

1. 6:00 P.M. Agenda And Items

Documents:

[EDA AGENDA 02-09-26.PDF](#)

[EDA ITEM 2.1. 2025.02.10 EDA MINUTES.PDF](#)

[EDA ITEM 3.1 REVIEW SUMMARY 2025 FINANCIALS UNAUDITED.PDF](#)

[EDA ITEM 4.1 ELECTION OF OFFICERS.PDF](#)

[EDA ITEM 4.2 OFFICIAL NEWSPAPER.PDF](#)

[EDA ITEM 4.3 OFFICIAL DEPOSITORY.PDF](#)

[EDA ITEM 6.1 ANNUAL MEETING REPORT.PDF](#)



# **ECONOMIC DEVELOPMENT AUTHORITY AGENDA**

**Monday, February 9, 2026**

**6:00 PM**

**Otsego Prairie Center**

Call to Order:

1. Roll Call:
2. Consider Approval of Minutes:
  - 2.1 February 10, 2025.
3. Bills and Communications:
  - 3.1 Review Summary 2025 Financials (Unaudited).
    - A. EDA Lease Revenue – Bond Fund.
    - B. EDA Lease Revenue – Construction Fund.
4. New Business:
  - 4.1 Officers.
    - A. Presentation by Executive Director.
    - B. Consider Election of Officers.
  - 4.2 Official Newspaper.
    - A. Presentation by Executive Director.
    - B. Consider Resolution 2026-01 Designating an Official Newspaper.
  - 4.3 Official Depository.
    - A. Presentation by Executive Director.
    - B. Consider Resolution 2025-02 Designating an Official Depository.
5. Old Business:
6. Reports:
  - 6.1 Annual Meeting Report.
    - A. Presentation by Executive Director.
7. Adjourn.

**ECONOMIC DEVELOPMENT AUTHORITY MEETING  
MONDAY, FEBRUARY 10, 2025  
6:00 PM  
OTSEGO PRAIRIE CENTER**

Call to Order:

President Stockamp called the EDA meeting to order at 6:00 PM.

1. Roll Call:

President Jessica Stockamp and Commissioners: Ryan Dunlap, Tina Goede, Michelle Lund, and Corey Tanner. Executive Director Adam Flaherty; City Planner Daniel Licht, and Secretary Audra Etzel.

2. Consider approval of Minutes:

2.1 December 9, 2024 EDA Minutes.

**Commissioner Dunlap motioned to approve the December 9, 2024 EDA minutes, seconded by Commissioner Goede. All in favor. Motion carried 5-0.**

3. Bills and Communications.

3.1 Verbal Update on Lease Revenue Bond Proceeds.

Executive Director Flaherty said the lease revenue bonds were closed on December 30<sup>th</sup> and deposited at US Bank. As of the end of January the construction fund balance is \$17,840,935 and the and the bond fund is \$815,085; two draws have been made on the construction fund for the cost of issuance and the other to reimburse expenses prior to the bond's issuance.

4. New Business:

4.1 Officers:

A. Presentation by Executive Director

B. Consider Election of Officers

**Commissioner Tanner nominated Jessica Stockamp as President of the City of Otsego Economic Development Authority, seconded by Commissioner Dunlap. All in favor. Motion carried 5-0.**

**Commissioner Tanner nominated Tina Goede as Vice President of the City of Otsego Economic Development Authority, seconded by Commissioner Lund. All in favor. Motion carried 5-0.**

**Commissioner Tanner nominated Ryan Dunlap as Treasurer of the City of Otsego Economic Development Authority, seconded by Commissioner Lund. All in favor. Motion carried 5-0.**

**Commissioner Tanner nominated Michelle Lund as Assistant Treasurer of the City of Otsego Economic Development Authority, seconded by Commissioner Goede. All in favor. Motion carried 5-0.**

**Commissioner Lund nominated Audra Etzel as Secretary of the City of Otsego Economic Development Authority, seconded by Commissioner Dunlap. All in favor. Motion carried 5-0.**

4.2 Official Newspaper.

A. Presentation by Executive Director

B. Consider Resolution 2025-01 Designating an Official Newspaper.

**Commissioner Dunlap motioned to adopt Resolution 2025-01 Designating an Official Newspaper, seconded by Commissioner Goede. All in favor. Motion carried 5-0.**

4.3 Official Depository.

A. Presentation by Executive Director.

B. Consider Resolution 2025-02 Designating an Official Depository

**Commissioner Dunlap motioned to adopt Resolution 2025-02 Designating Depositories, seconded by Commissioner Tanner. All in favor. Motion carried 5-0.**

5. Old Business:

No Old Business.

6. Reports:

6.1 Annual Meeting Report.

A. Presented by Executive Director.

Executive Director Flaherty reviewed the packet material.

Commissioner Lund asked when the Statewide Affordable Housing Aid needs to be spent. Flaherty said there is a timeline of four years after the aid was received. President Stockamp asked if Wright County hired a staff to manage the funds. Flaherty does not feel the staff member will be dedicated solely to overseeing the funds; this position would possibly start in the fall of 2025. Flaherty noted some cities have elected to oversee their own funds. Commissioner Dunlap asked about the criteria for the cities to receive the aid funds. Flaherty said there were two different programs set up by the Legislature, and Otsego falls under Statewide Affordable Housing Aid Program. Flaherty said cities over 10,000 in population received aid directly under this program. Commissioner Dunlap asked if the funds will be provided annually. Flaherty said there is a sunset and does not believe the funds will continue in perpetuity.

Flaherty said the other EDA funds that are unassigned with no restriction, have a balance of \$283,932 and are available for the revolving loan program. Commissioner Lund asked how the funding can be used. Flaherty said these funds are used in accordance with the Economic Development Loan Policy. Commissioner Tanner asked how other cities use funds. City Planner Licht said some cities are more aggressive using the funds.

Commissioner Dunlap asked how the funds are generated. Flaherty said most of the funds are generated through the Conduit Bond Policy, where the City receives a fee from the issuer. Commissioner Dunlap inquired about the restrictions. Flaherty said \$283,932 is unrestricted.

Commissioner Lund asked if anyone has applied for the funding recently. City Planner Licht said there have been some inquiries for industrial uses.

Flaherty said the Economic Development Loan Policy was last updated in 2018, and staff is looking for direction on whether to update. President Stockamp noted the priorities have shifted as needs have been met or other projected become needed. The Commission agreed to review the updates at a future meeting.

Commissioner Tanner asked about TIF Districts. Flaherty said each of TIF districts serves a different purpose and are outlined in the packet materials.

Flaherty provided an update on the tax abatements within the City.

Flaherty said the City owns three lots that have been listed with a broker since 2019. City Planner Licht explained the deed restrictions and uses on each of the parcels. Commissioner Lund asked about the marketing of the parcels. City Planner Licht said the broker has brought inquiries and when not a good match for these locations, other parcels have been recommended.

Commissioner Dunlap asked about the city owned property at 85<sup>th</sup> and Park, and if the City would sell the land. Flaherty said the City purchased for public safety, stating this property was included in the 2018 fire study. City Planner Licht said the land can be a substation or be used for three single family houses; the 2018 fire study proposed the site as a substation. Flaherty said the properties are tax exempt and there is no cost to the City at this time; there have been purchase offers that have not aligned with the City’s comprehensive plan.

7. Adjourn.

**Commissioner Tanner motioned to adjourn at 6:54 PM, seconded by Commissioner Goede. All in favor. Motion carried 5-0.**

*Minutes prepared by Audra Etzel, Secretary.*

**City of Otsego:**

\_\_\_\_\_  
Jessica Stockamp, President

ATTEST: \_\_\_\_\_  
Audra Etzel, Secretary

Account Number	Title	Debit Amount	Credit Amount
<b>EDA LEASE REVENUE, SERIES 2024</b>			
303-10101	CASH WITH FISCAL AGENT	398,265.34	
303-20200	ACCOUNTS PAYABLE		250.00-
303-25300	UNRESERVED FUND BALANCE		814,909.17-
303-36210	INTEREST EARNINGS		23,115.33-
303-47000-602	BOND INTEREST	439,759.16	
303-47000-620	FISCAL AGENT FEE'S	250.00	
Total EDA LEASE REVENUE, SERIES 2024:		838,274.50	838,274.50-
Net Loss:			416,893.83



**City of Otsego**  
**2024A Lease Revenue Bond**  
**Fire & Emergency Services Station**  
**Proceeds Analysis - Bond Fund**

Description	Period	Amount	Amount	US Bank Statement Balance	Difference
Beginning Balance			-		
Deposit - Bond Closing	December 2024	814,909.17	814,909.17	814,909.17	-
Interest Revenue	January 2025	175.71	815,084.88	815,084.88	-
Interest Revenue	February 2025	2,672.94	817,757.82	817,757.82	-
Interest Revenue	March 2025	2,405.74	820,163.56	820,163.56	-
Interest Revenue	April 2025	2,651.57	822,815.13	822,815.13	-
Interest Revenue	May 2025	2,569.88	825,385.01	825,385.01	-
Interest Revenue	June 2025	2,640.37	828,025.38	828,025.38	-
Interest Revenue	July 2025	2,558.16	830,583.54	830,583.54	-
Debt Service Payment	August 2025	(439,759.16)	390,824.38		
Interest Revenue	August 2025	2,654.91	393,479.29	393,479.29	-
Interest Revenue	September 2025	1,257.28	394,736.57	394,736.57	-
Interest Revenue	October 2025	1,198.85	395,935.42	395,935.42	-
Interest Revenue	November 2025	1,208.11	397,143.53	397,143.53	-
Interest Revenue	December 2025	1,121.81	398,265.34	398,265.34	-
Interest Revenue	January 2026	1,103.79	399,369.13	399,369.13	-
			399,369.13		
			399,369.13		
Pending Activity					
Debt Service Payment	February 2026	(375,150.00)			

Account Number	Title	Debit Amount	Credit Amount
<b>FIRE &amp; EMERGENCY SRVS STATION</b>			
446-10100	CASH & INVESTMENTS		1,089,811.20-
446-10101	CASH WITH FISCAL AGENT	10,307,698.19	
446-20200	ACCOUNTS PAYABLE		1,741,203.10-
446-25300	UNRESERVED FUND BALANCE		17,810,140.61-
446-36210	INTEREST EARNINGS		565,276.65-
446-42200-525	BUILDING IMPROVEMENTS	10,898,733.37	
Total FIRE & EMERGENCY SRVS STATION:		21,206,431.56	21,206,431.56-
Net Loss:			10,333,456.72



**City of Otsego**  
**2024A Lease Revenue Bond**  
**Fire & Emergency Services Station**  
**Proceeds Analysis - Draw Summary**

Description	Period	Amount	Amount	US Bank Statement Balance	Difference
Beginning Balance			-		
Deposit - Bond Closing	December 2024	18,843,789.52	18,843,789.52		
Draw #1 (Costs of Issuance)	December 2024	(133,907.00)	18,709,882.52	18,709,882.52	-
Draw #2 (Pre Issuance Costs)	January 2025	(873,790.91)	17,836,091.61		
Interest Revenue	January 2025	4,843.19	17,840,934.80	17,840,934.80	-
Draw #3 (Dec2024 & Jan2025 Costs)	February 2025	(198,505.63)	17,642,429.17		
Interest Revenue	February 2025	61,186.82	17,703,615.99	17,703,615.99	-
Draw #4 (Feb2025 Costs)	March 2025	(251,377.65)	17,452,238.34		
Interest Revenue	March 2025	52,582.01	17,504,820.35	17,504,820.35	-
Draw #5 (Mar2025 Costs)	April 2025	(15,885.31)	17,488,935.04		
Interest Revenue	April 2025	56,697.84	17,545,632.88	17,545,632.88	-
Draw #6 (Apr2025 Costs)	May 2025	(230,649.82)	17,314,983.06		
Interest Revenue	May 2025	54,801.46	17,369,784.52	17,369,784.52	-
Draw #7 (May2025 Costs)	June 2025	(276,952.11)	17,092,832.41		
Interest Revenue	June 2025	55,732.68	17,148,565.09	17,148,565.09	-
Draw #8 (Jun2025 Costs)	July 2025	(296,662.75)	16,851,902.34		
Interest Revenue	July 2025	53,065.92	16,904,968.26	16,904,968.26	-
Draw #9 (Jul2025 Costs)	August 2025	(1,188,868.91)	15,716,099.35		
Interest Revenue	August 2025	54,066.68	15,770,166.03	15,770,166.03	-
Draw #10 (Aug2025 Costs)	September 2025	(1,357,366.69)	14,412,799.34		
Interest Revenue	September 2025	51,124.62	14,463,923.96	14,463,923.96	-
Draw #11 (Sep2025 Costs)	October 2025	(1,604,470.93)	12,859,453.03		
Interest Revenue	October 2025	44,908.38	12,904,361.41	12,904,361.41	-
Draw #12 (Oct2025 Costs)	November 2025	(1,620,698.66)	11,283,662.75		
Interest Revenue	November 2025	43,801.57	11,327,464.32	11,327,464.32	-
Draw #13 (Nov2025 Costs)	December 2025	(1,052,231.61)	10,275,232.71		
Interest Revenue	December 2025	32,465.48	10,307,698.19	10,307,698.19	-
Draw #14 (Dec2025 Costs)	January 2026	(1,087,336.95)	9,220,361.24		
Interest Revenue	January 2026	28,668.39	9,249,029.63	9,249,029.63	-
			9,249,029.63		
			9,249,029.63		
Pending Activity					
Draw #15 (Jan2026 Costs)	February 2026	(1,753,046.42)			



# Request for EDA Board of Commissioners Action

## DEPARTMENT INFORMATION

ORIGINATING DEPARTMENT	REQUESTOR:	MEETING DATE:
Administration	Executive Director Flaherty	February 9, 2026
PRESENTER(S)	REVIEWED BY:	ITEM #:
Administration		4.1 – Election of Officers

## STRATEGIC VISION

MEETS:	THE CITY OF OTSEGO:
<b>X</b>	Is a strong organization that is committed to leading the community through innovative communication.
	Has proactively expanded infrastructure to responsibly provide core services.
	Is committed to delivery of quality emergency service responsive to community needs and expectations in a cost-effective manner.
	Is a social community with diverse housing, service options, and employment opportunities.
	Is a distinctive, connected community known for its beauty and natural surroundings.

## AGENDA ITEM DETAILS

RECOMMENDATION:	
It is recommended that the Board of Commissioners elect officers of the EDA.	
ARE YOU SEEKING APPROVAL OF A CONTRACT?	IS A PUBLIC HEARING REQUIRED?
No	No
BACKGROUND/JUSTIFICATION:	
Article II (Officers) of the EDA Bylaws outline that the officers of the EDA shall be a President, a Vice-President, a Treasurer, an Assistant Treasurer, and a Secretary. The current bylaws note that the offices of President, Vice-President, and Treasurer shall be members of the Board.	
SUPPORTING DOCUMENTS ATTACHED:	
<ul style="list-style-type: none"> <li>• None</li> </ul>	

## POSSIBLE MOTION

PLEASE WORD MOTION AS YOU WOULD LIKE IT TO APPEAR IN THE MINUTES:
Motion to nominate the following as officers of the City of Otsego Economic Development Authority: _____ as President _____ as Vice President _____ as Treasurer _____ as Assistant Treasurer _____ as Secretary

## BUDGET INFORMATION

FUNDING:	BUDGETED:
General Fund – Economic Development (46580)	Yes



# Request for EDA Board of Commissioners Action

## DEPARTMENT INFORMATION

ORIGINATING DEPARTMENT	REQUESTOR:	MEETING DATE:
Administration	Secretary Etzel	February 9, 2026
PRESENTER(S)	REVIEWED BY:	ITEM #:
Administration	Executive Director Flaherty	4.2 – Official Newspaper

## STRATEGIC VISION

MEETS:	THE CITY OF OTSEGO:
<b>X</b>	Is a strong organization that is committed to leading the community through innovative communication.
	Has proactively expanded infrastructure to responsibly provide core services.
	Is committed to delivery of quality emergency service responsive to community needs and expectations in a cost-effective manner.
	Is a social community with diverse housing, service options, and employment opportunities.
	Is a distinctive, connected community known for its beauty and natural surroundings.

## AGENDA ITEM DETAILS

RECOMMENDATION:	
It is recommended that the Board of Commissioners adopt a resolution designating an official newspaper.	
ARE YOU SEEKING APPROVAL OF A CONTRACT?	IS A PUBLIC HEARING REQUIRED?
No	No
BACKGROUND/JUSTIFICATION:	
<p>The Board of Commissioners shall, annually at its first meeting of the year, designate a legal newspaper of general circulation in the City as its official newspaper, in which shall be published such matters as are required by law to be so published and such other matters as the Board of Commissioners may deem it advisable and in the public interest to have published in this manner.</p> <p>The Star News is a qualified newspaper in accordance with Minnesota Statute §331A.02.</p>	
SUPPORTING DOCUMENTS ATTACHED:	
<ul style="list-style-type: none"> <li><b>Resolution 2026-01</b></li> </ul>	

## POSSIBLE MOTION

PLEASE WORD MOTION AS YOU WOULD LIKE IT TO APPEAR IN THE MINUTES:
Motion to adopt Resolution 2026-01 Designating an Official Newspaper.

## BUDGET INFORMATION

FUNDING:	BUDGETED:
N/A	N/A

**OTSEGO ECONOMIC DEVELOPMENT AUTHORITY  
COUNTY OF WRIGHT  
STATE OF MINNESOTA**

**RESOLUTION NO: 2026-01**

**DESIGNATING AN OFFICIAL NEWSPAPER**

**WHEREAS**, the Board of Commissioners shall, annually at its first meeting of the year, designate a legal newspaper of general circulation in the City as its official newspaper, in which shall be published such matters as are required by law to be so published and such other matters as the Board of Commissioners may deem advisable and in the public interest to have published in this manner; and

**WHEREAS**, the Star News is a qualified newspaper in accordance with Minnesota Statute §331A.02.

**NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF OTSEGO, MINNESOTA:**

The Star News is designated as the official newspaper of the Otsego Economic Development Authority, effective immediately.

**ADOPTED** by the Board of Commissioners this 9th day of February, 2026.

- MOTION BY:**
- SECONDED BY:**
- IN FAVOR:**
- OPPOSED:**

**OTSEGO ECONOMIC DEVELOPMENT AUTHORITY**

\_\_\_\_\_  
Jessica Stockamp, President

ATTEST:

\_\_\_\_\_  
Audra Etzel, Secretary



# Request for EDA Board of Commissioners Action

## DEPARTMENT INFORMATION

ORIGINATING DEPARTMENT	REQUESTOR:	MEETING DATE:
Administration	Executive Director Flaherty	February 9, 2026
PRESENTER(S)	REVIEWED BY:	ITEM #:
Administration		4.3 – Official Depository

## STRATEGIC VISION

MEETS:	THE CITY OF OTSEGO:
<b>X</b>	Is a strong organization that is committed to leading the community through innovative communication.
	Has proactively expanded infrastructure to responsibly provide core services.
	Is committed to delivery of quality emergency service responsive to community needs and expectations in a cost-effective manner.
	Is a social community with diverse housing, service options, and employment opportunities.
	Is a distinctive, connected community known for its beauty and natural surroundings.

## AGENDA ITEM DETAILS

RECOMMENDATION:	
It is recommended that the Board of Commissioners adopt a resolution designating depositories.	
ARE YOU SEEKING APPROVAL OF A CONTRACT?	IS A PUBLIC HEARING REQUIRED?
No	No
BACKGROUND/JUSTIFICATION:	
<p>The governing resolution of the Economic Development Authority (the EDA) outlines that the EDA shall designate a depository at least every two years. The EDA issued Lease Revenue Bonds on December 30, 2024, prompting that a depository be designated.</p> <p>In accordance with Minnesota State Statute §118A.02, the EDA shall designate, as a depository of funds, one or more financial institutions. The listed depositories and the accounts at each are:</p> <ol style="list-style-type: none"> <li>1) US Bank – Trustee of EDA Lease Revenue Bond</li> </ol>	
SUPPORTING DOCUMENTS ATTACHED:	
<ul style="list-style-type: none"> <li>• <b>Resolution 2026-02</b></li> </ul>	

## POSSIBLE MOTION

PLEASE WORD MOTION AS YOU WOULD LIKE IT TO APPEAR IN THE MINUTES:
Motion to approve Resolution 2026-02 designating depositories.

## BUDGET INFORMATION

FUNDING:	BUDGETED:
N/A	N/A

**OTSEGO ECONOMIC DEVELOPMENT AUTHORITY  
COUNTY OF WRIGHT  
STATE OF MINNESOTA**

**RESOLUTION NO: 2026-02**

**DESIGNATING DEPOSITORIES**

**WHEREAS**, the Board of Commissioners, in accordance with its Governing Resolution and Minnesota Statute §118A.02, Subdivision 1 designate one or more financial institutions as a depository of Economic Development Authority (the EDA) funds.

**NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF OTSEGO, MINNESOTA:**

1. That the following financial institutions are designated as depositories of EDA funds:
  - a. US Bank

**ADOPTED** by the Board of Commissioners this 9th day of February, 2026.

**MOTION BY:  
SECONDED BY:  
IN FAVOR:  
OPPOSED:**

**OTSEGO ECONOMIC DEVELOPMENT AUTHORITY**

\_\_\_\_\_  
Jessica L. Stockamp, President

ATTEST:

\_\_\_\_\_  
Audra Etzel, Secretary



TO: Economic Development Authority, Board of Commissioners

FROM: Executive Director Flaherty

DATE: February 9, 2026

SUBJECT: Annual Meeting Report

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### **Outline**

In addition to the specific agenda items for consideration, staff have developed an outline of discussion topics for the EDA Board. The topics included in this memorandum are for discussion only and staff are not seeking any action from the Board. If the Board desires, directions can be provided to staff for future meetings.

### **Economic Development Revolving – Fund 255**

This fund was established to provide for economic development subsidies and loans to be provided to business entities in the City through the Economic Development Authority. At year-end 2025, this fund has a cash balance of \$430,779. The fund balance components include Restricted of \$129,300 and Unassigned of \$301,479. As part of year-end audit preparations, additional funds will be added to the unassigned balance when interest revenues are allocated.

#### ***Statewide Affordable Housing Aid***

The Restricted Fund Balance in the Economic Development Revolving Fund is derived from Statewide Affordable Housing Aid received in 2023 through 2025 in total amount of \$129,300. The City is expected to receive an additional \$26,362 of aid in 2026.

Funds from this aid program must be spent on a qualifying project by December 31 of the fourth year after the aid was received. This would require the City to spend at least \$52,757 on qualifying projects by December 31, 2027.

Otsego, and other cities in Wright County who received this aid have had ongoing conversations with Wright County on development of programs that would meet the criteria for use of the funds. City staff will review the options, attached with this memo, that have been discussed by the Wright County Board to determine if they are in alignment with the EDA Board.

### **TIF Districts**

There are currently three active TIF Districts within the City. A short summary of each district is outlined as follows:

#### ***District No. 1 – Great River Centre***

This district was created in 2016 and assisted in creating industrial development within Great River Centre. The project included construction of a 54,000+ square foot manufacturing facility, site improvements, and public infrastructure improvements. A note was issued to the developer and is repaid with tax increments from the development. This district will be active through taxes payable 2026 with the last note payment scheduled for February 1, 2027.

**District No. 3 – Riverview Landing**

This district was created in 2017 and assisted in creating a senior housing facility project in Waterfront East. The project included construction of a 142-unit facility that provides senior housing, assisted living, and memory care units. The project is required to provide 20% of the units to be occupied or available for occupancy by people whose income does not exceed 50% of the County median income. A note was issued to the developer and is repaid with tax increments from the development. This district will be active through taxes payable 2045 with the last note payment scheduled for February 1, 2046.

**District No. 4 – Riverbend North**

This district was created in 2019 and assisted in redevelopment within Riverbend North. The project included decommissioning of a private wastewater treatment facility and construction multi-family housing units, mini-storage facilities, and creation of two additional lots for commercial development. A note was issued to the developer and is repaid with tax increments from the development. This district will be active through taxes payable 2045 with the last note payment scheduled for February 1, 2046.

**City Owned Property**

The City currently owns three parcels of land for future resale and development. One property (5.82 acres) is located within Great River Centre and is guided by the Comprehensive Plan for industrial development. The other two properties (1.14 acres and 0.90 acres) are located within Waterfront East and are guided by the Comprehensive Plan for commercial development. The City has had listing agreements with Commercial Realty Solutions (CRS) since 2019.

**Attachments**

- *Statewide Affordable Housing Aid Memo from Wright County*



# MEMO

To: Wright County Tier I Cities

From: Clay Wilfahrt, Assistant County Administrator

Date: December 1, 2025

Re: Statewide Affordable Housing Aid

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Wright County and Tier I Cities within Wright County received State Affordable Housing Aid (SAHA) in annual increments since 2023 and will continue to receive annual aid through the end of 2026. The County will receive a total of \$605,309, and the Cities will receive a collective \$703,127 over the course of the program. According to State Statute, the money needs to be expended by

1. "December 31 in the third year following the year after the aid was received," or
2. "Committed to a qualifying project by December 31 in the third year following the year after the aid was received; and expended by December 31 in the fourth year following the year after the aid was received."

[The State Statute guiding the funding](#) outlines eligible expenditures of the fund. City and County staff spent some time analyzing how other Cities and Counties spent SAHA funding. Here is a summary of how other Cities and Counties utilized SAHA funds:

- **Single Family housing rehab** – Some Counties, like Sherburne, implemented single family housing rehabilitation loans. These programs allow homeowners who meet income requirements to apply for loans to rehabilitate their homes. The program helps homeowners improve the condition of their homes while also boosting property values. Once the dollars are recouped through the loans, the money can be repurposed.
- **Transitional Housing Programs** – At a recent conference, Wright County Community Action (WCCA) approached the County and indicated that it has needs that could be funded with SAHA dollars. WCCA sees the biggest need in its transitional housing program. Through the transitional housing plan, WCCA works with clients to develop housing independence plans, provide support services and case management, and offer a declining rent subsidy. By giving SAHA money to a non-profit such as WCCA, the funds would be considered expended and no longer subject to the time restrictions in the statute.
- **Contract with hotels for temporary emergency housing** – Some Counties contracted with local hotels for temporary emergency housing. Counties enter into agreements with the hotels to outline terms of placement, cost, etc. to provide housing for those in immediate need.
- **Emergency Housing Assistance through the County** – Wright County offers emergency housing aid for people who need financial assistance to avoid losing their current housing arrangement.



The County receives a limited amount of money from other sources to provide this service, but often depletes those dollars quickly. SAHA money could be utilized for this purpose.

- **Development Assistance** – SAHA funding can be used as an incentive in development of affordable housing. Some communities have used these dollars to help fund affordable housing projects. The County could utilize the funds to try to attract development to the County in the form of direct assistance to specific development projects.
- **Permanent emergency housing assistance** – Communities like St. Cloud have used large portions of their SAHA funding to construct permanent emergency housing structures.