

CITY OF CHATFIELD ECONOMIC DEVELOPMENT AUTHORITY
AGENDA
City Council Chambers - 21 SE Second Street, Chatfield, MN 55923
January 27, 2025, 4:30 P.M.

1. Call to Order
2. Approval / Acceptance / Statutory
 1. [December 16, 2024 Meeting Minutes](#)
Motion to Approve as presented
 2. [Monthly Revolving Loan Report](#)
Review of monthly report
 3. [Veteran's Memorial Proposal](#)
Consideration of proposal
 4. [Chatfield Alliance Report](#)
Review monthly report
 5. [Chatfield Center for the Arts Report](#)
Review monthly report
3. Business
 1. [Center for the Arts Electrical Improvement Request](#)
Review of proposal and motion to approve
 2. [Center for the Arts Liability Insurance](#)
Motion to consider recommendation to City Council for the resolution authorizing liability insurance.
4. Adjourn



ECONOMIC DEVELOPMENT AUTHORITY MEETING STAFF REPORT

Meeting Date: January 27, 2025

Agenda Item: December 16, 2024 Meeting Minutes

Subject | Summary: Meeting Minutes

Agenda Category: Approval

Submitted By: Alison Bentley

Recommended Motion: Motion to Approve as presented

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

[2024 12.16 EDA Meeting Minutes.pdf](#)

ECONOMIC DEVELOPMENT AUTHORITY

MEETING MINUTES MONDAY DECEMBER 16, 2024

MEMBERS PRESENT: MIKE URBAN, SUE KEEFE, LUKE ISENSEE, MOLLY BAUM

MEMBERS ABSENT: RANDY PAULSON, PAUL NOVOTNY, MICHAEL TUOHY

OTHERS PRESENT: TODD KIEFFER, ALISON BENTLEY

With a quorum present, the regular meeting was called to order at 4:36 p.m. by Urban at the Thurber Municipal Center.

- A. The board reviewed the minutes of the June 24, 2024 meeting. Motion by Isensee, second by Baum to approve the minutes as presented. The motion carried unanimously.
- B. The board reviewed the status of the loan fund. All loans were current. EZ Fab paid off all their loans on 11/8/24.
- C. Alison Bentley provided updates on Chill Fest in February.
- D. No news to update for the Chatfield Center for the Arts.
- E. Workforce Housing Grant has the Soglas' working on paperwork. The first allotment should be available in February.
- F. Shared information about Mill Pond development of 9 acres for on slab townhouses. Developer is also interested in looking at other lots in the City if anything should become available.
- G. Solar Field Proposal: Motion by Baum to recommend approving a Right of Entry Agreement with Eden Renewables if they should reach out again to the City in the future. Second by Keefe.
- H. The number one suggestion to ensure politicians attend the Chatfield Gala would be to have the event in October before elections. 😊 Otherwise there really wasn't much else shared for feedback. All four members in attendance agreed that it is a worthy event.
- I. Residential hook-fee waiver program discussed. Goal is to spur growth in the community. This incentive will run through 2024. This will save owners \$4,200. Motion made to extend the City of Chatfield waive the \$4,200 hook-up fees through the year 2025. Motion by Isensee, second by Keefe. Motion

unanimously passed.

- J. Introduction of Alison Bentley accepting and beginning as the Chatfield EDA Coordinator on Friday, December 20.
- K. Motion by Baum, second by Isensee to adjourn the meeting. Motion carried unanimously. The meeting adjourned at 5:24 PM.

Respectfully submitted by: Todd Kieffer

EDA President Signature: _____



ECONOMIC DEVELOPMENT AUTHORITY MEETING STAFF REPORT

Meeting Date: January 27, 2025

Agenda Item: Monthly Revolving Loan Report

Subject | Summary:

Agenda Category:

Submitted By: Alison Bentley

Recommended Motion: Review of monthly report

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

[NEW CHATFIELD EDA RLF LEDGER - 2022 BB.pdf](#)

CHATFIELD EDA
REVOLVING LOAN FUND
Account Balances - Active Loans

matting Key:

Input

Linked Cell

Calculation

12/9/2024												
NAME	DATE	LOAN AMOUNT	REPAID PRINCIPAL	INTEREST	ADJUST	LOAN BALANCE	LAST PAYMENT	PAID THROUGH	MONTHLY PAYMENT	FUND	P&I PAID	Net Paid - Loan
Big Girl Stickers & Stems	8/20/2018	40,000.00	22,746.29	7,222.23	-	17,253.71	1/21/2025	1/20/2025	\$ 404.98	360	29,968.52	(10,031.48)
Broadwater Original	8/20/2019	55,500.00	25,743.42	9,678.36	-	32,456.58	1/21/2025	1/20/2025	\$ 561.91	360	35,421.78	(20,078.22)
Chatfield Dental Care, LLC & Rushing Enterprise	5/15/2024	100,000.00	2,500.02	-	-	97,499.98	1/21/2025	1/20/2025	\$ 416.67	360	2,500.02	(97,499.98)
Corner Cuts Salon	9/20/2017	25,353.50	16,883.99	4,934.66	-	8,469.51	1/21/2025	1/20/2025	\$ 256.69	360	21,818.65	(3,534.85)
Joy Ridge	3/20/2022	40,000.00	9,747.12	4,022.20	-	30,252.88	1/21/2025	1/20/2025	\$ 404.98	360	13,769.32	(26,230.68)
Topel Ice Cream Inc.	9/1/2024	7,600.00	268.36	116.39	-	7,331.64	1/21/2025	1/20/2025	\$ 76.95	360	384.75	(7,215.25)
TOTAL ACTIVE LOANS		268,453.50	77,889.20	25,973.84	-	193,264.30			2,122.18		103,863.04	(164,590.46)

TOTAL COMMERCIAL LOANS

Cash Flow			Balance Sheet		
Contributions Start Up & Grants	1,409,088.00		Cash	244,407.50	Linked cell from Cash Flow Balance
Fund Interest Allocation Income	42,059.70	360 & 361 *Est	Loans Made	1,624,397.46	Column C Total Less Modifications (Forgiveable)
Repayments	1,441,103.55	P&I AND MOD	Less Payments	1,284,893.30	Principal Column Total
Total Revenue	2,892,251.25	Sum	Less Write Offs	143,782.82	Settled and Default Loan Balance
Loans Made	2,199,669.46	Grand Total Loan Amount	Total Loans Receivable	195,721.34	Loans Made - Payments - Write Offs
Expenses	448,174.29	Other than Loans from Funds	Total Assets	440,128.84	Cash + Loans Receivable
Total Expenses	2,647,843.75		Payables	-	
Balance	244,407.50	Total Rev Sum-Total Exp	Total Liabilities	-	
Banyon Fund Acctg.			Equity	440,128.84	Total Assets - Total Liabilities
360	148,255.12	As of 12/09/2024			
361	91,804.44	As of 12/09/2024			
	240,059.56				
	4,347.94				

671.4



ECONOMIC DEVELOPMENT AUTHORITY MEETING STAFF REPORT

Meeting Date: January 27, 2025

Agenda Item: Veteran's Memorial Proposal

Subject | Summary:

Agenda Category:

Submitted By: Alison Bentley

Recommended Motion: Consideration of proposal

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:



ECONOMIC DEVELOPMENT AUTHORITY MEETING STAFF REPORT

Meeting Date: January 27, 2025

Agenda Item: Chatfield Alliance Report

Subject | Summary:

Agenda Category:

Submitted By: Alison Bentley

Recommended Motion: Review monthly report

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

[1.25 Alliance EDA Report.pdf](#)

EDA Meeting Report 1.2025

- **Activities Report:**
 - Community Cocktail Hour
 - Topic: Community Events: What do you like? What would you like to see? What kind of housing is needed?
 - XX people attended with XX new attendees
 - Chillfest
 - Market- nearly 300 vendors are signed up(Local and Regional)
 - Outdoor Activities
 - Outdoor Concert with Bob Schlieff
 - 193 people attended
 - NEW events added to 2025
 - Puzzle Tournament at CVGC
 - Chili Cook- off at Joy Ridge Event Center

Full Events Listing: <https://www.chatfieldmn.org/events>



Chil(i)- Fest COOK OFF

**SUNDAY, FEBRUARY 2
JOY RIDGE EVENT CENTER**

- 12:00 PM- DROP OFF CROCKPOT AT JOY RIDGE
- 12:30 PM- JUDGING
- 1:00 PM- OPEN TO PUBLIC FOR TASTING



To register for the cook-off, contact:

Derek 507-458-3775

**\$5 CONTESTANT ENTRY FEE
& FREE TO TASTE**

- Top three recipes win a trophy & cash prize -



FEBRUARY 1ST- 2ND, 2025

CHILLFEST

Activities may change due to weather or other unforeseen circumstances. Please check the website for info.

FEBRUARY 1ST

Saturday Events & Activities

ChillFest Medallion Hunt | 8am

The first clue will be posted at Carly Mae's Bakery. Following clues released on the hour on the Choose Chatfield, MN Facebook Page. Win \$300 in Chatfield Gift Cards. Text 507-273-7390 when found.

Midwinter Vendor Market | 9am-2pm

Chatfield Center for the Arts | Over 40 Vendors

Justin Friedrich Memorial 3x3 Hockey Tournament

Mill Creek Park | See Tournament FB Page for registration and information. Spectators welcome!

Snow Sculpting Contest | Noon to 4pm

Register and pick up supplies at the Center for the Arts Fourth Street Entry. Sculptures will be judged at 4:00pm and winners announced at the Community Social at 4:30pm

Bunco | Sunken Gym | 1pm-3pm

Refreshments available. Ages 4-104, all are welcome! Donation of a canned food item for the Chatfield Community Food Shelf.

Sled Dog Meet N Greet | 2pm-4pm

Join the Schieffelin family and meet their team of Iditarod sled dogs | Fourth Street/ Adjacent to CCA

Horse Drawn Wagon Rides | 2pm-4pm

Grab some friends to enjoy a stroll around town with a warm beverage. Will load near Fourth Street and Twiford.

Community Social | Fourth Street-Outside CCA | 2pm-4pm

Fire Barrels & S'mores, Free will donation meal- hot dog, chips & cookies, with hot chocolate and hot apple cider.

Andrea Von Kampen | 7pm-9pm

Chatfield Center for the Arts- Legion Room | Tickets \$20 | <https://www.chatfieldarts.org/shows>



FEBRUARY 2ND

Sunday Events & Activities

Chatfield FFA Drive Thru Meal | 10:30am-1:00pm | \$10

Meal will be packaged in to go containers and served car side | Chatfield High School

Puzzle Tournament | 12:00pm @ Chosen Valley Golf Club

Get a team of 3 and test your skills. \$60 per team/ 15 team spots available. Register at cvgc2017@gmail.com

Cribbage Tournament | 1:00pm @ Joy Ridge Event Center

12:45pm Check-In | 1:00pm start \$10 entry fee | Bring your own board Register at info@chatfieldmn.org | Beverages available for purchase

Chili Cook-off | 1:00pm @ Joy Ridge Event Center

\$5 contestant fee to bring your favorite crockpot of chili/ 15 spots available. Contact Derek Berg at 507-458-3775 to reserve your spot. All are welcome to come enjoy a free bowl of chili.

Local Business Specials

Art Bitz | 50% off all blue tag items Thursday 1/30 - Saturday 2/1

Chatfield Public Library | Thursday 1/30-Friday 1/31 - Saturday 2/1

Explore the lower level of the public library and find some great used books.

Adorn | Shop Re-set Re-opening! | Thursday 1/30 - Saturday 2/1

Check out new inventory and the beautiful shop design.

Big Girl Stickers & Stems | Saturday 10am - 2pm

DIY Flower Bar | Price varies depending on flowers

Threads Custom Apparel | Saturday 9am - 1pm | 25% FLEECE SALE

Sale includes fleece sweatshirts-hoodies & crews, fleece/knit caps too!

Chosen Valley Golf Club | \$14 Buckets of Beer

La Cantina Arcos Mexican Bar & Grill | All day Medium House Margaritas \$5.99 and Draft Beer 22 oz. \$5

Bites & Barrels

FOURTH STREET (Between City Park & CCA)

Music | Fire Barrels | Hot Dogs, Chips, & Cookie | Hot Cocoa & Cider

Free will donations accepted



Local Music by:

Bob Schlieff

5:00-6:30pm



WEISS REALTY
HUNTING & FARMLAND PROPERTIES



Meridian Lodge No. 25



ECONOMIC DEVELOPMENT AUTHORITY MEETING STAFF REPORT

Meeting Date: January 27, 2025

Agenda Item: Chatfield Center for the Arts Report

Subject | Summary:

Agenda Category:

Submitted By: Alison Bentley

Recommended Motion: Review monthly report

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

[CCA-January 2025EDARreport.docx.docx.pdf](#)



CHATFIELD CENTER FOR THE ARTS

EDA Report 1.2025

- Staffing update
 - Betsy Koehnen has agreed to stay another 90 days
 - As of now, last day as interim is May 11
 - Board will be starting a formal search for permanent ED very soon
 - Box Office Roll has been moved to a temporary role that could develop into permanent after a 90-120 trial period
- Reviewing quotes for electrical upgrade in Potter Auditorium in order to host larger acts like Trampled By Turtles and Bellamy Brothers without needing to hire a production company.
- Open Studio hours are daily 10-2, Gallery open during business hours
- Painting classes started last week; series of 3 with 3 classes per
- Yogo is offered three times per week; two morning classes, one evening
- Senior Scene weekly gatherings and Senior scene classes will be hosted at CCA in partnership with Chatfield Community Education
- Ghost Light Lounge is open on Thursday and Friday nights from 6-9pm
 - Featuring local artists; live music, storytelling, poetry reading, and more.
 - Offering speciality cocktails, beer, wine, and mocktails
- 2024 CCA launched the Producers fund; funds donated by a group of anonymous donors to help offset the cost of bringing larger acts to CCA. The fund supported two events in 2024; two(or more) currently planned for 2025. This fund allowed CCA to secure Trampled By Turtles on March 8th; the first EVER sold out show for CCA. More details forthcoming.
- CCA continues to host the monthly board meetings of the Chosen Valley Community Foundation
- CCA by the numbers
 - 15 volunteer board members
 - 113 active volunteers
 - 1 full time staff
 - 1 part time staff on contract

WEBSITE TRAFFIC

- 36,00 Unique Visitors in 2024 which was an increase of 36% yrr
- 105,000 Pageviews in 2024 which was an increase of 59% yr/yr
- 50,783 total visits, Jan 1–Dec 31, 2024, increase of 46% yr/yr
- Jan 1–Dec 31, 2024
- home and upcoming shows two most popular page viewed
- Top shows most viewed:
 - ozark mountain daredevils
 - Trampled by Turtles
 - collin raye with special guest Cole Allen
- 692 artists who provided art or artistic content
 - 383 adult artists
 - 309 youth artists p
- 1,008 Children / Youth (0 - 18 years) Engaged in CCA activities
As projected we saw limited growth. However, that growth can be attributed to our partnership with the local (chatfield) school district and the Wits End Theatre.
- 5092 Adults Engaged. We estimate that overall engagement will increase by 15% in 2025 due to enhanced programming, more recognizable talent, marketing refinements and enhancements.

- Individuals with Disabilities 22.2%
 - Individuals in Institutions- 3%
 - (Hospitals, Hospices, Nursing Homes, Assisted Care Facilities, Correctional Facilities, and Homeless Shelters)
 - Individuals Below the Poverty Line- 3.3%
 - Individuals with Limited English Proficiency 4%
 - Military Veterans 2.7%
 - Active Duty Personnel .3%
 - Youth at Risk 3%
- Sentence to Serve provided 4 full days of service to the CCA
 - deep cleaned the entire building
 - posted no smoking, fire extinguisher signs
 - cleaned all seats in Potter Auditorium
 - built carts for the stage infill
- Chatfield Center for the Arts follows a cash basis method of accounting, therefore, the net profit reported for year end 2024 is inflated due to income received in 2024 for shows that will not occur until 2025. This equates to more than \$65,000. Additionally, CCA received a limited restricted grant at year end for \$10,000 which is to be used in 2025. Lastly, there are over \$35,000 in restricted funds that are allocated for exterior work that is scheduled to be completed in 2025.
- Upcoming Events:
 - Chillfest, February 1
 - Vendors
 - Bunco
 - Concessions
 - Chosen Bean concert in the evening
 - Wild Horses with opening act Josiah Smith
 - Potter Backstage February 8th
- CELEBRATE Valentines WEEKEND at the CCA!
 - Loves a Games a variety show
 - Potter Backstage February 14th
 - D'Sievers
 - Potter Backstage February 15th

Report submitted by Betsy Koehnen, Interim Executive Director, Chatfield Center for the Arts on January 15, 2025



ECONOMIC DEVELOPMENT AUTHORITY MEETING STAFF REPORT

Meeting Date: January 27, 2025

Agenda Item: Center for the Arts Electrical Improvement Request

Subject | Summary:

Agenda Category:

Submitted By: Alison Bentley

Recommended Motion: Review of proposal and motion to approve

Community Engagement and Outreach:

FISCAL IMPACT:

Amount: \$15,000

Ongoing Cost :

One-Time Cost : Yes

Included in Current Budget?: No

FISCAL DETAILS:

Fund Name(s) (Operations | Capital): To be paid by Chatfield Center for the Arts Inc.

Account Code:

Background:

Attachments:

[CCA Electrical Quote_Chosen Valley.doc](#)

(1-7-25)

Chosen Valley Electric Inc.

8523 Hwy 52 SE

Eyota, MN 55934

507-289-2238 / 507-951-1075

www.chosenvalleyelectric.com

Electrical Proposal

Chatfield Center of the Arts

Specification of project:

- (1) Lex 200 amp 3ph 120/208V power gate company switch
- (1) SQD 200 amp 3ph breaker
- Conduit and wire from panel in utility room to company switch on stage
- Company switch mounted next to existing 100 amp switch
- Grounding to code
- Inspection fee
- Labor

Estimate for project (\$15,500.00)

Note:

- Lex Company Switch is 4–6-week delivery.
- Other materials are in stock.
- If ordered right away the switch can be installed mid to late February or as soon as the switch arrives.

If there are any changes or addition to the job listed above, the extras will be time and material. Bid is only good for 30 days from the date above. If bid is accepted no work will start until a purchase order document is assigned.

Thank You,
Chosen Valley Electric Inc.
Bill Campion



ECONOMIC DEVELOPMENT AUTHORITY MEETING STAFF REPORT

Meeting Date: January 27, 2025

Agenda Item: Center for the Arts Liability Insurance

Subject | Summary:

Agenda Category:

Submitted By: Alison Bentley

Recommended Motion: Motion to consider recommendation to City Council for the resolution authorizing liability insurance.

Community Engagement and Outreach:

FISCAL IMPACT:

Amount:

Ongoing Cost :

One-Time Cost :

Included in Current Budget?:

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code:

Background:

Attachments:

[CCA Lease - Revised 2022.pdf](#)

[Resolution Requesting Coverage for a Non-Profit Corporation.pdf](#)

LEASE AND OPERATING AGREEMENT

This agreement, made this 1st day of September, 2022, by and between the **Economic Development Authority of the City of Chatfield, Minnesota**, a body corporate and politic, and a political subdivision of the State of Minnesota ("EDA") and **Chatfield Center for the Arts, Inc.**, (CCA) a corporation organized under Chapter 317 of the Statutes of the State of Minnesota, WITNESSETH that:

WHEREAS, EDA is the owner of certain lands situated within the City of Chatfield, Minnesota, legally described as Block 19, Original Plat of the Town (now City) of Chatfield ("the property"); and,

WHEREAS, the property is the location of two physically connected historic structures, commonly known as the "Old High School" and "Potter Auditorium", which structures are presently being used and maintained as a facility known as "The Chatfield Center for the Arts" ("the facility"); and,

WHEREAS, the facility is a valuable resource for the citizens of the City of Chatfield and its environs because it provides facilities in which numerous individual, community, educational, cultural and entertainment events can be and are conducted or accommodated; and,

WHEREAS, the EDA has determined that the public interest would be best served by having the facilities managed by a suitable organization within the community; and,

WHEREAS, Chatfield Center for the Arts Inc., (CCA) has the necessary personnel, resources and expertise to manage the daily operations of the facility to maximize the public benefit of the property, and

Now therefore, in consideration of the mutual premises set forth, IT IS AGREED between the parties as follows:

I. EDA (Lessor) hereby leases to CCA (Lessee), in the amount of \$1 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the property (Block 19 Original Town), and the associated facility for a term of six (6) years, subject to all of the other terms and conditions set forth herein.

Notwithstanding anything to the contrary contained herein, Lessor is not required to renew this Lease with Lessee, and may at that time, in its sole discretion (i) decide to self-operate the governmental program in the property described in Section IIA, (ii) contract with some other entity to operate the governmental program in the property described in Section IIA, or (iii) determine that the property is no longer needed or useful for the operation of the governmental program in the property describe in Section IIA and sell its interest in the property.

II. During the period of this lease:

A. Under the provisions contained in Minn. Stat. 469.091, 469.094, subd. 2, 469.101, subd. 5 and 18, and 469.126, Lessor is entering this lease to carry out the governmental program described below.

Lessee will have and hold these premises for the term of six (6) years from and after the first day of September, 2022, up to and including the 31st day of August, 2028 for the following governmental program, and those purposes only, to-wit:

1. To carry on cultural participation and exhibition and promote the knowledge, practice

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and enjoyment of performance and fine arts, including musical, terpsichorean, dramatic arts and theatre, painting, sculpture, architecture, poetry, photography, conceptual art, printmaking, filmmaking, and to conduct any other related activities which are proper or necessary to the promotion of the knowledge, enjoyment and appreciation of said arts and theatre by the people of the City of Chatfield and vicinity.

2. Civic and community events.
3. Private events which do not conflict with activities listed in a and b, above.

B. Lessee Responsibilities:

1. Lessee shall be responsible to manage and pay for the day-to-day operations of the facility, including necessary personnel staffing (including workers compensation insurance), routine facility maintenance and the scheduling of the use of the facility between the various potential users.
2. Provide Lessor with an annual program implementation plan.
3. Provide Lessor with an annual program evaluation report and budget, including revenues, expenditures, balances of all funds, and shall acknowledge that all actions taken pursuant to this lease shall be in furtherance of the aforementioned governmental program.
4. Lessee shall pay, without cost to the EDA or City, all public utilities, including electricity, water, sewer, garbage, internet, telephone, and heat.
5. Lessee shall keep and maintain the buildings in good condition and shall repair to the satisfaction of the Lessor, paying all costs of operation and maintenance of the real property and facility, reasonable use and wear thereof excepted. The lessee will take appropriate measures to preserve the historical significance and integrity of the property in accordance with the city's heritage preservation ordinance. Every reasonable effort will be made to protect and preserve historically significant architectural features which may be affected by any programs or activities carried on by the lessee. No building improvements, alterations, structural modifications or major repairs will be undertaken without the appropriate city permits and the written permission of the owner.
6. Lessee maintenance responsibilities include but are not limited to:
 - a. Operating all light, sound and HVAC controls to set desired temperatures, volumes and lighting.
 - b. Replacing light bulbs, ballasts and fixtures as needed.
 - c. Sweeping, mopping, vacuuming, dusting and washing interior of windows.
 - d. Maintaining safe and clean pedestrian access to all entrances at all times.
 - e. Maintain all doorways, locks and internal security systems.
 - f. Maintain and replace plumbing, electrical and low voltage systems at all times.
 - g. Lessee will remove snow, ice and other debris from the steps and ramps that service the buildings, and also remove snow from sidewalks as might be necessary for events that are held when it is not conducive for the City Crew to do so.
 - h. Lessee will maintain bushes, shrubs and flowers and any other beautification efforts other than the grassy areas that will be maintained by the EDA.
7. Lessee shall use its best efforts to pursue outside sources to help support operations, maintenance and improvements to the facility.
8. Lessee shall make have available and make allocation when possible to an Endowment Fund. The purpose of the Endowment Fund is to grow to a point where it can endow the CCA with funds to assist with special programming, capital repairs/improvements or to otherwise support the operations of the Chatfield Center for the Arts. The amount deposited each year will be determined by CCA and shall correlate with the level of

activity/success of the organization, without threatening the financial viability of the organization.

- C. Lessee agrees that there will be no discrimination in the admittance to or participation of the public in the various activities conducted by the Lessee on the leased premises.
- D. Lessee shall have no right or power to assign this lease without the written consent of the Lessor endorsed upon the lease. It is further mutually agreed and understood that the Lessee shall neither rent or sublet any portion of the leased premises; it being understood and agreed that such productions and related activities shall be substantially the effort and product of the Lessee. The Lessee will have the authority to allow facility rentals for external producers of programming (such as local amateur theatre groups or Chatfield Public Schools) as long as a written agreement indicating the duration of the event is clear and that no single external producer would constitute a de facto or dominant occupier of the facility. (This section is not meant to preclude the Lessee from entering into rental agreements for the purpose of presenting concerts, shows, and other similar arts-related presentations.)
- E. Lessee will maintain the leased premises in a neat, clean and respectable condition and shall preserve the value of the premises during the term of this Lease. Future alterations to the physical structure of the Leased Premises may be made only after obtaining the City's prior written approval, which approval shall not be unreasonably withheld. Upon termination of this Lease all tenant improvements/equipment shall become property of the EDA/City of Chatfield. Lessee covenants and agrees not to suffer or permit any lien of mechanics or materialmen to be placed against the Leased Premises and in case of any such lien attaching, to immediately pay off and remove the same. In the event of the filing of such a lien, Lessee shall have the right to contest its validity provided Lessee furnishes EDA reasonable security that EDA or the City shall not suffer loss or damage as a consequence of such lien. Lessee has no authority or power to cause or permit any lien or encumbrance of any kind to attach to or be placed upon the property or any part thereof, and any and all liens and encumbrances created by Lessee shall attach only to Lessee's interest in the Leased Premises. Lessee further agrees not to encumber, by mortgage, chattel or real estate security agreement, deed of trust or any other similar security documents or documents of transfer and conveyance, its leasehold interest and estate in the Leased Premises. Lessee shall also procure builder's risk insurance at its own expense for any time during which the Leased Premises are under construction or renovation. Lessee shall be solely responsible for carrying personal property insurance to cover loss of all personal property on the Leased Premises. The EDA and the City shall not be liable for any damage to or loss of Lessee's property except to the extent such damage or loss was caused by EDA or City's negligent or willful misconduct. In the event the leased premises are or become subject to general ad valorem taxes, Lessee agrees to pay such taxes before default.
- F. If any part of the leased premises shall be rented or sublet contrary to the terms of this lease, or if this lease shall be assigned without the consent of the Lessor, or if the government program is terminated or changed by Lessor, or if Lessee ceases to carry on music, theatre or dramatic art activities of the governmental program on the leased premises, or if any material term, condition or covenant of this lease to be kept or performed by the Lessee will be violated or neglected, then in any of said cases or events, the Lessor may cancel and annul this lease if said default is not cured within 30 days of written notice to Lessee by Lessor, and Lessor may reenter and take possession of the leased premises immediately thereafter, and remove all persons and property therefrom.

Lessee shall give priority to a request from the governing body of the City of Chatfield or the EDA to use the facility over any other conflicting request during a particular time period, and shall make such space available at no cost to the City or EDA. If necessary, the buildings can be used by the City to host elections.

Statutory Termination Notwithstanding any other provisions of the Lease to the contrary, if the governmental program described in Section IIA is terminated or changed in response to changes in state law in such a manner as to (a) cause this Lease and the operation of the property to be inconsistent with the changed governmental program or (b) to remove the statutory authority for the Lessor to operate the governmental program described in Section IIA, then this Lease shall be terminated by ninety (90) days written notice to Lessee ("Termination Date"), provided further that any termination pursuant to this Section will be deemed automatically rescinded and of no force or effect if within said ninety (90) day period Lessee conforms its operation to the changed governmental program. Lessee's failure to cease operation of the Leased Premises on the Termination Date shall be a default under this Lease.

- G. Lessor will provide the following services, none of which are intended to relieve Lessee of the expectations and obligations described elsewhere in this Agreement:
1. Routine snow removal from the parking lot and sidewalks consistent with its removal of snow from other public places within the community.
 2. Routine lawn mowing services, consistent with the mowing of the parks and other public spaces within the community.
 3. Routine exterior washing of windows.
 4. Routine inspection of boilers, replacement of air filters, conduct preventative maintenance, and make repairs on boilers and air handling system.
 5. Manage and pay Elevator Maintenance contract, annual inspection, and maintenance.
 6. Manage and pay Fire Monitoring services.
 7. Routine roof inspections, maintenance, and replacement.
 8. Routine maintenance and monitoring of fire extinguishers.
- H. EDA will provide a stipend of \$ \$24,000 a year, paid in equal monthly installments, to the Lessee to assist in meeting the basic costs of operations. The EDA will deposit \$10,000 in a Capital Improvement Fund (CIF) dedicated to the maintenance and improvement of the Chatfield Center for the Arts property. A capital repair/improvement is defined as one that would cost in excess of \$10,000 with a lifespan of at least ten (10) years. These financial obligations are limited to the EDA's ability to secure these funds from the City of Chatfield and the EDA will not be held liable for making payments in excess of whatever funding is made available by the City of Chatfield, for this purpose, in any given year.
- I. EDA will request that the City add the CCA as a "covered party" to its insurance coverage as provided by the League of Minnesota Cities Insurance Trust. If liability coverage for the CCA is not added to the City's LMCIT coverage, the CCA shall procure its own liability coverage in an amount equal to or greater than the City's maximum liability as set forth in Minnesota Statutes, Section 466.04, subd. 1, as amended. The City and the EDA must be endorsed as additional insureds on any liability coverage procured by the CCA. The CCA shall provide the city with a certificate of insurance showing proof of the required coverage.

- J. Liability and Indemnification. Each party agrees that it will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of the other party and the results thereof. Each party further agrees that it will defend, indemnify and hold harmless the other party, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of a party's negligence or a party's performance or failure to perform its obligations under this Lease.
- K. Data Practices. Lessee agrees to abide by the applicable provisions of the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, pertaining to privacy or confidentiality. Lessee understands that all of the data created, collected, received, stored, used, maintained or disseminated by Lessee in performing those functions that the City would perform as a government entity, is subject to the requirements of Chapter 13 and Lessee must comply with those requirements as if it were a government entity. This does not create a duty on the part of Lessee to provide the public with access to public data if the public data is available from the Lessor, except as required by the terms of this Lease.
- L. Job Postings: Lessee agrees to list any vacant or new positions it may have with state workforce centers as required by Minn. Stat. 116L.66, as it may be amended, modified or replaced from time to time, for the term of this contract.
- M. Dispute Resolution. The parties shall cooperate and use their best efforts to ensure that the provisions of the Lease are fulfilled. The parties agree to act in good faith to undertake resolution of disputes, in an equitable and timely manner and in accordance with the provisions of this Lease. If disputes cannot be resolved informally by the parties, the following procedures shall be used:
1. Mediation. Whenever there is a failure between the parties to resolve a dispute on their own, the parties shall first attempt to mediate the dispute. The parties shall agree upon a mediator, or if they cannot agree, shall obtain a list of court-approved mediators from the Olmsted County District Court Administrator and select a mediator by alternately striking names until one remains. Lessor shall strike the first name followed by Lessee and shall continue in that order until one name remains.
 2. Litigation. If the dispute is not resolved within thirty (30) days after the end of mediation proceedings, the parties may pursue any legal remedy.
- N. Savings Clause. If any court finds any portion of this Lease to be contrary to law, invalid, or unenforceable, the remainder of the Lease will remain in full force and effect.
- O. This agreement constitutes the entire agreement between parties and supersedes any prior written or verbal agreement of the parties. No waiver consent, modification or change of terms of this lease shall bind either party unless in writing and signed by both parties and has been approved by the Minnesota Department of Management and Budget and DEED. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements or representations, oral or written, not specified herein regarding this lease.
- P. Lessee agrees, upon direction from the State of Minnesota, Commissioner of Minnesota Management and Budget (Commissioner), to take such action and furnish such documents as the

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Commissioner determines to be necessary to ensure that interest paid on the general obligation bonds, used to improve the property, is exempt from federal taxation.

Agreed to between the parties hereto the date previously set forth above.

Economic Development Authority
of the City of Chatfield, Minnesota.

By [Signature]

Its Chair

By Joel Young

Its City Clerk

Chatfield Center for the Arts, Inc.

By [Signature]

Its President

By Rynnk. Haistal

Its Secretary

Sample Resolution Requesting Coverage for a Non-Profit Corporation

This language can be used for the resolution required if the city wishes LMCIT to issue separate coverage to a non-profit corporation that is an instrumentality of the city.

Resolution Requesting the League of Minnesota Cities Insurance Trust to Accept _____, Inc. in its coverage programs

Whereas, the League of Minnesota Cities Insurance Trust (LMCIT) provides property, liability, automobile, and workers compensation coverages to member cities; and

Whereas, LMCIT will provide coverage to non-profit corporations which are instrumentalities of a member city; and

Whereas, the City of _____ is a member of LMCIT; and

Whereas, _____, Inc. is a non-profit corporation which as an instrumentality of the City performs [describe the corporation's functions] on behalf of the City; and

Whereas, _____, Inc. wishes to obtain coverage through LMCIT;

Be It Resolved by the City Council of the City of _____ that the City hereby authorizes _____, Inc. to participate in LMCIT; and

Be It Further Resolved that the City of _____ agrees to be secondarily responsible for any premiums, assessments, or other amounts which may now or in the future be owed to LMCIT by _____, Inc.