

Announcement of Meeting
Economic Development Authority
Regular Meeting Agenda

Monday, July 13, 2026

8:00 AM

Council Chambers

A. CALL TO ORDER - ROLL CALL

B. APPROVAL OF MINUTES OF PRECEDING MEETING

1. [2026-66](#) Approval of LEDA Regular Meeting Minutes - 05 11 2026

C. BILLS AND COMMUNICATIONS

1. [2026-67](#) Approval of Regular Department Payment Report - 05 & 06 2026
2. [2026-68](#) Approval of Financial Report - 05 & 06 2026

D. DIRECTOR'S REPORTS & DISCUSSION

1. [2026-119](#) BDPI Grant Application- Mayes Drive and Utility Extension

E. BUSINESS

1. [2026-121](#) Maple Street Redevelopment Proposal
2. [2026-120](#) Lopau Second Addition Covenants Amendment

F. ADJOURNMENT

Staff Report

File #: 2026-66

Agenda Date: 7/13/2026

Agenda #: 1.

Approval of LEDA Regular Meeting Minutes - 05 11 2026

Announcement of Meeting
Economic Development Authority
Regular Meeting Minutes

Monday, May 11, 2026

8:00 AM

Council Chambers

A. CALL TO ORDER - ROLL CALL

Present Patrick Baustian, Ryan DeBates, Tara Zewiske, and Quinn Buss
Excused Kevin Aaker

A Regular Meeting of the Luverne Economic Development Authority was held in the Council Chambers, commencing at 8:00 AM.

Additional attendees include: City Administrator Jill Wolf, EDA Director Holly Sammons, Star Herald Editor Lori Sorenson, and Building Official Chad McClure.

B. APPROVAL OF MINUTES OF PRECEDING MEETING

1. LEDA - Regular Meeting - March 9, 2026

A motion was made by DeBates, seconded by Zewiske, that these LEDA Minutes be approved. The motion carried by the following vote:

Aye: Baustian, DeBates, Zewiske, and Buss

C. BILLS AND COMMUNICATIONS

1. Approval of Regular Department Payment Report - 03 & 04 2026

A motion was made by Zewiske, seconded by DeBates, that this LEDA Regular Department Payment Report be approved. The motion carried by the following vote:

Aye: Baustian, DeBates, Zewiske, and Buss

2. Approval of Financial Report - 03 & 04 2026

A motion was made by DeBates, seconded by Buss, that this LEDA Financial Report be approved. The motion carried by the following vote:

Aye: Baustian, DeBates, Zewiske, and Buss

D. DIRECTOR'S REPORTS & DISCUSSION

1. Maple Street Redevelopment

The City of Luverne is conveying six properties to the LEDA. The six properties are: 113 McKenzie St.; 117 McKenzie St.; 313 E. Maple St.; 315 E. Maple St.; 319 E. Maple St.; and 321 E. Maple St. The City acquired these properties (5 residential and 1 commercial) over a period of time between 2016-2021. The LEDA is equipped to determine the highest and best use of the parcels and to manage any future development in alignment with community objectives. The LEDA also has the authority to negotiate and manage development agreements, set project conditions, and guide responsible development.

Background

A housing development proposal was discussed at the February 10, 2026 City Council work session. Don Jahnke from Impresa Modular presented a housing development proposal for affordable housing on Maple St. The proposal includes a mix of duplexes, single-family homes, and town homes, and would offer a mix of rental and home ownership. Single family homes will have a foot print of over 800 square feet and cost between \$269,000 to \$289,000. Town homes will provide three-bedroom rental options, addressing a local market gap. The proposed development aims to add \$3.5 million to the local tax base.

Modular Construction Details

- Modular homes will be built to Minnesota code and offer energy efficiency
- Modular homes are built to Minnesota code with federal inspectors in the plant
- Energy efficiency is a focus, with options for radiant heating and mini splits
- Modular homes are constructed in controlled conditions, ensuring quality and efficiency
- Construction time is reduced as homes are built in the factory while site preparation occurs
- Modular homes are not to be confused with mobile homes; they are built to higher standards
- Modular homes can be delivered in 8-10 weeks after ordering
- Crane setup allows for quick assembly, with five houses set in two days

City's comprehensive plan and housing needs

- The proposal fits within the city's comprehensive plan and housing study needs
- The property is in a downtown zoning district and would require a conditional use permit process
- Replacing residential with residential is seen as a natural fit for the area
- The development would provide much-needed entry-level homes and rental options
- See pages 156-165 of Housing Demand Study
https://cms3.revize.com/revize/luvernemn/Documents/Department/Economic%20Development/Studies%20and%20Reports/2023_Luverne_Comprehensive_Housing_Study_FINAL.pdf

Potential Increase in Local Tax Base

The proposed development aims to add \$3.5 million to the local tax base

Building Official Chad McClure also stated that there currently isn't an inventory of property where interested parties can construct housing under 1300 sq. ft. outside of finding something on the private market.

DeBates asked about the vision for a Public Plaza as suggested by Roger Brooks. Sammons stated that the vision for the public plaza developed in 2019 was never formally presented to the council. The large-scale plan would require significant capital investment and ongoing maintenance, but no formal financial plan was presented. The City agreed to create a mini-plaza at the corner of Main St and McKenzie to serve the needs of summer events hosted by the Chamber & CVB. The City constructed a covered shelter and served it with power to provide a safe space for public events. McClure noted that some downtown property owners like to use the green space for their dogs. Buss suggested that additional locations along to Main Street could potentially better serve the downtown tourism needs if a different area could be redeveloped for a plaza in the future.

2. Lopau Second Addition Covenants

The Protective Covenants for Lopau Second Addition reference the establishment and powers of the Approving Authority (Article II, Section 201). It currently allows for each *lot* being entitled to one vote, which poses a potential problem when a twin home is developed on the lot and the homeowners need to share one vote. To clarify the legal interpretation, it is recommended to update the covenants to allow one vote per *dwelling*, and that the initial Approving Authority committee does not dissolve until 100% of the lots are sold by the EDA to keep uniform enforcement throughout the initial development of the addition. The Design and Quality Standards (Section 123) also states that no dwelling shall be erected which has gross livable floor area of less than 1300 square feet. With increasing construction costs and different trends in the housing market, the EDA may review and consider changing that requirement.

The board directed staff to put together a recommendation on amending the covenants to be less restrictive on the minimum square footage requirements, as well as changing the Approving Authority section as previously discussed.

E. BUSINESS

1. Motion to Approve Residential Demolition Grant Request - Leon Pick Trust - 109 W. Lincoln St.

Dan Pick and Julie Becker, Trustees of Leon Pick Trust, have submitted an

application for the Residential Demolition Grant Program for property at 109 W. Lincoln St.. Pick and Becker would like to demo the accessory structure on the southwest portion of the property to eliminate blight. Pick and Becker report that the structure is substandard, dilapidated, and beyond repair. Pick and Becker have submitted proper paperwork and meet all the requirements for a Residential Demolition grant for \$1500.

A motion was made by Zewiske, seconded by Buss, that this LEDA Business be approved. The motion carried by the following vote:

Aye: Baustian, DeBates, Zewiske, and Buss

F. ADJOURNMENT

A motion was made by Buss, seconded by DeBates, that this meeting be adjourned. The motion carried by the following vote:

Aye: Baustian, DeBates, Zewiske, and Buss

G. SIGNATURES

Patrick T. Baustian, President

Holly J. Sammons, EDA Director

Staff Report

File #: 2026-67

Agenda Date: 7/13/2026

Agenda #: 1.

Approval of Regular Department Payment Report - 05 & 06 2026

Payment Dates 5/7/2026 - 6/3/2026

Vendor Name	Payment Date	Post Date	Description (Item)	Account Number	Amount
Fund: 650 - EDA GENERAL OPERATIONS					
Tollefson Enterprises Inc	05/13/2026	04/30/2026	Advertising	650-46515-3351	99.00
Delta Dental of Minnesota	05/31/2026	05/08/2026	Pediatric Dental Insurance	650-21226	21.46
HealthPartners Inc	05/31/2026	05/08/2026	Employee Health Insurance	650-21226	285.66
HealthEquity	05/08/2026	05/08/2026	Employee HSA Contribution	650-21250	300.00
MissionSquare Retirement - 4...	05/08/2026	05/08/2026	Deferred Comp Contributions	650-21225	92.00
Public Employees Retirement	05/08/2026	05/08/2026	PERA Contributions	650-21224	532.22
MissionSquare Retirement - 4...	05/08/2026	05/08/2026	ROTH Contributions	650-21225	263.00
EFTPS-Federal	05/08/2026	05/08/2026	FICA WITHHOLDING	650-21223	396.12
EFTPS-State	05/08/2026	05/08/2026	STATE WITHHOLDING	650-21222	163.30
EFTPS-Federal	05/08/2026	05/08/2026	MEDICARE WITHHOLDING	650-21223	92.64
EFTPS-Federal	05/08/2026	05/08/2026	FED WITHHOLDING	650-21221	361.34
Verizon	05/21/2026	05/10/2026	Holly Sammons	650-46515-3321	50.48
Luverne City of	05/20/2026	05/11/2026	Interdepartmental Bills - April...	650-46515-3386	64.57
Luverne City of	05/20/2026	05/11/2026	Interdepartmental Bills - April...	650-46515-3386	31.30
Luverne City of	05/20/2026	05/11/2026	Interdepartmental Bills - April...	650-46515-3389	30.75
Luverne City of	05/20/2026	05/11/2026	Interdepartmental Bills - April...	650-46515-3389	47.25
Delta Dental of Minnesota	05/31/2026	05/22/2026	Pediatric Dental Insurance	650-21226	21.46
Delta Dental of Minnesota	05/22/2026	05/22/2026	Pediatric Dental Insurance	650-21226	128.83
HealthPartners Inc	05/31/2026	05/22/2026	Employee Health Insurance	650-21226	285.66
HealthPartners Inc	05/31/2026	05/22/2026	Employee Health Insurance	650-21226	1,713.97
HealthEquity	05/22/2026	05/22/2026	Employee HSA Contribution	650-21250	300.00
MissionSquare Retirement - 4...	05/22/2026	05/22/2026	Deferred Comp Contributions	650-21225	92.00
Public Employees Retirement	05/22/2026	05/22/2026	PERA Contributions	650-21224	532.22
MissionSquare Retirement - 4...	05/22/2026	05/22/2026	ROTH Contributions	650-21225	263.00
Blue Cross Blue Shield of Min...	05/22/2026	05/22/2026	Vision Insurance	650-21220	16.91
EFTPS-Federal	05/22/2026	05/22/2026	FICA WITHHOLDING	650-21223	394.02
EFTPS-State	05/22/2026	05/22/2026	STATE WITHHOLDING	650-21222	162.15
EFTPS-Federal	05/22/2026	05/22/2026	MEDICARE WITHHOLDING	650-21223	92.14
EFTPS-Federal	05/22/2026	05/22/2026	FED WITHHOLDING	650-21221	357.62
Fund 650 - EDA GENERAL OPERATIONS Total:					7,191.07
Grand Total:					7,191.07

Report Summary**Fund Summary**

Fund	Payment Amount
650 - EDA GENERAL OPERATIONS	<u>7,191.07</u>
Grand Total:	7,191.07

Account Summary

Account Number	Account Name	Payment Amount
650-21220	EDA Vision Plan Payable	16.91
650-21221	EDA Federal Withholding	718.96
650-21222	EDA State Withholding	325.45
650-21223	EDA FICA Withholding	974.92
650-21224	EDA Pera Withholding	1,064.44
650-21225	EDA Icmarc Withholding	710.00
650-21226	EDA Health Insurance	2,457.04
650-21250	HSA Payable	600.00
650-46515-3321	Telephone Charges	50.48
650-46515-3351	Printing & Publishing	99.00
650-46515-3386	Storm Sewer Utilities	95.87
650-46515-3389	Miscellaneous Utilities	<u>78.00</u>
Grand Total:		7,191.07

Project Account Summary

Project Account Key	Payment Amount
None	<u>7,191.07</u>
Grand Total:	7,191.07

EDA Report

By Fund

City of Luverne, MN

Payment Dates 6/3/2026 - 7/6/2026

Vendor Name	Payment Date	Post Date	Description (Item)	Account Number	Amount
Fund: 650 - EDA GENERAL OPERATIONS					
Kr8tiv Marketing & Design	07/06/2026	01/23/2026	Logo/Signage Program	650-46515-3349	1,350.00
Madison National Life Ins Co	06/05/2026	05/08/2026	Long-Term Disability Insurance	650-21231	16.35
Madison National Life Ins Co	06/05/2026	05/08/2026	MN Paid Leave Premiums	650-21226	29.66
Amazon Capital Services	06/03/2026	05/10/2026	250th Celebration	650-46515-3349	166.67
Amazon Capital Services	06/03/2026	05/18/2026	250th Celebration	650-46515-3349	20.89
Elan Financial Services	06/23/2026	05/19/2026	LEDA to Glammeier Lot 11 & ...	650-46515-3471	259.23
Quality Printing Inc	06/03/2026	05/21/2026	250th Celebration	650-46515-3349	347.96
Eisma & Eisma Attorneys at L...	06/03/2026	05/22/2026	Warranty Deed - Maple St Re...	650-46515-3471	225.00
Madison National Life Ins Co	06/05/2026	05/22/2026	Long-Term Disability Insurance	650-21231	16.35
Madison National Life Ins Co	06/05/2026	05/22/2026	Employee Life Insurance	650-21227	2.57
Madison National Life Ins Co	06/05/2026	05/22/2026	MN Paid Leave Premiums	650-21226	29.66
Bomgaars	06/25/2026	05/27/2026	250th Celebration	650-46515-3349	19.47
Sammons, Holly	06/10/2026	05/29/2026	EDAM Summer Conference	650-46515-3331	388.60
Elan Financial Services	06/23/2026	05/29/2026	EDAM 2026 Summer Confere...	650-46515-3331	445.00
Amazon Capital Services	06/03/2026	06/01/2026	250th Celebration	650-46515-3349	487.86
Amazon Capital Services	06/17/2026	06/03/2026	Credited Shipping Charges	650-46515-3349	-1.31
Amazon Capital Services	06/17/2026	06/03/2026	250th Celebration	650-46515-3349	33.29
Delta Dental of Minnesota	06/30/2026	06/05/2026	Pediatric Dental Insurance	650-21226	21.46
HealthPartners Inc	06/30/2026	06/05/2026	Employee Health Insurance	650-21226	285.66
HealthEquity	06/05/2026	06/05/2026	Employee HSA Contribution	650-21250	300.00
MissionSquare Retirement - 4...	06/05/2026	06/05/2026	Deferred Comp Contributions	650-21225	92.00
Public Employees Retirement	06/05/2026	06/05/2026	PERA Contributions	650-21224	532.22
MissionSquare Retirement - 4...	06/05/2026	06/05/2026	ROTH Contributions	650-21225	263.00
EFTPS-Federal	06/05/2026	06/05/2026	FICA WITHHOLDING	650-21223	396.12
EFTPS-State	06/05/2026	06/05/2026	STATE WITHHOLDING	650-21222	163.30
EFTPS-Federal	06/05/2026	06/05/2026	MEDICARE WITHHOLDING	650-21223	92.64
EFTPS-Federal	06/05/2026	06/05/2026	FED WITHHOLDING	650-21221	361.34
Amazon Capital Services	06/17/2026	06/08/2026	250th Celebration	650-46515-3349	179.95
Luverne City of	06/24/2026	06/09/2026	Interdepartmental Bills - May ...	650-46515-3381	24.48
Luverne City of	06/24/2026	06/09/2026	Interdepartmental Bills - May ...	650-46515-3386	31.30
Luverne City of	06/24/2026	06/09/2026	Interdepartmental Bills - May ...	650-46515-3386	64.57
Luverne City of	06/24/2026	06/09/2026	Interdepartmental Bills - May ...	650-46515-3389	47.25
Luverne City of	06/24/2026	06/09/2026	Interdepartmental Bills - May ...	650-46515-3389	30.75
Amazon Capital Services	06/17/2026	06/09/2026	250th Celebration	650-46515-3349	39.98
Amazon Capital Services	06/17/2026	06/10/2026	250th Celebration	650-46515-3349	25.98
Amazon Capital Services	06/24/2026	06/13/2026	250th Celebration	650-46515-3349	90.95
Luverne Area Chamber	07/06/2026	06/16/2026	1/2 Pg Etc Mag June-July Ed	650-46515-3349	450.00
SouthWest Excavating LLC	07/06/2026	06/17/2026	Demo Grant for 109 W Mead ...	650-46515-3486	3,000.00
Delta Dental of Minnesota	06/30/2026	06/18/2026	Pediatric Dental Insurance	650-21226	21.46
Delta Dental of Minnesota	06/18/2026	06/18/2026	Pediatric Dental Insurance	650-21226	128.83
HealthPartners Inc	06/30/2026	06/18/2026	Employee Health Insurance	650-21226	285.66
HealthPartners Inc	06/30/2026	06/18/2026	Employee Health Insurance	650-21226	1,713.97
HealthEquity	06/18/2026	06/18/2026	Employee HSA Contribution	650-21250	300.00
MissionSquare Retirement - 4...	06/18/2026	06/18/2026	Deferred Comp Contributions	650-21225	92.00
Public Employees Retirement	06/18/2026	06/18/2026	PERA Contributions	650-21224	532.22
MissionSquare Retirement - 4...	06/18/2026	06/18/2026	ROTH Contributions	650-21225	263.00
Blue Cross Blue Shield of Min...	06/18/2026	06/18/2026	Vision Insurance	650-21220	16.91
EFTPS-Federal	06/18/2026	06/18/2026	FICA WITHHOLDING	650-21223	394.02
EFTPS-State	06/18/2026	06/18/2026	STATE WITHHOLDING	650-21222	162.15
EFTPS-Federal	06/18/2026	06/18/2026	MEDICARE WITHHOLDING	650-21223	92.14
EFTPS-Federal	06/18/2026	06/18/2026	FED WITHHOLDING	650-21221	357.62
Amazon Capital Services	06/25/2026	06/22/2026	250th Celebration	650-46515-3349	61.80
HealthEquity	07/03/2026	07/03/2026	Employee HSA Contribution	650-21250	300.00

EDA Report

Payment Dates: 6/3/2026 - 7/6/2026

Vendor Name	Payment Date	Post Date	Description (Item)	Account Number	Amount
MissionSquare Retirement - 4...	07/03/2026	07/03/2026	Deferred Comp Contributions	650-21225	92.00
Public Employees Retirement	07/03/2026	07/03/2026	PERA Contributions	650-21224	532.22
MissionSquare Retirement - 4...	07/03/2026	07/03/2026	ROTH Contributions	650-21225	263.00
MEDSURETY LLC	07/03/2026	07/03/2026	HRA Employer Contribution	650-21250	1,875.00
EFTPS-Federal	07/03/2026	07/03/2026	FICA WITHHOLDING	650-21223	396.12
EFTPS-State	07/03/2026	07/03/2026	STATE WITHHOLDING	650-21222	163.30
EFTPS-Federal	07/03/2026	07/03/2026	MEDICARE WITHHOLDING	650-21223	92.64
EFTPS-Federal	07/03/2026	07/03/2026	FED WITHHOLDING	650-21221	361.34
Fund 650 - EDA GENERAL OPERATIONS Total:					18,827.60
Fund: 663 - CWG/TCI BLDGS OPER					
Climate Systems Inc	06/24/2026	06/09/2026	Worked on Climate Control/A...	663-46515-2223	1,912.88
Fund 663 - CWG/TCI BLDGS OPER Total:					1,912.88
Grand Total:					20,740.48

Report Summary

Fund Summary

Fund	Payment Amount
650 - EDA GENERAL OPERATIONS	18,827.60
663 - CWG/TCI BLDGS OPER	1,912.88
Grand Total:	20,740.48

Account Summary

Account Number	Account Name	Payment Amount
650-21220	EDA Vision Plan Payable	16.91
650-21221	EDA Federal Withholding	1,080.30
650-21222	EDA State Withholding	488.75
650-21223	EDA FICA Withholding	1,463.68
650-21224	EDA Pera Withholding	1,596.66
650-21225	EDA Icmarc Withholding	1,065.00
650-21226	EDA Health Insurance	2,516.36
650-21227	EDA Life Insurance	2.57
650-21231	EDA Long Term Disability...	32.70
650-21250	HSA Payable	2,775.00
650-46515-3331	Travel, Meals, Lodging &...	833.60
650-46515-3349	Advertising	3,273.49
650-46515-3381	Electric Utilities	24.48
650-46515-3386	Storm Sewer Utilities	95.87
650-46515-3389	Miscellaneous Utilities	78.00
650-46515-3471	Abstracts, Recording fee,...	484.23
650-46515-3486	Demolition - Residential	3,000.00
663-46515-2223	Building Maintenance	1,912.88
Grand Total:		20,740.48

Project Account Summary

Project Account Key	Payment Amount
None	20,740.48
Grand Total:	20,740.48

Staff Report

File #: 2026-68

Agenda Date: 7/13/2026

Agenda #: 2.

Approval of Financial Report - 05 & 06 2026

EDA Financial Summary for:
May 31, 2026

Preliminary

Account Number:		General Operation 650 2026	General Operations 650	Veterans & Evergreen Addn Lots 653	Sybesma Subd Lots 654	Industrial Park 656	Manfred Heights Subd 657	Uithoven Lots 658	CWG/TCI Bldg Operating 663	Minnwest TIF #17 670	Econ Dev Revolv Loan 680	Downtown SCDP Grant 681	RBEG Revolving Loan 683	SCDP Local Income 685	TOTAL ALL EDA OPERATIONS
11110	Cash in Bank		290,285.25	82,827.07	14,396.92	275,919.59	196,605.17	235,377.08	269,717.92	3,711.99	27,815.39	-	174,858.33	245,014.81	1,816,529.52
11111	Cash-Replacement Reserve		-	-	-	-	-	-	6,758.36	-	-	-	-	-	6,758.36
11801	Lease Receivables		-	-	-	-	-	-	58,123.00	-	-	-	-	-	58,123.00
12121	Taxes Receivable		-	-	-	-	-	-	-	10.96	-	-	-	-	10.96
12320	Investment Interest Receivable		199.31	46.59	11.59	206.27	68.62	161.61	172.82	2.98	64.49	-	138.64	194.22	1,267.14
12322	Loan Interest Receivable		41.96	-	-	-	-	-	-	-	38.07	-	-	-	80.03
12611	Accounts Receivable		922.88	-	-	-	-	-	-	-	1,086.15	-	416.65	-	2,425.68
12687	Program Income Loan-Rock Manor		-	-	-	-	-	-	-	-	-	10,000.00	-	-	10,000.00
12742	Rock River Apothecary RBEG Loan		-	-	-	-	-	-	-	-	-	-	4,333.36	-	4,333.36
12743	Luverne Counseling RBEG Loan		-	-	-	-	-	-	-	-	-	-	-	-	-
12744	Big Top Tent RBEG Loan		-	-	-	-	-	-	-	-	-	-	-	-	-
12745	Opitz RBEG		-	-	-	-	-	-	-	-	-	-	166.86	-	166.86
12746	V & D Properties RBEG Loan		-	-	-	-	-	-	-	-	-	-	833.50	-	833.50
12747	Novo Aesthetics RBEG Loan		-	-	-	-	-	-	-	-	-	-	833.50	-	833.50
12748	Swenson Scrapping RBEG Loan		-	-	-	-	-	-	-	-	-	-	1,166.82	-	1,166.82
12756	Opitz Prop Gap Loan		4,078.87	-	-	-	-	-	-	-	-	-	-	-	4,078.87
12762	Schomacker GAP Loan		12,963.87	-	-	-	-	-	-	-	-	-	-	-	12,963.87
12763	ATLAS GAP Loan		12,964.22	-	-	-	-	-	-	-	-	-	-	-	12,964.22
12764	Big Top Tent GAP Loan		12,963.87	-	-	-	-	-	-	-	-	-	-	-	12,963.87
12834	Ben Franklin Lodge Façade Loan		-	-	-	-	-	-	-	-	538.01	-	-	-	538.01
12836	Loan Rec - Cleveringa Construction		-	-	-	-	-	53,131.96	-	-	-	-	-	-	53,131.96
12836	Prairie Water Solutions LLC Façade Loan		-	-	-	-	-	-	-	-	14,362.88	-	-	-	14,362.88
12847	Arcade Building Façade Impr Loan		-	-	-	-	-	-	-	-	17,156.80	-	-	-	17,156.80
12854	Mike Cox Façade Impr Loan		-	-	-	-	-	-	-	-	-	-	-	-	-
12856	Luverne Counseling Façade Loan		-	-	-	-	-	-	-	-	4,977.27	-	-	-	4,977.27
16110	Land		-	12,761.92	6,624.45	476,045.32	68,750.00	77,405.00	20,680.00	-	-	-	-	-	662,266.69
16210	Buildings		-	-	-	-	-	-	2,529,800.22	-	-	-	-	-	2,529,800.22
16290	Accum Deprec - Bldgs		-	-	-	-	-	-	(1,838,320.19)	-	-	-	-	-	(1,838,320.19)
16310	Improvements		-	-	-	-	-	-	21,891.11	-	-	-	-	-	21,891.11
16390	Accum Deprec - Impr		-	-	-	-	-	-	(21,891.11)	-	-	-	-	-	(21,891.11)
16410	Machinery & Equipment		-	-	-	-	-	-	5,835.38	-	-	-	-	-	5,835.38
16490	Accum Deprec - Mach & Eq		-	-	-	-	-	-	(5,835.38)	-	-	-	-	-	(5,835.38)
Total Assets:			334,420.23	95,635.58	21,032.96	752,171.18	265,423.79	366,075.65	1,046,932.13	3,725.93	66,039.06	10,000.00	182,747.66	245,209.03	3,389,413.20
21120	Accounts Payable		379.11	-	-	-	-	-	-	-	-	-	-	-	379.11
21732	Deferred Revenue - Taxes		-	-	-	-	-	-	-	10.96	-	-	-	-	10.96
Equity:															
26130	Contributions from Rock County		-	-	-	-	-	-	10,680.00	-	-	-	-	-	10,680.00
26150	Contributions from Others		-	-	-	-	377,852.51	-	500,000.00	-	-	-	-	-	877,852.51
26503	Reserved for Debt Service		-	95,635.58	21,084.16	-	(153,249.92)	-	547,279.74	3,714.97	89,431.58	-	-	-	603,896.11
26508	Reserved for Econ Devel		208,071.21	-	-	752,599.18	-	-	-	-	-	10,000.00	182,747.66	245,209.03	1,398,627.08
26609	Committed for Lot Development		-	-	-	-	-	366,075.65	-	-	-	-	-	-	366,075.65
26711	Revenue Control		216,629.36	-	70.80	-	40,821.20	-	40,000.00	-	909.71	-	-	-	298,431.07
26721	Expense Control		(90,660.06)	-	(122.00)	(428.00)	-	-	(51,027.61)	-	(24,302.23)	-	-	-	(166,539.90)
Total Liabilities & Equity			334,420.23	95,635.58	21,032.96	752,171.18	265,423.79	366,075.65	1,046,932.13	3,725.93	66,039.06	10,000.00	182,747.66	245,209.03	3,389,413.20

EDA Financial Summary for:
May 31, 2026

Preliminary

Account Number:	General Operation 650 2026	General Operations 650	Veterans & Evergreen Addn Lots 653	Sybesma Subd Lots 654	Industrial Park 656	Manfred Heights Subd 657	Ulthoven Lots 658	CWG/TCI Bldg Operating 663	Minnwest TIF #17 670	Econ Dev Revolv Loan 680	Downtown SCDP Grant 681	RBEG Revolving Loan 683	SCDP Local Income 685	TOTAL ALL EDA OPERATIONS
31110 Current Ad Valorem Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31120 Delinquent Ad Valorem Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31166 Tax Increments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32213 Historic Facade Application Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34403 Community Garden Revenue	-	720.00	-	-	-	-	-	-	-	-	-	-	-	720.00
36211 Interest Earnings - Regular	3,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-
36212 Interest on RBEG Loans	-	80.09	-	-	-	-	-	-	-	909.71	-	-	-	989.80
36217 Interest on Loans	1,206.00	379.27	-	-	-	-	-	-	-	-	-	-	-	379.27
36305 Rental Income	-	-	-	-	-	-	-	40,000.00	-	-	-	-	-	40,000.00
36599 Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37810 Lot Sales	-	-	-	-	-	40,592.00	-	-	-	-	-	-	-	40,592.00
38300 Property Rental	-	-	-	70.80	-	229.20	-	-	-	-	-	-	-	300.00
39231 Transfer in for Local Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39304 Contribution from Primary Government	215,450.00	215,450.00	-	-	-	-	-	-	-	-	-	-	-	215,450.00
39997 Contribution from Primary Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	219,656.00	216,629.36	-	70.80	-	40,821.20	-	40,000.00	-	909.71	-	-	-	298,431.07
1101 Full-Time Employees	97,371.00	54,007.15	-	-	-	-	-	-	-	-	-	-	-	54,007.15
1112 Longevity Pay	500.00	-	-	-	-	-	-	-	-	-	-	-	-	-
1121 PERA	7,303.00	3,075.53	-	-	-	-	-	-	-	-	-	-	-	3,075.53
1122 FICA	7,887.00	3,706.20	-	-	-	-	-	-	-	-	-	-	-	3,706.20
1131 Health Insurance	21,900.00	9,190.94	-	-	-	-	-	-	-	-	-	-	-	9,190.94
1133 Health Insurance - H S A	3,750.00	1,875.00	-	-	-	-	-	-	-	-	-	-	-	1,875.00
1135 Life Insurance	50.00	9.46	-	-	-	-	-	-	-	-	-	-	-	9.46
1151 Worker's Comp Insurance Premium	300.00	249.83	-	-	-	-	-	-	-	-	-	-	-	249.83
2209 Misc Office Supplies	400.00	-	-	-	-	-	-	-	-	-	-	-	-	-
2223 Building Maintenance	-	-	-	-	-	-	-	3,233.75	-	-	-	-	-	3,233.75
2261 General Supplies	5,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3303 Engineering Fees	5,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3304 Legal Fees	5,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3307 Management/Reporting Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3312 Contractual Services	15,995.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3321 Telephone	1,500.00	225.00	-	-	-	-	-	-	-	-	-	-	-	225.00
3322 Postage	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3331 Travel, Meals, Lodging & Training	3,000.00	630.82	-	-	-	-	-	-	-	-	-	-	-	630.82
3349 Miscellaneous Advertising	20,000.00	7,161.78	-	-	-	-	-	-	-	-	-	-	-	7,161.78
3351 Publishing & Printing	3,500.00	99.00	-	-	-	-	-	-	-	-	-	-	-	99.00
3361 General Liability Insurance	500.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3381 Electric Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3386 Storm Sewer Utilities	1,300.00	479.35	-	-	-	-	-	-	-	-	-	-	-	479.35
3389 Miscellaneous Utilities	1,300.00	390.00	-	-	-	-	-	-	-	-	-	-	-	390.00
3421 Depreciation Expense	-	-	-	-	-	-	-	31,406.00	-	-	-	-	-	31,406.00
3447 Community Garden Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3471 Abstracts, Deed Tax, Etc	5,000.00	1,812.00	-	-	-	-	-	-	-	-	-	-	-	1,812.00
3484 Demolition - Commercial	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3486 Demolition - Residential	3,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3491 Dues & Subscriptions	1,000.00	432.50	-	-	-	-	-	-	-	-	-	-	-	432.50
3493 Books & Pamphlets	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3497 Licenses & Taxes	1,500.00	315.50	-	122.00	428.00	-	-	-	-	-	-	-	-	865.50
3499 Misc Expenditures/Expenses	500.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3506 LIFT Comm Devel Assistance	7,000.00	7,000.00	-	-	-	-	-	-	-	-	-	-	-	7,000.00
5528 Building Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6612 Other Long-Term Oblig Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7214 Facade Improvement Grant	-	-	-	-	-	-	-	-	-	24,302.23	-	-	-	24,302.23
7768 Transfer to Local Income 685	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7769 Transfer to EDA RLF 680	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46516 TCI Building	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2223 Building Maintenance	-	-	-	-	-	-	-	16,387.86	-	-	-	-	-	16,387.86
Total Expenses	219,656.00	90,660.06	-	122.00	428.00	-	-	51,027.61	-	24,302.23	-	-	-	166,539.90
Revenue over Expense	-	125,969.30	-	(51.20)	(428.00)	40,821.20	-	(11,027.61)	-	(23,392.52)	-	-	-	131,891.17

EDA Financial Summary for:
June 30, 2026

Preliminary

Account Number:	General Operation 650 2026	General Operations 650	Veterans & Evergreen Addn Lots 653	Sybesma Subd Lots 654	Industrial Park 656	Manfred Heights Subd 657	Uithoven Lots 658	CWG/TCI Bldg Operating 663	Minnwest TIF #17 670	Econ Dev Revolv Loan 680	Downtown SCDP Grant 681	RBEG Revolving Loan 683	SCDP Local Income 685	TOTAL ALL EDA OPERATIONS
11110 Cash in Bank		277,688.65	82,827.07	14,396.92	275,919.59	196,605.17	235,377.08	287,805.04	3,713.30	28,901.54	-	174,858.33	245,014.81	1,823,107.50
11111 Cash-Replacement Reserve		-	-	-	-	-	-	6,758.36	-	-	-	-	-	6,758.36
11801 Lease Receivables		-	-	-	-	-	-	58,123.00	-	-	-	-	-	58,123.00
12121 Taxes Receivable		-	-	-	-	-	-	-	10.96	-	-	-	-	10.96
12320 Investment Interest Receivable		199.31	46.59	11.59	206.27	68.62	161.61	172.82	2.98	64.49	-	138.64	194.22	1,267.14
12322 Loan Interest Receivable		41.96	-	-	-	-	-	-	-	38.07	-	-	-	80.03
12611 Accounts Receivable		922.88	-	-	-	-	-	-	-	1,086.15	-	416.65	-	2,425.68
12687 Program Income Loan-Rock Manor		-	-	-	-	-	-	-	-	-	10,000.00	-	-	10,000.00
12742 Rock River Apothecary RBEG Loan		-	-	-	-	-	-	-	-	-	-	4,333.36	-	4,333.36
12743 Luverne Counseling RBEG Loan		-	-	-	-	-	-	-	-	-	-	-	-	-
12744 Big Top Tent RBEG Loan		-	-	-	-	-	-	-	-	-	-	-	-	-
12745 Opitz RBEG		-	-	-	-	-	-	-	-	-	-	166.86	-	166.86
12746 V & D Properties RBEG Loan		-	-	-	-	-	-	-	-	-	-	833.50	-	833.50
12747 Novo Aesthetics RBEG Loan		-	-	-	-	-	-	-	-	-	-	833.50	-	833.50
12748 Swenson Scrapping RBEG Loan		-	-	-	-	-	-	-	-	-	-	1,166.82	-	1,166.82
12756 Opitz Prop Gap Loan		3,855.46	-	-	-	-	-	-	-	-	-	-	-	3,855.46
12762 Schomacker GAP Loan		12,754.59	-	-	-	-	-	-	-	-	-	-	-	12,754.59
12763 ATLAS GAP Loan		12,754.94	-	-	-	-	-	-	-	-	-	-	-	12,754.94
12764 Big Top Tent GAP Loan		12,754.59	-	-	-	-	-	-	-	-	-	-	-	12,754.59
12834 Ben Franklin Lodge Façade Loan		-	-	-	-	-	-	-	-	268.79	-	-	-	268.79
12836 Loan Rec - Cleveringa Construction		-	-	-	-	-	53,131.96	-	-	-	-	-	-	53,131.96
12836 Prairie Water Solutions LLC Façade Loan		-	-	-	-	-	-	-	-	14,118.36	-	-	-	14,118.36
12847 Arcade Building Façade Impr Loan		-	-	-	-	-	-	-	-	16,955.07	-	-	-	16,955.07
12854 Mike Cox Façade Impr Loan		-	-	-	-	-	-	-	-	-	-	-	-	-
12856 Luverne Counseling Façade Loan		-	-	-	-	-	-	-	-	4,716.87	-	-	-	4,716.87
16110 Land		-	12,761.92	6,624.45	476,045.32	68,750.00	77,405.00	20,680.00	-	-	-	-	-	662,266.69
16210 Buildings		-	-	-	-	-	-	2,529,800.22	-	-	-	-	-	2,529,800.22
16290 Accum Deprec - Bldgs		-	-	-	-	-	-	(1,844,601.39)	-	-	-	-	-	(1,844,601.39)
16310 Improvements		-	-	-	-	-	-	21,891.11	-	-	-	-	-	21,891.11
16390 Accum Deprec - Impr		-	-	-	-	-	-	(21,891.11)	-	-	-	-	-	(21,891.11)
16410 Machinery & Equipment		-	-	-	-	-	-	5,835.38	-	-	-	-	-	5,835.38
16490 Accum Deprec - Mach & Eq		-	-	-	-	-	-	(5,835.38)	-	-	-	-	-	(5,835.38)
Total Assets:		320,972.38	95,635.58	21,032.96	752,171.18	265,423.79	366,075.65	1,058,738.05	3,727.24	66,149.34	10,000.00	182,747.66	245,209.03	3,387,882.86
21120 Accounts Payable		4,643.59	-	-	-	-	-	-	-	-	-	-	-	4,643.59
21732 Deferred Revenue - Taxes		-	-	-	-	-	-	-	10.96	-	-	-	-	10.96
Equity:														
26130 Contributions from Rock County		-	-	-	-	-	-	10,680.00	-	-	-	-	-	10,680.00
26150 Contributions from Others		-	-	-	-	377,852.51	-	500,000.00	-	-	-	-	-	877,852.51
26503 Reserved for Debt Service		-	95,635.58	21,084.16	-	(153,249.92)	-	547,279.74	3,714.97	89,431.58	-	-	-	603,896.11
26508 Reserved for Econ Devel		208,071.21	-	-	752,599.18	-	-	-	-	-	10,000.00	182,747.66	245,209.03	1,398,627.08
26609 Committed for Lot Development		-	-	-	-	-	366,075.65	-	-	-	-	-	-	366,075.65
26711 Revenue Control		216,700.99	-	70.80	-	40,821.20	-	60,000.00	1.31	1,019.99	-	-	-	318,614.29
26721 Expense Control		(108,444.02)	-	(122.00)	(428.00)	-	-	(59,221.69)	-	(24,302.23)	-	-	-	(192,517.94)
Total Liabilities & Equity		320,972.38	95,635.58	21,032.96	752,171.18	265,423.79	366,075.65	1,058,738.05	3,727.24	66,149.34	10,000.00	182,747.66	245,209.03	3,387,882.86

EDA Financial Summary for:
June 30, 2026

Preliminary

Account Number:	General Operation 650 2026	General Operations 650	Veterans & Evergreen Addn Lots 653	Sybesma Subd Lots 654	Industrial Park 656	Manfred Heights Subd 657	Uithoven Lots 658	CWG/TCI Bldg Operating 663	Minnwest TIF #17 670	Econ Dev Revolv Loan 680	Downtown SCDP Grant 681	RBEG Revolving Loan 683	SCDP Local Income 685	TOTAL ALL EDA OPERATIONS
31110 Current Ad Valorem Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31120 Delinquent Ad Valorem Taxes	-	-	-	-	-	-	-	-	1.31	-	-	-	-	1.31
31166 Tax Increments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32213 Historic Facade Application Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34403 Community Garden Revenue	-	720.00	-	-	-	-	-	-	-	-	-	-	-	720.00
36211 Interest Earnings - Regular	3,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-
36212 Interest on RBEG Loans	-	80.09	-	-	-	-	-	-	-	1,019.99	-	-	-	1,100.08
36217 Interest on Loans	1,206.00	450.90	-	-	-	-	-	-	-	-	-	-	-	450.90
36305 Rental Income	-	-	-	-	-	-	-	60,000.00	-	-	-	-	-	60,000.00
36599 Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37810 Lot Sales	-	-	-	-	-	40,592.00	-	-	-	-	-	-	-	40,592.00
38300 Property Rental	-	-	-	70.80	-	229.20	-	-	-	-	-	-	-	300.00
39231 Transfer in for Local Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39304 Contribution from Primary Government	215,450.00	215,450.00	-	-	-	-	-	-	-	-	-	-	-	215,450.00
39997 Contribution from Primary Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	219,656.00	216,700.99	-	70.80	-	40,821.20	-	60,000.00	1.31	1,019.99	-	-	-	318,614.29
1101 Full-Time Employees	97,371.00	61,610.35	-	-	-	-	-	-	-	-	-	-	-	61,610.35
1112 Longevity Pay	500.00	-	-	-	-	-	-	-	-	-	-	-	-	-
1121 PERA	7,303.00	3,645.77	-	-	-	-	-	-	-	-	-	-	-	3,645.77
1122 FICA	7,887.00	4,193.66	-	-	-	-	-	-	-	-	-	-	-	4,193.66
1131 Health Insurance	21,900.00	11,063.40	-	-	-	-	-	-	-	-	-	-	-	11,063.40
1133 Health Insurance - H S A	3,750.00	1,875.00	-	-	-	-	-	-	-	-	-	-	-	1,875.00
1135 Life Insurance	50.00	11.39	-	-	-	-	-	-	-	-	-	-	-	11.39
1151 Worker's Comp Insurance Premium	300.00	249.83	-	-	-	-	-	-	-	-	-	-	-	249.83
2209 Misc Office Supplies	400.00	-	-	-	-	-	-	-	-	-	-	-	-	-
2223 Building Maintenance	-	-	-	-	-	-	-	5,146.63	-	-	-	-	-	5,146.63
2261 General Supplies	5,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3303 Engineering Fees	5,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3304 Legal Fees	5,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3307 Management/Reporting Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3312 Contractual Services	15,995.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3321 Telephone	1,500.00	219.52	-	-	-	-	-	-	-	-	-	-	-	219.52
3322 Postage	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3331 Travel, Meals, Lodging & Training	3,000.00	1,464.42	-	-	-	-	-	-	-	-	-	-	-	1,464.42
3349 Miscellaneous Advertising	20,000.00	9,899.75	-	-	-	-	-	-	-	-	-	-	-	9,899.75
3351 Publishing & Printing	3,500.00	99.00	-	-	-	-	-	-	-	-	-	-	-	99.00
3361 General Liability Insurance	500.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3381 Electric Utilities	-	24.48	-	-	-	-	-	-	-	-	-	-	-	24.48
3386 Storm Sewer Utilities	1,300.00	575.22	-	-	-	-	-	-	-	-	-	-	-	575.22
3389 Miscellaneous Utilities	1,300.00	468.00	-	-	-	-	-	-	-	-	-	-	-	468.00
3421 Depreciation Expense	-	-	-	-	-	-	-	37,687.20	-	-	-	-	-	37,687.20
3447 Community Garden Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3471 Abstracts, Deed Tax, Etc	5,000.00	2,296.23	-	-	-	-	-	-	-	-	-	-	-	2,296.23
3484 Demolition - Commercial	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3486 Demolition - Residential	3,000.00	3,000.00	-	-	-	-	-	-	-	-	-	-	-	3,000.00
3491 Dues & Subscriptions	1,000.00	432.50	-	-	-	-	-	-	-	-	-	-	-	432.50
3493 Books & Pamphlets	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3497 Licenses & Taxes	1,500.00	315.50	-	122.00	428.00	-	-	-	-	-	-	-	-	865.50
3499 Misc Expenditures/Expenses	500.00	-	-	-	-	-	-	-	-	-	-	-	-	-
3506 LIFT Comm Devel Assistance	7,000.00	7,000.00	-	-	-	-	-	-	-	-	-	-	-	7,000.00
5528 Building Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6612 Other Long-Term Oblig Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7214 Façade Improvement Grant	-	-	-	-	-	-	-	-	-	24,302.23	-	-	-	24,302.23
7768 Transfer to Local Income 685	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7769 Transfer to EDA RLF 680	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46516 TCI Building	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2223 Building Maintenance	-	-	-	-	-	-	-	16,387.86	-	-	-	-	-	16,387.86
Total Expenses	219,656.00	108,444.02	-	122.00	428.00	-	-	59,221.69	-	24,302.23	-	-	-	192,517.94
Revenue over Expense	-	108,256.97	-	(51.20)	(428.00)	40,821.20	-	778.31	1.31	(23,282.24)	-	-	-	126,096.35

Staff Report

File #: 2026-119

Agenda Date: 7/13/2026

Agenda #: 1.

BDPI Grant Application- Mayes Drive and Utility Extension

The City of Luverne recently submitted an application to the Minnesota Department of Employment and Economic Development (DEED) for funding through the Business Development Public Infrastructure (BDPI) Grant Program. The application requests funding to construct the public infrastructure necessary to support the proposed development of Luv Modular, LLC, a new modular housing manufacturing facility in the Luverne Industrial Park.

The proposed project includes extending Mayes Drive approximately 1,550 feet south and west from its current termination point near West Koehn Avenue. The roadway will be constructed as a 36-foot-wide industrial street with 8-inch Portland Cement Concrete (PCC) pavement designed to accommodate heavy industrial traffic and provide long-term durability. The project also includes approximately 800 feet of 10-inch sanitary sewer, 850 feet of 12-inch water main, storm sewer infrastructure, and subdrain systems necessary to provide access and utility service to the development site while supporting future industrial growth within the industrial park.

The total estimated cost of the public infrastructure improvements is \$1,766,640. The City is requesting \$830,820 in BDPI funding and has committed \$935,820 in local matching funds. This local investment demonstrates the City's commitment to supporting business growth and expanding economic opportunities within the community.

Luv Modular has committed to constructing a 117,600-square-foot modular housing manufacturing facility on approximately 17 acres, along with a 4,000-square-foot maintenance and storage building on an adjacent 1.5-acre parcel. The company manufactures high-performance, net-zero-ready modular housing designed for the multifamily housing market. The project represents approximately \$39.6 million in private capital investment and is expected to create up to 75 new jobs. Construction is anticipated to begin during the fourth quarter of 2026, with completion expected by the fourth quarter of 2027.

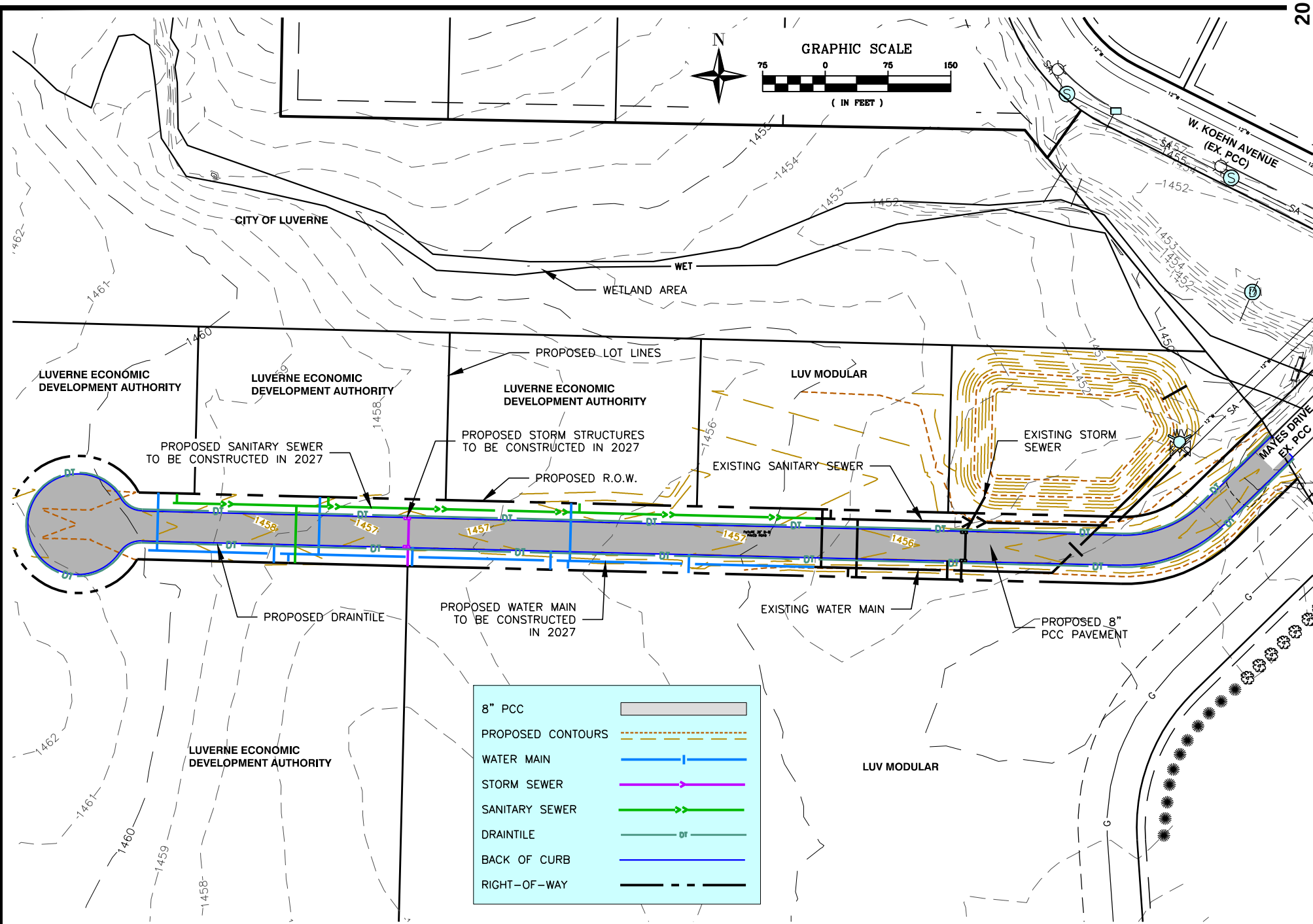
The Estimated Market Value of the proposed building on the large parcel is \$17,071,700 with annual estimated property taxes of \$447,905. The Estimated Market Value of the second building on the smaller parcel is \$222,200 with annual estimated property taxes of \$4288.

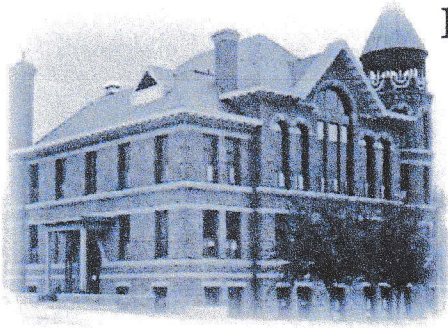
The requested public infrastructure is essential for this project to move forward. The development site currently lacks the roadway and utility infrastructure necessary to support industrial development. Without these public improvements, the proposed manufacturing facility cannot be constructed. In addition to serving Luv Modular, the infrastructure has been designed to support future industrial development throughout the remaining acreage of the industrial park, making additional sites development-ready and increasing the City's ability to attract future employers.

Additional preliminary site work is expected to happen this fall in order to provide temporary access to the site prior to Luv Modular's construction project. The scope of work includes constructing a 12"

aggregate subbase and establishing a temporary rock construction entrance, installing a detention outlet control structure and storm intakes, and extending sanitary sewer and water to the property line to meet the short-term construction needs.

This project aligns well with the objectives of the BDPI program by providing publicly owned infrastructure that directly supports a qualified manufacturing project. If awarded, the grant will leverage nearly \$40 million in private investment while expanding the City's industrial tax base, creating new employment opportunities, and positioning the Luverne Industrial Park for continued long-term growth. The application has now been submitted and is under review by DEED. If awarded, the project would be bid and awarded in early 2027.





ROCK COUNTY LAND RECORDS OFFICE

204 E. Brown Street P.O. Box 509

Luverne, MN 56156-0509

PHONE: 507-283-5022 FAX: 507-283-1343

EMAIL: Rachel.Jacobs@co.rock.mn.us

Rachel Jacobs, S.A.M.A

Land Records Director

May 18, 2026

Holly Sammons
Economic Development Director
City of Luverne
305 East Luverne Street
Luverne, MN 56156

RE: LUV MODULAR

Dear Holly,

As requested, I am responding to you to quantify the potential tax impact of the construction of a new building for Luv Modular on Lot 1 of Block 1 of Mayes Addition to the City of Luverne. Currently, Parcel ID 20-2131-000, the site of the new construction project, is a vacant lot that has an Estimated Market Value of \$642,200 and generates \$0.00 in annual real estate taxes due to being owned by the Luverne Economic Development Authority.

After the transfer of title on land to split the parcel into different lots and after construction, the Estimated Market Value is as follows for each parcel:

Parcel #1, Building #1

Estimated Market Value of \$17,071,700 with Annual Estimated Property Taxes of \$447,905.00.

Parcel #2, Building #2

Estimated Market Value of \$222,200 with Annual Estimated Property Taxes of \$4,288.00.

This construction project will increase the community's tax base and contribute to the overall development of the Industrial Park area within the City of Luverne.

Sincerely,

Rachel Jacobs
Land Records Director
Rock County

2026 ESTIMATED MODULAR PRODUCTION - LUV MODULAR

FACILITY: LUV MODULAR
CITY: LUVERNE
COUNTY: ROCK
MANAGER:

DATE: 5/18/2026
PAGE: 1 OF 1
PARCEL NUMBER: 20-2131-000A

YEAR BUILT	STRUCTURES:	L		W		H	AREA	GROSS RATE	PHY DEP %	FUN DEP %	NET RATE	ESTIMATED MARKET VALUE
2026	MODULAR PRODUCTION AREA	250	x	400	x		100,000 SF	\$105.00	0	0	\$105.00	\$10,500,000
2026	MEZZANINE WITHIN PRODUCTION AREA		x		x		39,000 SF	\$28.00	0	0	\$28.00	\$1,092,000
			x		x							
2026	SIPS PRODUCTION AREA	90	x	240	x		21,600 SF	\$90.00	0	0	\$90.00	\$1,944,000
			x		x							
2026	OFFICE - GROUND LEVEL (FINISHED)		x		x		6,080 SF	\$203.00	0	0	\$203.00	\$1,234,240
2026	OFFICE - UPPER LEVEL (FINISHED)		x		x		6,080 SF	\$203.00	0	0	\$203.00	\$1,234,240
			x		x							
	CONCRETE AREAS FOR STAFF PARKING??		x		x		SF		0	0	\$0.00	\$0
	APRONS AROUND BUILDING??		x		x		SF		0	0	\$0.00	\$0
	FENCING??		x		x		SF		0	0	\$0.00	\$0
			x		x		SF		0	0	\$0.00	\$0
			x		x		SF		0	0	\$0.00	\$0
			x		x		SF		0	0	\$0.00	\$0
			x		x		SF		0	0	\$0.00	\$0
	TOTAL BUILDING SIZE						172,760 SF					
TOTAL GROSS EMV:												\$16,004,480

ECONOMIC OBSOLESCENCE FACTORS CONSIDERED:

0 \$0

TOTAL EMV LESS ADJUSTMENTS: \$16,004,480

NEW CONSTRUCTION LEVEL OF ASSESSEMENT
(BROOKINGS CLASS C MULTIPLIER):

\$16,004,480 X 1 % = \$16,004,480

ESTIMATED MARKET VALUE - BUILDINGS: \$16,004,500

ESTIMATED MARKET VALUE - LAND: ESTIMATED 24.5 ACRES = 1,067,220 SF \$1,067,200

TOTAL ESTIMATED MARKET VALUE: \$17,071,700

COUNTY ASSESSOR
INSPECTION DATE

RACHEL JACOBS
ESTIMATION BASED ON SKETCHES/NEVER INSPECTED

THERE ARE MANY FACTORS OF THIS BUILDING THAT WERE NOT ADDRESSED IN THE INFORMATION GIVEN.
NO HEIGHTS OF BUILDINGS, NO EXTERIOR IMPROVEMENTS TO THE LOT, NO ACTUAL LOT SIZE.

**THIS IS AN ESTIMATE AND NOT THE ACCURATE ASSESSMENT VALUE. THE ASSESSMENT VALUE
WILL NOT BE DETERMINED UNTIL THE BUILDING IS PART OF THE REAL ESTATE.**

2026 ESTIMATED MODULAR PRODUCTION - LUV MODULAR

FACILITY: LUV MODULAR
CITY: LUVERNE
COUNTY: ROCK
MANAGER:

DATE: 5/18/2026
PAGE: 1 OF 1
PARCEL NUMBER: 20-2131-000B

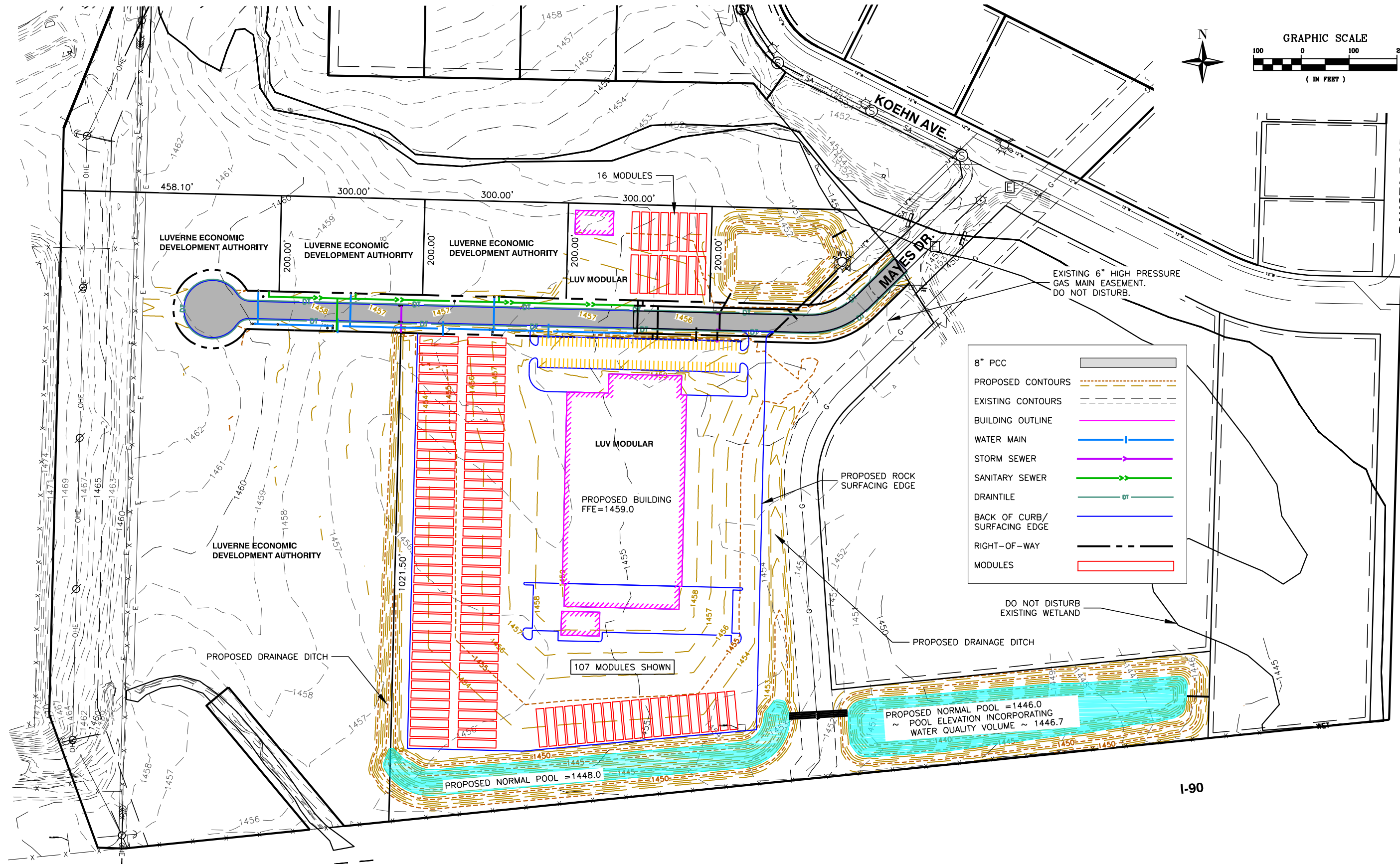
YEAR BUILT	STRUCTURES:	L W H					AREA		GROSS RATE	PHY DEP %	FUN DEP %	NET RATE	ESTIMATED MARKET VALUE
2026	MACHINE SHED	50	x	80	x	18	4,000	SF	\$45.05	0	10	\$40.54	\$162,160
			x		x								
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
			x		x			SF		0	0	\$0.00	\$0
							4,000	SF					
TOTAL GROSS EMV:													\$162,160

ECONOMIC OBSOLESCENCE FACTORS CONSIDERED:	0	\$0
NEW CONSTRUCTION LEVEL OF ASSESMENT (BROOKINGS CLASS C MULTIPLIER):	\$162,160	\$162,160
ESTIMATED MARKET VALUE - BUILDINGS:		\$162,200
ESTIMATED MARKET VALUE - LAND:	200' X 300' = 60,000 SF	\$60,000
TOTAL ESTIMATED MARKET VALUE:		\$222,200

COUNTY ASSESSOR
INSPECTION DATE

RACHEL JACOBS
ESTIMATION BASED ON SKETCHES/NEVER INSPECTED

THIS IS AN ESTIMATE AND NOT THE ACCURATE ASSESSMENT VALUE. THE ASSESSMENT VALUE WILL NOT BE DETERMINED UNTIL THE BUILDING IS PART OF THE REAL ESTATE.



PROPOSED SITE LAYOUT LUVERNE, MN

DGR
ENGINEERING

DGR ENGINEERING
1302 South Union Street
ROCK RAPIDS, IA 51246
(712) 472-2531 office
(712) 472-2710 fax
dgr.com

Staff Report

File #: 2026-121

Agenda Date: 7/13/2026

Agenda #: 1.

Maple Street Redevelopment Proposal

Impresa Holdings Group, LLC continues to evaluate the redevelopment of six LEDA-owned properties located along Maple Street, including 113 McKenzie Street, 117 McKenzie Street, 313 E. Maple Street, 315 E. Maple Street, 319 E. Maple Street, and 321 E. Maple Street.

Following presentation of the initial development concept during the February 10, 2026, City Council Work Session, it was determined that the project will require a Conditional Use Permit (CUP) to evaluate appropriate setback requirements, parking arrangements, and other site design considerations due to the property's location within the Downtown Zoning District. A revised site plan with parking has been prepared and is included in your packet for review.

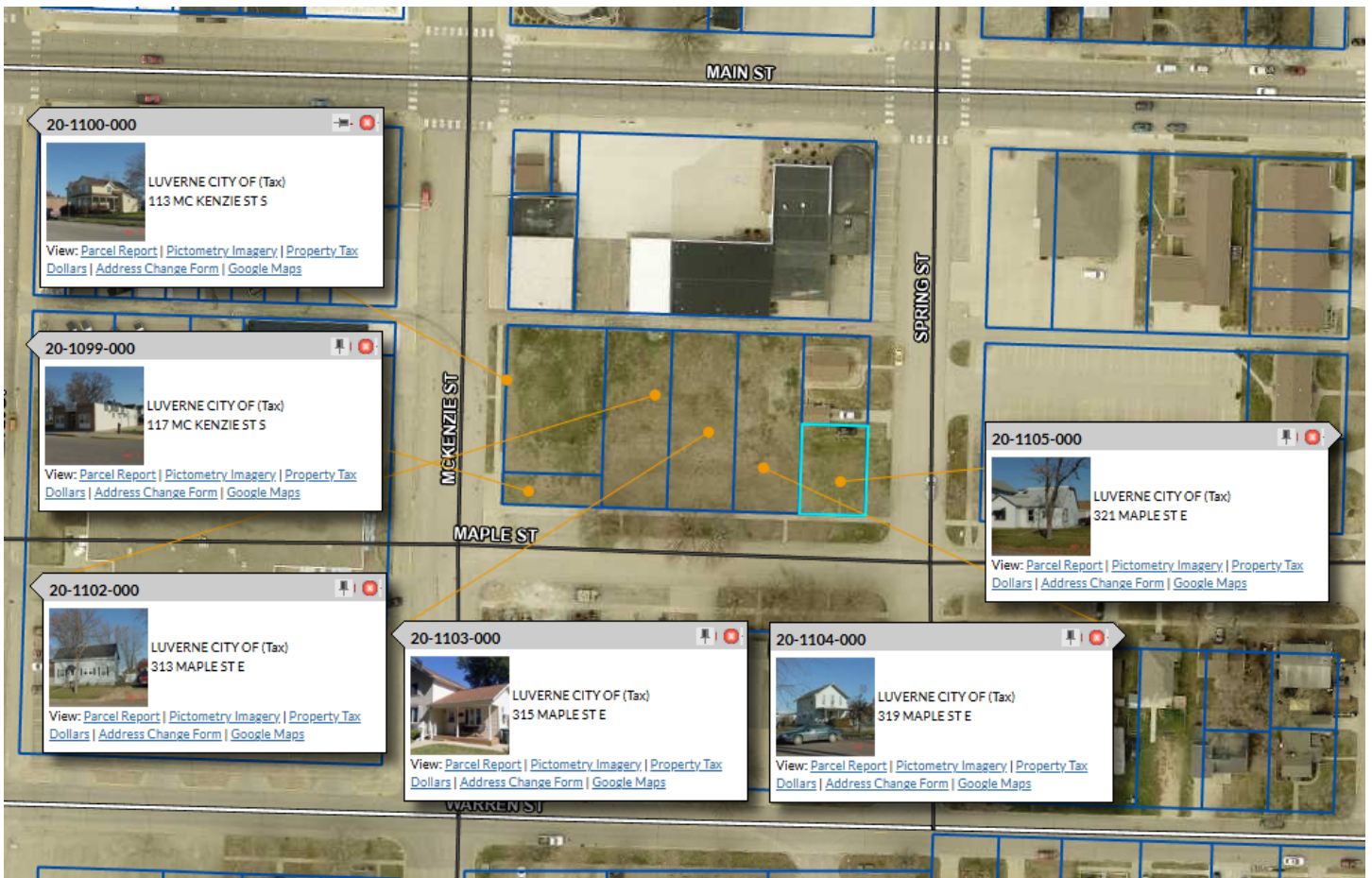
The updated concept proposes a mixed housing development consisting of seven-unit town homes (west side), four single-family homes (south-facing), and one duplex (east end), creating a total of 13 new residential units. The development is designed to provide a mix of rental and homeownership opportunities that align with the housing needs identified in the City's Housing Demand Study. The single-family three-bedroom homes are anticipated to offer entry-level homeownership opportunities with footprints around 800 square feet and estimated sale prices ranging from approximately \$269,000 to \$289,000. The proposed 3BR town homes and 4BR duplexes will be of a similar size and are envisioned as rental units, helping address a shortage of family-sized rental housing in the community.

The proposed parking plan includes at least 2 parking spaces for each unit. The single family homes and duplexes allow for 2 spaces in each driveway, and two parking lots on the north and south end would accommodate the 7-unit town homes.

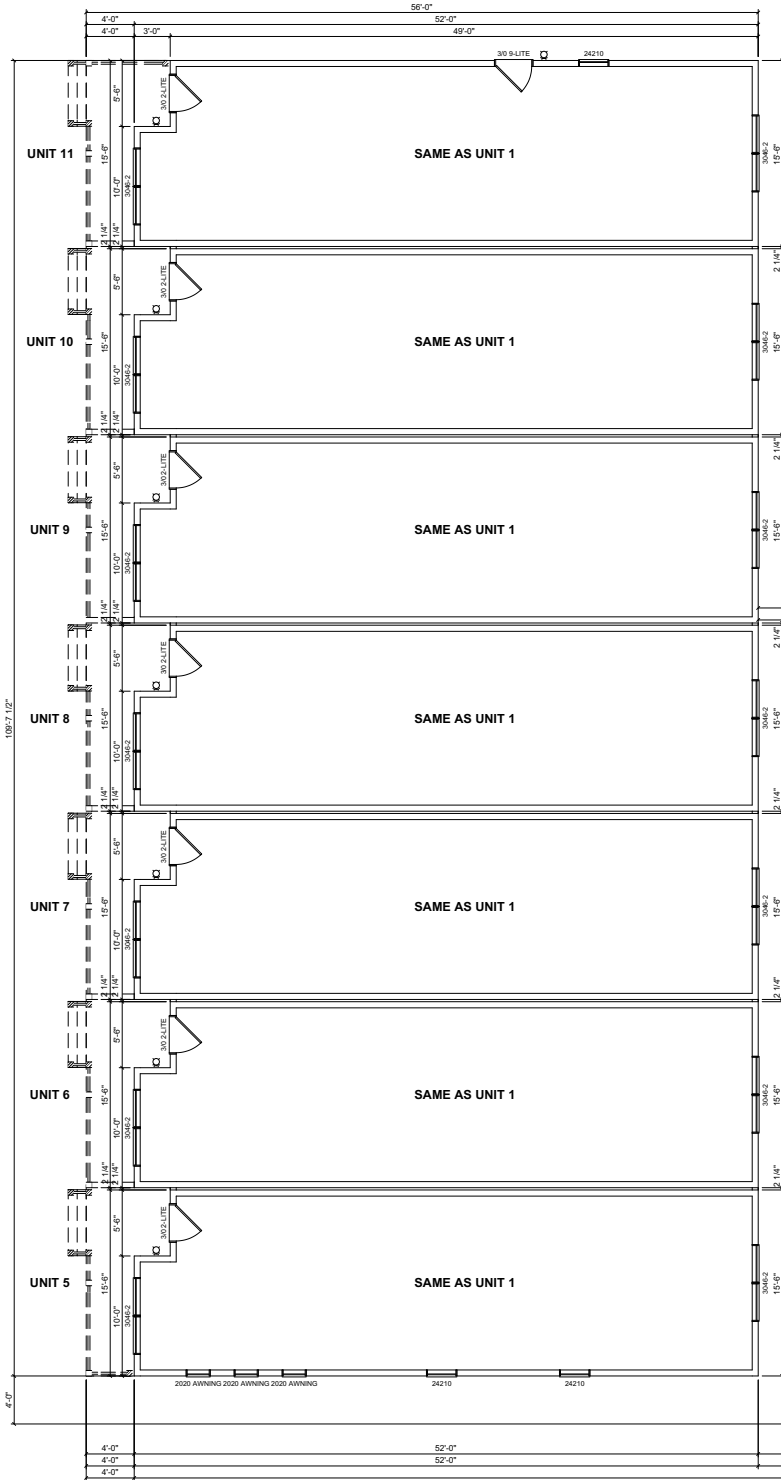
The modular homes will incorporate energy-efficient construction techniques and may include features such as radiant floor heating and mini-split HVAC systems. Upon completion, the development is projected to generate more than \$3 million in new taxable market value while transforming a largely underutilized half-block into a productive residential neighborhood.

Impresa Holdings Group is prepared to move forward with the Conditional Use Permit application and has requested that the Luverne Economic Development Authority serve as a joint applicant, as the Authority currently owns the subject properties. Completion of the CUP process will provide the developer with the zoning certainty necessary to finalize project design, financing, and a formal redevelopment proposal for future consideration by the LEDA.

Maple Street Redevelopment



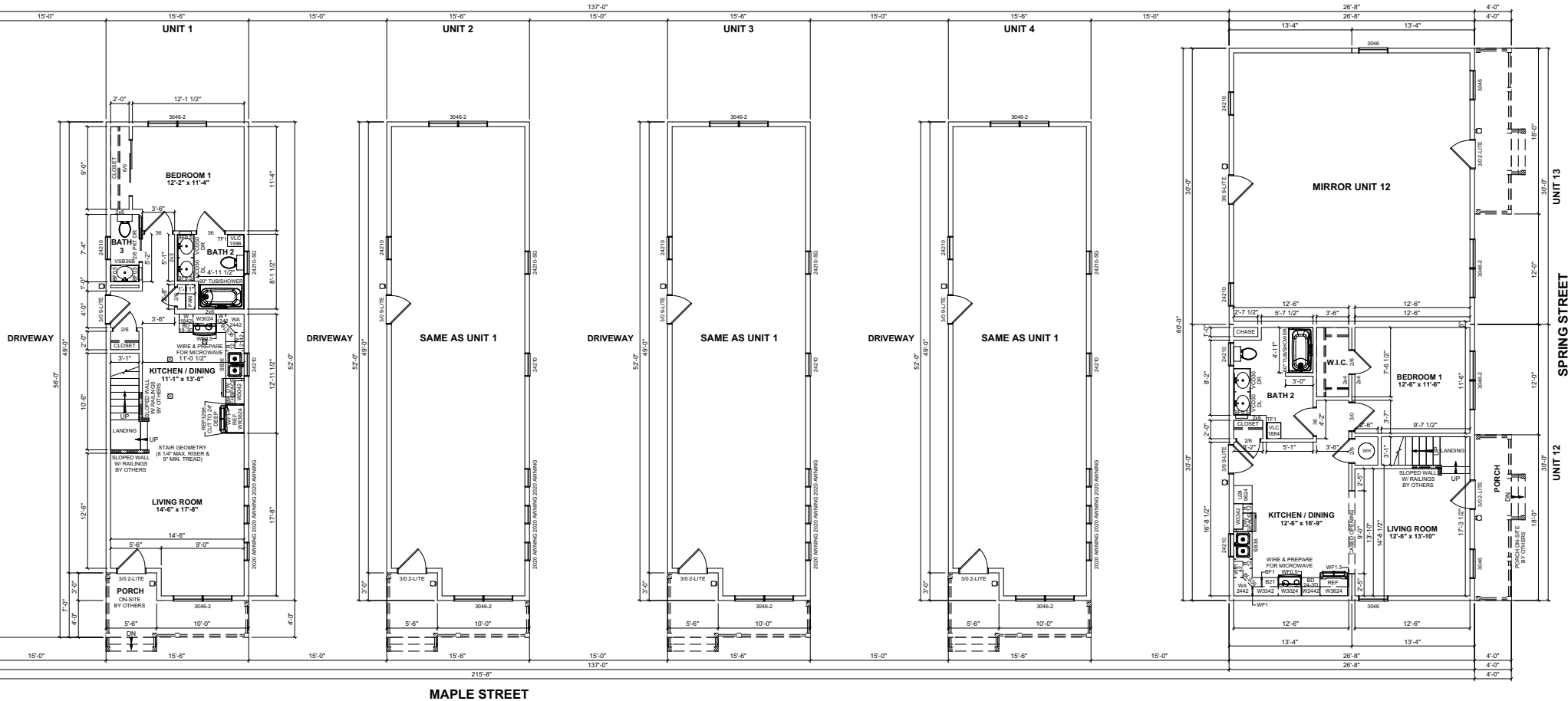
MCKENZIE STREET
1887.1'±



UNIT 11 COLORS: 1. SIDING: AUTUMN RED 2. STONES: GRAY
UNIT 10 COLORS: 1. SIDING: GRAY 2. STONES: GRAY
UNIT 9 COLORS: 1. SIDING: LINEN 2. STONES: GRAY
UNIT 8 COLORS: 1. SIDING: GRAY 2. STONES: GRAY
UNIT 7 COLORS: 1. SIDING: GRAY 2. STONES: GRAY
UNIT 6 COLORS: 1. SIDING: GRAY 2. STONES: GRAY
UNIT 5 COLORS: 1. SIDING: GRAY 2. STONES: GRAY

UNIT 1 COLORS: 1. SIDING: LINEN 2. STONES: GRAY	UNIT 2 COLORS: 1. SIDING: GRAY 2. STONES: GRAY	UNIT 3 COLORS: 1. SIDING: GRAY 2. STONES: GRAY	UNIT 4 COLORS: 1. SIDING: GRAY 2. STONES: GRAY	UNIT 13 COLORS: 1. SIDING: GRAY 2. STONES: GRAY
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UNIT 1/2/3/4/5/6/7/8/9/10/11: 1ST FLOOR: 789.5 SQ.FT. 2ND FLOOR: 789.5 SQ.FT. TOTAL AREA: 1,579 SQ.FT. PORCH: 79 SQ.FT.	UNIT 12/13: 1ST FLOOR: 800 SQ.FT. 2ND FLOOR: 800 SQ.FT. TOTAL AREA: 1600 SQ.FT. PORCH: 72 SQ.FT.
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- NOTES:
- 2x6 EXTERIOR WALLS EXCEPT AS NOTED.
 - 2x4 INTERIOR WALLS EXCEPT AS NOTED.
 - 9'-0" CEILING HEIGHT 1ST FLOOR & 8'-0" CEILING HEIGHT 2ND FLOOR.
 - 3/12, 5/12 & 7/12 NON-STORAGE ROOF EXCEPT AS NOTED.
 - AWNING & DOUBLE HUNG WINDOWS.

REVISION:	DATE:	BY:	REVISION:	DATE:	BY:
0	04/11/2025	SC			
1	04/12/2025	SC			
2	07/01/2026	SC			

FIRST
FLOOR
PLAN

CUSTOMER:
MINNESOTA

ADDRESS:
-

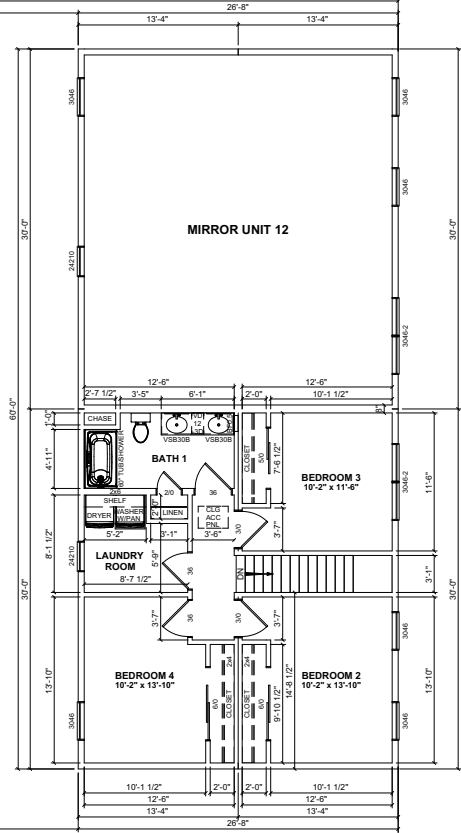
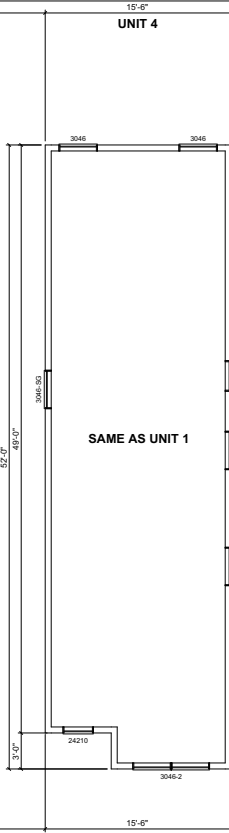
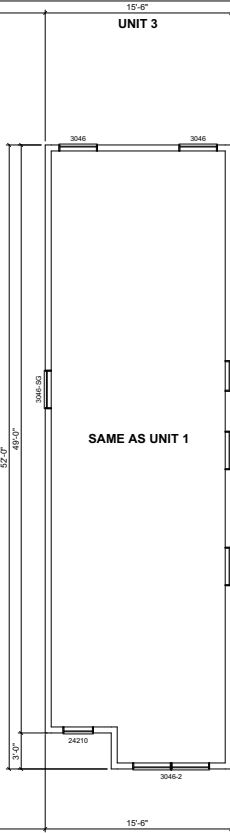
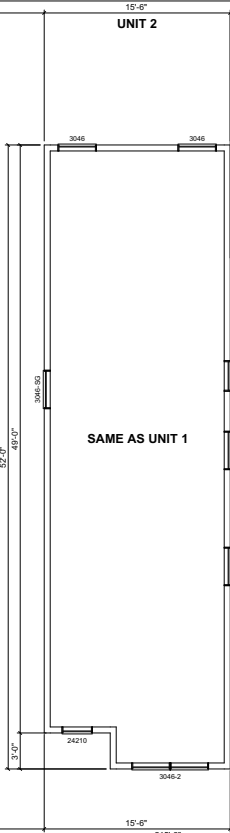
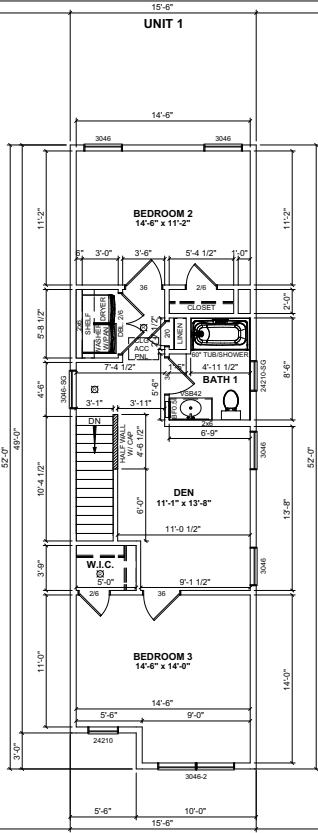
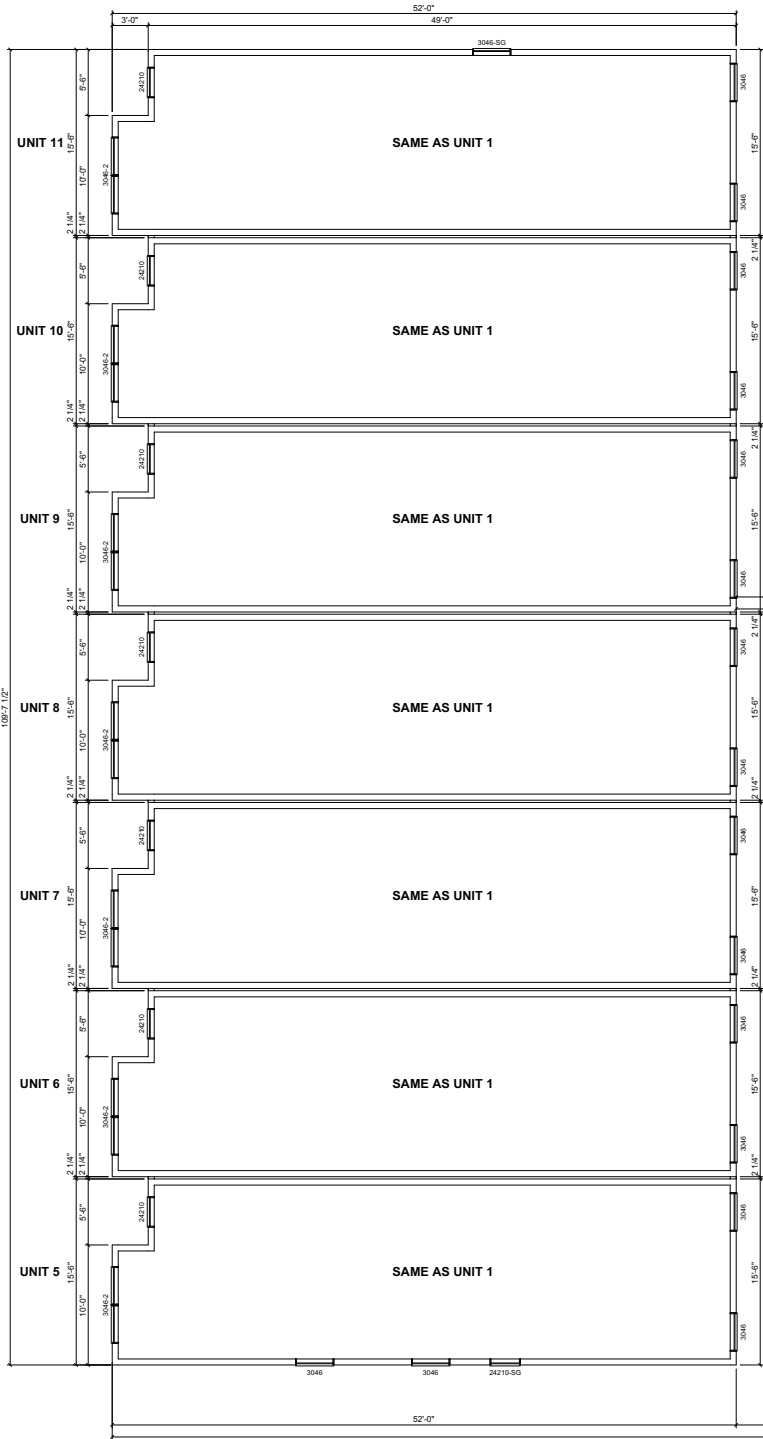
impresa
MODULAR

1586 WINCHESTER AVE.
MARTINSBURG, WV 25405
FAX: 877-419-2505
WWW.IMPRESAMODULAR.COM

SCALE:
N.T.S.

SHEET:

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UNIT 11 COLORS: 1. SIDING: AUTUMN RED 2. STONES: GRAY	UNIT 10 COLORS: 1. SIDING: GRAY 2. STONES: GRAY	UNIT 9 COLORS: 1. SIDING: LINEN 2. STONES: GRAY	UNIT 8 COLORS: 1. SIDING: GRAY 2. STONES: GRAY	UNIT 7 COLORS: 1. SIDING: GRAY 2. STONES: GRAY	UNIT 6 COLORS: 1. SIDING: BLUE 2. STONES: GRAY	UNIT 5 COLORS: 1. SIDING: GRAY 2. STONES: GRAY	UNIT 4 COLORS: 1. SIDING: LINEN 2. STONES: GRAY	UNIT 3 COLORS: 1. SIDING: GRAY 2. STONES: GRAY	UNIT 2 COLORS: 1. SIDING: GRAY 2. STONES: GRAY	UNIT 1 COLORS: 1. SIDING: LINEN 2. STONES: GRAY	UNIT 13 COLORS: 1. SIDING: GREEN 2. STONES: GRAY	UNIT 12 COLORS: 1. SIDING: GRAY 2. STONES: GRAY
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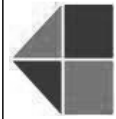
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REVISION:	DATE:	BY:	REVISION:	DATE:	BY:
0	04/11/2025	SC			
1	04/12/2025	SC			
2	07/01/2026	SC			

SECOND FLOOR PLAN

CUSTOMER: MINNESOTA

ADDRESS: -



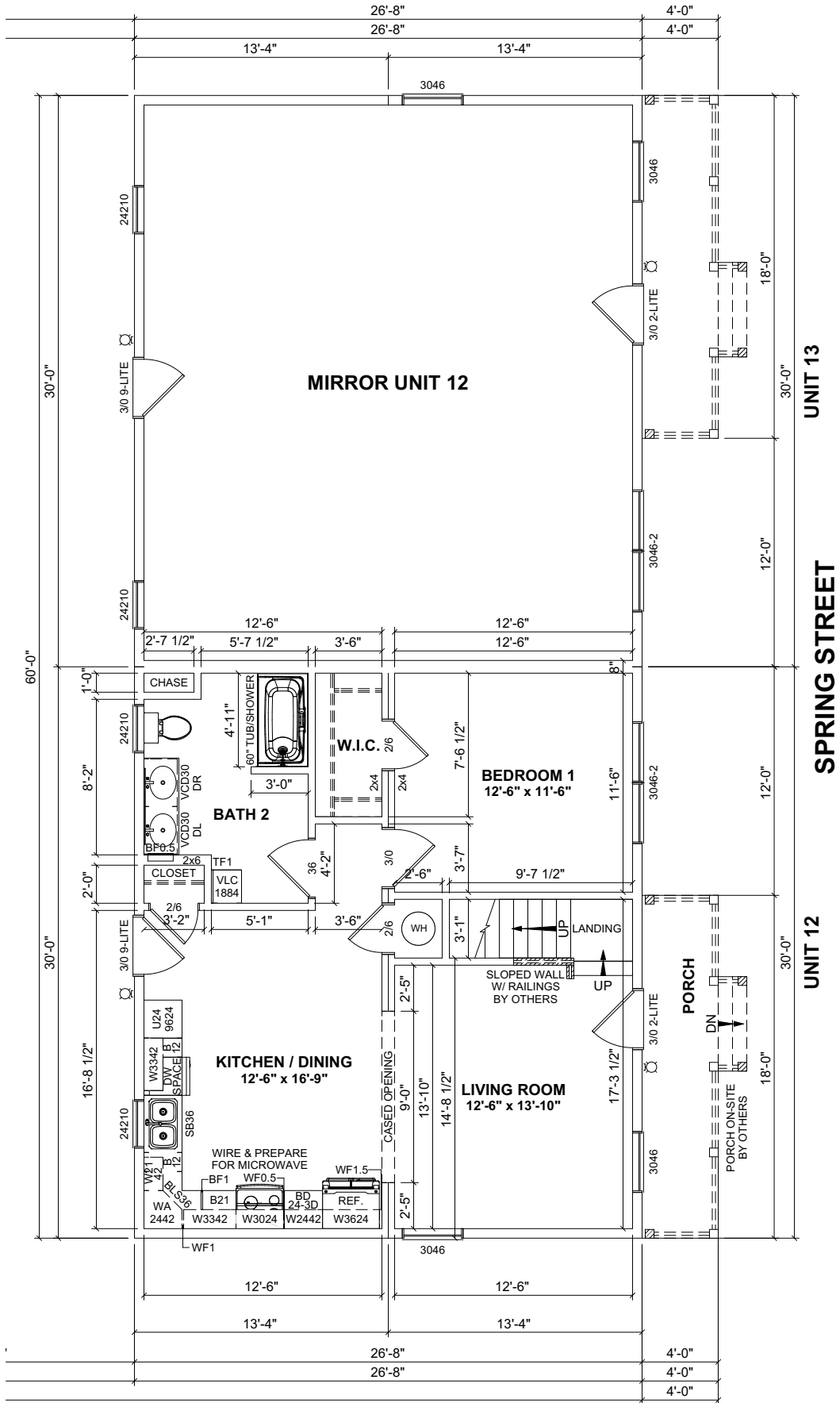
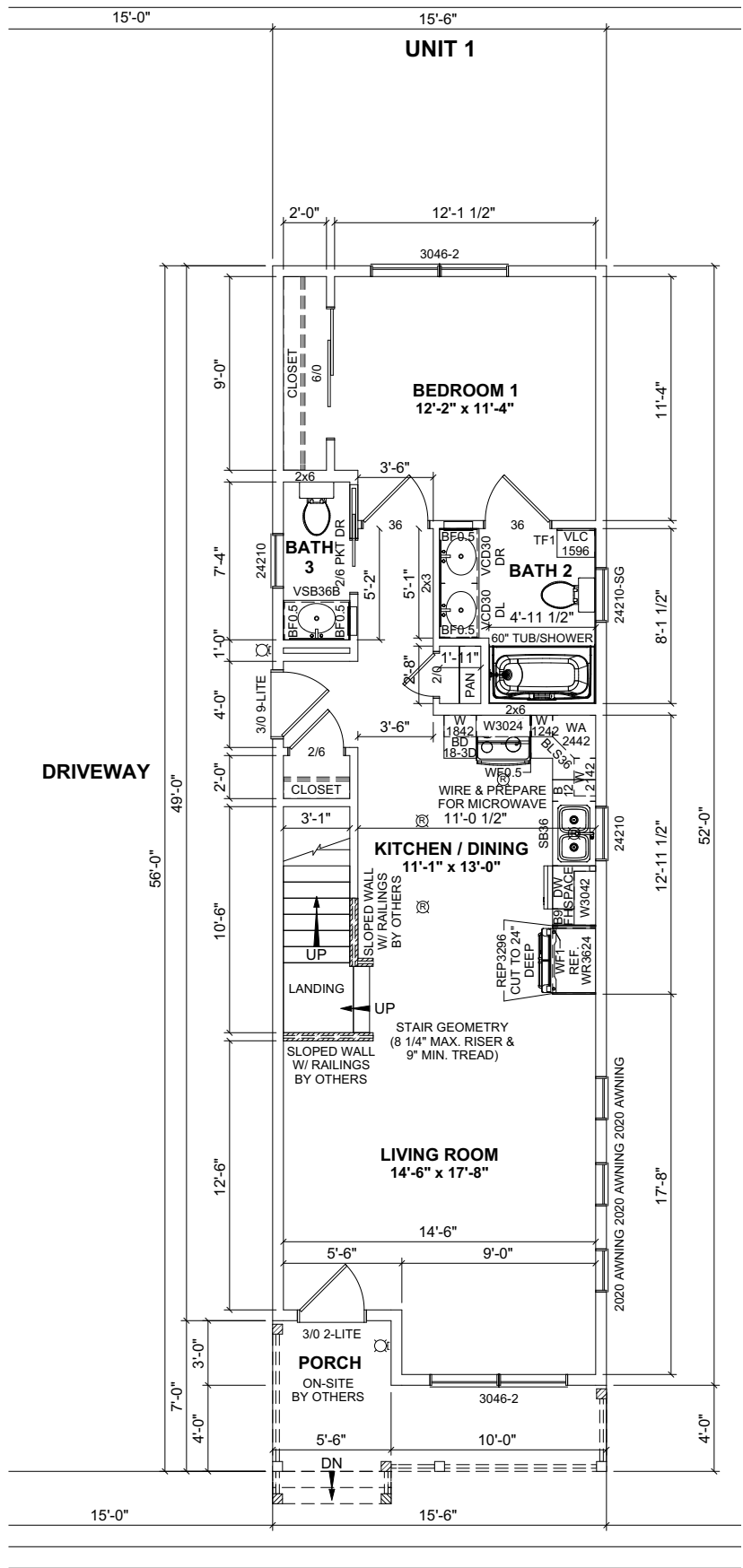
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MODULAR

1586 WINCHESTER AVE.
MARTINSBURG, WV 25405
FAX: 877-419-2505
WWW.IMPRESAMODULAR.COM

SCALE: N.T.S.

SHEET:

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REVISION:	DATE:	BY:	REVISION:	DATE:	BY:
0	04/11/2025	SC			
1	04/12/2025	SC			
2	07/01/2026	SC			

FIRST FLOOR PLAN

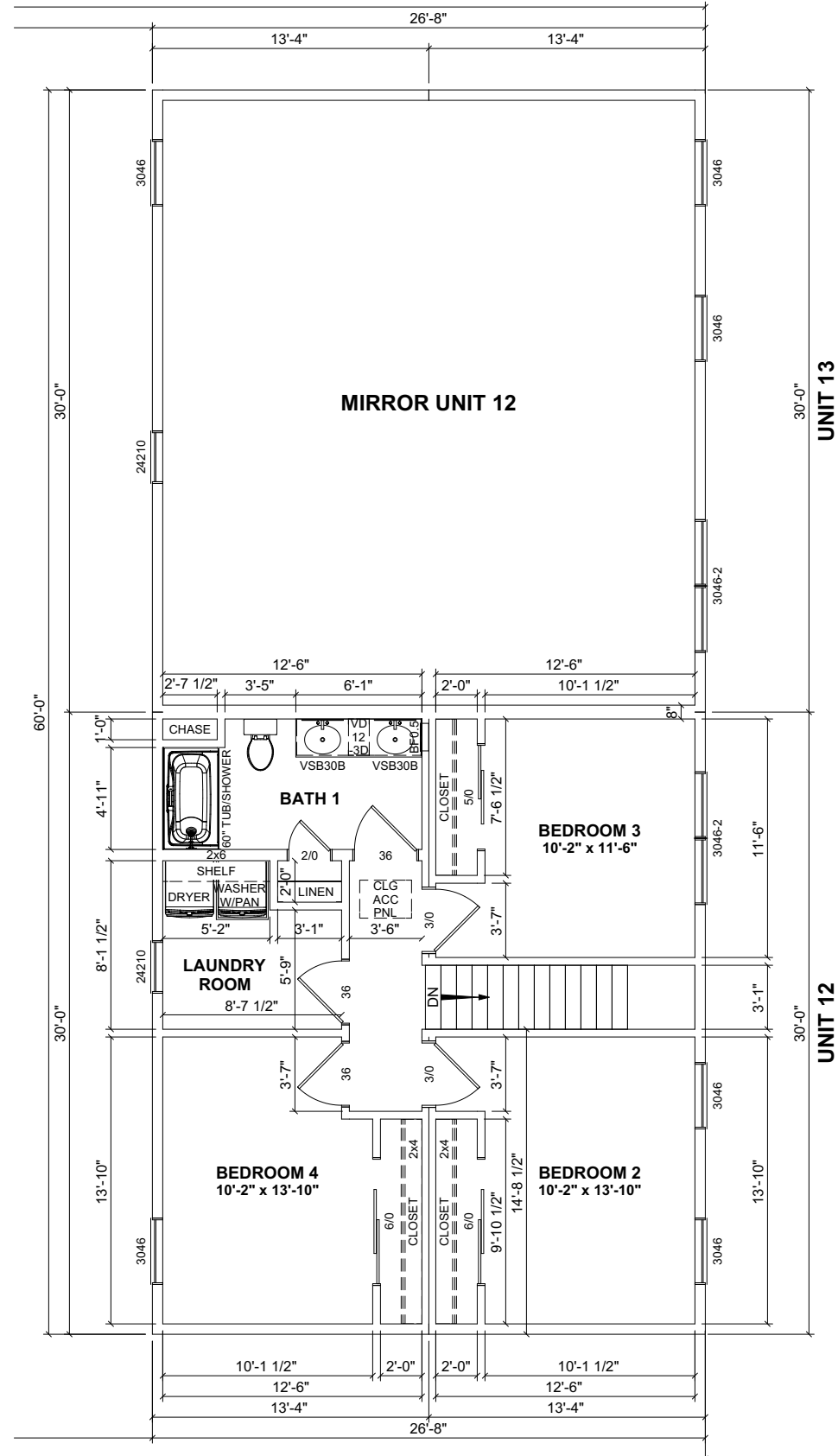
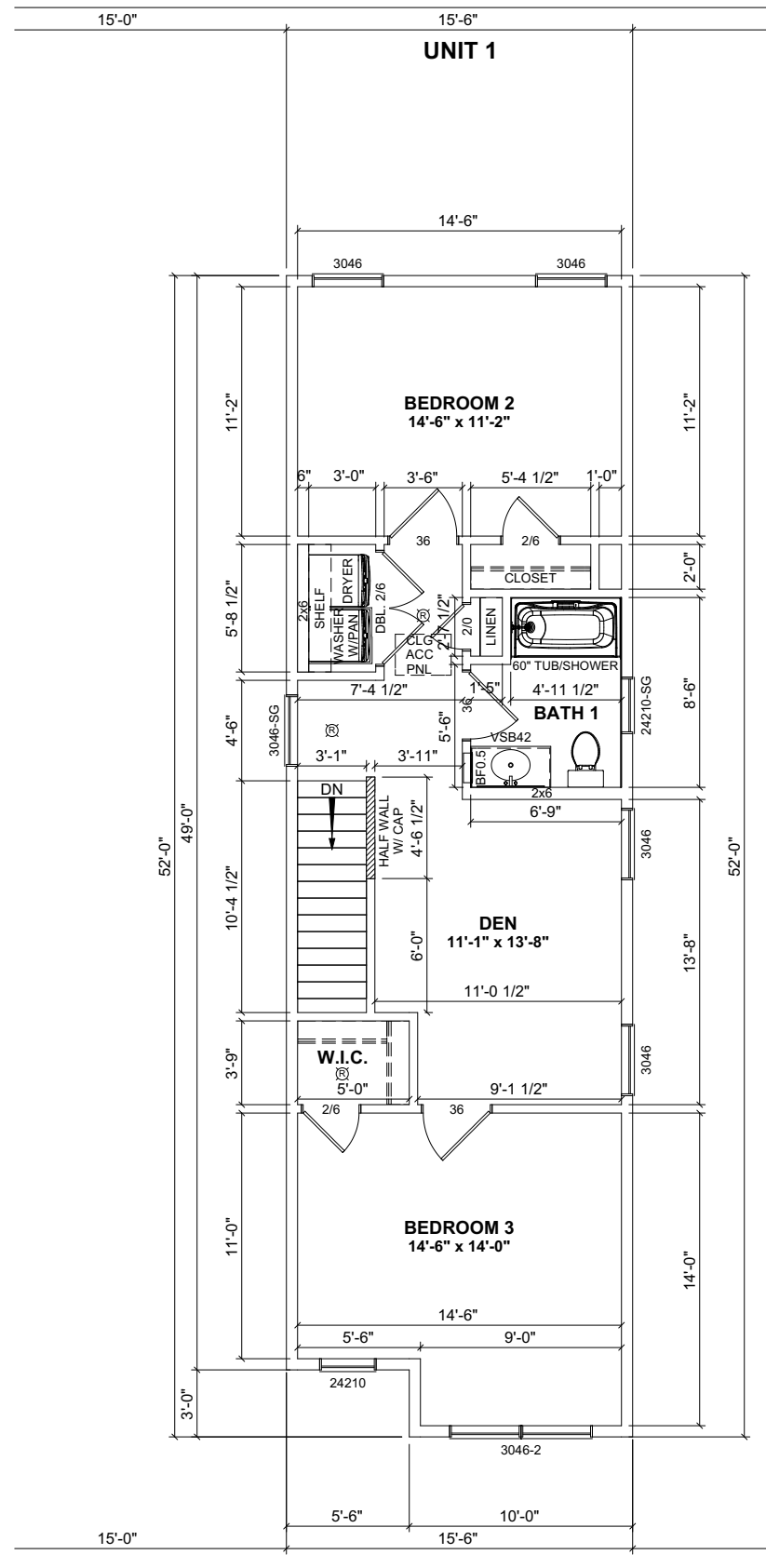
CUSTOMER:	MINNESOTA
ADDRESS:	-

**impresa**
MODULAR

1586 WINCHESTER AVE.
MARTINSBURG, WV 25405
FAX: 877-419-2505
WWW.IMPRESAMODULAR.COM

SCALE:
1/8"=1'-0"
SHEET:
1.3

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1586 WINCHESTER AVE.
MARTINSBURG, WV 25405
FAX: 877-419-2505
WWW.IMPRESAMODULAR.COM

CUSTOMER:

MINNESOTA

ADDRESS:

MARTINSBURG, WV 25403
FAX: 877-419-2505
WWW.IMPRESAMODULAR.COM

SECOND FLOOR PLAN

REVISION:	DATE:	BY:	REVISION:	DATE:	BY:
0	04/11/2025	SC			
1	04/12/2025	SC			
2	07/01/2026	SC			

SCALE:

1/8"=1'-0"

SHEET:

1.4

30

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SOUTH
DIRECTION

UNIT 11 COLOURS	
1. STONE GRAY	UNIT 11 COLOURS
2. STONE GRAY	UNIT 11 COLOURS
3. STONE GRAY	UNIT 11 COLOURS
4. STONE GRAY	UNIT 11 COLOURS
5. STONE GRAY	UNIT 11 COLOURS
6. STONE GRAY	UNIT 11 COLOURS
7. STONE GRAY	UNIT 11 COLOURS
8. STONE GRAY	UNIT 11 COLOURS
9. STONE GRAY	UNIT 11 COLOURS
10. STONE GRAY	UNIT 11 COLOURS
11. STONE GRAY	UNIT 11 COLOURS
12. STONE GRAY	UNIT 11 COLOURS

UNIT 12 COLOURS	
1. STONE GRAY	UNIT 12 COLOURS
2. STONE GRAY	UNIT 12 COLOURS
3. STONE GRAY	UNIT 12 COLOURS
4. STONE GRAY	UNIT 12 COLOURS
5. STONE GRAY	UNIT 12 COLOURS
6. STONE GRAY	UNIT 12 COLOURS
7. STONE GRAY	UNIT 12 COLOURS
8. STONE GRAY	UNIT 12 COLOURS
9. STONE GRAY	UNIT 12 COLOURS
10. STONE GRAY	UNIT 12 COLOURS
11. STONE GRAY	UNIT 12 COLOURS
12. STONE GRAY	UNIT 12 COLOURS

EXISTING
HOME

- NOTES:
1. 2x6 EXTERIOR WALLS EXCEPT AS NOTED.
 2. 2x4 INTERIOR WALLS EXCEPT AS NOTED.
 3. 9'-0" CEILING HEIGHT 1ST FLOOR & 8'-0" CEILING HEIGHT 2ND FLOOR.
 4. 3/12, 3/12 & 7/12 NON-STORAGE ROOF EXCEPT AS NOTED.
 5. AWNING & DOUBLE HUNG WINDOWS.

MAPLE STREET

CUSTOMER:
MINNESOTA
ADDRESS:

FIRST
FLOOR
PLAN

REVISION:	DATE:	BY:	REVISION:	DATE:	BY:
0	04/11/2025	SC			
1	04/12/2025	SC			
2	07/01/2026	SC			

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1.1

SCALE:
N.T.S.
SHEET:

Staff Report

File #: 2026-120

Agenda Date: 7/13/2026

Agenda #: 2.

Lopau Second Addition Covenants Amendment

The Luverne Economic Development Authority is considering a First Amendment to the Protective Covenants for Lopau Second Addition to address several issues that have been identified as development has progressed and to better accommodate current housing market conditions. The proposed amendments are intended to provide greater clarity for future property owners while maintaining consistent development standards throughout the subdivision.

One proposed amendment addresses the governance of twinhome developments. The existing Protective Covenants establish an Approving Authority and provide one vote per lot for future property owners. This creates challenges when a lot is replatted into a twinhome development, as multiple owners would be required to share a single vote. In addition, twinhome developments typically establish their own Common Interest Community (CIC) or Homeowners Association (HOA) to govern shared ownership responsibilities, maintenance obligations, and common elements. Based on these considerations, legal counsel has recommended that once a twinhome development is replatted and the plat is recorded, the Protective Covenants will no longer apply to those replatted lots, allowing them to instead be governed by their own recorded CIC or HOA documents.

The amendment also revises the structure of the Approving Authority. Under the current covenants, the original committee dissolves as lots are sold and transitions to a property owner committee. The proposed amendment instead keeps the initial Approving Authority in place until all lots within the subdivision have been sold by the Luverne Economic Development Authority. This change is intended to provide consistent interpretation and enforcement of the development standards throughout the build-out of the subdivision and avoid inconsistencies that could arise if architectural decisions were made by different committees during the development process. Once all lots have been sold and the subdivision is substantially developed, the property owners will have the opportunity to elect their own committee to administer the covenants moving forward.

The final amendment updates the minimum home size requirements contained in the Design and Quality Standards. The current Protective Covenants require all homes to contain a minimum of 1,300 square feet of finished living area. In response to increasing construction costs, changing housing preferences, and the need for more attainable entry-level housing, the proposed amendment reduces the minimum required finished living area to 1,100 square feet, including individual twinhome units. This modification is intended to provide additional housing flexibility while continuing to ensure quality residential development within Lopau Second Addition.

Staff believes these amendments modernize the Protective Covenants, provide greater flexibility for future housing opportunities, and ensure the subdivision can continue to develop in a consistent and attractive manner while meeting current market demands.

LOPAU SECOND ADDITION TO THE CITY OF LUVERNE, ROCK COUNTY, MINNESOTA

FIRST AMENDMENT TO PROTECTIVE COVENANTS

THIS FIRST AMENDMENT to the Protective Covenants of Lopau Second Addition to the City of Luverne, Rock County, Minnesota, recorded as Document No. 205289 at the Rock County Land Records Office, is made on this ____ day of ____, 2026, by the Luverne Economic Development Authority (the “Declarant”).

RECITALS

WHEREAS Declarant is currently the sole owner of real property located in Rock County, Minnesota consisting of all the lots as shown on the Plat of Lopau Second Addition to the City of Luverne, Rock County, Minnesota.

WHEREAS Declarant wishes to amend the Protective Covenants mentioned above, as follows:

1. Section 101. The following lots shall be used exclusively for private residential purposes: Block 1, Lots 1-5; Block 2, Lots 1-12; and Block 3, Lots 1-7. No dwelling erected or maintained within these lots shall be used or occupied for any purpose other than for single-family dwelling EXCEPT that Block 1, Lots 1-5 will be allowed to have twinhomes located on them if each unit meets all sections of these Covenants. Allowed uses are indicated in the table below:

LOTS	BLOCK	ALLOWED USE
1-5	1	Single-Family or Twinhome
1-12	2	Single-Family
1-7	3	Single-Family

In the event that Lots 1-5, Block 1, are purchased for the purpose of building twinhomes, then upon the platting of said twinhomes, and the recording of said plat(s) with the Rock County Land Records Office, these Protective Covenants shall no longer apply to said replatted Lots.

2. Section 123. No dwelling, including individual units of a twinhome, shall be erected which, exclusive of basements, porches, patios, decks, and other storage areas, has gross livable floor areas of less than 1100 square feet with a minimum dimension from front to back of twenty-eight (28) feet and a minimum dimension of thirty-six (36) feet from side

to side.

3. Section 201. The Luverne Economic Development Authority is hereby designated the Approving Authority with power to delegate or assign its authority to another entity by written instructions signed, acknowledged, and filed for record with the Rock County Records Office. For purposes of these Covenants, the Approving Authority shall consist of a committee of three individuals. The initial committee shall be composed of the Building & Zoning Official for the City of Luverne, the Economic Development Director for the Luverne Economic Authority, and the President of the Luverne Economic Development Authority. Once all of the lots are sold to persons or entities other than the Luverne Economic Development Authority, the original committee shall dissolve.

Thereafter, the committee shall be elected by a majority vote of the property owners, with each lot being entitled to one vote. The committee shall be elected, by written ballot, within thirty (30) days of the sale of all of the lots by the Luverne Economic Development Authority. The first committee elected after all of the lots are sold shall consist of one member elected to serve a three year term, one member elected to serve a two year term, and one member elected to serve a one year term. Thereafter, a committee member shall be elected each January and each such member shall be elected for a three year term.

The approving Authority may establish procedures governing requests that are submitted to it under these Restrictive Covenants. The criteria for the approval of any such requests shall be include, at a minimum, (a) consideration of compatibility of design in relation to existing improvement and topography, (b) comparable or better quality of materials as used in existing improvements, and (c) compliance with governmental laws, rules, codes and regulations.

LUVERNE ECONOMIC DEVELOPMENT AUTHORITY

By: Patrick T. Baustian
Its: President

STATE OF MINNESOTA)
)ss.
COUNTY OF ROCK)

The foregoing instrument was acknowledged before me this ____ day of _____, 2026, by Patrick T. Baustian, President of the Luverne Economic Development Authority, Declarant.

Notary Public

LUVERNE ECONOMIC DEVELOPMENT AUTHORITY

By: Jill Wolf

Its: Secretary

STATE OF MINNESOTA)
)ss.
COUNTY OF ROCK)

The foregoing instrument was acknowledged before me this ____ day of _____,
2026, by Jill Wolf, Secretary of the Luverne Economic Development Authority, Declarant.

Notary Public

205289

OFFICE OF LAND RECORDS
ROCK COUNTY, MINNESOTA
CERTIFIED, FILED AND/OR
RECORDED ON

11/14/2023 08:04 AM

**RACHEL JACOBS
ROCK COUNTY RECORDER**

ELECTRONICALLY RECORDED

PROTECTIVE COVENANTS

LOPAU SECOND ADDITION TO THE CITY OF LUVERNE,

ROCK COUNTY, MINNESOTA

WHEREAS, The Luverne Economic Development Authority (hereinafter the "Declarant") is the owner of certain real property located in the City of Luverne, County of Rock, State of Minnesota, comprising and consisting of Blocks 1, 2 and 3 of Lopau Second Addition (hereinafter the "Addition") to the City of Luverne, Rock County, Minnesota, for the purpose of maintaining fair and adequate property values, maintaining and continuing the primary use of the Addition as a residential area, and in consideration of the mutual interests of owners of the real estate described herein, desire to subject the Addition to the covenants, restrictions and easements herein set forth, each and all of which are for the benefit of said property and for each owner thereof, and shall inure to the benefit of and pass with said property, and each and every parcel thereof, and shall apply to and bind the successors in interest of any owner thereof,

NOW, THEREFORE, Declarant declares that real property in the Addition is and shall be held, transferred, sold, conveyed and occupied subject to the covenants and restrictions herein set forth.

ARTICLE 1

Covenants to Preserve the Residential Character of the Addition

Single Family Residential Restrictions

Section 101. The following lots shall be used exclusively for private residential purposes: Block 1, Lots 1-5; Block 2, Lots 1-12; and Block 3, Lots 1-7. No dwelling erected or maintained within these lots shall be used or occupied for any

purpose other than for single-family dwelling EXCEPT that Block 1, Lots 1-5 will be allowed to have twin homes located on them if each unit meets all sections of These Covenants. Allowed uses are indicates in the table below:

LOT	BLOCK	ALLOWED USE
1-5	1	SF OR TWIN
1-12	2	SF
1-7	3	SF

Section 102. No structure shall be erected on the lots referred to in Section 101 except single-family or multi-family dwellings and those accessory structures, as defined in Section 301 "Accessory Structures," which have been approved by the Approving Authority. The primary structure on the property must be for residential use. No structure, other than a single-family dwelling or twin home, may be used for living purposes.

Section 103. No tent, tree house, barn, or other temporary living or camping quarters or other temporary structures shall be placed on any lot at any time without written permission of the Approving Authority.

Section 104. All construction shall be new. No building previously used at another location may be moved onto any lot or building site.

Section 105. No building materials shall be stored on any lot except temporarily during continuous construction of a building or its alteration or improvement.

Section 106. The exterior of all buildings or other structures must be completed within one (1) year after commencement of construction, except where such completion is impossible or would result in great hardship due to strikes, fires, or national emergency. If not so completed, or if construction shall cease for a period of sixty (60) days without permission of the Approving Authority, the unfinished structure or unfinished portion thereof shall be deemed a nuisance and shall be removed forthwith by and at the cost of the owner.

Section 107. Temporary buildings for construction or administration purposes or for sales offices may be erected only by written permission of the Approving Authority. Model homes may be used and exhibited only with the written permission of the Approving Authority.

Section 108. No derrick or other structure designed for use in or used for boring or drilling water, oil or natural gas shall be permitted upon or above the surface of said property. No advertising signs or billboards of any character may be erected, placed, permitted or maintained on any Lot except as expressly permitted by the Approving Authority. A name and address sign will be permitted. No other sign, except for a "for sale" sign advertising the property for sale.

Section 109. No soil may be removed without permission of the Approving Authority, and there shall be no material change in grade levels, slope, pitch or drainage patterns as they now exist without the permission from the Approving Authority. Any such excavation or grading shall be maintained at all times so as to divert surface waters away from buildings, but shall not be done in such a manner so as to unreasonably divert surface water onto the property of an adjoining lot.

Section 110. All sump pumps must be connected to an authorized sump pump discharge line where available.

Density and Quality Standards

Section 121. No owner shall subdivide, re-plat, or otherwise partition any property into a lot smaller than is currently provided by the plat of Lopau Second Addition.

Section 122. All construction must commence within (1) one year upon issuance of a deed.

Section 123. No dwelling shall be erected which, exclusive of basements, porches, patios, decks and other storage areas, has gross livable floor area of less than 1300 square feet with a minimum dimension from front to back of twenty-eight (28) feet and a minimum dimension of thirty-six (36) feet from side to side, or less than 2400 square feet of livable floor area in a permitted twin home.

Section 124. No single-family dwelling shall be more than two (2) stories in height, except with prior written permission of the Approving Authority.

Section 125. No dwelling shall have a roof with less than a 6:12 pitch, except with prior written permission of the Approving Authority.

Section 126. All dwellings shall have at least an attached double garage at least 480 square feet in size with minimum dimension of twenty (20) feet on the entrance side of the garage. Garage door height shall not exceed eight feet unless approved by the Approving Authority.

Section 127. Any accessory building or similar structure shall harmonize in appearance with the dwelling situated on the same lot, as determined by the Approving Authority. There shall be no more than one accessory building or similar structure per lot. The accessory building or similar structure shall be of new construction and of not more than one hundred-twenty square feet in size, shall have no more than eight-foot walls and the sidewalls and roofing shall be of the same or substantially similar color and materials as the primary structure and garage.

Section 128. Each owner shall maintain the exterior of the dwelling, any accessory building, and all other structures, lawn and landscaping, walks and driveways, in good condition and shall cause them to be repaired as the effects of damage or deterioration become apparent. No existing structure on any Lot shall be

altered in any way which materially changes the placement or exterior thereof without the prior approval of the Approving Authority.

Living Environment Standards

Section 131. Each owner shall prevent the development of any unclean, unsightly or unkempt conditions of buildings or grounds on such lot which shall tend to substantially decrease the beauty of the neighborhood as a whole or in the specific area. No building material shall be stored on any lot, except temporarily during continuous construction of a building, unless enclosed out of view in a service yard or within a building. All owners and occupants and their guests shall have a right of quiet enjoyment of the property and shall use the property in such a manner as will not cause a nuisance, nor unduly restrict, interfere with or impede the use of the property by other lot owners and their guests.

Section 132. All maintenance equipment and recreational vehicles shall be stored in an enclosed structure or otherwise adequately screened so as not to be visible from neighboring property or adjoining streets. In addition, there shall be no unenclosed storage on any lot of any motor vehicles, recreational vehicles, marine craft or trailers of any type that are not currently licensed or not in working order. No unenclosed parking or storage of any commercial vehicle shall be permitted on any Lot.

Section 133. No firewood, ashes, trash, rubbish, garbage, grass or shrub clippings, scrap material, or other refuse, or receptacles or containers therefore, shall be stored, accumulated or deposited outside or so as to be visible from any neighboring property or street, except during refuse collections.

Section 134. No offensive or hazardous activities may be carried on, on any lot or in any living unit. No annoying lights, sounds or odors shall be permitted to emanate from any living unit.

Section 135. No exterior speakers, horns, whistles, bells or other sound devices, except security devices, shall be located or used on any structure or within any building site.

Section 136. Within nine (9) months after completion of the principal dwelling, all yards and open spaces shall be landscaped and thereafter maintained in lawn or landscape. No trees shall be planted or structures erected within drainage or utility easements.

Section 137. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot except that dogs, cats or other household pets may be kept provided that the same shall not be kept, housed, bred or maintained on any said property for commercial purposes.

Section 139. No stripped down, partially wrecked, inoperable or junk motor vehicle or sizable part thereof, shall be permitted to be parked on any street or any

lot in such manner as to be visible at ground level from any neighboring property or street.

Section 140. No vehicles shall be parked in the rear, side or front yard of any lot.

Architectural Control by the Approving Authority

Section 141. No structure shall be commenced, erected, placed, moved onto, or permitted to remain on any lot or altered in any way so as to change materially its exterior appearance, except in accordance with plans, specifications and other information submitted to the Approving Authority and approved by the Approving Authority in writing not more than two (2) years before start of the construction, alteration or installation. Matters which require the approval of the Approving Authority include but are not limited to: exterior appearance, material, height, location of each structure, driveway, sidewalk(s), fence(s) and grading of site. In granting or withholding approval, the Approving Authority shall consider, among other things: the quality and adequacy of the materials and workmanship for their intended use, the harmonization of the external appearance with the surroundings, the proper relation of the structure to the environment and to the surrounding uses, and the degree, if any, to which the proposed structure will cause intrusions of sound, light or other effect on neighboring sites beyond those reasonably to be expected in an urban residential area from considerate neighbors.

Section 142. All plans, samples and other materials shall be submitted to the Approving Authority. The minimum scale of such plans shall be 1/8th inch equals 1 foot. The plot plan in 1/20th minimum scale shall show the location of all buildings, driveways, sidewalks, fences and other structures. Proposed new contours throughout the lot and abutting the street elevations on all sides shall be shown. Structural plans shall show all exterior elevations and projected finish grades, and shall indicate and locate on each elevation the materials to be used for construction of the improvement. In addition, the Approving Authority may request descriptive information on materials such as brick, stone, siding and roofing.

Section 143. A written statement of the approval or disapproval or other action of the Approving Authority shall establish the action of the Approving Authority, and shall protect any person relying on the statement. Construction or alteration may not start until the builder and/or owner has received a certified Building Permit from the City of Luverne Building Official and a statement of approval from the Approving Authority, a copy of which shall be signed by the builder and/or owner and returned to the Approving Authority to be retained along with a complete set of plans. If the Approving Authority does not execute and acknowledge such a statement within forty- five (45) days after delivery of all required materials to the members of the Approving Authority, the materials so delivered shall stand approved for the purpose of these covenants. Any substantial change made following approval must be resubmitted to the Approving Authority for re-approval. The Approving Authority may charge reasonable fees to cover expenses incurred in review of plans, samples and materials submitted pursuant to these covenants,

exclusive of reimbursement to the members of the Approving Authority for their services.

ARTICLE II

Approving Authority

Section 201. The Luverne Economic Development Authority is hereby designated the Approving Authority with power to delegate or assign its authority to another entity by written instrument signed, acknowledged and filed for record with the Rock County Recorder 's Office. For purposes of These Covenants, the Approving Authority shall consist of a committee of three individuals. The initial committee shall be composed of the Building& Zoning Official for the City of Luverne, the Economic Development Director for the Luverne Economic Development Authority, and the President of the Luverne Economic Development Authority. At such time as at least 75% of the lots affected shall be sold to persons other than the Luverne Economic Development Authority, the original committee shall dissolve. Thereafter, the committee shall be elected by a majority vote of the property owners, with each lot being entitled to one vote. The committee shall be elected, by written ballot, within thirty (30) days of the sale of more than 75% of the lots by the LEDA. Each individual shall be elected for a three-year term with the initial committee being elected for a three-, two- and one-year term respectively. Thereafter, a committee person shall be elected each January.

The Approving Authority may establish procedures governing requests that are submitted to it under these Restrictive Covenants. The criteria for the approval of any such requests shall include, at a minimum, (a) consideration of compatibility of design in relation to existing improvements and topography, (b) comparable or better quality of materials as used in existing improvements, and (c) compliance with governmental laws, rules, codes and regulations.

Definitions

Section 301. The following words and expressions as used in these covenants shall have the meanings indicated below unless the context clearly requires another meaning.

Accessory Structures: Utility or Garden sheds with a maximum size of 120 square feet.

Building Site: A lot as established by the recorded plat or combination of two or more lots or portions thereof as approved by Approving Authority.

These Covenants: The protective covenants and the provisions contained herein.

Lot: Each area designated as a lot in the recorded plat of the Addition.

Owner: Person having fee simple title to a lot. If more than one person has such title, all such persons are referred to collectively as "Owner" and shall exercise their rights as an owner through such one of them as they may designate from time to time.

Recreational Vehicle: Is defined for the purpose of this covenant as a boat, personal watercraft, other watercraft, trailer, motor home, snowmobile, motorcycle, camper or any other form of craft or vehicle used primarily for recreational purposes.

Structure: Any thing or device other than trees and landscaping the placement of which upon any building site might affect its architectural appearance, including by way of illustration and not limitation, any dwelling, building, garage, porch, shed, greenhouse, driveway, walk, patio, parking pad, storage bin or area, swimming pool, fence, wall, or outdoor lighting.

Captions

Section 302. Captions, titles and headings in these covenants are for convenience only and do not expand or limit the meaning of the Section and shall not be taken into account in construing the Section.

Approving Authority Resolves Questions of Construction

Section 303. If any doubt or question shall arise concerning the true intent or meaning of any of These Covenants, the Approving Authority shall determine the proper construction of the provision in question and shall set forth in a written instrument duly acknowledged by the Approving Authority and filed for record with the Rock County Recorder, the meaning, effect and application of the provision.

Covenants Run with the Land

Section 304. These Covenants shall be deemed to be mutual covenants running with the land and shall be deemed to be binding upon parties hereto and upon their respective heirs, successors, personal representatives, and assigns. All deeds executed hereinafter shall contain a provision indicating it is subject to the terms of These Covenants.

Covenants are Cumulative.

Section 305. Each of These Covenants is cumulative and independent and is to be construed without reference to any other provisions dealing with the same subject matter or imposing similar or dissimilar restrictions. A provision shall be fully enforceable although it may prohibit an act or omission sanctioned or permitted by another provision.

These Covenants shall not be Waived

Section 306. Except as These Covenants may be amended or terminated in the manner hereinafter set forth, they may not be waived, modified or terminated, and failure to enforce shall not constitute a waiver or impair the effectiveness or enforceability of These Covenants. Every person bound by These Covenants is deemed to recognize and agree that it is not the intent of These Covenants to require constant, harsh or literal enforcement of them as a requisite of their continuing validity and that leniency or neglect in their enforcement shall not in any way invalidate These Covenants or any part of them, nor operate as an impediment to their subsequent enforcement, and each such person agrees not to plead as a defense in any civil action to enforce These Covenants that they have been waived or impaired or otherwise invalidated by a previous failure or neglect to enforce them.

Right to Enforce the Covenants

Section 307. These Covenants are for the benefit of the Owners, jointly and severally, and of the Approving Authority and may be enforced by action for damages, suit for injunction, mandatory and prohibitive, and other relief, and by any other appropriate legal remedy, instituted by one or more Owners, or the Approving Authority, or any combination of them. All costs, including reasonable attorney's fees, incurred by the Approving Authority in connection with any successful enforcement proceeding initiated by the Approving Authority (alone or in combination with Owners or the Declarant) shall be paid by the party determined to have violated These Covenants.

Duration of Restrictions

Section 308. Unless sooner terminated and provided in Section 309, restrictions and other provisions set forth in These Covenants shall remain in force until January 1, 2030, after which time These Covenants shall be automatically extended for successive periods of ten years unless an instrument stating that an extension is not desired, signed the owners of at least two-thirds (2/3) of the lots in the Addition.

Amendment, Termination and Extension

Section 309. From time to time any one Section of These Covenants may be amended, changed, or altered by an instrument signed and acknowledged by owners of at least two-thirds (2/3) of the lots in the Addition and filed for record with the Rock County Recorder.

Severability

Section 310. If any of These Covenants shall be held invalid or become unenforceable the other covenants shall in no wise be affected or impaired but shall remain in full force and effect.

Action in Writing

Section 311. Notices, approval, consents, applications and other action provided for or contemplated by These Covenants shall be in writing and shall be signed on behalf of the party who originates the notice, approval, consent, application or other action.

Notices

Section 312. Any writing described in Section 311, including but not limited to any communication from the Approving Authority to an Owner, shall be sufficiently served if delivered by mail or otherwise: a) to the dwelling situated on the lot owned by that Owner; or b) if there is no dwelling, then to the address furnished by the Owner to the Approving Authority, and if the Owner has not furnished an address, then to the address listed on the property tax rolls at the Office of the Rock County Auditor-Treasurer.

Applicable Law

Section 313. This agreement shall be interpreted under and in accordance with the laws of the State of Minnesota.

IN WITNESS WHEREOF, The Luverne Economic Development Authority has executed this Declaration this 13th day of November, 2023.

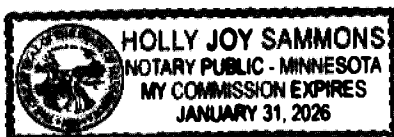
Luverne Economic Development Authority

BY: [Signature]
Its President

BY: [Signature]
Its Secretary

STATE OF MINNESOTA)
COUNTY OF ROCK)

The foregoing instrument was acknowledged before me this 13th day of November, 2023 by Patrick T. Baustian and Jill Wolf, the President and Secretary of the Luverne Economic Development Authority.



[Signature]
NOTARY PUBLIC

This INSTRUMENT WAS DRAFTED BY:
City of Luverne
305 E. Luverne St. PO Box 659
Luverne, MN 56156