THE CITY OF
NORTHFIELD
MINNESOTA
ESTD 1855

Financial Assistance Evaluation Kickoff

July 2026

1 Year Work Plan EDA Meetings	Items
June 2026 EDA Meeting	**Form Redevelopment Committee**
July 2026 EDA	**Discuss Program Evaluation**
Summer 2026 Redevelopment Committee	Shared understanding of financial impacts of various (re)development projects
August 2026 Loan Committee	Discuss pilot program
September 2026 EDA Meeting	**Approve pilot program**
September 2026 EDA	**Discuss Redevelopment Committee Report; prioritization exercise**
Fall 2026 Redevelopment Committee	Establish work plan around EDA Project prioritization (and other Related conditions)
October 2026 EDA	**Adopt Redevelopment Committee workplan**
November 2026 EDA	**Discussion 1: Ecosystem & Linkages**
January 2027 Loan Committee	Evaluate pilot program
January 2027 EDA	**Discussion 2: Ecosystem & Linkages**
February 2027 Loan Committee	Discuss new 'low barrier application'
March 2027 EDA	**Approve new program(s)**
April 2027 EDA	**Report on Ecosystem & Linkages; Possible initiatives**
June 2027 EDA	**Initiative launch**

#1 Financial Assistance Rebuild: Short Term Goals

- Comprehensive program evaluation
- Pilot program launch
- Working towards complete programs and applications update
- Define, share, and measure what "success" means for financial assistance programs

#1 Financial Assistance Rebuild: Long Term Goals

- Ongoing program evaluation
- Annual program updates to align with annual EDA priorities
- Application overhaul with city-wide resource integration
- Consistent partner program alignment
- Increase utilization, accessibility, and impact of EDA and partner resources
- Reach a broader range of businesses and sectors

Financial Assistance Program Design

Geography	Sector	Eligible Costs	Project Priority	Assistance Type	Quantity	Reporting	Celebration Toolbox
Downtown (c-1)	Industrial	Building, Capitol Improvements	Hiring workers	Grant	$0-$5,000	Present to EDA	Press release
Downtown (Historic Core)	Retail	Staff, administrative	Sustainability	Forgivable Loan	$5,000-$10,000	Written report to staff	Media commitment
Highway 3	Restaurant	Inventory	Business hours	Loan	$10,000-$25,000	Walk through with staff (and EDA)	Public event
Neighborhood Floating Commercial	Nonprofit eligible	Predevelopment work	ADA upgrades	Technical Assistance	$25,000-$50,000	Annual written report	Public facing acknowledgement (static)
Northwest Area	Professional services	Non-fixed improvements (seating)	Bike facilites	Matching component	$50,000-$100,000 +	(Other)	(other)
	Childcare	Training	(Other)				

Policy priorities made by primarily by EDA

Program practicalities made by primarily by Staff

Northfield 2045 Comprehensive Plan, Adopted Strategic Plan, EDA and City Policies, and State Statutes drive all program decisions by EDA **and** Staff.

Economic Development Authority
NORTHFIELD
MINNESOTA

Financial Assistance Program Design

Geography	Sector	Eligible Costs	Project Priority
Downtown (c-1)	Industrial	Building, Capitol Improvements	Hiring workers
Downtown (Historic Core)	Retail	Staff, administrative	Sustainability
Highway 3	Restaurant	Inventory	Business hours
Neighborhood Floating Commercial	Nonprofit eligible	Predevelopment work	ADA upgrades
Northwest Area	Professional services	Non-fixed improvements (seating)	Bike facilites
	Childcare	Training	(Other)

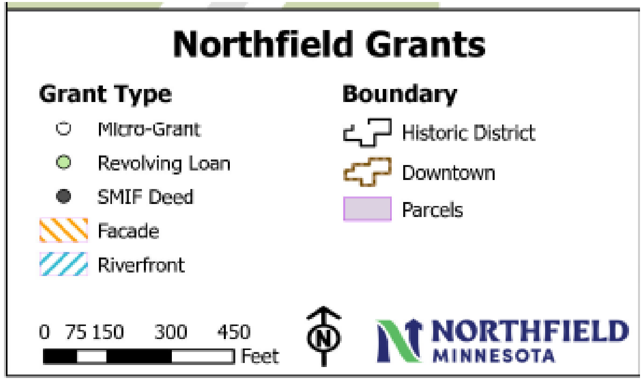
Policy priorities made by primarily by EDA

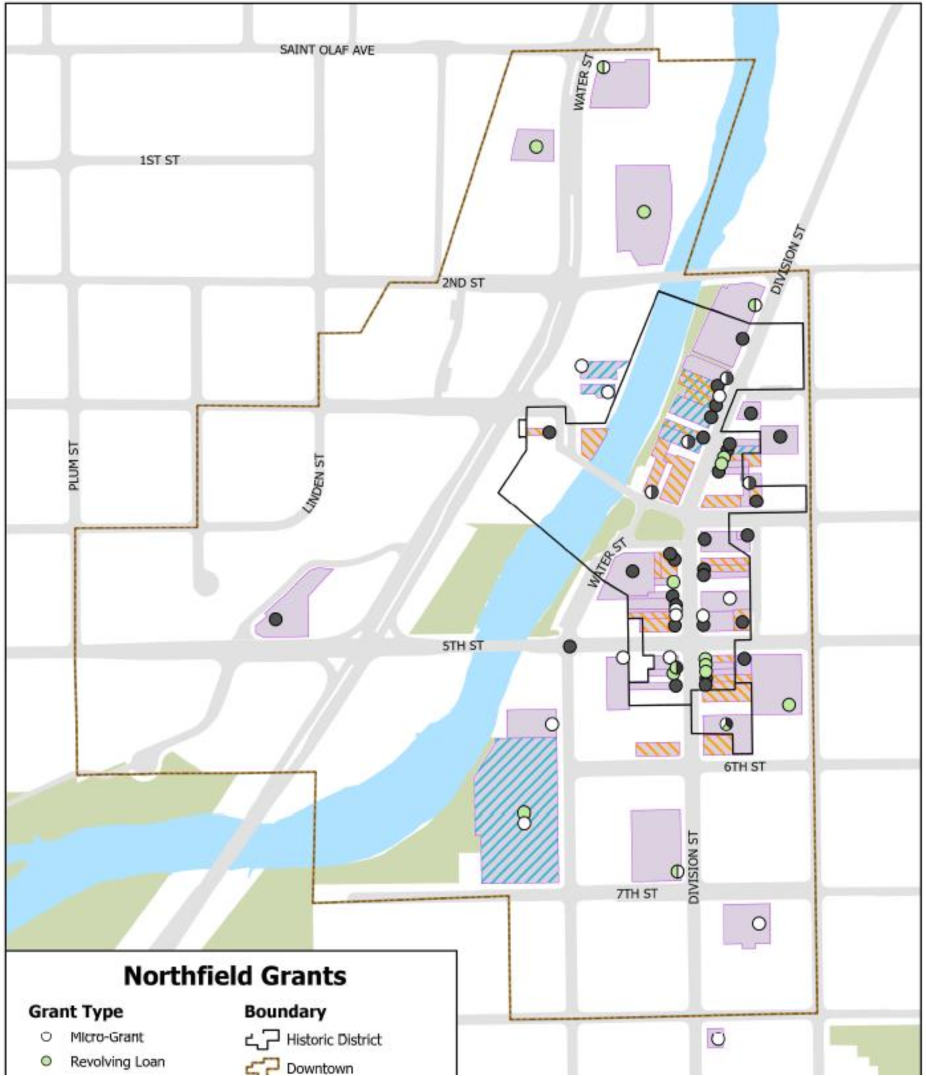
Economic Development Authority

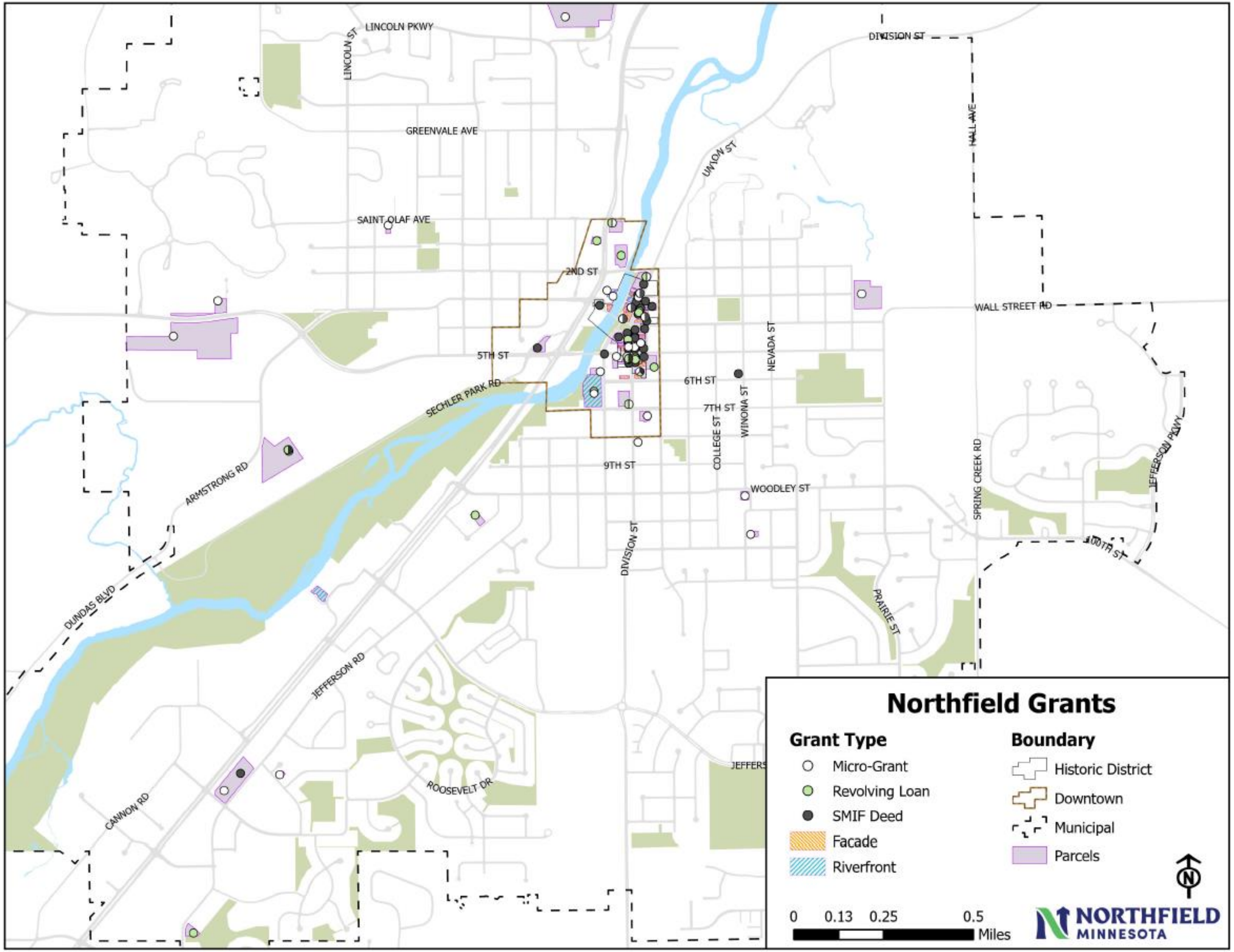
NORTHFIELD
MINNESOTA

Evaluation

- Micro-grant
- Façade Grant
- Revolving Loan Program
- DEED Mainstreet Grant Program (via SMIF)


Northfield Grants
Grant Type
Micro-Grant
Revolving Loan
SMIF Deed
Facade
Riverfront
Boundary
Historic District
Downtown
Parcels
0 75 150 300 450
Feet
NORTHFIELD
MINNESOTA


SAINT OLAF AVE
1ST ST
WATER ST
2ND ST
DIVISION ST
PLUM ST
LINDEN ST
WATER ST
5TH ST
6TH ST
7TH ST
DIVISION ST
Northfield Grants
Grant Type
Micro-Grant
Revolving Loan
Boundary
Historic District
Downtown


Northfield Grants
Grant Type
Micro-Grant
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SMIF Deed
Facade
Riverfront
Boundary
Historic District
Downtown
Municipal
Parcels
0 0.13 0.25 0.5 Miles
NORTHFIELD MINNESOTA
LINCOLN PKWY
LINCOLN ST
DIVISION ST
GREENVALE AVE
HALL AVE
UNION ST
SAINT OLAF AVE
2ND ST
WALL STREET RD
5TH ST
NEVADA ST
6TH ST
SECHLER PARK RD
WINONA ST
7TH ST
COLLEGE ST
ARMSTRONG RD
9TH ST
WOODLEY ST
SPRING CREEK RD
JEFFERSON PKWY
DIVISION ST
DUNDAS BLVD
PRAIRIE ST
JEFFERSON RD
ROOSEVELT DR
CANNON RD

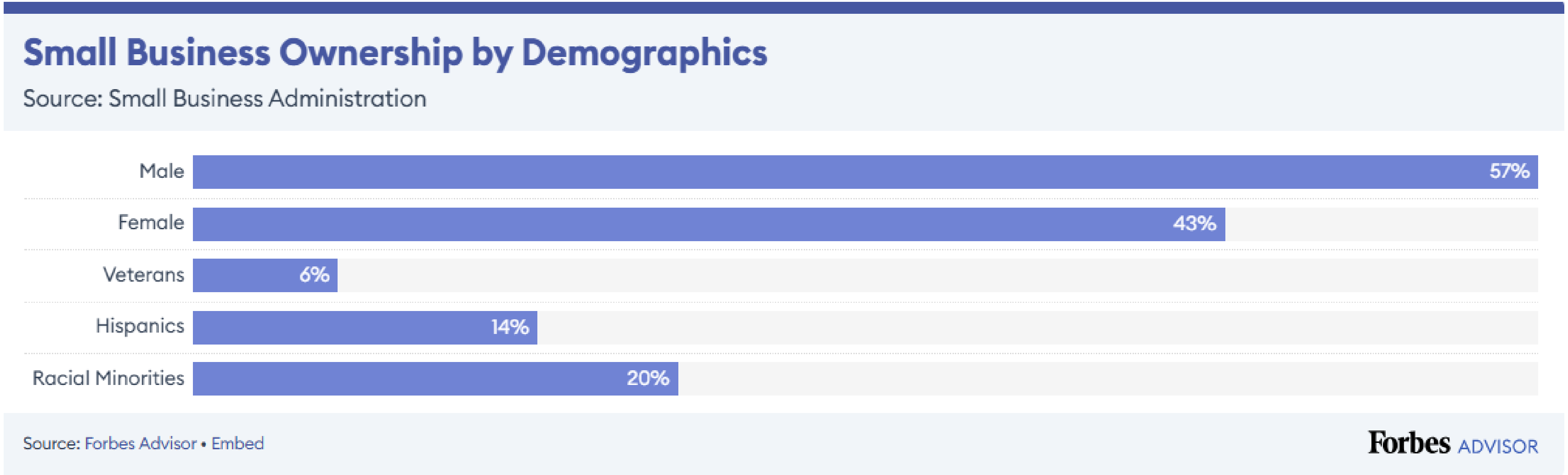
Clement M. Shearer Microgrant Program

- 29 years (1998–2026)
- 74 grants awarded
- Avg. ~2.5 per year
- $5000 max., requiring 100% match
- Businesses between 1-10 years in operation
- Broad acceptable uses
- $353,401 awarded over 29 years

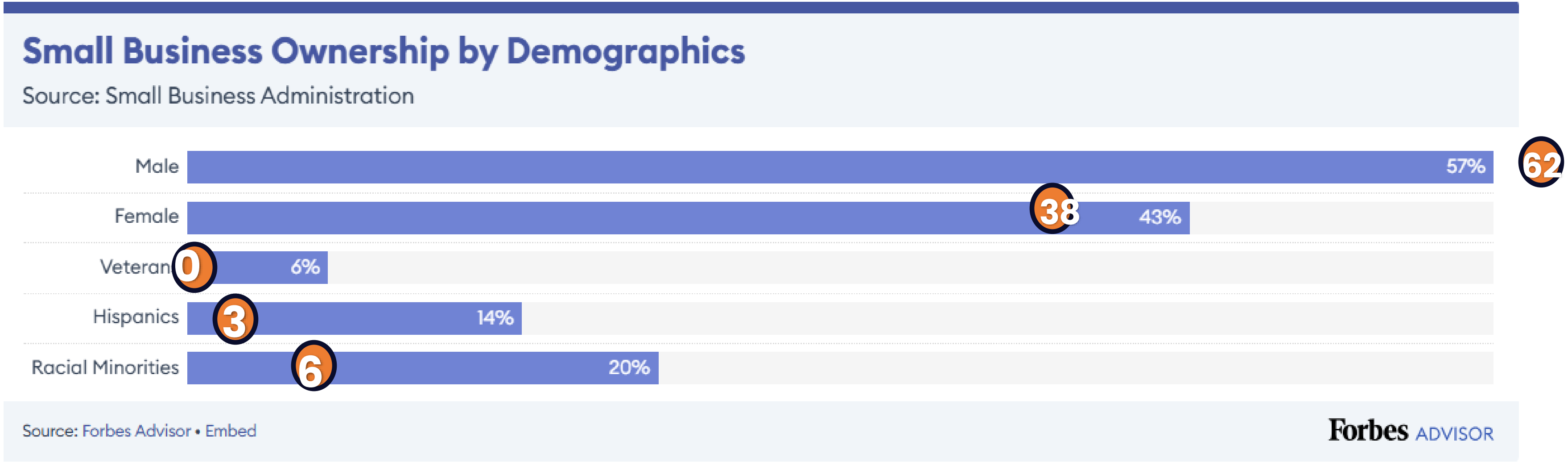
Micro-grant business success rate

Grant Cohort	Approx Business Age today (years)	Grants Awarded	Businesses still operating	Survival Rate
1998-2006	20-30	27	5	18%
2007-2016	10-20	28	11	39%
2017-Present	0-10	19	19	100%
Overall		74	35	47%

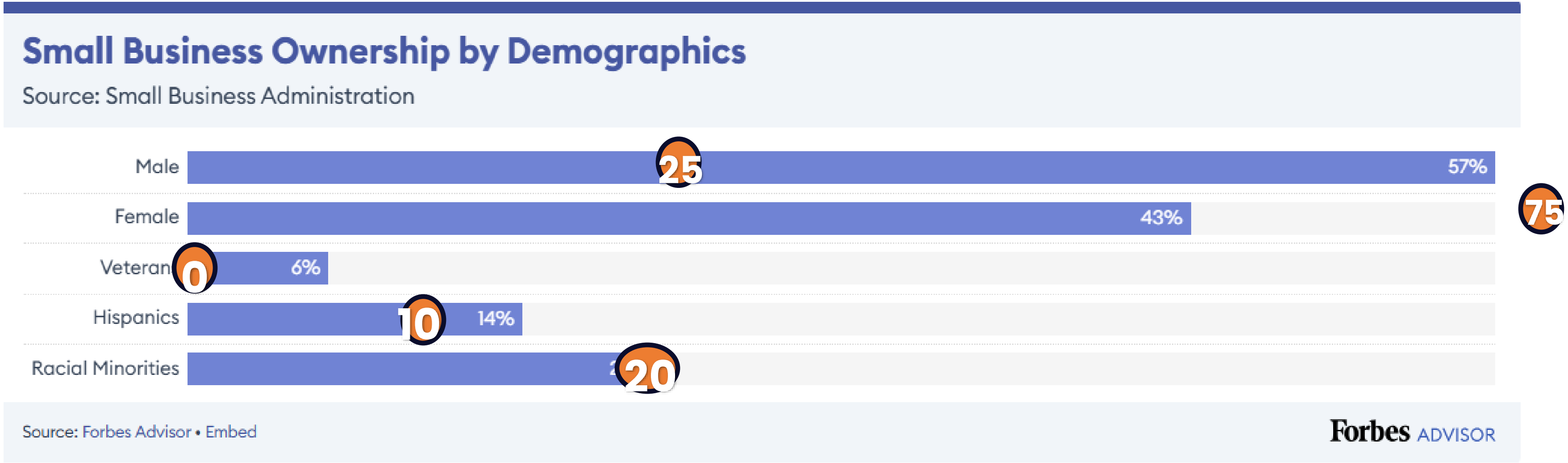
National SBA Statistics



Micro-grant: All Time



Micro-grant: Past 10 Years



Clement F. Shearer Micro-Grant Program

Overview

1

The micro-grant program provides assistance for emerging businesses (operating for 12+ months) located in Northfield. It is designed to strengthen the development of technical, management, or marketing capabilities of the business in service to the people of Northfield.

Purpose

2

The Micro-grant Program is intended to provide support to grow and expand a small business.

Grant Criteria

To qualify for this program, the business MUST be located in the City of Northfield, as defined by corporate city limits. In addition, the business must have:

- Been operational for at least 12 months
- Have a completed business plan
- Businesses must demonstrate need for grant funding
- Written estimates for products and services outlined in the application
- Business must submit the following required documents:
  - Completed Application
  - Current Business Plan
  - Financial Projections for 12+ months
  - Profit and Loss Balance sheet for previous 12 months

Grant Amounts

3

Our goal is to support innovative ideas or compelling business models that hold the prospect of making significant contributions to Northfield's economic base either through additions to our tax base or development of employment opportunities.

Three Named Objectives

"It is designed to strengthen the development of <u>technical, management, or marketing capabilities</u> of the business in service to the people of Northfield"

1

"The Micro-grant Program is intended <u>to provide support to grow and expand</u> a small business"

2

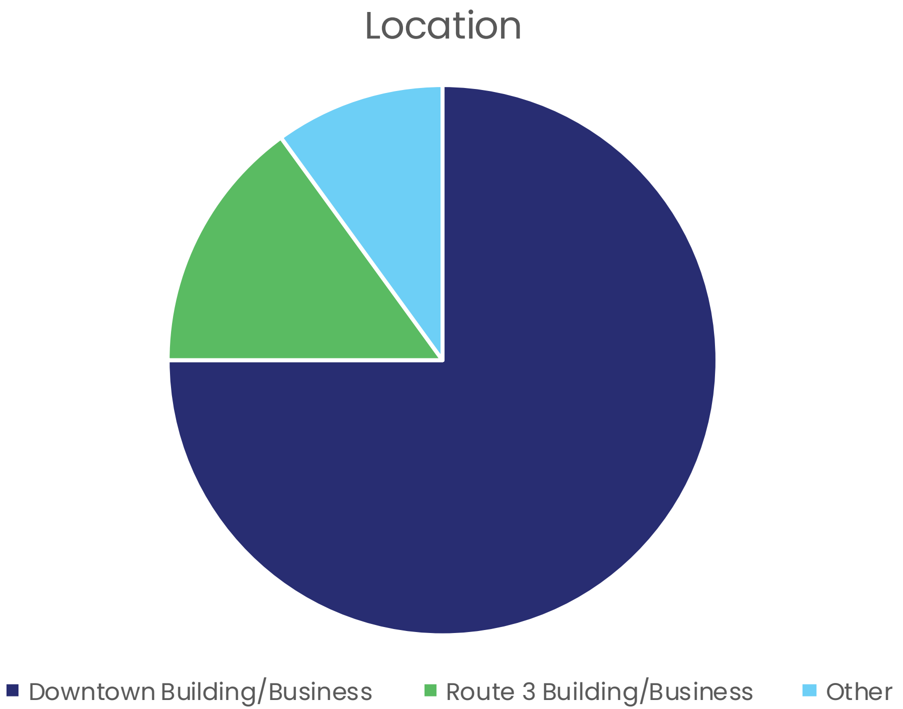
"Our goal is to support <u>innovative ideas or compelling business models</u> that hold the prospect of making significant contributions to Northfield's economic base either t<u>hrough additions to our tax base or development of employment opportunities"</u>

3

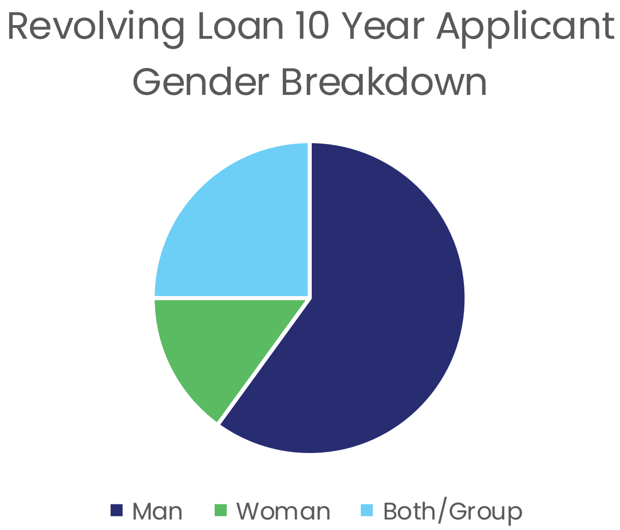
Revolving Loan Program

- No (known) defaults
- 10 years: $1.671 mil awarded in loans supporting over $25mil project costs
- 15 of 20 applicants sought funds for a downtown business or buildings

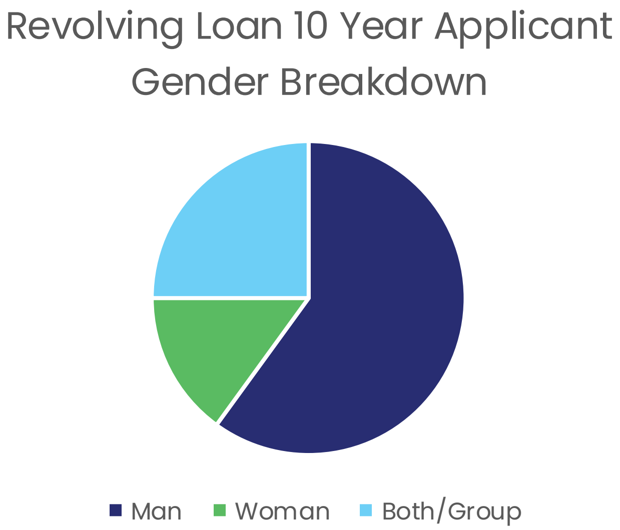
Heavy Downtown Focus

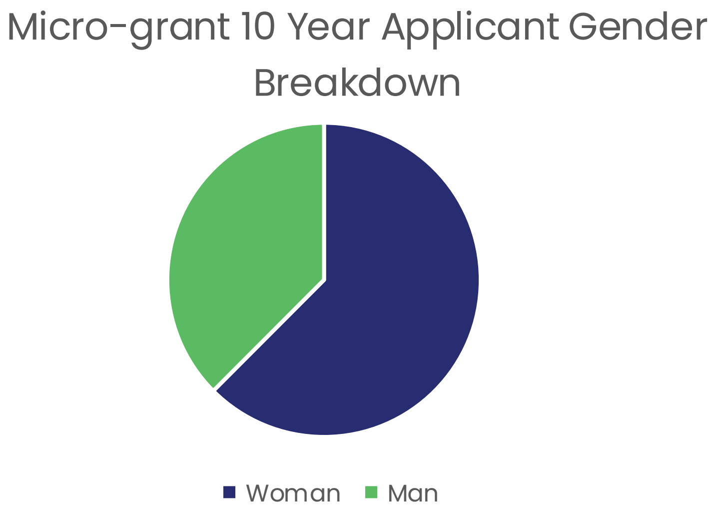


Revolving Loan Gender Breakdown

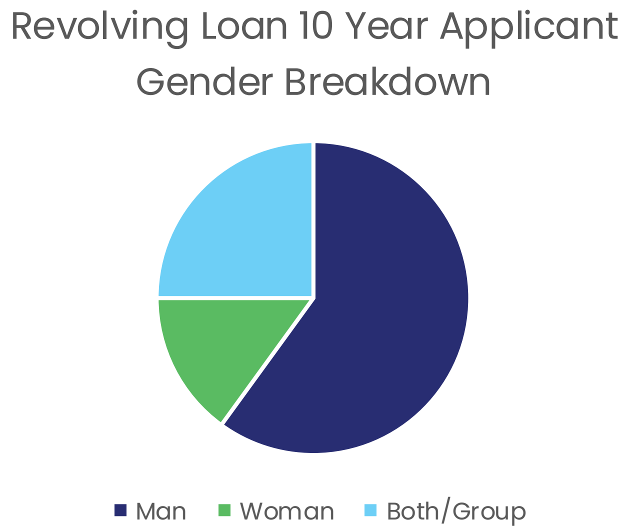


Revolving Loan Gender Breakdown

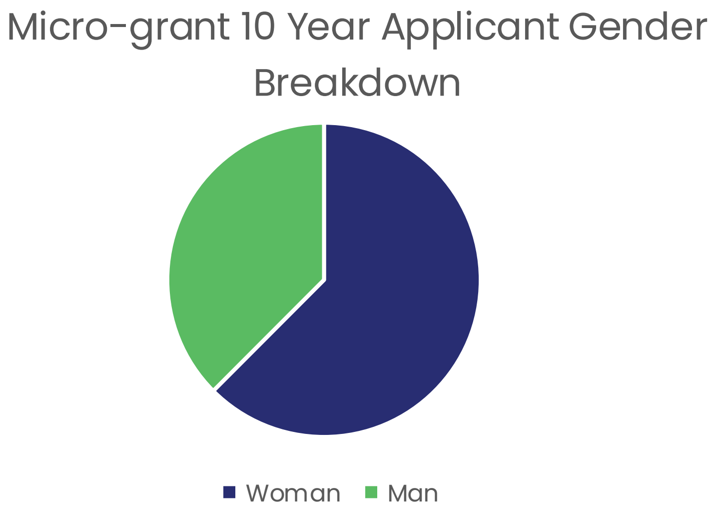




Revolving Loan Gender Breakdown



Avg. $92,865



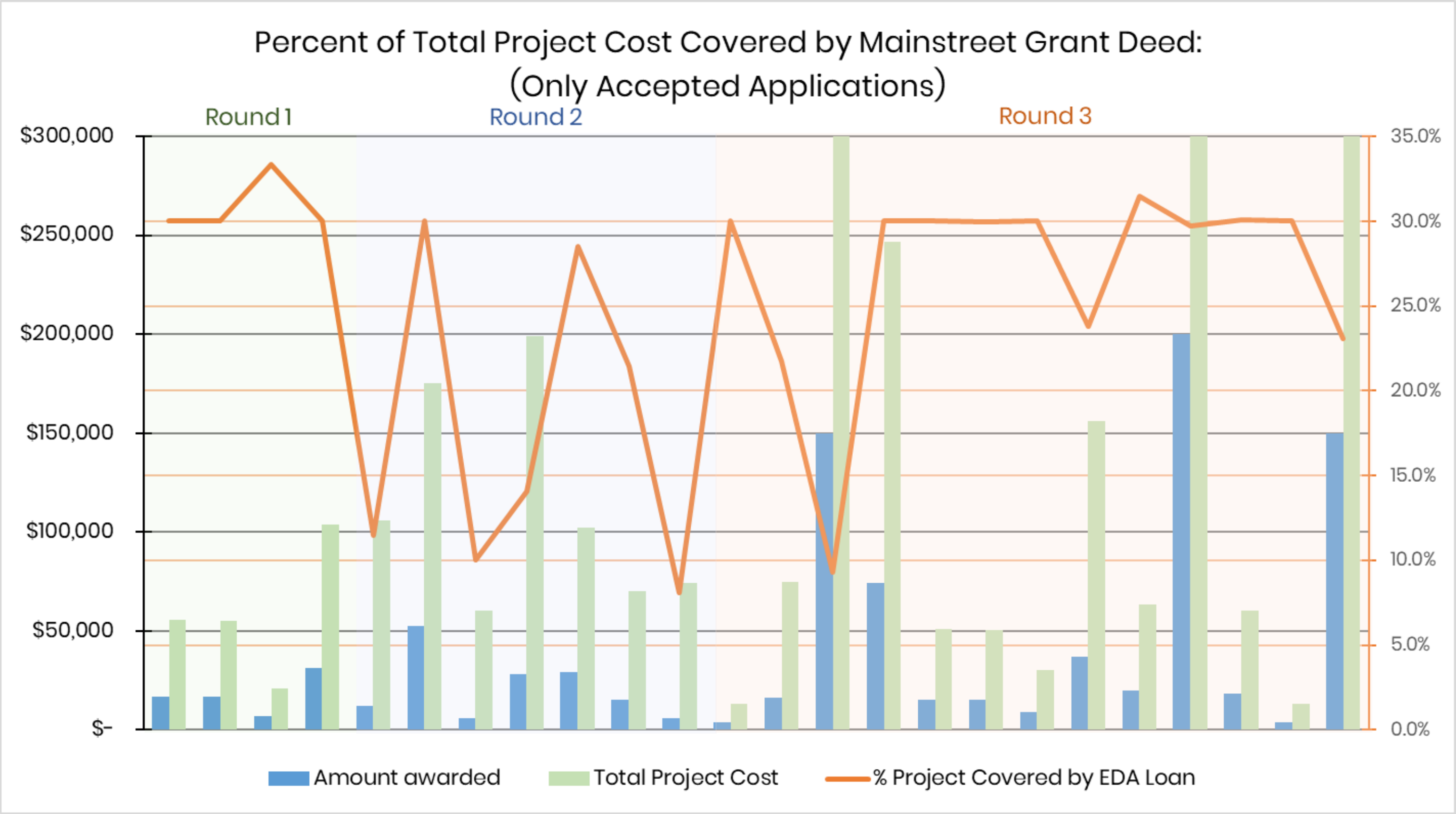
Avg. $4,736

Façade Grant

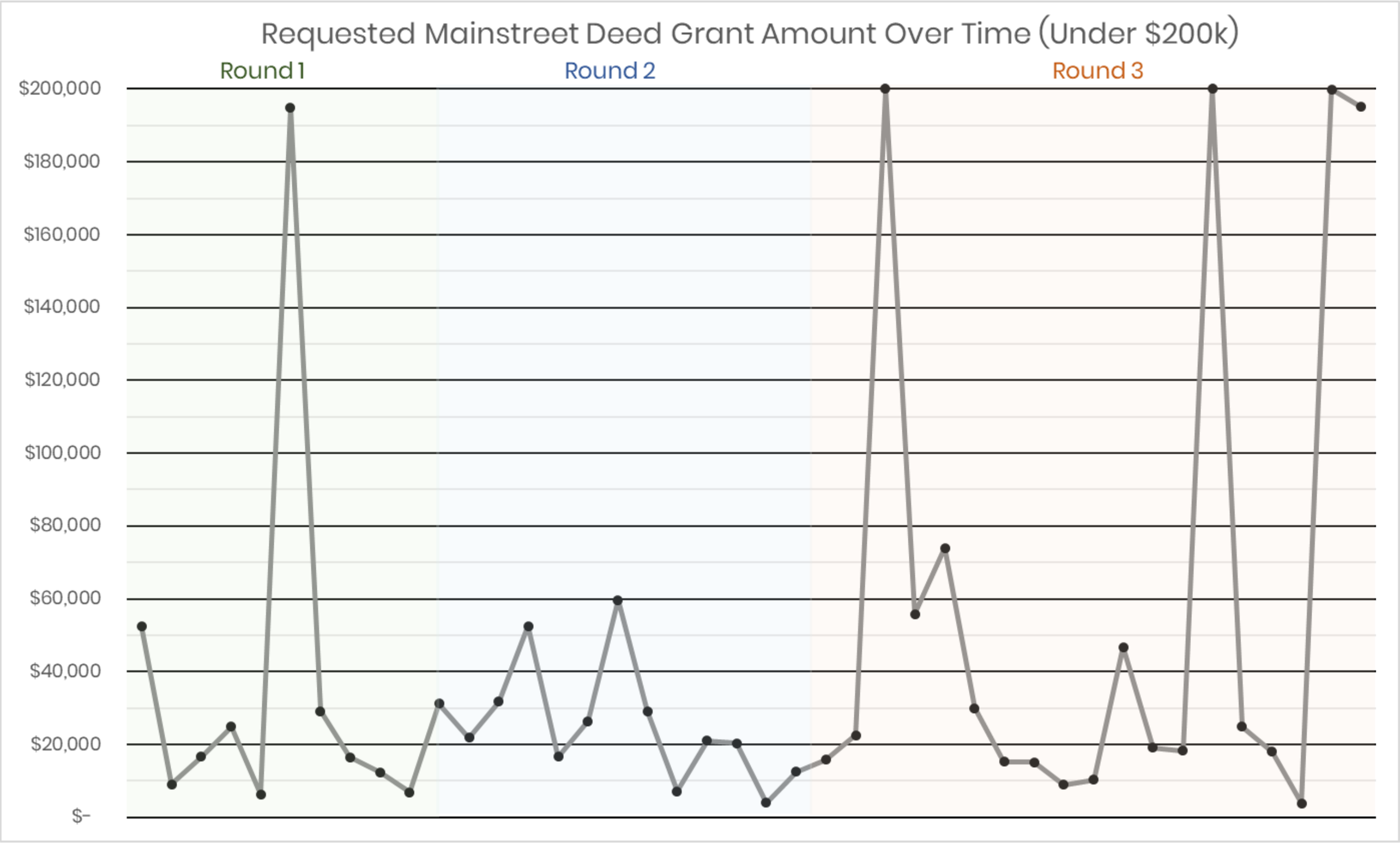
- 6 years old (2020-2026) with 2 iterations
- 25 awarded – 86% approved*
- Avg grant $9040 (max 10k)
- Most of the projects included multiple components, focusing on windows and brick-work

DEED Mainstreet Grant (via SMIF)

- 3 rounds awarded to Northfield
- Some skewed data from first two rounds
- 200k* max, 30% project cost, downtown building grant
- Useful for determining building and business tolerance and interest in larger subsidized projects



Percent of Total Project Cost Covered by Mainstreet Grant Deed:
(Only Accepted Applications)
Round 1
Round 2
Round 3
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$-
35.0%
30.0%
25.0%
20.0%
15.0%
10.0%
5.0%
0.0%
Amount awarded
Total Project Cost
% Project Covered by EDA Loan


Requested Mainstreet Deed Grant Amount Over Time (Under $200k)
Round 1
Round 2
Round 3
$200,000
$180,000
$160,000
$140,000
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$-

DEED Mainstreet Grant

Outliers removed

	Amount Requested	Total Project Cost
Median	$20,690	$69,935
Mean	$43,875	$188,788

#1 Financial Assistance Rebuild

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