.17	Assuming all payments made on time with no early payoffs	
Misc. Revenue-Loan Closing Fees	\$0.00		
Misc. Revenue-Loan Payoff Fees	\$92.00	Applicant Payments	
Total Income	\$15,446.61		
Expenses			
Expense Category	Amount	Notes	
Revolving Loan Misc.-Filing/Recording Cos	\$92.00	Applicant Payments	
Revolving Loans Paid Out	\$0.00		
Revolving Loan Legal Fees	\$0.00		
Total Expenses	\$92.00		
Net Income	\$15,354.61		
Fund Balance	Amount (\$)	Notes	
Beginning Fund Balance	\$160,895.81		
Net Income	\$15,354.61		
Ending Fund Balance	\$176,250.42		

Loans Outstanding

Outstanding Principal

	2025 YE	Notes
VanHale Properties	\$131,314.87	As of Dec. 31st, 2025
ProSide LLC	\$18,537.39	As of Dec. 31st, 2025
Filip Diesel Repair	\$40,000.00	Originated 09/30/2026
Sweet! Indeed	\$14,590.00	Originated 10/15/2026
Main St Property Group	\$16,415.00	Originated 10/15/2026
Lost Sanity Brewing	\$5,000.00	Originated 10/15/2026
	\$225,857.26	

Revenue

Account #	Source	2023 Actual	2024 Actual	2025 Actual	2026 Anticipated	Notes
52-3850-5201	Assessment			\$ 7,921.27	\$ 4,138.87	
52-3850-5202	Assessments Interest			\$ 1,950.08	\$ 796.81	
52-3850-5300	Sale of Real Estate-Other	\$80,000.00	\$0.00	\$0.00	\$0.00	
52-3850-5300	Sale of Real Estate-Riverview Heights	\$0.00	\$13,513.00	\$118,607.00	\$0.00	
52-4850-6598	Transfer In	\$0.00	\$0.00	\$0.00	\$0.00	
52-3850-5950	Principal Revolving Loan-New Loans	\$0.00	\$0.00	\$0.00	\$1,504.51	
52-3850-5951	Interest Rev. Revolving Loan-New Loans	\$0.00	\$0.00	\$0.00	\$341.69	
52-3850-5950	Principal Revolving Loan-Current Loans	\$92,394.19	\$16,129.37	\$16,291.44	\$16,455.06	
52-3850-5951	Interest Rev. Revolving Loan-Current Lo:	\$2,373.70	\$1,748.95	\$1,586.88	\$1,423.26	
52-3850-5928	Business Loan Fee-Loan Closing Fees	\$500.00	\$0.00	\$220.00	\$80.00	
52-3850-5928	Business Loan Fee-Loan Payoff Fees	\$0.00	\$0.00	\$0.00	\$0.00	
52-3850-5952	Misc. Revenue	\$3.87	\$2,410.56	\$887.81	\$2,515.08	
	Total Income	\$175,271.76	\$33,801.88	\$147,464.48	\$27,255.28	

Expenses

Account #	Expense Category	2023 Actual	2024 Actual	2025 Actual	2026 Anticipated	Notes
52-4850-6131	Hired Outside Labor	\$2,231.00	\$2,645.20	\$14,055.60	\$8,383.00	
52-4850-6305	Legal Expenses	\$6,461.65	\$92.00	\$20.00	\$70.00	
52-4850-6405	Demolition	\$0.00	\$43,335.00	\$0.00	\$0.00	
52-4850-6437	Promotional Activities	\$3,727.59	\$3,509.76	\$750.00	\$540.00	
52-4850-6499	Misc. Expense	\$3,241.50	\$304.65	\$310.80	\$272.00	
52-4850-6581	River View Heights	\$1,600.00	\$4,610.25	\$878.33	\$43,435.53	
52-4850-6583	Infrastructure Projects	\$0.00	\$5,000	\$5,760	\$60,000.00	
52-4850-6601	Loan Principal Paid	\$160,000.00	\$0.00	\$0.00	\$76,005.00	
52-4850-6598	Transfer Out	\$0.00	\$30,500.00	\$0.00	\$0.00	
52-4850-9999	General Property Taxes	\$2,746.00	\$2,358.00	\$4,688.00	\$330.00	
	Total Expenses	\$180,007.74	\$92,354.86	\$26,462.73	\$189,035.53	
	Net Income	-\$4,735.98	-\$58,552.98	\$121,001.75	-\$161,780.25	

Fund Balance

	2023 Actual	2024 Actual	2025 Actual	2026 Anticipated	Notes
Beginning Fund Balance	\$277,628.51	\$278,030.37	\$159,477.39	\$280,479.14	
Net Income	-\$4,735.98	-\$58,552.98	\$121,001.75	-\$161,780.25	
Ending Fund Balance	\$272,892.53	\$219,477.39	\$280,479.14	\$118,698.89	

TO: EDA Board
FROM: Celia Viesselman
SUBJECT: October Monthly Update
DATE: October 26th, 2026



Business Assistance:

- Filip Diesel Repair Loan Closing
- Sweet! Indeed Loan Closing
- Main St Property Group Loan Closing
- Lost Sanity Brewing LLC Loan Closing
- Eager Enterprises, LLC Loan Request
- USDA Loan Reporting
- SCDP Loan Reporting
- SCDP Loan Satisfaction

Healthcare: Working with Region Nine Development Commission for event on the status of the healthcare industry in the region. Event aimed at educating City Councils and economic development folks on the current challenges in the industry. Date pushed to January based on capacity and speaker availability.

Planning:

- Zoning Code Update - Draft in progress
- Expansion Report – Zoning Code analysis complete, Comprehensive Plan review complete
- Floodwise Stormwater TA Planning – Initial meeting with UMN and City Staff to discuss program timeline. Goal of project is to create work plan to implement stormwater fees, address stormwater challenges currently, and identify stormwater challenges for future expansion projects