

**City of Wabasso  
ECONOMIC DEVELOPMENT AUTHORITY  
1429 Front Street P O Box 60  
Wabasso MN 56293  
Regular Meeting  
Wednesday, May 4, 2022  
5:00 pm**

**CALL TO ORDER:**

**MINUTES:**

1. Approve Minutes – 4/6/22 Regular Meeting

**OLD BUSINESS:**

1. Discuss Duplex
  - a. Update.
2. Eastvail 3<sup>rd</sup> and 4<sup>th</sup> Addition Utilities
3. RLF Broadband Financing
4. Development/Strategic Plan
  - a. Highway 68 Corridor – Design Plan

**NEW BUSINESS:**

1. RLF Loan
2. EDA Lot Pricing

**TREASURER'S REPORT:**

1. Detailed Accounting Report
2. Loan and Checking Balance Summary Report

**BILLS:**

1. General Checking Claims
2. Dewey Street Claims
3. December Checks Issued

**ADJOURN:**

**ECONOMIC DEVELOPMENT AUTHORITY**  
**Regular Meeting – May 4, 2022**  
**Agenda Report**

1. **Minutes** enclosed
2. **Duplex.** Pat Eichten and I met with the developer. He seemed mostly interested in multi-family but would look at duplexes and fourplexes. I provided information regarding the various sites including all of the EDA properties. I will forward his response once received. I know he has been very busy getting the Sleepy Eye project wrapped up. I expect to hear from him before the meeting. There is also a nonprofit developer who is doing a fairly large project in New Ulm consisting of duplexes and multi family housing. Their mission is strictly low/mod income and workforce housing. I spoke with the attorney recommended by Karl. We had an interesting conversation. He is going to circle back to Karl to discuss further. I will give a synopsis of our discussion at the meeting.
3. **Eastvail 3<sup>rd</sup> and 4<sup>th</sup> Utilities.** Chad Nelson of Redwood Electric indicated it will install streetlights at their cost and bill the city \$22/mo. per light. The City Engineer and I will meet with Mr. Nelson to stake out lot lines and locate the transformers. Redwood Electric will install the cable and transformers/junction boxes upon EDA request or need. A schedule has not been set, but I got the impression that the utilities could be installed in a timely fashion. They are aware of Samyn's house. The EDA would be charged a "reduced" fee for the cost of the installation. The "reduced" fee has not been defined at this time but it will follow the coop's policy. Redwood Electric would charge the builder \$500 to install cable from junction box to socket. This may be increased \$100/\$200 at next board meeting due to increased cable costs. A meeting will be held in the near future to walk the site.
4. **RLF Broadband Financing.** I have attached a copy of the revised Federal RLF Guidelines forwarded by Briana Mumme. The RLF Guidelines allow the use of RLF funds for public infrastructure costs which include broadband, but came with the caveat that the project must follow Davis Bacon rules and the 51% Low Moderate Income (LMI) guidelines, both of which are poison pills. The new guidelines however, include a provision to create a Local Development Organization (LDO) the purpose of "de-federalizing" the regulations (Section III). Brianna is of the opinion that designating an LDO would allow the project to avoid the Davis Bacon or LMI regulations. The LDO must be a non-profit. Briana is researching if the EDA would qualify as a non-profit. Pat Dingels also mentioned at the last meeting the Redwood Area Development Corporation or its affiliate Redwood Area Community Foundation which is a 501C.3 could potentially be used. Once Briana has completed her research, we will meet with the state to see if an RDO would allow the EDA to use RLF funds to avoid the poison pills (NOTE: Too many acronyms!)
5. **Highway #68 Corridor Study.** The city engineer and I have met twice to go over the study. We have laid out a basic design taking the 100-year flood area and wetlands into consideration. Street layout and extension of utilities should not be a problem. As anticipated, surface water runoff will be the biggest challenge. The EDA/City will need to take into consideration tradeoffs between onsite storage and downstream improvements. We have not progressed to the point where any designs are available for review. I will give a more detailed presentation at the meeting.
6. **RLF Loan** – I have received an interest in an RLF loan, but I am not sure if it would qualify. I have requested additional information and will forward once I have received it.
7. **EDA Lot Pricing** – Chuck and I met once to discuss the lot pricing, and agreed we needed additional information before we could go any further. Chuck and I plan to meet on Monday to discuss. I will forward additional information once completed.
8. **Treasurers Report** attached
9. **Bills Attached.**

Wabasso EDA  
Regular Meeting  
Wednesday, April 6, 2022  
5:00 pm

The meeting was called to order at 5pm with Board Member Pat Eichten, Steve Burns, Karl Guetter (video conference) and Chuck Robasse (video conference) in attendance. Also present were EDA Director Larry Thompson, Pat Dingels, Jim Salfer, Louis Guetter and Anne Guetter.

The agenda was accepted as submitted.

The minutes of the March 2, 2022, meeting was approved on a motion by Robasse, second by Burns. Eichten – Yes; Guetter – Yes; Robasse – Yes; Burns – Yes.

**Duplex.** Mr. Thompson presented an update as follows:

1. He had met with Travis Woodford and identified several areas where the EDA could potentially reduce costs. No further action was taken until further direction from the EDA.
2. Pat Dingels and he discussed various financial options and concluded that: a) Any public borrowing will require some type of income limitations; and b) The project would need to be built by a “for profit” or “non-profit” organization to avoid the public bidding requirements.
3. Mr. Eichten and he discussed the possibility of reactivating and capitalizing the Wabasso Development Corporation.
4. Redwood County EDC Rep. Briana Mumme is reviewing the RLF funds to see if it is possible to use them for housing. I am waiting to hear from Briana and will forward her comments to the EDA when received.
5. Mr. Eichten and he were going to meet a developer that is currently constructing a 2 phase 72 unit apartment building in Sleepy Eye.

Mr. Guetter noted he had met with an attorney who would be willing to meet with the EDC to discuss financing and ownership options. It was felt that the best housing option would be development by a third party – either profit or non profit. It was agreed that Mr. Thompson would contact the attorney and Mr. Eichten and Mr. Thompson would meet with the developer to explore options and report back.

**May Street Utilities** – Mr. Thompson noted he had discussed extending utilities and installing street lights with Redwood Electric and was waiting for a proposal. It appeared the timing of the project would not be an issue, but the EDA may have to pay for some of the costs.

**Highway 68 Corridor Study.** Mr. Thompson reported that the City Council had agreed to pay for half of the study. Mr. Guetter asked what was included in the study. Mr. Thompson stated the area south and east of Highway 68/County Rd. 76 had been deleted per EDA direction but the remainder of the shaded area remained in the study to include most of the watershed outside of the city. The study would include highway accesses, future road layout, sanitary sewer including lift station, storm sewer and ponds and water facilities. It was agreed that the study was critical for future development. Motion by

Robasse, second by Guetter, to authorize Bolton and Menk to prepare a Facilities Plan for the Highway 68 corridor.

**Broadband Grant.** Redwood County gave a presentation at the last council meeting regarding the county's partnership with Arvig to install fiber optic cable in Wabasso. Mr. Patrick noted Arvig was submitting a grant application to the State for a Border to Border Grant which would cover 30% of the estimated costs of \$2,173,979 and Arvig had committed 25% of the costs. It was noted Arvig's share did not include the engineering and application costs which Arvig was fronting regardless of grant approval. The local share would be 45% which was to be shared by the County and the cities and townships involved with the project. County Commissioner Jim Salfer explained the need for fiber optic, noting that Redwood County ranked 87<sup>th</sup> out of 87 in broadband service and noted that the county board felt that access to affordable, reliable high speed internet was vital to the future growth of Redwood County. The county was requesting the city commit \$200,000 towards the project by April 30, 2022 and pay that amount during 2023. The County was exploring if RLF funds could be used for this project but had not reported its findings. Mr. Eichten stated this project was consistent with the EDA's mission and felt the EDA had sufficient funds beyond the RLF funds to partner with the City. Mr. Eichten stated he and Mr. Thompson had met with County staff to discuss possible funding options. It was the consensus of the EDA that it would be willing to discuss assisting the City Council with the \$200,000 commitment for the County/Arvig Broadband project.

**Eastvail Lot Sale.** Mr. Thompson presented the following bid for the duplex: Redwood Building Center (RBC) - \$669,955.25. It was noted that the bid was much higher than anticipated and based on the proforma presented by Mr. Thompson, it would require either a substantial cash infusion or annual subsidy to cash flow the project. The EDA discussed several factors that may have increased the price including market conditions and uncertainty, surety bonds, few bidders, materials, size and bidding requirements. Matt Novak noted that the EDA had three options: accept the bids, reject the bid, table the bid and reevaluate. The EDA discussed possibly meeting with RBC to better understand the high price of the surety and to see if the price could possibly be reduced by reducing the square footage or through value engineering. The EDA also discussed possibly using a non profit to eliminate some of the bidding and surety requirements. Mr. Thompson noted that during the bidding process it was discovered that electricity, telephone and cable tv had not been installed in the Eastvail 3<sup>rd</sup>/4<sup>th</sup> Additions. He was in contact with the utilities and it was quoted \$15,000 to install the south row of lots and \$7,000 to install the north row of lots. He needed to do more research. A lengthy discussion followed regarding the amount of the bid, only receiving one bid, and how much subsidy it would take to bring the lease rates down to what the market would bear. It was agreed that the EDA would not use its fund to write down the rates based on the amount of the bid. Mr. Eichten expressed frustration regarding the income limitations imposed by the bond requirements. Mr. Novak indicated the EDA should reject the bid if it wished to discuss the bid with RBC. Motion by Guetter, second by Burns to reject the bid of RBC.

Eichten – Yes; Guetter – Yes; Robasse – Yes; Burns – Yes.

The EDA directed Mr. Thompson to meet with RBC to discuss where potential cost savings could be realized and how to attract additional bidders; contact Bolton and Menk and Redwood Electric regarding

installation of electricity, notify the fiscal consultant that the project was on hold, and to research alternate bonding tools.

**Strategic Plan – Business Interviews.** Ms. Dingels and Mr. Guetter reported that they had concluded the business interviews and presented the results. It was noted that Day Care, additional community events and more presence on social media were the highest priorities. It was the consensus that this item be placed on the next meeting for prioritization.

**Strategic Plan – Highway 68 corridor design.** Mr. Thompson had received an engineer's estimate of \$12,000 to prepare a design and facilities plan for the Highway 68 corridor business expansion. It was the consensus that the area south east of #68 and #76 be eliminated due to topography issues (sanitary sewer extension) and the areas outside of the city limits be included as an alternate to the estimate.

**EDA Lot Purchase.** Mr. Eichten reported that a person was interested in purchasing an EDA lot, but due to the construction market wished to have the 12 month construction requirement extended. It was the consensus of the EDA that it did not wish to change its current policy but would consider it if there were extenuating circumstances.

Eichten – Yes; Guetter – Yes; Robasse – Yes; Burns – Yes.

**Treasurer's Report** – Motion by Burns, second by Guetter to approve the Treasurer's Report as submitted.

Eichten – Yes; Guetter – Yes; Robasse – Yes; Burns – Yes.

**Bills** - Motion by Olson, second by Burns to approve the bills totaling \$2,325.00 (Dewey Street).

Eichten – Yes; Guetter – Yes; Robasse – Yes; Burns – Yes.

Meeting was adjourned at 7:00 p.m.

Larry Thompson  
EDA Director

# Housing group proposes housing for labor force

APR 13, 2022



Staff photo by Clay Schuldt Land at North Highland Avenue and Maplewood Drive could soon be developed into workforce housing to alleviate a housing shortage for workers in New Ulm's labor market.

**NEW ULM** — Additional workforce housing could begin development in New Ulm before the end of the year.

A nonprofit corporation called the Hope Housing Foundation is working to secure funding to begin developing a property at North Highland Avenue and Maplewood Drive.

Hope Housing Foundation is dedicated to the creation and preservation of affordable workforce housing for low- to moderate-income families. Their housing project proposed in New Ulm is intended to alleviate affordable housing issues in New Ulm.

Manufacturers are struggling to recruit employees to come to New Ulm due to a lack of affordable housing. Workforce housing also could help retain employees of local businesses in the New Ulm area.

The first phase of the project would consist of a three-story building with 27 units on a six-acre site. The second phase would include another residential unit for approximately 52 total units. Four twin homes would also be built along Maplewood Drive.

Hope Housing Foundation is seeking funding for the project, which is estimated at \$6.4 million. The New Ulm Economic Development Authority agreed to provide \$123,850 for the project, which would be used for soil boring, environmental work, surveying and land purchase.

The EDA would recover the funds through tax abatement on the property.

City Manager Chris Dalton said it would take 10 to 12 years to recover the property back through tax abatement.

EDA Chairman Daniel Braam said, *"I personally think this is a definite step in the right direction in addressing our ongoing housing needs."*

Braam also commended the city for seeking the abatement option for this project. He said traditionally the abatements were used for businesses and not housing.

*"With housing being such a critical need for workforce development and for employment, we have to think in these terms,"* he said.

Hope Housing is also seeking funds from Property Assessed Clean Energy grant and Minnesota Housing Finance Agency Grant.

Hope Housing will learn if the MHFA grant was approved by the end of the month. Dalton said the Hope Housing is intending to move forward, regardless of whether the MHFA is awarded.

If additional funding is awarded, project development could begin this summer.

## Larry Thompson

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**From:** Briana Mumme <Briana\_M@co.redwood.mn.us>  
**Sent:** Monday, May 2, 2022 6:01 PM  
**To:** Larry Thompson  
**Subject:** FW: Wabasso broadband federal MIF

Hi Larry,

Below is the last response I received from DEED. While I am disappointed we are not able to utilize the funds, I am glad to have achieved a final answer that it is not an eligible fund to utilize for the city's contribution to the border-to-border grant application local match.

Thank you for your patience as we worked through this!

Briana

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**From:** Ngwu, Chinwe (DEED) [mailto:chinwe.ngwu@state.mn.us]  
**Sent:** Thursday, April 28, 2022 4:24 PM  
**To:** Briana Mumme <Briana\_M@co.redwood.mn.us>  
**Cc:** Wells, Diane (DEED) <diane.wells@state.mn.us>; Nelson, Jeff (DEED) <jeff.m.nelson@state.mn.us>; Kukowski, Natasha (DEED) <natasha.kukowski@state.mn.us>; Burak, Jason (DEED) <jason.burak@state.mn.us>  
**Subject:** RE: Wabasso broadband federal MIF

Hi Briana –

I had a conversation with Natasha today and based on the information we have gathered; this project is a boarder to boarder broadband program which Natasha's CDBG-CV funds that may allow for transfer of federal MIF funds to support a project does not qualify for the broadband, fiber-to-the-premises project. The broadband, fiber-to-the-premises project requires agreement with ISP's while Natasha funds which federal MIF funds may be used for requires agreement with the city to prepare, prevent or respond to COVID-19.

On that note, unless we hear anything different; the project does not qualify as eligible use of the federal MIF revolving loan fund.

Please let me know if you have any other question.

Thank you,  
~Chinwe

**Chinwe Ngwu | MN Investment Fund Lead**  
Office of Business Finance  
Direct: 651-259-7427

 **EMPLOYMENT AND  
ECONOMIC DEVELOPMENT**





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**From:** Briana Mumme <Briana\_M@co.redwood.mn.us>

**Sent:** Wednesday, April 27, 2022 10:55 AM

**To:** Burak, Jason (DEED) <jason.burak@state.mn.us>

**Cc:** Wells, Diane (DEED) <diane.wells@state.mn.us>; Ngwu, Chinwe (DEED) <chinwe.ngwu@state.mn.us>; Nelson, Jeff (DEED) <jeff.m.nelson@state.mn.us>; Kukowski, Natasha (DEED) <natasha.kukowski@state.mn.us>

**Subject:** RE: Wabasso broadband federal MIF

Hi Jason and Team,

Thank you for your prompt reply to my inquiry. I am working with the City of Wabasso Clerk and am hopeful to have a follow email to you shortly.

Thank you,

**Briana Mumme**

Economic Development Coordinator



Redwood County Government Center

403 S. Mill Street | PO Box 130 | Redwood Falls, MN 56283

Office: (507) 637-1122 | Cell: (507) 637-7077 | Fax: (507) 637-4017

Email: [Briana\\_m@co.redwood.mn.us](mailto:Briana_m@co.redwood.mn.us)

Office hours: Monday – Friday, 8 a.m. to 4:30 p.m

For the latest updates, visit our [website](#) and follow us on [Facebook](#)

Briana

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**From:** Burak, Jason (DEED) [<mailto:jason.burak@state.mn.us>]

**Sent:** Friday, April 22, 2022 9:48 AM

**To:** Briana Mumme <Briana\_M@co.redwood.mn.us>

**Cc:** Wells, Diane (DEED) <diane.wells@state.mn.us>; Ngwu, Chinwe (DEED) <chinwe.ngwu@state.mn.us>; Nelson, Jeff (DEED) <jeff.m.nelson@state.mn.us>; Kukowski, Natasha (DEED) <natasha.kukowski@state.mn.us>

**Subject:** Wabasso broadband federal MIF

Good morning, Briana

Which section of the guidelines (attached) did you identify that lead to your conclusion that it's not an eligible use? I'm not prepared to render an opinion about the specific eligibility of this project and perhaps Natasha can weigh-in next week (I think she's gone today.)

On page 6, it lists Infrastructure as an eligible use with these comments: "This includes public works projects necessary for the location, expansion, and/or retention of a specific for-profit business(es). Examples....are: streets, roads, water, sewer, bridges, sidewalks, parking facilities, drainage systems, railroad spurs, etc." There are many other requirements including meeting one of three national objectives: 1. "Benefit to persons of ....LMI;" 2. "...aid in prevention or elimination of slum and blight;" 3. "To meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community." These items I'm quoting are only a small snapshot of RLF usage. As you know, there are many restrictions for this federal money. HUD has final say on eligibility.

Kind regards,

**Jason Burak**

**Senior Loan Officer, Office of Business Finance**

*Minnesota Department of Employment and Economic Development*

1<sup>st</sup> National Bank Building, 332 Minnesota St., Suite E200, St. Paul, MN 55101

Direct: 651-259-7338

Web | Twitter | Facebook



**From:** Briana Mumme [[mailto:Briana\\_M@co.redwood.mn.us](mailto:Briana_M@co.redwood.mn.us)]

**Sent:** Thursday, April 21, 2022 8:18 AM

**To:** Dickison, Angie (DEED) <[angie.dickison@state.mn.us](mailto:angie.dickison@state.mn.us)>

**Subject:** FW: CDBG-ED RLF Re-Use Eligibility

Greetings Angie,

I've been encouraged to connect with you for assistance on a project.

I am working with the City of Wabasso on a broadband, fiber-to-the-premises project, whom has a fund balance from the Community Development Block Grant Economic Development Program (CDBG-ED) Minnesota Investment Fund. I am reaching out to ask if utilizing these funds towards a broadband infrastructure project would be deemed acceptable? The funds would be used as a local match to the State of Minnesota Department of Employment and Economic Development Border-to-Border Grant Program.

Based on the information listed in the guidelines, believe it is not eligible, however am hoping to collect something in writing confirming this. In knowing the CDBG-CV program included Broadband last year, and that the broadband needs have increased since the guidelines were published in 2014 – I wondered if something has changed within the guidelines.

Thank you,

**Briana Mumme**

Economic Development Coordinator



Redwood County Government Center

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Office hours: Monday – Friday, 8 a.m. to 4:30 p.m

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**From:** Nordeng, Christian P (DEED) [<mailto:christian.nordeng@state.mn.us>]  
**Sent:** Thursday, April 14, 2022 9:08 AM  
**To:** Briana Mumme <[Briana\\_M@co.redwood.mn.us](mailto:Briana_M@co.redwood.mn.us)>  
**Subject:** RE: CDBG-ED RLF Re-Use Eligibility

Hi Briana,

The grants you're asking about are not part of DEED Small Cities. You should contact the office of broadband 651-259-7610 and ask for Angie, or you can contact Office of Business Finance at 651-259-7430.

Chris

**Chris Nordeng | Grants Specialist Coordinator**  
*Minnesota Department of Employment and Economic Development | CareerForce*  
1st National Bank Building, 332 Minnesota St., Suite E200, St. Paul MN 55101  
Office: 651-259-7455  
[Web](#) | [Twitter](#) | [Facebook](#)



**From:** Briana Mumme [[mailto:Briana\\_M@co.redwood.mn.us](mailto:Briana_M@co.redwood.mn.us)]  
**Sent:** Tuesday, April 12, 2022 5:52 PM  
**To:** Nordeng, Christian P (DEED) <[christian.nordeng@state.mn.us](mailto:christian.nordeng@state.mn.us)>  
**Subject:** CDBG-ED RLF Re-Use Eligibility

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Hi Chris,

I am working with the City of Wabasso (Minnesota) on a broadband, fiber-to-the-premises project, whom has a fund balance from the Community Development Block Grant Economic Development Program (CDBG-ED) Minnesota Investment Fund. I am reaching out to attain a response to determine if utilizing these funds towards a broadband infrastructure project would be deemed acceptable? The funds would be used as a local match to the State of Minnesota Department of Employment and Economic Development Border-to-Border Grant Program. There is still pending legislation (I believe), but it is anticipated the Border-to-Border grant program will be funded through the state's Federal American Rescue Plan allocation.

Based on the information listed in the guidelines, believe it is not eligible, however am hoping to collect something in writing confirming this. In knowing the CDBG-CV program included Broadband, and that the broadband needs have increased since the guidelines were published in 2014 – I wondered if something has changed within the guidelines.

Thank you,

**Briana Mumme**  
Economic Development Coordinator



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# **GUIDELINES**

**for the**

## **RE-USE OF LOCAL REVOLVING LOAN FUNDS (RLF)**

**COMMUNITY DEVELOPMENT BLOCK GRANT  
ECONOMIC DEVELOPMENT PROGRAM (CDBG-ED)  
MINNESOTA INVESTMENT FUND**

**STATE OF MINNESOTA  
DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT  
BUSINESS AND COMMUNITY DEVELOPMENT DIVISION  
OFFICE OF BUSINESS FINANCE  
March, 2014**

## INTRODUCTION

The Community Development Block Grant Program (CDBG) administered by the Minnesota Department of Employment and Economic Development (DEED) is funded annually by the U. S. Department of Housing and Urban Development. DEED's Office of Business Finance receives 15% of the states' CDBG annual allocation for the purpose of furthering economic development in the non-entitlement areas of Minnesota. This economic development set aside is operated within the Minnesota Investment Fund (MIF) program, which is supplemented with state funds. *(For purposes of this document, the program will be referred to as "CDBG-ED" and the requirements apply only to the federal funds.)* HUD establishes the CDBG regulations and requirements for the program and has oversight responsibilities for the use of these funds.

CDBG-ED funding is provided to a unit of general purpose local government. *(The local unit of government will be referred to as "the local government").* In turn, the local government provides a loan to a business to assist with its start up or expansion. DEED allows the community to retain the loan repayments, including principal and interest. Historically, local governments chose to use the repayments to capitalize a Revolving Loan Fund (RLF) for economic development purposes only. It has been found that for many reasons, (i.e., number of years it has taken to accumulate enough cash to actually use the funds, staff turnover, lost paperwork, confusion over the federal requirements, lack of projects, etc.) many RLF's have been inactive. Fortunately, CDBG rules provide flexibility on the reuse of these funds. To assist local governments in the administration of their RLF, CDBG-ED funds can be used for the following:

- 1) Revolving Loan Fund (RLF) for Business Financial Assistance;
- 2) Other CDBG Eligible Activities; and
- 3) Assistance to a Local Development Organization (LDO).

These guidelines will provide general guidance on the requirements for the reuse of the funds. For in-depth information the community must refer to regulations posted by HUD on their website.

Before determining how these funds will be used, it is strongly recommended a thorough needs assessment of the community be undertaken. Through this process, the community will have a better understanding of its community and economic development needs and will be positioned to effectively address these needs.

## SECTION I

### **Revolving Loan Fund (RLF) for Business Financial Assistance**

The establishment of a Revolving Loan Fund within a community is one of several tools available to encourage business development. When establishing a RLF, the local government should begin by determining the economic development needs of their community from which they can develop policies, procedures and guidelines in response to those needs. There is no reason to “reinvent the wheel” as there is a wide array of RLF guidelines, samples of application forms, and legal documents on the web; or DEED’s application(s) may be used. Upon completion of the policies and procedures, the grantee must submit them to DEED for approval.

When a RLF is capitalized with repaid CDBG-ED loan repayments, the community takes on a major responsibility, as it will be functioning as a lender. The lending responsibilities are similar to those of commercial lenders and include loan marketing, application processing, credit analysis, lending decisions, loan closing and documentation, and loan servicing, in addition to meeting all of the federal, legal and administrative requirements of the CDBG-ED program.

Because the RLF dollars are public funds, the local government must demonstrate to the taxpayers (as well as DEED and HUD) that their funds are being used wisely and for a public benefit. If a project fails, there may be a loss of public funds and external scrutiny of the local governments lending practices. It is important for the local government to mitigate these risks through prudent screening, underwriting, structuring and monitoring of business loans.

***It is strongly recommended that administrators of the RLF take RLF training through organizations such as the National Development Corporation (NDC) or the Council of Development Finance Agencies (CDFA).***

Local governments with CDBG-ED RLF’s must keep the following in mind:

***The RLF never loses its federal identity. When loans are repaid, all CDBG regulations and requirements that applied during the term of the original project(s) will apply to the RLF. Some of these requirements include, meeting a national objective, public benefit standards, citizen participation, environmental review and Davis-Bacon (prevailing wage). The only exception is when loan repayments are made to a qualified Local Development Organization (See Section III). In addition, the grantee must report to DEED on the use of the RLF on an annual basis as long as the funds continue to revolve.***

In compliance with HUD regulations and state rules, the State of Minnesota has chosen to permit the local government receiving CDBG-ED funds to establish a revolving fund to carry out specific, identified activities. A revolving fund, for this purpose, is a separate fund (with a set of accounts that are independent of other program accounts) established to carry out specific activities which, in turn, generate payments to the fund for use in carrying out such activities. These payments to the revolving fund are program income and must be substantially disbursed

from the revolving fund before additional grant funds can be requested from the State for revolving fund activities. Such program income is not required to be disbursed for non-revolving fund activities. Interest earned on the revolving fund is program income.

When using the RLF for Business Financial Assistance, the community's RLF will continue the same activity that the original CDBG-ED assistance was addressed – "financial assistance to a for profit business that will create or retain permanent jobs, of which at least 51% will be taken by or made available to LMI persons." However, in addition to making a direct loan to a business, there are several other activities that are eligible for funding.

### **Eligible Activities**

The financial assistance to businesses can be provided in the form of *grants, loans, loan guarantees, or other assistance* determined by the community and detailed in their RLF policies. Following are the activities that CDBG-ED RLF's can be used for:

- **Direct Financial Assistance to Businesses**
  - Direct financial assistance can be provided to private, for profit businesses that intend to create or retain permanent jobs.
  - Funds under this activity can be used to assist a business with the following:
    - Project based land acquisition;
    - Building construction and other improvements;
    - Renovation of an existing building;
    - Purchase of capital equipment;
    - Purchase of an existing building;
    - Site improvements;
    - Working capital;
    - Railroad spurs or similar extensions;
    - Some types of downtown commercial rehabilitation.
    - Retail operations are eligible.
  - For example, a low interest loan can be provided to a business to assist with the purchase of equipment as part of a larger project.
- **Infrastructure**
  - This includes public works projects necessary for the location, expansion, and/or retention of a specific for-profit business(es). Examples of eligible infrastructure projects are: streets, roads, water, sewer, bridges, sidewalks, parking facilities, drainage systems, railroad spurs, etc.
- **Microenterprise Assistance**
  - The RLF may provide direct financial assistance, including loans, grants, etc. and technical assistance to assist with the start up or expansion of microenterprise businesses.
  - A microenterprise is defined as a commercial enterprise that has 5 or fewer employees, of which 1 or more is the owner.



- **Business Incubators**
  - For the development, rehabilitation or property improvement of a building or the actual construction of a building to house the incubator; and/or
  - Provide assistance to businesses locating within the incubator.
- **Job Training**
  - This involves providing skill building classes to employees or potential employees and can be an important part of an economic development program. It can include:
    - Training unskilled, low-income persons for specific jobs for which they have been hired and which require skill levels beyond what they now have through a customized training program;
    - Re-training existing employees of a business as part of a project which qualifies as job retention.
- **Technical Assistance (TA)**
  - CDBG-ED funds can be used to provide TA in either of the following ways:
    - To provide training to the local government to carry out the economic development activities; and
    - To provide technical assistance and training directly to businesses on topics such as business planning or accounting.
- **Administration**
  - Administration is a one-time cost for items directly related to making the loan (consultant or legal fees, etc.), but cannot include staff time.
  - Costs will be capped at 10% of the loan amount or \$5,000 – whichever is less.
  - If a loan should default at a later date, legal expenses and collection fees would be eligible, but please contact your DEED loan officer in this instance.
  - If a consultant is hired, the local government must follow the procurement process.

## **Other Requirements**

Economic Development projects funded by the local government with CDBG-ED funds are subject to a wide range of requirements. The local government is responsible to ensure that the operation of the RLF is in compliance with a whole host of federal and state laws, regulations and executive orders. Following are the major requirements. Additional information on these and all other requirements are detailed on HUD's website.

- **National Objective**
  - All projects must meet one of three national objectives:
    - Benefit to persons of low and moderate income (LMI);
    - To aid in the prevention or elimination of slum and blight;
    - To meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the

health or welfare of the community.

In the CDBG-ED category, nearly all projects will meet the Benefit to LMI objective.

- **Public Benefit Standards**
  - These standards ensure that at least a minimum level of public benefit is obtained from the expenditure of CDBG-ED funds. Use of these standards is mandatory.
  - This requirement is separate from the National Objective requirement that 51% of the jobs created or retained be taken by LMI persons.
  - Basically, the standards are a “cost per job” or “cost per goods and services” calculation used to determine if the financial assistance is appropriate.
- **“Anti-pirating” of Jobs**
  - CDBG-ED funds cannot be used for employment relocation activities or “job pirating.”
  - Job pirating refers to the use of federal funds to lure or attract a business and its jobs from one community to another.
  - Specifically, CDBG-ED funds may not be used to assist businesses if:
    - The funding will be used to assist directly in the relocation of a plant, facility or operation; and
    - The relocation is likely to result in a significant loss of jobs in the labor market area from which the relocation occurs.
- **Environmental Review**
  - All projects are subject to the National Environmental Policy Act (NEPA) which seeks to avoid adverse impacts on the environment by mandating careful consideration of the potential impacts on any project assisted with federal funds.
  - All projects must have an appropriate environmental review completed prior to project costs being incurred.
- **Citizen Participation**
  - The local government must include the public in decisions about use of the RLF, as well as each project to be funded.
- **Acquisition/Displacement and Relocation Requirements**
  - Applies to any acquisition of real property when CDBG-ED funds are used for the acquisition.
- **Davis Bacon and Related Acts**
  - Includes the Federal Contract Work Hours and Safety Standards Act, and the Copeland “Anti- Kickback” Act;
  - Applicable when more than \$2,000 of CDBG-ED dollars are used for construction, remodeling, site development and equipment installation.
- **Guidelines and Objectives for Evaluating Project Costs and Financial Requirements.**

These underwriting guidelines are designed to assist the local government to select economic development projects that are financially viable and will result in the most

effective use of CDBG-ED funds. The use of these guidelines is *voluntary*; however, local governments electing not to use these guidelines are expected to conduct basic financial underwriting of projects funded under this eligibility category. There are six criteria that must be evaluated:

- Project costs are reasonable;
- All sources of project financing are committed;
- To the extent practicable, CDBG-ED funds are not substituted for non-federal financial support;
- Project is financially feasible;
- To the extent practicable, the return of the owner's equity investment will not be unreasonably high; and
- To the extent practicable, CDBG-ED funds are disbursed on a pro-rata basis with other finances committed to the project.

## SECTION II

### Other CDBG Eligible Activities

The community may broaden the use of the RLF by establishing a program that supports other *community* development needs which combines a wide array of activities. These activities must continue to meet the requirements of the CDBG program. When converting CDBG-ED to CDBG-SCDP, ***the Program Income can only be used as leverage for open active grants or on new applications to SCDP.***

***The community must receive approval from DEED's Office of Business Finance if it chooses to use some or all of its CDBG-ED loan repayments for "Other CDBG Eligible Activities." The written request must include the dollar amount to be transferred and a plan for the use of the funds.***

***The request will be reviewed by DEED's Office of Community Assistance (SCDP staff) and if approved, the community will transfer the agreed upon amount from its RLF to a "Program Income" account. The administration of the Program Income is then transferred to DEED's Office of Community Assistance staff.***

- **Federal Objective**
  - All projects must meet one of three national objectives:
    - Benefit to persons of low and moderate income (LMI);
    - To aid in the prevention or elimination of slum and blight;
    - To meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community.

**Eligible Use of Funds for "Other CDBG Activities": Community Development is the primary focus of these funds. For more information see the SCDP A-Z guide on the DEED website. You can choose one or a combination of the following activities.**

- **Housing Activities-rehabilitation of housing which includes Lead Based Paint and historical evaluation and remediation.**
  - Homeowner Rehabilitation – to assist existing homeowners with rehabilitation of their homes.
  - Rental Housing – to rehabilitate rental housing. 51% of the units must be occupied by low to moderate incomes at HUD Fair Market Rents.
- **Commercial Rehabilitation:** Rehabilitation of non-residential building owned privately or by a non-profit. This activity must come in combination with another activity.

- Code Violations
- Health and Safety Issues
- Façade Improvements
- Energy Efficiency
- Accessibility Access
- **Public Facilities and Improvements:** Activities that are necessary to improve public facilities for communities that have 51% or greater of low and moderate income persons by census or survey area.
  - Public Improvements include, but is not limited to water and sewer lines, water and wastewater treatment and storage.
  - Public Facilities such as community centers.
- **Assessment Abatement:** The recovery of the capital costs of a public improvement.
  - Abatement assessments are provided to households whose family income is 50% or less of the county median income.
- **Clearance:** Usually related to demolishing structures as a result of a disaster or urgent threat to health and safety in the community.
  - Removal of demolition products (rubble) and other debris.
- **Conversion** – The conversion of a closed building from one use to another.
  - Conversion of a closed school building to residential or for use as an eligible public facility.
- **Program Administration** – for the planning and execution of CDBG activities.
  - Eligible costs include staff and related costs required for overall management, coordination, monitoring, reporting, and evaluation. Application preparation is not an eligible activity with any CDBG funds.
  - This is not a stand-alone or separate budget line item and should be included within the main activity cost.

**Note: All Disaster activities will be addressed on a case by case basis.**

## Other Federal Requirements under the SCDP-Program Income

- **Environmental Review**
  - All projects are subject to the National Environmental Policy Act (NEPA) which seeks to avoid adverse impacts on the environment by mandating careful consideration of the potential impacts on any project assisted with federal funds.
  - All projects must have an appropriate environmental review completed prior to project costs being incurred.
- **Citizen Participation**
  - The local government must include the public in decisions about use of the program income, as well as each activity or project to be funded. A public hearing is required and if funded a second hearing mid-project is required.
- **Davis Bacon and Related Acts-used in commercial rehabilitation, rental rehabilitation of 8 units or more and public facilities.**
  - Includes the Federal Contract Work Hours and Safety Standards Act, and the Copeland "Anti-Kickback" Act;
  - Applicable when more than \$2,000 of CDBG dollars are used.
- **Acquisition/Displacement and Relocation Requirements**
  - Applies to any acquisition of real property when CDBG-ED funds are used for the acquisition.

## **SECTION III**

### **Local Development Organizations**

HUD has recognized the need to lessen the burden to local governments that are administering CDBG-ED funded Revolving Loan Funds (RLF's). Therefore, the Housing and Community Development Act (HCDA) was amended to allow grantees of CDBG-ED funds to sub-grant their award to a qualified non-profit organization to carry out community economic development projects. This process is referred to as "de-federalizing" the funds and by doing so, the RLF is exempt from the CDBG requirements. The local government selects the non-profit organization to carry out the activity and designates it as a Local Development Organization using a LDO agreement.

Because of the large number of underutilized RLF's funded with CDBG-ED funds, as well as the complexity of the CDBG requirements, DEED is strongly recommending that local governments with CDBG-ED RLF's consider the use of this process.

- **Advantages of de-federalization:**
  - Decreases the administrative burden on local governments to comply with the onerous CDBG requirements;
  - Increased flexibility in the administration of CDBG-ED RLF's;
  - Maximizes the flexibility of use of CDBG-ED funds, including accommodating regional approaches to the administration of lending programs.
  - No annual reporting to DEED on the use of the funds.

- **Local Development Organization Eligibility Requirements:**

The LDO must meet the requirements of 105(a)(15) of the Housing and Community Development Act. The local government and prospective LDO will be required to complete and submit to DEED a LDO Designation form (attached), indicating that the following requirements related to the eligibility of the LDO have been met:

- The organization is organized as a non-profit under the appropriate Internal Revenue Service code for nonprofits;
- The organization is organized under state or local law to serve the community/economic development needs of communities;
- The organization is independent of the local government;
- The LDO will be "carrying out" the specified activity. In order for loan repayments to become de-federalized, the LDO will be the beneficiary of the loan; and
- The activity shall not be carried out until DEED has approved the LDO designation and Agreement.

- **Process**

DEED awards the CDBG-ED grant to the local unit of government who, after executing the LDO Agreement, grants the funds to the local nonprofit organization that meets the above definition. This entity is now known as the Local Development Organization (LDO). The LDO lends the funds to the business and the loan repayments are returned to the LDO. This loan is subject to the CDBG-ED requirements; however, subsequent loans made by the LDO through the repayments of the original loan are not. The local government monitors the LDO for compliance. DEED monitors the local government. When the project is complete DEED administratively closes the project file. Reporting to DEED on the use of the RLF is not required. Though exempt from the CDBG requirements, the LDO must establish policies and procedures which further economic development in the community.

**To accomplish this, the local government must provide the following to DEED:**

- Citizen Participation documentation. A public hearing must be held to discuss the transfer of funds to the LDO. Information to be provided to DEED includes: the public hearing notice, public hearing minutes, passage of a resolution concerning the arrangement with the LDO including a stipulation regarding the de-federalization of the funds;
- Draft agreement that is mutually acceptable to both entities,
- IRS documentation establishing the “nonprofit” organization;
- Copy of the LDO’s proposed RLF policies and procedures;
- LDO Designation form;

Upon DEED approval, the agreement may be executed and the RLF policies and procedures finalized.

A local government that has an existing RLF capitalized with CDBG-ED funds can also provide some or all of its RLF to an LDO. The LDO’s initial use of these funds must meet all CDBG requirements and will not be de-federalized until repaid to the LDO. The process for the transfer of funds to the LDO is the same as outlined above.

***Once the transaction is completed and the LDO Agreement is executed, the Grantee cannot recall the funds nor can they instruct the LDO on the use of the funds.***

**Responsibilities for the Initial project**

- The Local government is responsible for the following:
  - Compliance with all CDBG-ED requirements on the initial use of the CDBG-ED funds;
  - Monitoring the LDO;
  - Obtaining any necessary records from the LDO;
  - Submittal of annual reports to DEED while the grant is open.



- **Local Development Organization (LDO):**
  - Is responsible for “carrying out” the initial project. This primarily means it will undertake the activity of the project directly or through contracts with an entity other than the local government. In any case, the LDO must have and continue to have a direct and controlling interest in the project and have the capacity for ensuring that program requirements are met. It cannot be simply a passive “pass-through” participant for the local government that performs all of the work.
  - Is responsible for the following minimum activities in “carrying out” the program:
    - Owner of all program policies and processes for the implementation of the program;
    - To manage the program. If the LDO does not have adequate staffing to manage the program it can contract for these services with a private contractor. A solicitation process for the contractor must be conducted in accordance with the open and competitive requirements of the state’s procurement requirements. These services may include but are not limited to performing the daily accounting, application processing, and construction management duties;
    - To be in control of all decisions regarding the transferred CDBG funds, including final loan decisions;
    - Compliance with all federal and state lending requirements;
    - Owner of the resulting loans and loan repayments;
    - To use any repaid funds as specified in the LDO agreement. If, for some reason the LDO dissolves and an asset reversion occurs, contact DEED for assistance. An asset reversion could change the federal identity of any repaid funds; and
    - Final accountability for all CDBG funds received.

No formal procurement process is required for the selection of a LDO. The local government negotiates terms with its selected LDO.

It is recommended that the local government use DEED’s draft LDO Agreement template.

## LOCAL DEVELOPMENT ORGANIZATION (LDO) DESIGNATION

Minnesota Department of Employment and Economic Development  
(DEED)

NON-PROFIT IDENTIFICATION	SUPPORTING DOCUMENTATION
Applicant _____ Contact _____ Address _____ City/State/Zip _____ Telephone # _____ Fax # _____ Federal Tax ID Number _____ Email Address _____	Charter Articles of Incorporation By-Laws IRS Documentation Revolving Loan Fund Policies LDO Agreement Local Government Resolution Public Hearing notice and minutes

I certify that \_\_\_\_\_ meets the IRS definition of a non-profit organization and is organized (under state or local law) to serve the economic development needs of non-entitlement communities, per Section 105(a)(15) of the Housing and Community Development Act of 1974, as amended, and that the organization will "carry out" the project entitled directly or through contracts with an entity other than the grantee.

To the best of my knowledge and belief, data and information included in this document are true and correct.

Signature	Typed Name and Title	Date approved
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I certify that the \_\_\_\_\_ has held a public hearing and passed a resolution naming \_\_\_\_\_ as a Local Development Organization to "carry out" the project entitled \_\_\_\_\_.

I authorize the LDO to be the beneficiary of the loan and retain all loan repayments to further economic development in the \_\_\_\_\_.

I acknowledge that the \_\_\_\_\_ cannot recall the funds from the LDO.

To the best of my knowledge and belief, data and information included in this document are true and correct.

Signature	Typed Name and Title	Date approved
-----------	----------------------	---------------

RESOLUTION OF  
(Name of City or County) Requesting Designation of the  
(Non-profit Organization) as a Local Development  
Organization

WHEREAS, the (Name of City or County), (herein, the "City" or "County") would like to better utilize the Community Development Block Grant Economic Development (CDBG-ED) Set-Aside federal funds; and,

WHEREAS, if the ("City" or "County") retains these funds and their repayment, the funds retain the federal designation and guidelines forever; and,

WHEREAS, the ("City" of "County") by resolution, can request from the Minnesota Department of Employment and Economic Development (DEED), authorization to transfer CDBG-ED Set-Aside funds to a Local Development Organization, herein, (LDO); and

WHEREAS, the (Name of Non-Profit Organization) is interested in being designated as an LDO and is a non-profit organization, as defined in Internal Revenue Service regulations, serving the community and economic development needs of a non-entitlement area; and

WHEREAS, the (Name of Non-Profit Organization) has adopted procedures and guidelines for the use of the federal funds, the repayment of the federal funds plus any interest accrued, earned or paid thereon.

NOW, THEREFORE BE IT RESOLVED by the ("City" or "County") that the ("City" or "County") hereby requests approval from the DEED to designate the (Name of Non-Profit Organization) as a Local Development Organization (LDO), serving the community and economic development needs of the ("City" or "County") and, therefore, authorize them to receive the repayments from the CDBG-ED Set-Aside loan to (Name of Business).

I CERTIFY THAT the above Resolution; was adopted by the (City Council or Board of Commissioners of the City of or County of) on the        day of       , 20   .

SIGNED:

WITNESSED:

\_\_\_\_\_  
Name/Title

\_\_\_\_\_  
Name/Title

## Larry Thompson

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**From:** Larry Thompson  
**Sent:** Tuesday, May 3, 2022 5:19 PM  
**To:** Chuck Robasse (crobasse@integritybank.com); Jeff Olson (ole3475@gmail.com); Karl Guetter (Guettek@gmail.com); Pat Eichten; Steve Burns (steve.burns@northstarmutual.com)  
**Cc:** Matt Novak; pat@radc.org  
**Subject:** Updated Lot pricing  
**Attachments:** Lot Calculations 20220502.pdf; Lot Calculations.xlsx

Good afternoon,

Attached is the updated spreadsheet for lot pricing. Chuck will not be at the meeting but I will go over the new pricing. Basically Chuck and I are recommending an increase in the lot credit of \$3,000 based on the increased market values and estimated city tax.

Larry J Thompson  
City Clerk/Treas.-Administrator  
City of Wabasso  
P O Box 60  
Wabasso MN 56293  
[Larry@wabasso.org](mailto:Larry@wabasso.org)  
Pop 694

Total Street Project Cost: 565,000.00

GO Tax Abatement Note Series 2017A

Principal 425,000.00  
 Rate 3.30%  
 Years 15  
 Ann Pymt 36,000.00 540,000.00

Estimated Additional Infrastructure: 20,000.00

				Size	Cost	% of Cost	Share of Ann Pymt	5 Yrs Tax 4,200/yr	Calc Price	5/4/2022 Suggested Price	8/5/2020 Lot Price was
North	Serenity Suites	3rd Addition		315.45	116,419.68	19.92%	7,424.17	65,732			
Side	Lot 1	Blk 1	4th Addition	144.46	58,509.03	10.01%	3,581.82	21,000	37,509	38,000	39,000
	Lot 2	Blk 1	4th Addition	104.08	42,354.62	7.25%	2,593.39	21,000	21,355	22,000	25,000
	Lot 3	Blk 1	4th Addition	104.08	42,354.62	7.25%	2,593.39	21,000	21,355	22,000	25,000
	Lot 4	Blk 1	4th Addition	106.52	40,136.19	6.87%	2,449.39	21,000	19,136	24,000	27,000
South	Lot 1	Blk 2	3rd Addition	120.00	44,187.08	7.56%	2,693.79	21,000	23,187	17,000	20,000
Side	Lot 2	Blk 2	3rd Addition	115.00	42,597.10	7.29%	2,597.56	21,000	21,597	22,000	25,000
	Lot 3	Blk 2	3rd Addition	115.00	42,597.10	7.29%	2,597.56	21,000	21,597	22,000	25,000
	Lot 1	Blk 2	4th Addition	106.08	39,616.10	6.78%	2,416.68	21,000	18,616	19,000	22,000
	Lot 2	Blk 2	4th Addition	106.08	39,616.10	6.78%	2,416.68	21,000	18,616	19,000	22,000
	Lot 3	Blk 2	4th Addition	106.08	39,616.10	6.78%	2,416.68	21,000	18,616	19,000	22,000
	Lot 4	Blk 2	4th Addition	106.34	36,518.59	6.25%	2,218.88	21,000	15,519	22,000	25,000
					584,522.31	100.00%	36,000.00	296,731.90		246,000	

2022

<u>Parcel ID</u>	<u>Property Address</u>	<u>Owner</u>	<u>Market Value</u>	<u>Gross Tax</u>	<u>City Tax</u>	<u>Est City Portion</u>	<u>Est City to Market</u>
93-023-3050	1438 Front St	Franta	298,600	6,292	3,940.41	62.63%	1.32%
93-023-0010	1445 Front St	Guetter	212,700	3,912	2,383.49	60.93%	1.12%
93-023-3052	1440 Front St	Gronli	352,900	7,562	4,749.83	62.81%	1.35%
93-023-4080	979 North St	Price	180,700	3,478	2,183.50	62.78%	1.21%
93-023-4722	982 North St	Robasse	177,500	3,406	2,135.64	62.70%	1.20%
93-023-4564	980 North St	Mayer	219,100	4,352	2,756.38	63.34%	1.26%
93-280-0420	601 Hope St	Eichten	256,000	5,324	3,306.01	62.10%	1.29%
93-200-2770	570 South St	Davis	258,000	5,370	3,336.09	62.12%	1.29%
93-373-0140	790 Rose St	Jensen	258,000	5,370	3,336.09	62.12%	1.29%
		Average	245,944		3,125.27	62.39%	1.26%
	2 Highest	Average	325,750		4,345.12	62.72%	1.33%

<u>Parcel ID</u>	<u>Property Address</u>	<u>Owner</u>	<u>Market Value</u>	<u>Gross Tax</u>	<u>City Tax</u>	<u>Tx Incr</u>	<u>Est City Portion</u>	<u>Est City to Market</u>
93-280-0180	994 North St	Cooreman	361,900	7,598	73.83	6,596.29	4,740.55	4,557.23
93-280-0220	998 North St	Kittelson	322,100	6,692	64.26	5,795.66	4,175.28	4,056.05
93-280-0240	1000 North St	Eichten	323,900	6,734	65.63	5,831.28	4,201.49	4,078.72
93-280-0160	992 North St	Bock	228,500	4,564	43.75	3,911.27	2,847.58	2,877.39
93-280-0360	800 Rose St	Pope	200,100	3,920	36.92	3,341.27	2,445.77	2,519.76
93-280-0340	802 Rose St	Geske	244,900	4,938	47.85	4,241.27	3,080.92	3,083.91
93-280-0460	602 Hope St	Palmer	269,200	5,626	53.32	4,730.65	3,510.18	3,389.91
93-280-0380	798 Rose St	Guetter	206,600	4,068	38.28	3,472.52	2,538.11	2,601.61
93-280-0200	996 North St	Kemp	241,200	4,854	46.49	4,168.15	3,028.51	3,037.32
93-280-0020	991 North St	Zollner	276,400	5,654	54.69	4,875.03	3,527.65	3,480.57
93-281-0020	999 North St	Beraneck	250,900	5,074	49.22	4,361.27	3,165.78	3,159.46
93-280-0080	997 North St	Salfer	278,100	5,694	54.69	4,910.65	3,552.61	3,501.98
			266,983.33		Average		3,279.44	3,253.33
	2 Highest	Average	342,900		69.73		4,471.02	4,317.97

**EDA Monthly Payment Schedule****as of 4/27/2022**

<u>Name</u>	<u>Pmt Due</u>	<u>Pmt Amt</u>	<u>Int</u>	<u>Prin Amt</u>		<u>Maturity Date</u>	<u>Last Payment</u>	<u>Payment Due</u>
DEEM, Inc	21st	\$ 428.20	3%	\$ 20,674.18	EDA	5/21/2025	4/21/2022	5/21/2022
DEEM, Inc	21st	\$ 357.27	3%	\$ 14,945.22	EDA	5/21/2025	4/21/2022	5/21/2022
Jonti-Craft	25th	\$ 3,886.28	2.5%	152,569.54	EDA	9/25/2025	4/15/2022	5/25/2022
Jonti-Craft	25th	\$ 120.19	2.5%	\$ 4,718.99	EDA II	9/25/2025	4/15/2022	5/25/2022
Jenniges Gas & Diesel	8th	\$ 500.00	1%	\$ 7,647.91	EDA	12/8/2023	4/8/2022	5/8/2022
Jenniges Gas & Diesel	14th	\$ 300.00	3%	\$ 13,614.81	EDA	12/11/2026	4/8/2022	5/14/2022
Wahasso Eletric Motor LLC	6th	\$ 251.00	3%	\$ 8,915.90	EDAI	8/6/2024	4/18/2022	5/6/2022
Matt Novak	1st	\$ 362.10	3%	\$ 16,065.87	EDA II	8/4/2026	4/1/2022	5/1/2022
Chad Ruprecht	21st	\$ 400.00	3%	\$ 14,508.74	EDA II	5/21/2028	4/7/2022	5/21/2022
Safe Storage 2	5th	\$ 482.80	3%	\$ 34,423.75	EDA	10/5/2028	4/1/2022	5/5/2022
Mid County Ag Services	20th	\$ 242.00	3%	\$ 17,250.29	EDA I	11/20/2028	4/4/2022	/20/2022
Totals		\$ 7,329.84		<u>\$ 305,335.20</u>				

EDAI Daily Savings	\$ 401,428.12	FROM MONTHLY BANK STATEMENTS
EDAI Daily Savings	\$ 115,700.05	FROM MONTHLY BANK STATEMENTS
EDA-WDC	\$ 39,845.65	FROM MONTHLY BANK STATEMENTS
Total Savings	\$ 556,973.82	

EDA General Fund

Beginning Balance		\$ 88,519.31
Plus Deposits Outstanding		
Interest Earnings	\$ 5.10	
Check #1903	\$ (30.00)	
Less Outstanding Checks	\$ -	
Ending Balance		\$ 88,494.41

CD # 115009 renewal 12-9-19		\$ 28,446.81
CD #33649		\$ 50,186.34
		\$ 78,633.15
CD Total		
EDA General Total		\$ 78,633.15

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EDA Dewey Street

Beginning Balance	\$ 57,147.07
Plus Deposits Outstanding interest	
rents	\$ 4,410.00
Security Deposit	
interest	\$ 0.49
Less Checks /Outstanding	
	\$ -
	\$ -
Loan Payment	\$ (2,000.00)
	\$ -
	\$ 59,557.56

EDA Eastvail Sales Account	Starting Balance	\$ 33,605.67
	Interest on investments	\$ 8.38
		\$ 33,614.05

Dewey Street Townhomes Loan      3/29/2022      \$ 11,569.77      2.8 % interest



EDA I

4/27/2022

**Balance Sheet**

	Balance 3/29/22	Adj.	Balance 4/27/22
<b>Assets</b>			
Cash	\$ 395,176.97	6,251.15	\$ 401,428.12
Notes Receivable	\$ 266,774.97	(5,649.27)	\$ 261,125.70
<b>Total Assets</b>	<b>\$ 661,951.94</b>	<b>601.88</b>	<b>\$ 662,553.82</b>
<b>Liabilities</b>			
	\$ -	\$ -	\$ -
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Assets less Liabilities</b>	<b>\$ 661,951.94</b>		<b>\$ 662,553.82</b>

**Principal Payments Monthly**

Deem 1	\$ 430.04
Deem 2	\$ 319.11
Jenniges Gas & Diesel 1	\$ 265.30
Jenniges Gas & Diesel 2	\$ 479.68
Jonti-Craft 1	\$ 3,561.01
Mid Country Ag Services	\$ 198.38
Safe Storage #2	395.75
<b>Total Principal Payment</b>	<b>\$ 5,649.27</b>

**Principal Payments Year to Date**

Deem 1	\$ 1,713.74
Deem 2	\$ 1,271.67
Jenniges Gas & Diesel 1	\$ 1,057.24
Jenniges Gas & Diesel 2	\$ 1,911.55
Jonti-Craft 1	\$ 14,199.67
Mid Country Ag Services	\$ 790.55
Safe Storage #2	\$ 1,577.09
<b>Total Principal Payments</b>	<b>\$ 22,521.51</b>

**New Loans**

\$ -
\$ -
\$ -

**Income Statement****Income****Interest on Loans Monthly**

Deem 1	\$ 52.76
Deem 2	\$ 38.16
Jenniges Gas & Diesel 1	\$ 34.70
Jenniges Gas & Diesel 2	\$ 20.32
Jonti-Craft 1	\$ 325.27
Mid Country Ag Services	\$ 43.62
Safe Storage #2	\$ 87.05
<b>Total Interest Payment</b>	<b>\$ 601.88</b>
	<b>\$ 6,251.15</b>

**Interest on Loans Year to Date**

Deem 1	\$ 217.46
Deem 2	\$ 157.41
Jenniges Gas & Diesel 2	\$ 142.76
Jenniges Gas & Diesel 1	\$ 88.45
Jonti-Craft 1	\$ 1,345.45
Mid Country Ag Services	\$ 177.45
Safe Storage #2	\$ 354.11
<b>Total Interest Payments</b>	<b>\$ 2,483.09</b>

**Savings Interest**

Quarter 1	\$ 95.86
Quarter 2	\$ -
Quarter 3	\$ -
Quarter 4	\$ -
	<b>\$ 95.86</b>
<b>Total Income</b>	<b>\$ 697.74</b>

**Expenses**

Interest Payment	\$ -
	\$ -
Other Misallocated deposit	\$ -
<b>Total Expense</b>	<b>\$ -</b>
<b>Net Income</b>	<b>\$ 697.74</b>

EDA II 4/27/2022  
Balance Sheet

	Balance 3/29/22	Adj.	Balance 4/27/22
<b>Assets</b>			
Cash	\$ 114,566.76	1,133.29	\$ 115,700.05
Notes Receivable	\$ 45,231.15	(1,021.65)	\$ 44,209.50
Total Assets	\$ 160,815.65	139.79	\$ 159,909.55
<b>Liabilities</b>			
	\$ -	\$ -	\$ -
Total Liabilities	\$ -	\$ -	\$ -
<b>Assets less Liabilities</b>	<b>\$ 160,815.65</b>		<b>\$ 159,909.55</b>

**Principal Payments Monthly**

Chad Ruprecht	\$ 362.82
Jonti-Craft	\$ 110.13
Novak Law	\$ 321.13
Wabbasso Electric Motor	\$ 227.57
Total Principal Payments	\$ 1,021.65

**New Loans**

\$ -
\$ -
\$ -

**Principal Payments Year to Date**

Chad Ruprecht	\$ 1,445.86
Jont-Craft	\$ 439.14
Novak Law	\$ 1,279.73
Wabbasso Electric Motor	\$ 909.15
Total Principal Payments	\$ 4,073.88

**Income Statement**

**Income**

**Interest on Loans Monthly**

Chad Ruprecht	\$ 37.18
Jonti-Craft	\$ 10.06
Novak Law	\$ 40.97
Wabbasso Electric Motor	\$ 23.43
	\$ -
	\$ -
Total Interest Payments	\$ 111.64

**Interest on Loans Monthly**

Chad Ruprecht	\$ 154.14
Jont-Craft	\$ 41.62
Novak Law	\$ 168.67
Wabbasso Electric Motor	\$ 95.42
	\$ -
	\$ -
Total Interest Payments	\$ 459.85

**Savings Interest**

Quarter 1	\$ 28.15
Quarter 2	\$ -
Quarter 3	\$ -
Quarter 4	\$ -
	\$ 28.15

**Total Income**

\$ 139.79

**Expenses**

Interest Payment	\$ -
	\$ -
Other	\$ -
Total Expense	\$ -

**Net Income**

\$ 139.79

# City of Wabasso

## Payments

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Current Period: April 2022

<b>Payments Batch 05042022PAYEDA</b>		<b>\$9,624.05</b>			
Refer	1904 COUNTRY ENTERPRISES INC	-			
Cash Payment	E 245-46500-340 Advertising	Sign Decal			\$973.50
Invoice					
Transaction Date	4/27/2022	EDA Checking	10103	<b>Total</b>	\$973.50
Refer	1906 LOCALIQ	-			
Cash Payment	E 245-46500-351 Legal Notices Publishing	Duplex Bid Notice			\$209.05
Invoice					
Transaction Date	4/27/2022	EDA Checking	10103	<b>Total</b>	\$209.05
Refer	1907 MID-AMERICAN RESEARCH CHEM	-			
Cash Payment	E 245-46500-216 Chemicals and Chem Pr	Lawn Chemicals - Eastvail Lots and Undeveloped Land			\$656.61
Invoice					
Transaction Date	4/27/2022	EDA Checking	10103	<b>Total</b>	\$656.61
Refer	1908 NOVAK LAW	-			
Cash Payment	E 245-46500-304 Legal Fees	Legal Fees - RLF Advice and Duplex			\$1,818.00
Invoice					
Transaction Date	4/27/2022	EDA Checking	10103	<b>Total</b>	\$1,818.00
Refer	1849 B AND L LAWN & SNOW	-			
Cash Payment	E 246-46500-306 Service Contract	Snow Removal			\$150.00
Invoice					
Transaction Date	4/27/2022	EDA Dewey St Chec	10104	<b>Total</b>	\$150.00
Refer	1850 MID-AMERICAN RESEARCH CHEM	-			
Cash Payment	E 246-46500-225 Landscaping Materials	Lawn Chemicals - 5 plex			\$256.61
Invoice					
Transaction Date	4/27/2022	EDA Dewey St Chec	10104	<b>Total</b>	\$256.61
Refer	1851 MINNWEST BANK	-			
Cash Payment	E 246-46500-625 Loans	Loan Payment			\$2,000.00
Invoice					
Transaction Date	4/27/2022	EDA Dewey St Chec	10104	<b>Total</b>	\$2,000.00
Refer	1852 REDWOOD CO AUDITOR/TREAS	-			
Cash Payment	E 246-46500-310 Real Estate Taxes	Property Taxes - Payment In Lieu			\$3,056.50
Invoice					
Transaction Date	4/27/2022	EDA Dewey St Chec	10104	<b>Total</b>	\$3,056.50
Refer	1853 TEAM LABORATORY CHEMICAL	-			
Cash Payment	E 246-46500-217 Other Operating Supplies	Lawn Treatment			\$198.89
Invoice 29969					
Transaction Date	5/4/2022	EDA Dewey St Chec	10104	<b>Total</b>	\$198.89
Refer	1905 LENDING PRO SOFTWARE	-			
Cash Payment	E 245-46500-306 Service Contract	Service Contract - RLF Loan Software			\$85.00
Invoice					
Transaction Date	5/4/2022	EDA Checking	10103	<b>Total</b>	\$85.00
Refer	1909 REDWOOD CO AUDITOR/TREAS	-			
Cash Payment	E 245-46500-310 Real Estate Taxes	Property Taxes - Assessment - CO 73			\$21.00
Invoice					

# City of Wabasso

## Payments

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Current Period: April 2022

Transaction Date	5/4/2022	EDA Checking	10103	Total	\$21.00
Refer	1910 TEAM LABORATORY CHEMICAL	-			
Cash Payment	E 245-46500-216 Chemicals and Chem Pr	Lawn Chemicals			\$198.89
Invoice					
Transaction Date	5/4/2022	EDA Checking	10103	Total	\$198.89

### Fund Summary

	10103 EDA Checking	
245 EDA GENERAL FUND	\$3,962.05	
	\$3,962.05	
	10104 EDA Dewey St Checkin	
246 EDA DEWEY STREET	\$5,662.00	
	\$5,662.00	

Pre-Written Checks	\$0.00
Checks to be Generated by the Computer	\$9,624.05
Total	\$9,624.05

**City of Wabasso**

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**Checks for Month**

10103 EDA Checking

Since April 2022

Begin Balance \$88,580.16

CHECK	Vendor Name	Check Date	Check Amt	Source	Comment	Balance
001902	NOVAK LAW	4/6/2022	\$161.50	033122PAYEDA	Legal Fees	\$88,418.66
001903	ROADHOUSE BAR & GRILL	4/6/2022	\$30.00	033122PAYEDA	Working Lunch	\$88,388.66
	Deposits	\$0.00				
	Checks	-\$191.50				

FILTER: ((([Act Year]='2022' and [period] in (4))) and ((true)) and [Cash Act]='10103')

**City of Wabasso**

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**Checks for Month**

10104 EDA Dewey St Checkin

Since April 2022

Begin Balance \$57,147.56

CHECK	Vendor Name	Check Date	Check Amt	Source	Comment	Balance
Deposit	040422RECRENTFIRELIB	4/4/2022	-\$1,470.00	040422RECREN	Rent	\$58,617.56
Deposit	040722RECDWYRNTDTAG	4/7/2022	-\$735.00	040722RECDWY	April Rent	\$59,352.56
Deposit	041122RECGFEDAMR	4/11/2022	-\$2,205.00	041122RECGFE	Rent	\$61,557.56
001848	MINNWEST BANK	4/2/2022	\$2,000.00	033122PAYEDA	Loan Payment	\$59,557.56
	Deposits	\$4,410.00				
	Checks	-\$2,000.00				

FILTER: ((([Act Year]='2022' and [period] in (4))) and ((true)) and [Cash Act]='10104')