



City Council Meeting Agenda

April 21, 2026 at 5:30 PM

St. James City Hall – Council Chambers

1. CALL TO ORDER

2. ROLL CALL: Mayor Christopher Whitehead, Councilpersons: Susan Craig, Kathleen Hanson, Paul Harris, Stephen Lindee, Mary Shupe

3. DETERMINATION OF QUORUM

4. APPROVAL OF MINUTES

A. Consideration to Approve Minutes – 04.07.2026 Council Meeting

5. CONSENT ITEMS

A. Payment of Claims and ACH Payments

6. SCHEDULED BID LETTING

7. SCHEDULED PUBLIC HEARINGS

8. ADMINISTRATIVE APPEALS

9. FINANCIAL REPORTS

10. LICENSES AND PERMITS

A. Consideration to Approve Special Event Permit Application - Rail Run

11. OLD BUSINESS

12. NEW BUSINESS

A. Consideration to Approve Resolution 04.26.09 - Approving Plans and Specifications and Ordering Advertisement for Bids, Project No. 26X.142373 Airport Airfield Pavement Maintenance Project

B. Consideration to Approve Resolution 04.26.10 - Adopting Property Inspection Program Policy

C. Consideration to Approve Resolution 04.26.11 - Accepting Financial Gift from the American Legion Post #33

D. Consideration to Approve Resolution 04.26.12 - Accepting Financial Gift from the American Legion Post #33

E. Consideration to Approve Resolution 04.26.13 - Accepting Financial Gift from the Ellingsburg Zettle VFW Post 1914

F. Consideration to Approve Agenda Request - Jake Wegner

G. Watonwan County Housing Presentation - Brianna Sanders, EDA Director

13. REPORT OF BOARDS, COMMISSIONS AND DEPARTMENT HEADS

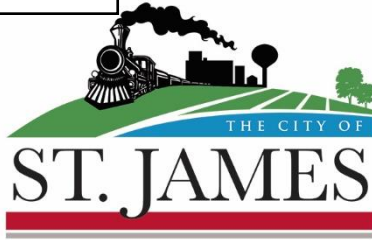
14. ADJOURNMENT

April 21, 2026

ITEM: Approval of Minutes – 04.07.2026 Council Minutes

BACKGROUND: The Minutes of April 7, 2026, City Council Meeting are attached for review and approval.

STAFF RECOMMENDATION: Approve/Deny Minutes.



City Council Meeting Minutes

April 07, 2026 at 5:30 PM

St. James City Hall – Council Chambers

1. CALL TO ORDER

Meeting called to order at 5:30 p.m.

Mayor Christopher Whitehead administered the Oath of Office to new councilmember Mary Shupe.

2. ROLL CALL: Mayor Christopher Whitehead, Councilpersons: Susan Craig, Kathleen Hanson, Paul Harris, Stephen Lindee, Mary Shupe

PRESENT: Mayor Christopher Whitehead, Councilpersons Sue Craig, Kathleen Hanson, Paul Harris, Stephen Lindee, Mary Shupe

STAFF PRESENT: City Manager Amanda Knoll, Deputy City Clerk-Treasurer Kathy Grothem, City Attorney Mike Kircher

3. DETERMINATION OF QUORUM

4. APPROVAL OF MINUTES

A. Consideration to Approve Minutes – 03.17.2026 Council Meeting

Motion made by Lindee, Seconded by Harris.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Upon voice vote, it was unanimously approved.

5. CONSENT ITEMS

A. Payment of Claims and ACH Payments

Payment of Claims totaling \$608,569.27 is as follows: \$238,102.97 Check No. 706140 - 706229 and \$370,466.30 ACH No. 2272 - 2301 as listed in the check register.

Motion made by Craig, Seconded by Hanson.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Upon voice vote, it was unanimously approved.

6. SCHEDULED BID LETTING

7. SCHEDULED PUBLIC HEARINGS

8. ADMINISTRATIVE APPEALS

9. FINANCIAL REPORTS

10. LICENSES AND PERMITS

A. Consideration to Approve Gambling License - The Hickory

A gambling permit application has been submitted for The Hickory to conduct gambling sales under Eagles Aerie #3420 license. Gambling activities will include pull-tabs, electronic pull-tabs, and electronic bingo.

Motion made by Craig, Seconded by Harris.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Upon voice vote, it was unanimously approved.

11. OLD BUSINESS

12. NEW BUSINESS

- A. Consideration to Approve Resolution 04.26.01 - Designating Specific 2025 Excess Funds to be Transferred to Specific 2026 Budget Funds

Resolution 4.26.01 designates funds that were not spent in 2025 due to the inability to execute projects or purchases and will be completed in 2026.

Motion made by Harris, Seconded by Hanson.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 04.26.01 duly passed 5-0.

- B. Consideration to Approve Resolution 04.26.02 - Accepting Financial Gift from the Ellingsburg Zettle VFW #1914

Resolution 04.26.02 accepts the financial gift from the Ellingsburg Zettle VFW Post #1914 in the amount of \$150.00 for the Adopt-A-Pot program.

Motion made by Lindee, Seconded by Craig.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 04.26.02 duly passed 5-0.

- C. Consideration to Approve Resolution 04.26.03 - Accepting Financial Gift from the Ellingsburg Zettle VFW #1914

Resolution 04.26.03 accepts the financial gift from the Ellingsburg Zettle VFW #1914 in the amount of \$1,000.00 for Christmas Lights.

Motion made by Craig, Seconded by Harris.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 04.26.03 duly passed 5-0.

- D. Consideration to Approve Resolution 04.26.04 - Accepting Financial Gift from the Eagles Aerie #3420

Resolution 04.26.04 accepts the financial gift from the Eagles Aerie #3420 in the amount of \$874 for the snowflake initiative.

Motion made by Craig, Seconded by Hanson.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 04.26.04 duly passed 5-0.

- E. Consideration to Approve Resolution 04.26.05 - Appointing Temporary Ad Hoc Work Group

Resolution 04.26.05 appoints representatives from City Council, Watonwan County Cares, community members at-large, and city staff and legal counsel.

Motion made by Harris, Seconded by Craig.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 04.26.05 duly passed 5-0.

- F. Consideration to Approve Resolution 04.26.06 - Approving the Preliminary and Final Plat of Jorgensen Subdivision and Approving the Street Name

Resolution 04.26.06 approves the preliminary and final plat of Jorgensen Subdivision and approves the street name of 12th Avenue South.

Motion made by Harris, Seconded by Hanson.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 04.26.06 duly passed 5-0.

- G. Consideration to Approve Resolution 04.26.07 - Accepting Bids, Project No. 24X.139514, Airport 6-Unit T-Hangar Project

Resolution 04.26.07 accepts the lowest responsible bidder, Everstrong Construction, Inc. of Redwood Falls, Minnesota, for the Airport 6-Unit T-Hangar Project No. 24x.139514

Motion made by Hanson, Seconded by Harris.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 04.26.07 duly passed 5-0.

- H. Consideration to Approve Resolution 04.26.08 -Approving Construction Administration Services, Project No. 24X.139514, Airport 6-Unit T-Hangar Project

Resolution 04.26.08 approves Bolton & Menk as the designated engineer for Project No. 24x.139514, Airport 6-Unit T-Hangar Project

Motion made by Lindee, Seconded by Craig.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

Whereupon Mayor Christopher Whitehead declared Resolution 04.26.08 duly passed 5-0.

13. REPORT OF BOARDS, COMMISSIONS AND DEPARTMENT HEADS

14. ADJOURNMENT

Motion made by Hanson, Seconded by Harris.

Voting Yea: Craig, Hanson, Harris, Lindee, Shupe

All Yea - motion carried. The meeting adjourned at 5:47 p.m.

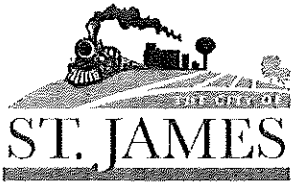
Kathy Grothem, Deputy City Clerk-Treasurer

April 21, 2026

ITEM: Licenses and Permits – Special Event Permit Application: Rail Run

BACKGROUND: The attached Special Event Permit Application was submitted by the St. James Chamber of Commerce for the Rail Run to be held on Thursday, June 25, 2026. The staff has reviewed and approved the permit application.

STAFF RECOMMENDATION: Approve/Deny Special Event Permit Application.



SPECIAL EVENT PERMIT APPLICATION

Submittal Date: _____

APPLICANT INFORMATION.

St. James Chamber of Commerce Rail Road Days Rail Run

Sponsoring Entity (if applicable)

Eric Kuehl

Contact Person

400 12th Street South

St. James

MN

56081

Address

City

State

Zip Code

Railrunstj@gmail.com

(507) 621-2759

Email Address (Primary Notification)

Phone Number

Secondary Contact Person

Address

City

State

Zip Code

Email Address (Primary Notification)

Phone Number

EVENT INFORMATION.

Rail Road Days Rail Run

Event Name

June 25 2026

4-9pm

Date(s) of Event

Hours of Event

Type of Event

Open to the Public

Private

Other: _____

Describe Event (List all activities. Provide flyer or other marketing materials as available).

There is a kids 1/2 mile run ages 12 and under

4 mile walk, 1 and 4 mile run all ages

See attached

Proposed Location of the Event. (Be specific, site map also required).
St James Salvators Railroad Museum Park and walking path around the lake
see attached

Estimated Number of Attendees (includes staff, participants, and spectators). 250

Parking Plan & Impact. (Describe in detail).
Parking area at the Roundhouse Model Railroad Club and campground area

Tents, Equipment, Bounce House, Amusement Rides, Stage, Bleachers, Etc.

Type: Tents for shade of workers and a blowup finish line Size: _____

Location: _____

Are Fire Prevention or EMS services needed on-site? YES NO If yes, cost may be associated.

Are Police services needed on-site? YES NO If yes, how many hours? _____

Are you requesting any street closures? If yes, please identify which streets and illustrate on required Site Map.
Yes see attached

Restrooms (Portable). Name or entity providing these services; and the number of facilities to be provided.
When restroom facilities are not provided on-site or are limited; the applicant will need to obtain and provide additional restroom facilities. If yes, please illustrate on required Site Map.

Name of Service: Portable restrooms and campground restroom Quantity: _____

Refuse Service. Name or entity providing these services; and the number of trash cans and/or dumpsters to be provided. When refuse containers are not provided on-site or are limited; the applicant will need to obtain and provide additional refuse services. The city does not offer day-of service to empty trash cans, nor can refuse be placed in city-owned dumpster. If yes, please illustrate on required Site Map.

Name of Service: Portable trashcans provided by private citizens Quantity: _____

Security Plans. Name or entity providing these services. (A police officer is required if alcohol is being served or at the discretion of the Police Chief).
Police will be asked to help with the lead of the race as in years past

Clean-Up Plans. (Describe in detail).

Area will be cleaned up and all garbage will be disposed of by volunteers

Live Entertainment. (Describe in detail).

NONE

Will any other public addressing system or sound amplification be used? YES NO

If yes, please describe.

Portable speaker system

Will any additional electrical services be needed? YES NO If yes, cost may be associated.

If yes, please describe.

NONE

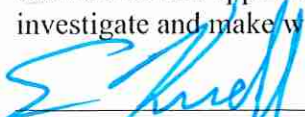
If the event will be held on public property, please provide the following information:

- Will tickets be sold for the event? YES NO
- Is a donation of any kind required? YES NO
- What is the purpose of the money that is collected?

Depending upon the type of special event, some items may not be required or may be waived as part of the review process. Larger events may require additional information, in order to properly process the request.

APPLICANT SIGNATURE.

I declare that the information I have provided on this application is truthful and I understand that falsification of answers on this application will result in denial of the application. I authorize the City of St. James to investigate and make whatever inquiries necessary to verify the information provided.


Applicant's Signature

3-31-26
Date

SPECIAL EVENT EQUIPMENT REQUEST FORM

City equipment can only be requested for special events open to the public.

Submittal Date: January 27th

EVENT INFORMATION.

Rail Road Days Rail Run

Event Name

June 25 2026

Date(s) of Event

Eric Kuehl

(507) 621-2759

Contact Person

Phone Number

EQUIPMENT INFORMATION.

St. James Salutors Railroad Museum Park

June 25 2026

1pm

Equipment Drop-Off Location

Date

Time

St. James Saluators Railroad Museum Park

June 26 2026

8 am

Equipment Pick-Up Location

Date

Time

Please identify the number of each item requested. The City of St. James Street/Parks Department will determine the availability of equipment for each event and reserves the right to deny requests. *The replacement of any broken or missing equipment will be invoiced to the event organizers.*

Barricades: 6

Construction Cones: 20

Road Closed Signs: 3

Garbage Cans: _____

No Parking Signs: 15

Picnic Tables: _____

Internal Use ONLY: Street/Park Department

Date Delivered: _____

Time: _____

By: _____

Date Checked In: _____

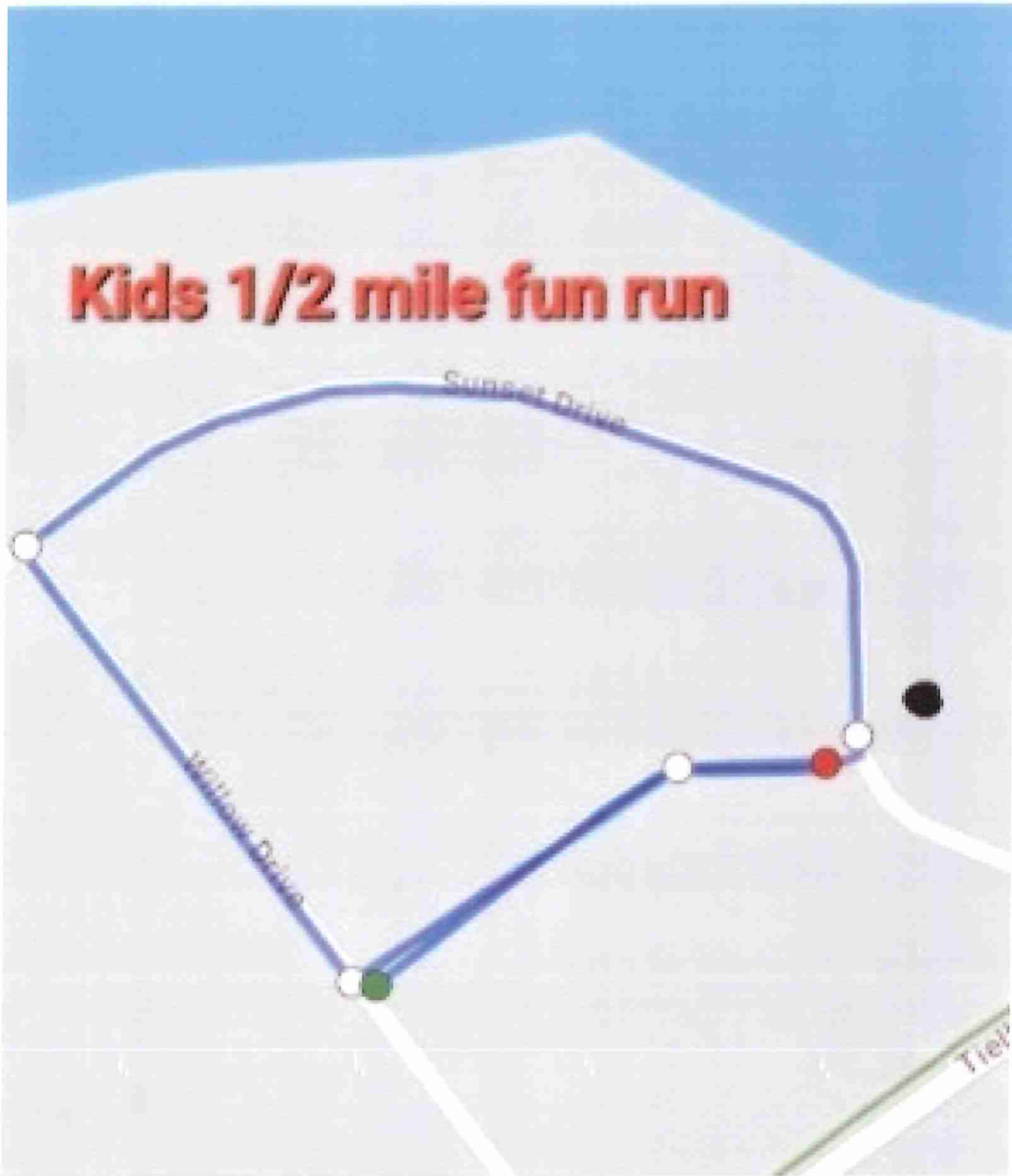
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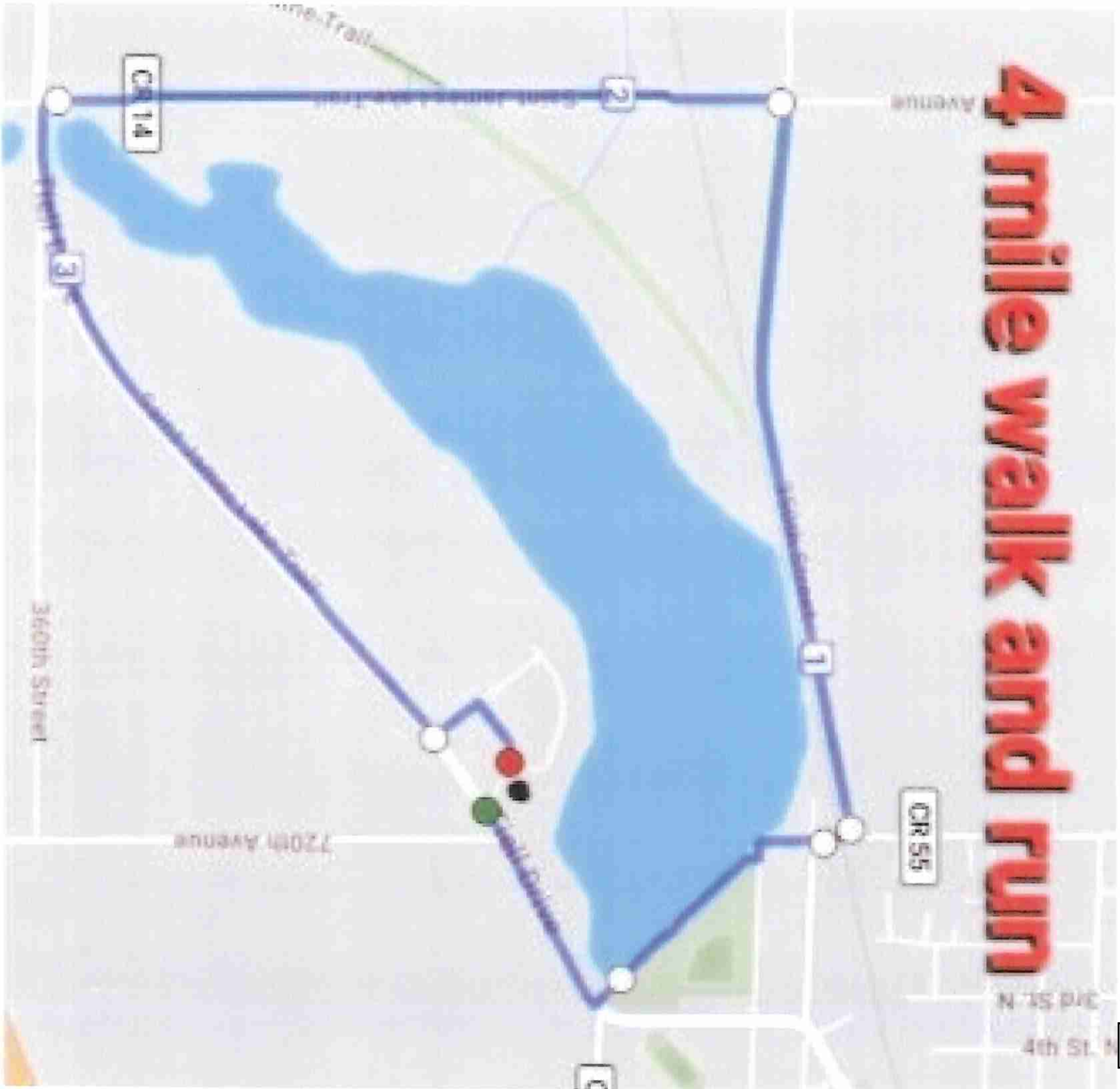
By: _____

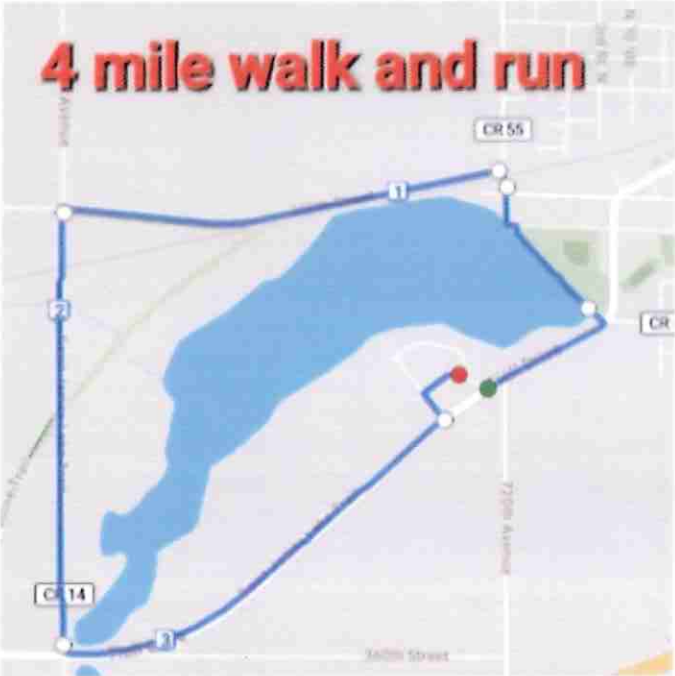
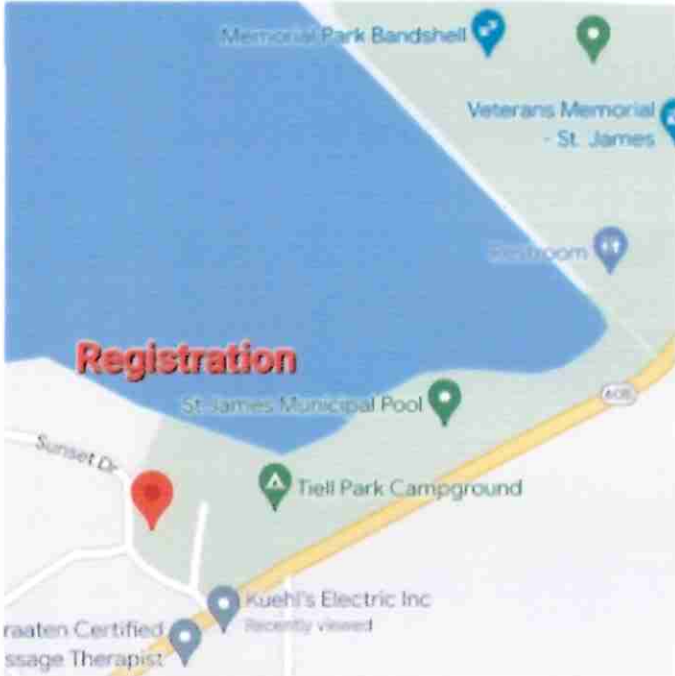


NO Parking

Road Closure







April 21, 2026

ITEM: New Business – Resolution 04.26.09: Approving Plans and Specifications and Ordering Advertisement for Bids, Project No. 26X.142373 Airport Airfield Pavement Maintenance Project

BACKGROUND: The attached resolution accepts the plans and specifications for the upcoming Airport Airfield Pavement Maintenance Project. This resolution also orders the advertisement for bids for the project.

ACTION REQUESTED: Approve/Deny Resolution.

**State of Minnesota
County of Watonwan**

RESOLUTION NO. 04.26.09

**RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING
ADVERTISEMENT FOR BIDS
PROJECT NO. 26X.142373 AIRPORT AIRFIELD PAVEMENT MAINTENANCE PROJECT**

WHEREAS, pursuant to a resolution of the City Council adopted the 12th day of November 2025, Bolton & Menk, Inc. has prepared plans and specifications for Project No. 26X.142373 Airport Airfield Pavement Maintenance and has presented such plans and specifications to the council for approval.

NOW, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ST. JAMES, MINNESOTA, hereby approves that:

1. Such plans and specifications, a copy of which is on file in the City Clerk's office and made a part hereof, are hereby approved.
2. The city clerk shall prepare and cause to be inserted in the official paper and on Quest Construction Data Network, an advertisement for bids upon the making of such improvement under such approved plans and specifications. The advertisement shall be published for not less than three weeks, shall specify the work to be done, shall state that bids will be received by the clerk until 10:00 a.m. on May 15, 2026, at which time they will be publicly opened online via Microsoft Teams by Bolton & Menk, Inc.
3. The bids will then be tabulated and will be considered by the City Council at their regular meeting at 5:30 p.m. on May 19, 2026, in the Council Chambers of the Community Building. Any bidder whose responsibility is questioned during consideration of the bid will be given an opportunity to address the council on the issue of responsibility.
4. No bids will be considered unless sealed and filed with the clerk and accompanied by a cash deposit, cashier's check, bid bond or certified check payable to the clerk for five (5) percent of the amount of such bid.

Adopted by the City Council this 21st day of April 2026.

Christopher Whitehead, Mayor

ATTEST:

Kathy Grothem, Deputy City Clerk-Treasurer

April 21, 2026

ITEM: New Business – Resolution 04.26.10: Adopting Property Inspection Program Policy

BACKGROUND: The attached resolution adopts a formal property inspection program to support the city’s responsibility to protect health, safety, and general welfare. Maintaining safe, sanitary, and structurally sound properties is essential to preserving neighborhood integrity, property values, and overall quality of life. The program also affirms the City’s commitment to respecting property rights. Inspections will be conducted with consent whenever possible, and when access is denied, the City will follow proper legal procedures to obtain warrants or court orders in accordance with Minnesota law.

ACTION REQUESTED: Approve/Deny Resolution.

**State of Minnesota
County of Watonwan**

RESOLUTION NO. 04.26.10

RESOLUTION ADOPTING PROPERTY INSPECTION PROGRAM POLICY

WHEREAS, the City of St. James is responsible for protecting the public health, safety, and general welfare of its residents; and

WHEREAS, the City Council recognizes the importance of maintaining safe, sanitary, and structurally sound buildings and properties within the community; and

WHEREAS, hazardous, unsanitary, or structurally deficient buildings and nuisance conditions can negatively impact public safety, property values, and overall quality of life; and

WHEREAS, the City desires to implement a formal inspection program to systematically and consistently identify and address such conditions; and

WHEREAS, the proposed Inspection Program provides for both routine and complaint-based inspections and establishes procedures consistent with applicable city ordinances and Minnesota law; and

WHEREAS, the program affirms the City’s commitment to protecting property rights by requiring appropriate legal authorization, including warrants or court orders, when consent for inspection is not granted.

NOW, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ST. JAMES, MINNESOTA, that the City hereby adopts the Property Inspection Program. The Property Inspection Program shall be filed with the City Clerk-Treasurer.

Adopted by the City Council this 21st day of April 2026.

Christopher Whitehead, Mayor

ATTEST:

Kathy Grothem, Deputy City Clerk-Treasurer

April 21, 2026

ITEM: New Business – Resolution 04.26.11: Accepting Financial Gift from the American Legion Post #33

BACKGROUND: The attached resolution accepts the financial gift from the American Legion Post #33 in the amount of \$4,000.00 for the Fire Department’s sponsorship of a band for the Railroad Days celebration.

The City of St. James extends a heartfelt thank you to the American Legion Post #33 for their generous donation.

ACTION REQUESTED: Approve/Deny Resolution.

**State of Minnesota
County of Watonwan**

RESOLUTION NO. 04.26.11

**RESOLUTION ACCEPTING FINANCIAL GIFT FROM THE
AMERICAN LEGION POST #33**

WHEREAS, the American Legion Post #33 has offered financial support for the Fire Department and to the citizens of St. James.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF ST. JAMES, WATONWAN COUNTY, MINNESOTA that the City hereby gratefully accepts the financial gift of \$4,000.00 from the American Legion Post #33 for the expressed purpose of contributing to the Fire Department’s sponsorship of a band for the Railroad Days celebration, to benefit the residents of the City of St. James.

Adopted by the City Council this 21st day of April 2026.

Christopher Whitehead, Mayor

ATTEST:

Kathy Grothem, Deputy City Clerk-Treasurer

April 21, 2026

ITEM: New Business – Resolution 04.26.12: Accepting Financial Gift from the American Legion Post #33

BACKGROUND: The attached resolution accepts the financial gift from the American Legion Post #33 in the amount of \$150.00 for the Adopt-A-Pot program.

The City of St. James extends a heartfelt thank you to the American Legion Post #33 for their generous donation.

ACTION REQUESTED: Approve/Deny Resolution.

RESOLUTION NO.: 04.26.12

**State of Minnesota
County of Watonwan**

RESOLUTION NO. 04.26.12

**RESOLUTION ACCEPTING FINANCIAL GIFT FROM THE
AMERICAN LEGION POST #33**

WHEREAS, the American Legion Post #33 has offered financial support for the Adopt-A-Pot program and to the citizens of St. James.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF ST. JAMES, WATONWAN COUNTY, MINNESOTA that the City hereby gratefully accepts the financial gift of \$150.00 from the American Legion Post #33 for the expressed purpose of contributing to the Adopt-A-Pot program and to benefit the residents of the City of St. James.

Adopted by the City Council this 21st day of April 2026.

Christopher Whitehead, Mayor

ATTEST:

Kathy Grothem, Deputy City Clerk-Treasurer

April 21, 2026

ITEM: New Business – Resolution 04.26.13: Accepting Financial Gift from the Ellingsburg Zettle VFW Post 1914

BACKGROUND: The attached resolution accepts the financial gift from the Ellingsburg Zettle VFW Post 1914 in the amount of \$1,000.00 for the Fire Department.

The City of St. James extends a heartfelt thank you to the Ellingsburg Zettle VFW Post 1914 for their generous donation.

ACTION REQUESTED: Approve/Deny Resolution.

RESOLUTION NO.: 04.26.13

**State of Minnesota
County of Watonwan**

RESOLUTION NO. 04.26.13

**RESOLUTION ACCEPTING FINANCIAL GIFT FROM THE
ELLINGSBURG ZETTLE VFW POST 1914**

WHEREAS, the Ellingsburg Zettle VFW Post 1914 has offered financial support for the Fire Department and to the citizens of St. James.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF ST. JAMES, WATONWAN COUNTY, MINNESOTA that the City hereby gratefully accepts the financial gift of \$1,000.00 from the Ellingsburg Zettle VFW Post 1914 for the expressed purpose of contributing to the Fire Department and to benefit the residents of the City of St. James.

Adopted by the City Council this 21st day of April 2026.

Christopher Whitehead, Mayor

ATTEST:

Kathy Grothem, Deputy City Clerk-Treasurer

April 21, 2026

ITEM: New Business – Agenda Request: Jake Wegner

BACKGROUND: The attached agenda request was submitted on Thursday, April 16, 2026, by Jake Wegner.

ACTION REQUESTED: Approve/Deny Agenda Request.



AGENDA REQUEST FORM

DATE SUBMITTED	4-16-26	DATE OF COUNCIL MEETING	4-21-26
NAME	Jake Wegner		
ADDRESS	220 1st Ave. S. St. James		
PHONE NUMBER	507-508-1370		
EMAIL	Northstar-saleswhisperer@gmail.com		

AGENDA ITEM SUBJECT: (If needed, used a separate sheet of paper)

Review and Potential Regulation of Food Truck operations in Downtown St. James and Adjacent Residential areas

ACTION REQUESTED:

See Attached

REASONS FOR REQUESTED ACTION:

See Attached

Please list and supply any hand-outs and/or audio-visual materials.

Signature: _____

The City Council meets on the first and third Tuesday of each month. Agenda Requests must be submitted by **12:00 PM the Thursday before the City Council meeting to be considered.** This format gives citizens an opportunity to express concerns to the council without expectation of discussion or action. No more than two (2) people should speak on the same topic at one meeting. Citizens should be directed to the council as a whole and not to any individual member or department head.

OFFICE USE:

Date and Time Received:

Received By:

ACTION REQUESTED: Request that the St. James City Council direct staff to evaluate current food truck operations and return with recommendations for updated regulations, including:

- Establishment of minimum distance requirements from residential properties
- Identification of designated operating locations on city-owned property (such as the lakefront park, recreational areas, or near the public pool and campground)
- Consideration of limited operating hours within downtown areas for quality of life for residents
- Implementation of standards for noise, generator use, and waste management

REASONS FOR REQUESTED ACTION: Food truck operations in downtown St. James are currently occurring in close proximity to residential homes, resulting in ongoing concerns related to generator noise, strong cooking odors, increased litter, and negative impacts on neighborhood appearance.

These impacts are especially significant during Minnesota's spring through fall months, when residents rely on and look forward to open windows and outdoor enjoyment of their homes.

The current situation also raises broader considerations regarding:

- Residential quality of life within downtown St. James
- Preservation of property values and neighborhood appeal
- Fairness for local restaurants that maintain permanent locations, pay property taxes, and are fully invested in the community

While food trucks can contribute to local activity, their current placement creates an imbalance between commercial use and residential livability, particularly given their minimal contribution to overall city revenue.

St. James has suitable alternative locations—such as the lake area, park spaces, and recreational zones—that provide parking, foot traffic, and amenities without directly impacting residential properties.

This request is intended to support a balanced, practical approach that allows food trucks to operate successfully while protecting residents and maintaining the long-term character and livability of downtown St. James.

I would appreciate the opportunity to present this item and discuss potential solutions with the Council.

April 21, 2026

ITEM: New Business – Watonwan County Housing Study, Final Presentation

BACKGROUND: Brianna Sanders, EDA Director, will present the Watonwan County Housing Study.

The Watonwan County Housing Study, conducted by CEDA, was approved by the Watonwan County Board on April 7th. The study includes countywide analysis as well as focused findings for the communities of St. James and Madelia. It evaluates current and projected housing conditions through an analysis of demographic trends, survey data, community engagement, and existing housing stock conditions. Overall, the county has identified ongoing housing needs across multiple areas, including single-family owner-occupied housing, both market-rate and subsidized rental housing, and housing rehabilitation to address aging housing stock and maintain existing units. The findings highlight the need for a balanced approach that supports both the preservation of existing housing and the development of new housing options to meet current and future demand.

ACTION REQUESTED: Approve/Deny Agenda Request.

Watonwan County Housing Study **FINAL PRESENTATION**



2025 - 2026

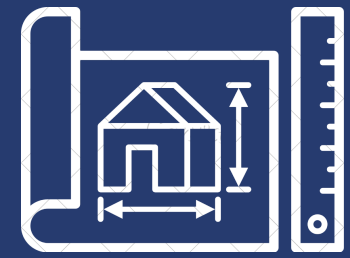
ABOUT CEDA



CEDA started as a **grant writing** organization specializing in the administration of block grant funding. Grant writing is an important part of the work we do today. Our Grant's Department and team members raised over \$8 million in 2025.



As the organization expanded, CEDA realized a need for small communities to have their own **economic development** staff available on-site. Today, we serve over 70 communities through our Community Support Program.



While working in communities CEDA also realized a need to provide **planning** services for small communities to further economic development efforts. Over time this has developed into a formalized structure with its own department.

POPULATION TRENDS

- Watonwan County has seen some population decline over the last 50 years, but St. James and Madelia have shown population growth over the same time frame. This decline at the county level has been slowing down recently, while the rate of growth in the two cities has stayed pretty consistent.
- The housing study examines ways to support continued growth in St. James and Madelia, and encourage growth throughout the rest of the County.

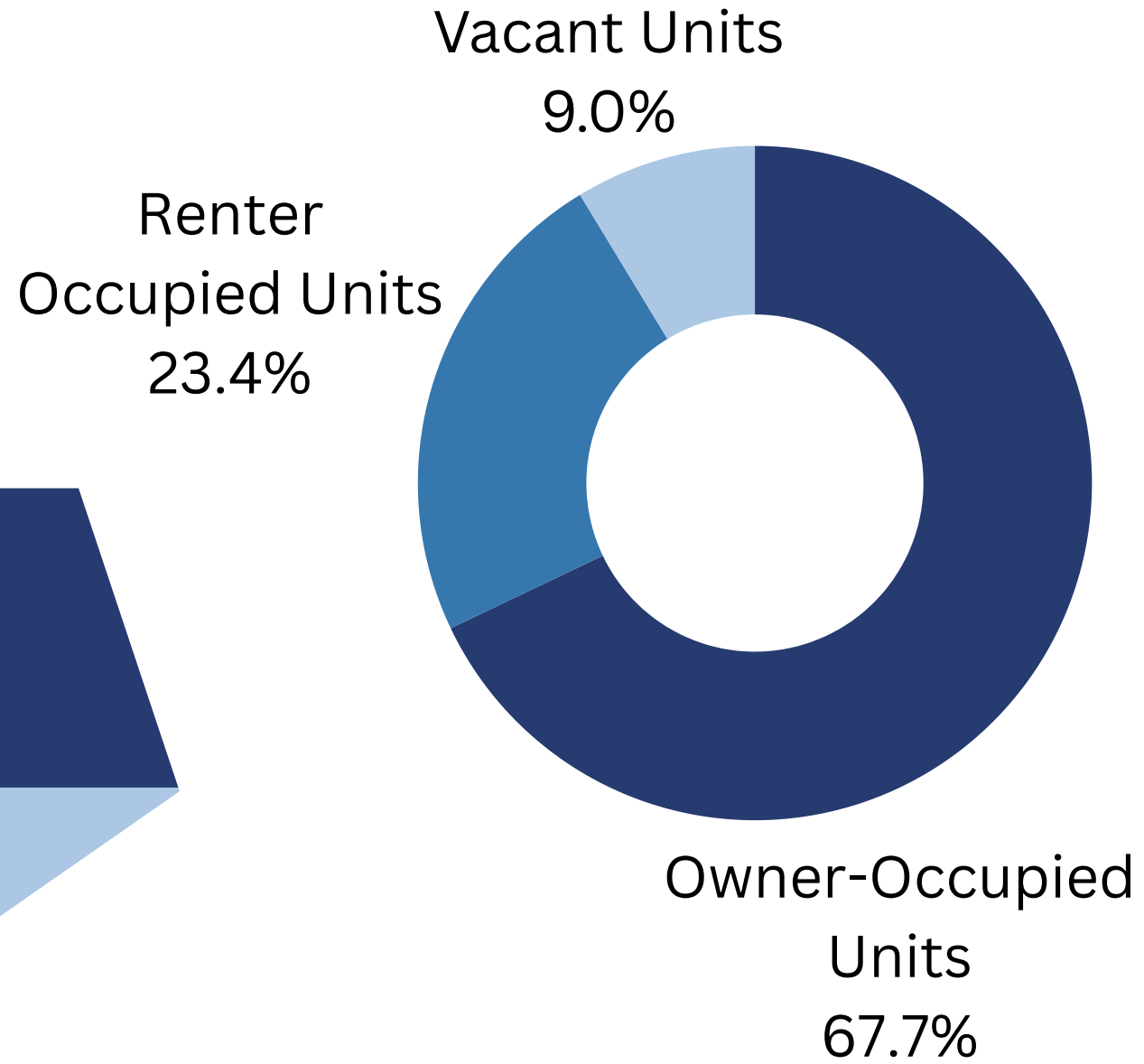
Population Trends

	1970	1980	1990	2000	2010	2020	2025	2030
Watonwan County	13,298	12,361	11,682	11,826	11,211	11,253	11,184	11,129
St. James	4,027	4,346	4,364	4,695	4,605	4,793	4,880	4,951
Madelia	2,316	2,130	2,237	2,340	2,308	2,396	2,425	2,448



OWNERSHIP, RENTAL, & VACANCY

St. James Housing Tenure

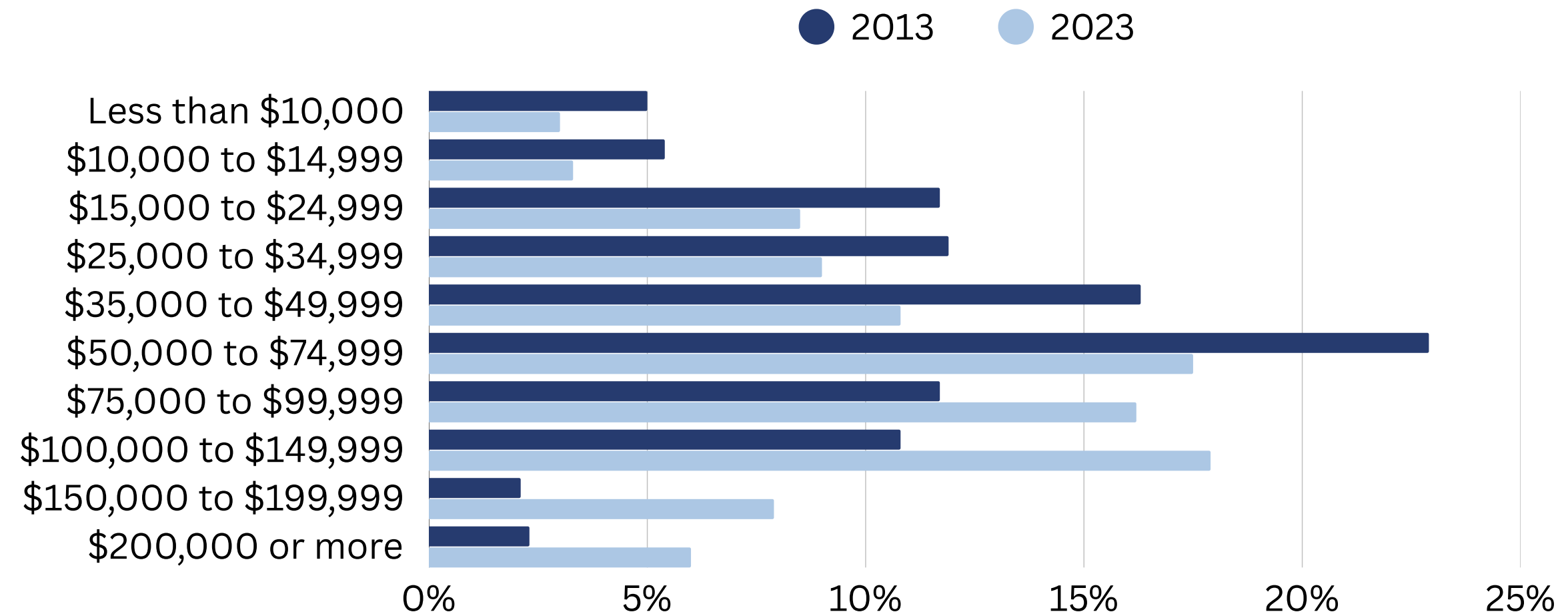


- Data from ESRI shows a slightly above-average vacancy rate. This number is higher than the recommended vacancy rate of 5% which is the ideal number that would allow for adequate housing mobility.
- The mix of owner-occupied and renter-occupied is in line with recommended ratios, indicating there is a good mix of housing options. The housing study will also explore lifecycle housing needs and additional housing types

HOUSEHOLD INCOME

The median household income is \$70,593 (2023) and has increased by 42% since 2013.

Watonwan County Household Income Growth

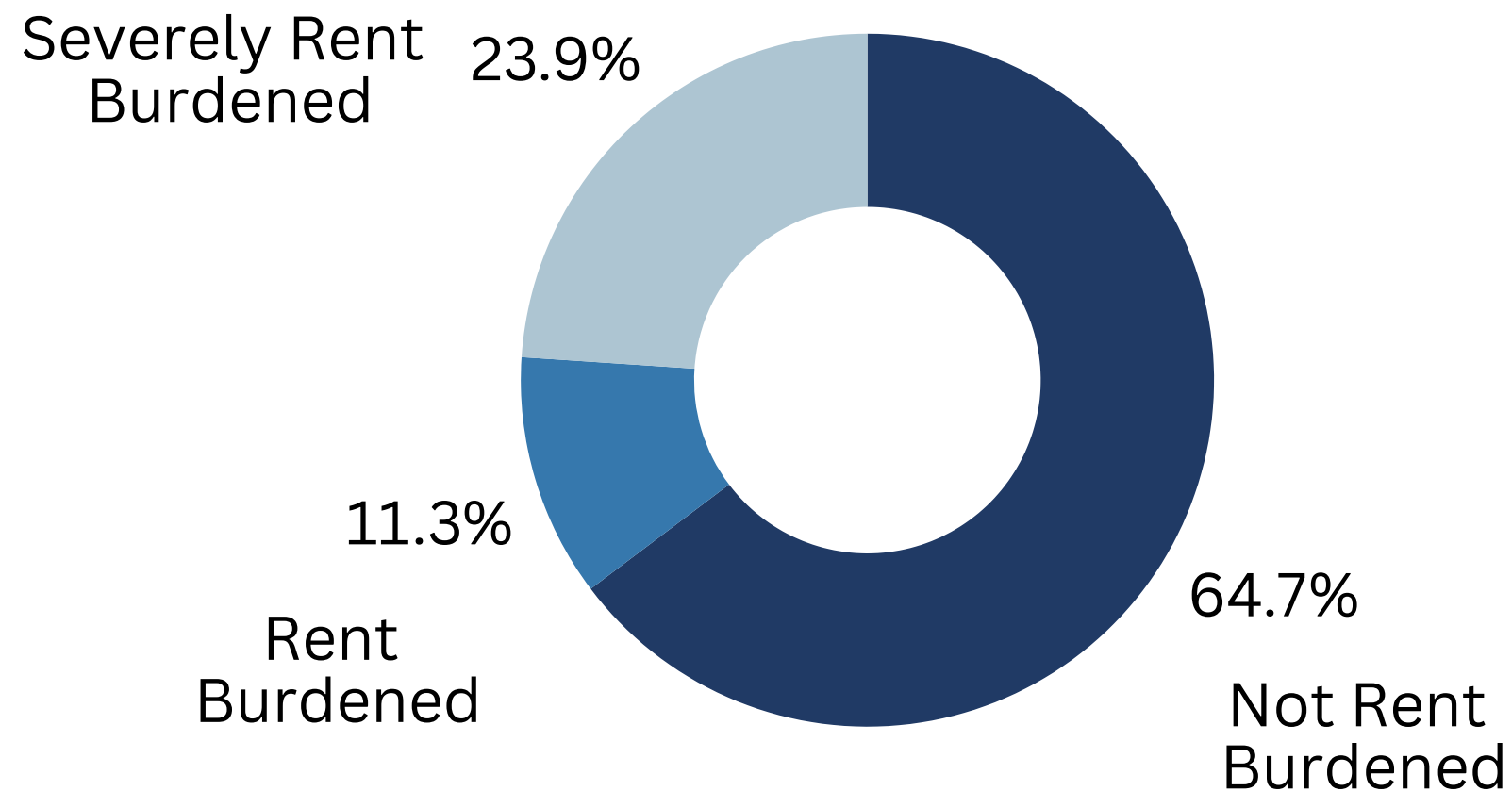


HOUSING COSTS & INCOME



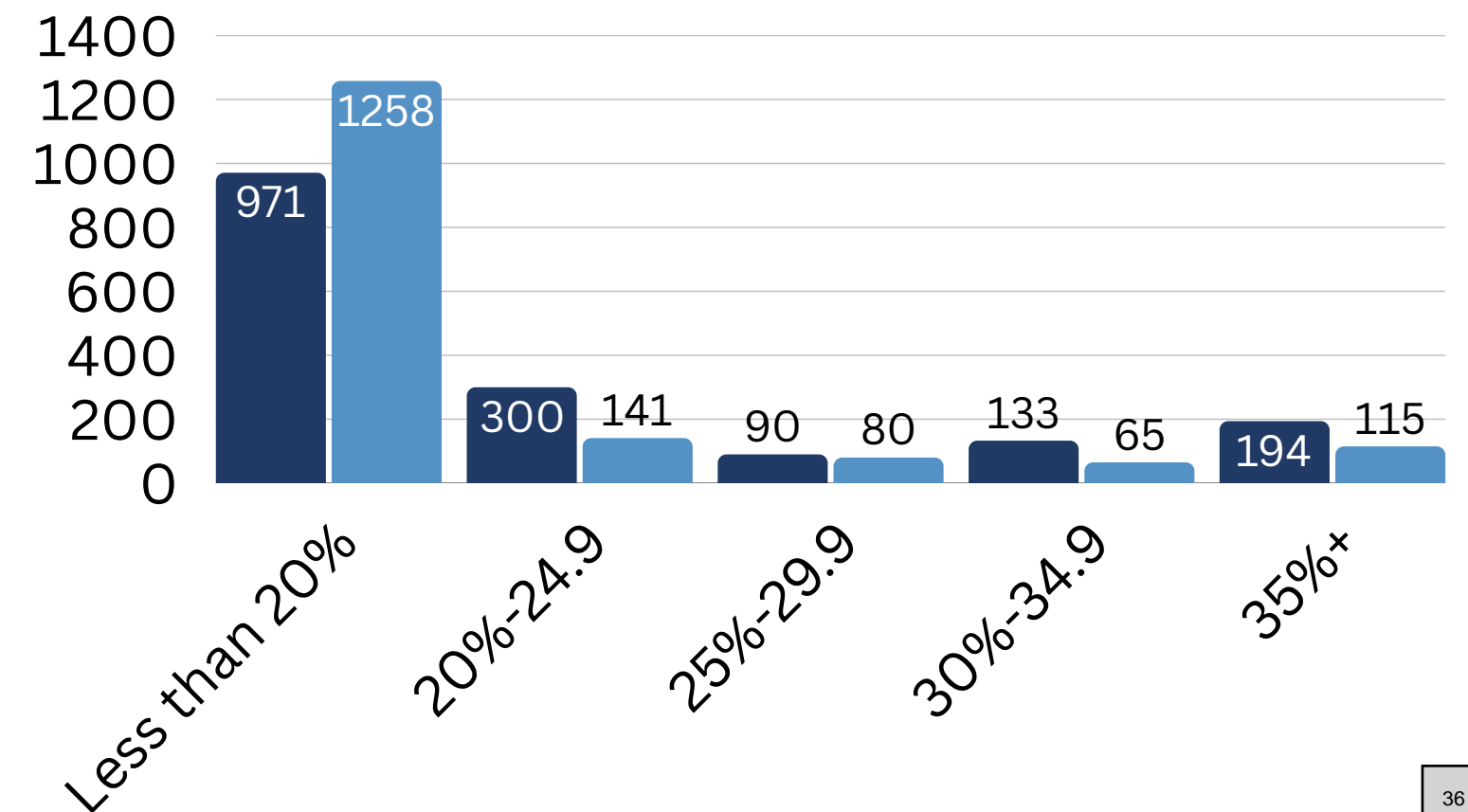
By federal standards, households spending more than 30% of their income on housing are cost-burdened. Those spending more than 35% of their income on housing are severely cost-burdened.

Watonwan County Renters



Watonwan County Homeowners

- Households with a Mortgage
- Households without a Mortgage



HOUSING CONDITIONS

1 Dilapidated

1 A rating of 1 was the lowest possible rating and indicated the home was dilapidated. Homes rated 1 contained multiple deficiencies, and are likely candidates for demolition. Likely homes rated a 1 have been abandoned.

2 Major Repair

2 A rating of 2 indicated the home needs major repair. It likely has multiple improvements that need to be addressed. This could be projects such as a new roof, siding, windows and doors, or foundation.

3 Minor Repair

3 A rating of 3 indicated the home needs minor repair. It is likely in good condition, but may have a tired appearance, and may have one improvement that needs to be addressed.

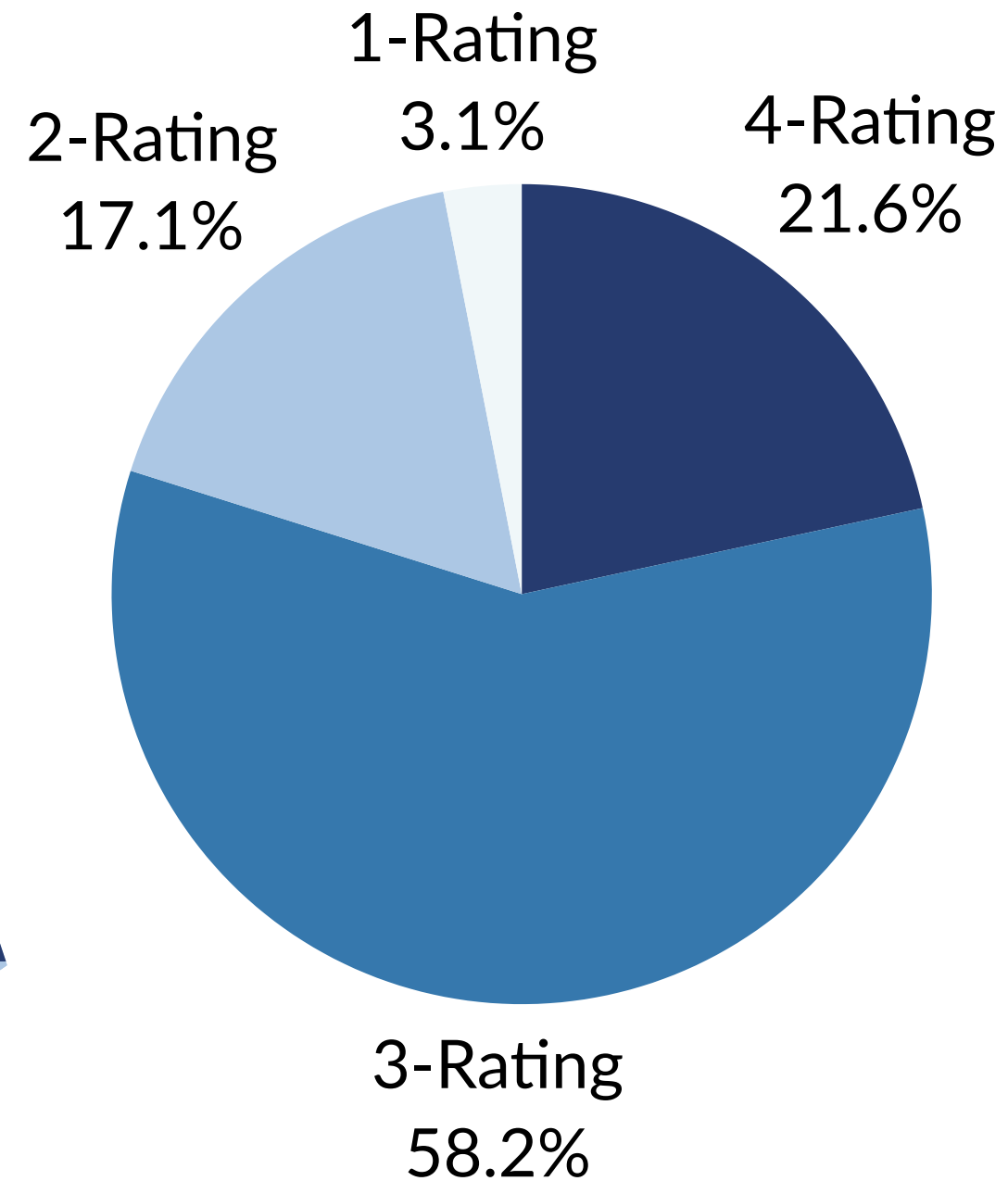
4 Sound

4 A rating of 4 indicated the home appears structurally sound and in good condition. There are no deficiencies, and the home appears to be “move-in ready”.

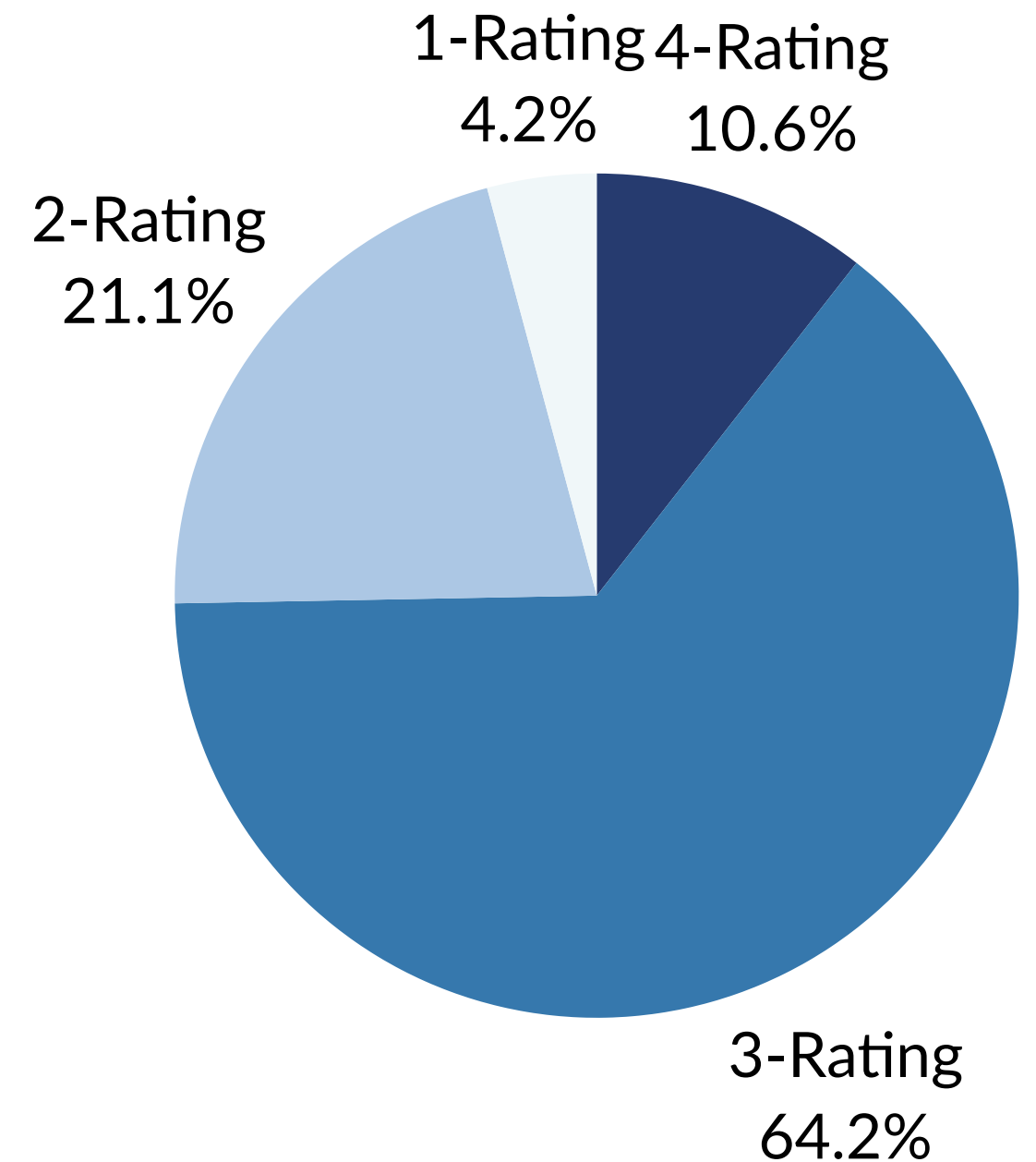


WINDSHIELD SURVEY RESULTS

St. James Windshield Survey Results



Madelia Windshield Survey Results



COMMUNITY ENGAGEMENT

STRATEGY SESSION

Two working sessions were held with the Housing Steering Committee. These sessions were used to review data, validate findings, and identify priorities based on both quantitative trends and lived experience within the County. These working sessions ensured that the study reflects local knowledge, practical constraints, and realistic implementation.

The Committee was led through a facilitated activity to better understand the community's target market, developer readiness, and grant funding availability. Discussions covered the following topics:

- Apartment Style Rental Housing
- Upscale Apartment Rental Housing
- Owner-Occupied Housing for Families
- Owner-Occupied Housing for First-Time Homebuyers

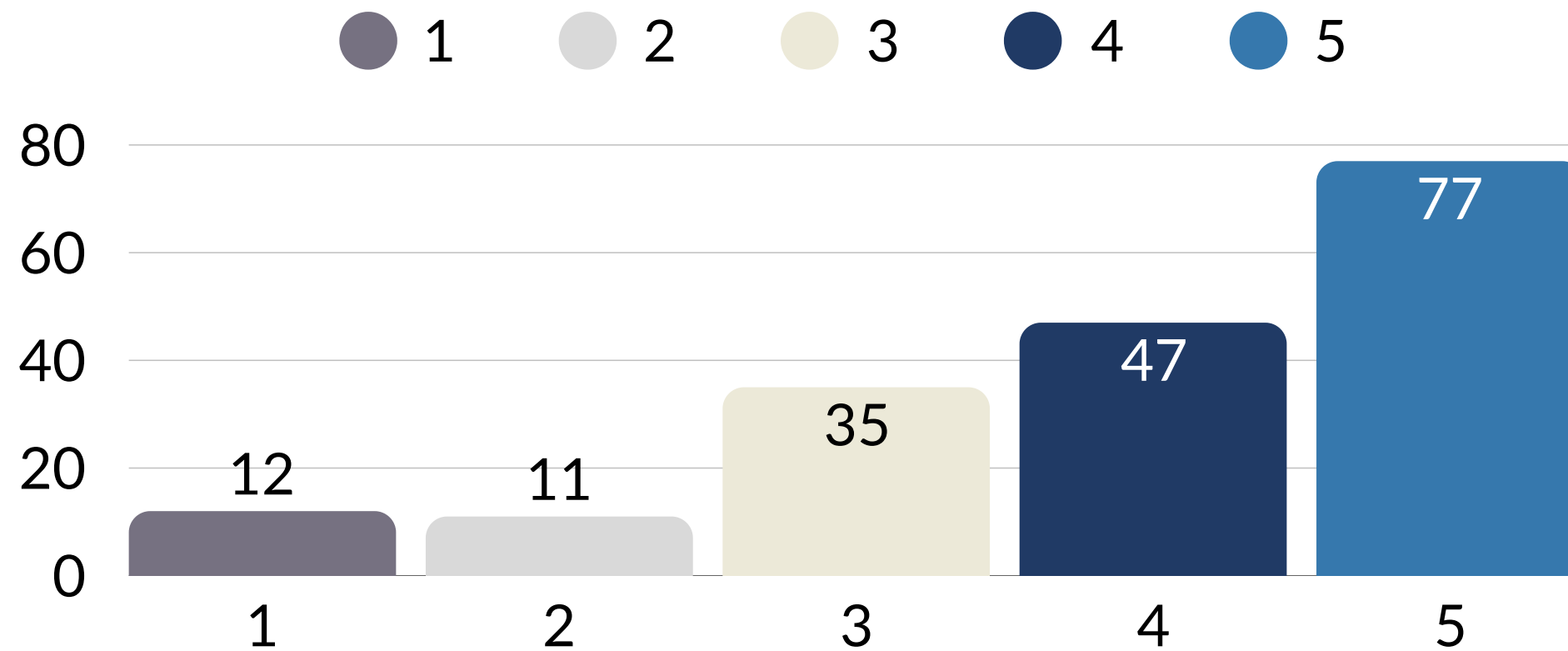


SURVEY RESULTS



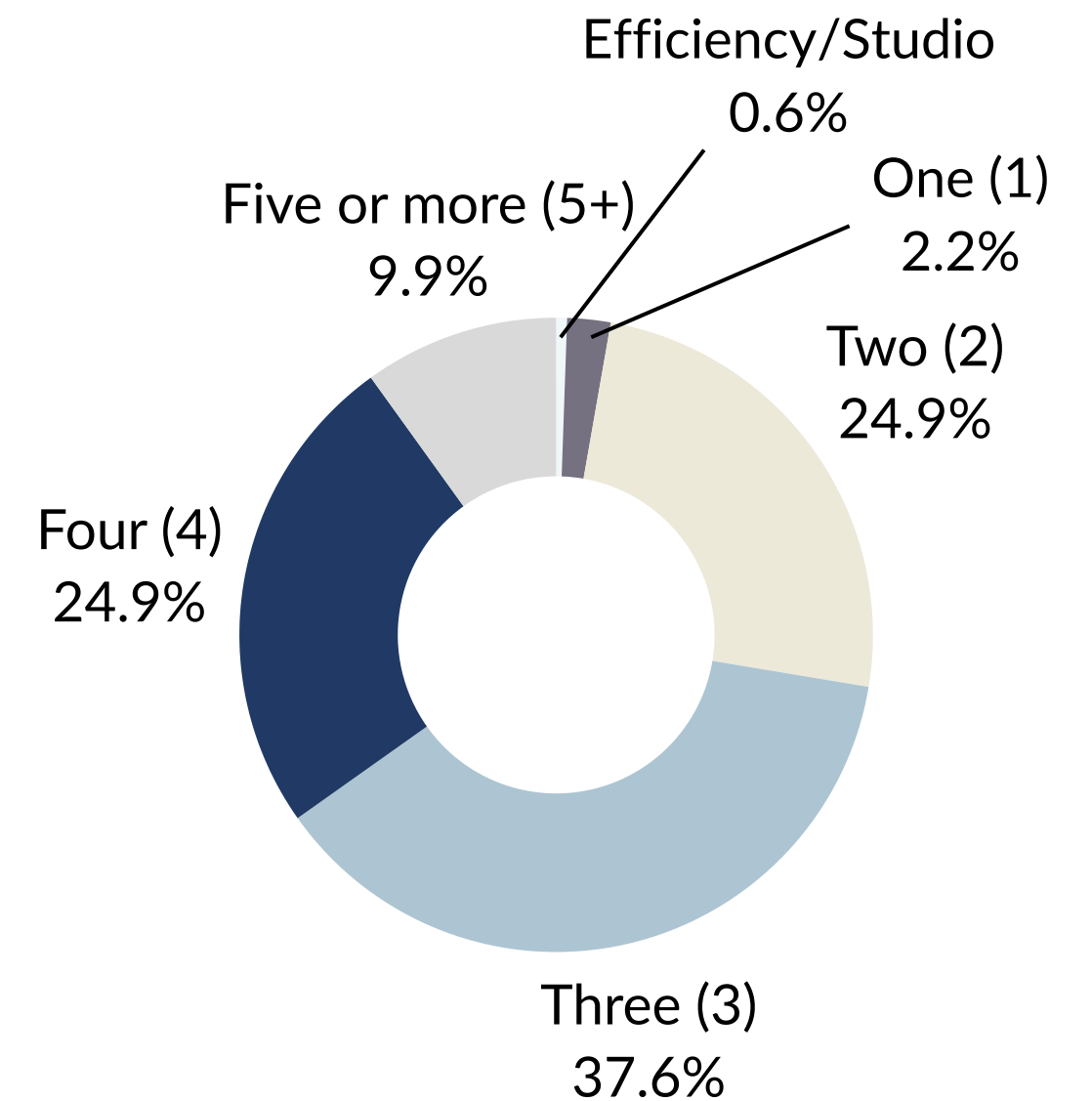
How satisfied are you with your current housing situation?

182 responses



What is your preferred home size? (number of bedrooms)

181 responses

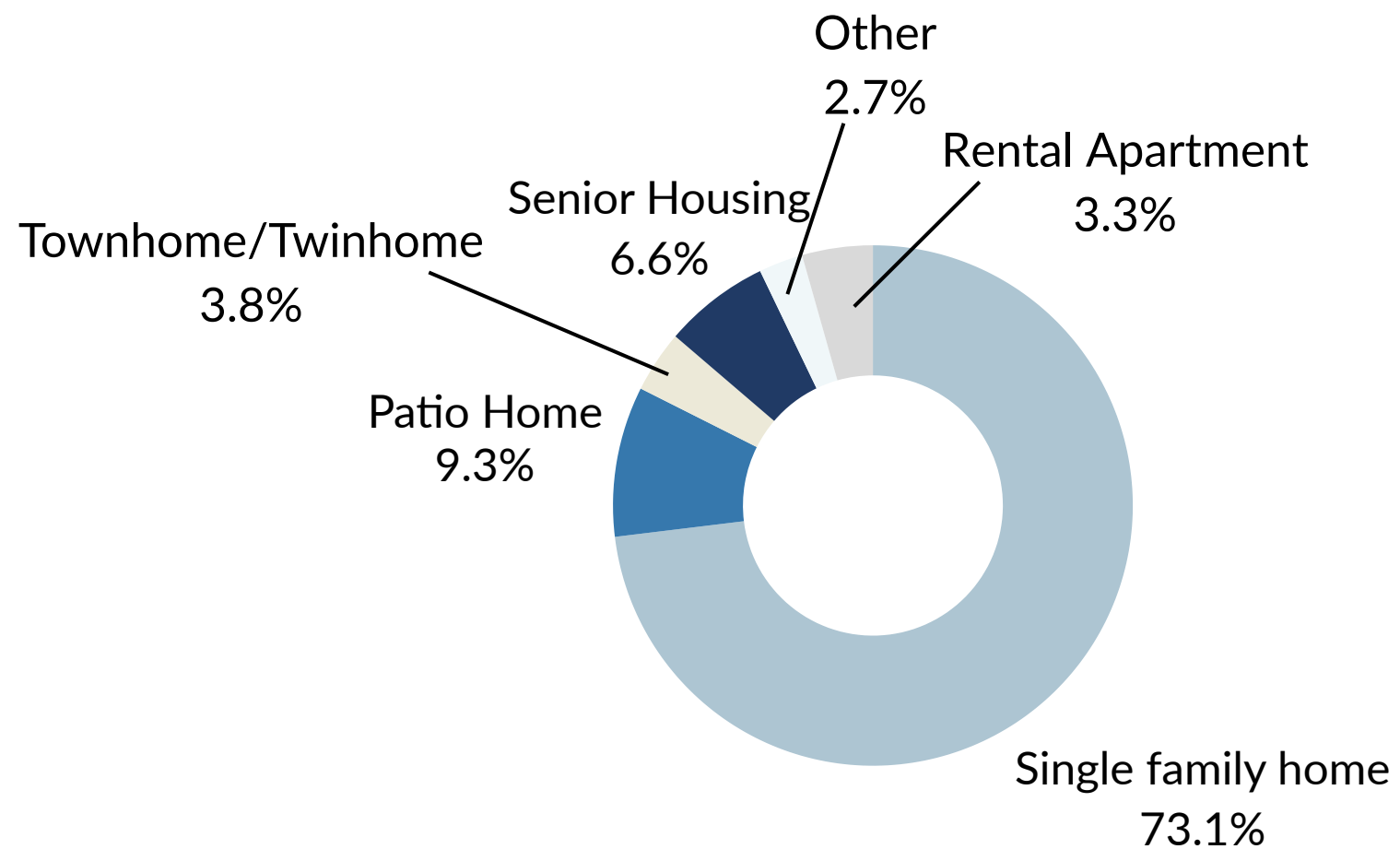


SURVEY RESULTS



What is your preferred housing type if you were to relocate?

182 responses



More apartment options or even rent to own ideas ways to help those who pay in rent what they could be paying on a home but because of credit score

Affordable housing with more than one bedroom. High rent is hard for low income people

Need more remodel assistance for middle income groups. There have been programs in the past, but they are for certain areas of town

Offer options for 65+ to downsize and remain local. Preferably a patio home.

Our county needs affordable loan assistance programs to help people fix and maintain their homes. We are also in need of housing for our special needs community members. Single story, handicapped accessible, independent apts with an local resident overseeing living skills and home safety.

STAKEHOLDER INTERVIEWS

- Limited housing supply and affordability challenges across the county
- Rental housing shortages, especially for workforce households
- Aging housing stock and deferred maintenance create ongoing rehabilitation and redevelopment needs
- Few development-ready lots, particularly in Madelia and St. James
- Growing demand for senior housing and starter homes
- Housing availability impacts workforce retention, especially for employees seeking rental options
- Strong interest in partnerships, funding, and regional collaboration

SWOT ANALYSIS

Strengths

- Strong community identity
- Work-live-play lifestyle
- Parks and recreation
- Diverse population
- Strong employment base
- Food manufacturing sector
- Owner-occupied rehab program
- Healthcare access
- Fiber internet access

Weaknesses

- High development costs
- Limited local incentives
- Limited development capacity
- Infill lot shortages
- Costly infrastructure expansion
- Limited housing inventory
- Low housing mobility
- Smaller retail base

Canva

- State and federal funding
- Updated housing study
- Proximity to Mankato
- Infill development potential
- Housing rehabilitation
- Innovative housing construction
- Local builders and entrepreneurs

- Rising construction costs
- Volatile housing market
- Developer recruitment challenges
- Prevailing wage requirements
- Income eligibility restrictions
- Rural financing gaps

Opportunities

Threats



FINDINGS & RECOMENDATIONS

DEVELOP 25-30 OWNER OCCUPIED SINGLE FAMILY HOMES

15-20 Single Family Homes and 10 Patio Homes

With an anticipated growth in population in Madelia and St. James, with the need to replace deteriorating housing units, there is a need for additional single-family homes to serve both families and those looking to downsize.

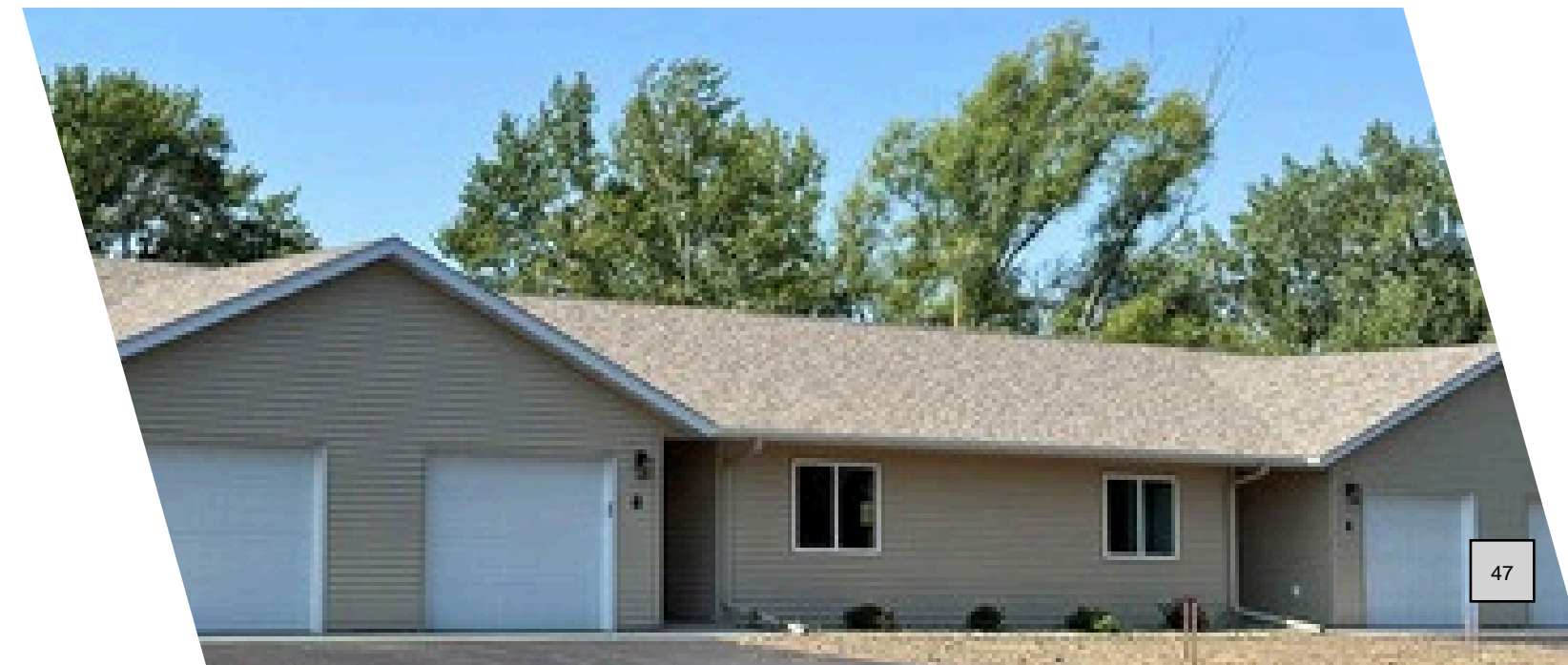
New construction costs have increased significantly in recent years, which means these homes will likely be suitable as move-up housing options for families looking for additional space, or older adults looking for an option with one-level living.



DEVELOP 16-18 MULTI FAMILY OWNER OCCUPIED

In addition to owner occupied patio homes, attached one level living units such as duplexes or fourplexes can offer a similar setting while keeping the budget in mind.

While the target market for these units is 65 and up, many rural communities have seen an influx of young people purchasing these units. These units should be offered for purchase, but can be converted to rental.



DEVELOP 36-46 MARKET RATE RENTAL UNITS

While the County reports a rental unit vacancy rate of 5.7%, the rental housing inventory found a rate of only 1.8%. While talking with local housing stakeholders, it was found that while there are some single-family homes that sit available for rentals, they are not in good condition.

Employment and income levels, primarily in St. James and Madelia, point to a need for additional workforce rental housing. In addition, a small number of rental units built with seniors in mind would help create movement in the housing lifecycle.



DEVELOP 18-22 SUBSIDIZED RENTAL UNITS

Watsonwan County currently has 290 units of subsidized housing in St. James and Madelia. In order to accommodate the expected growth in both communities it is necessary to maintain the percentage of subsidized units.

Over the next 5 years, it is recommended that St. James and Madelia add 24 - 33 new subsidized units. This can be a stand alone project, or part of a larger rental housing project.



DEVELOP 19 - 21 SENIOR HOUSING WITH SERVICES UNITS

Currently there are 106 senior with services living units in Watonwan County. This includes assisted living, skilled nursing, and memory care. Over the next 4 years, the 65 and up population in Watonwan County is expected to increase from 20.2% of the population to 23.1% of the population which equates to an increase of 291 additional senior residents.

Research suggests that communities should have a senior living capacity of 2% to 10% of the 65+ population. In Watonwan County, there is currently a capacity of 4.7% for senior with services or 6.8% when independent living options are included.



OWNER OCCUPIED HOME REHABILITATION

Watonwan County has an aging housing stock. With 48% of homes built prior to 1950, and 73% built before 1980, it is imperative that the County support a concerted effort for housing maintenance.

Comments from community stakeholders also echoed similar responses with many wanting the City to support home rehabilitation, and to take an active role in code enforcement in residential neighborhoods.



IMPLEMENTATION



Small Cities Development Program

The Small Cities Development Program provides grant funding to communities for rehabilitating owner occupied houses, commercial buildings, and updating public infrastructure.

Federal Home Loan Bank

The Federal Home Loan Bank offers grant rounds to receive grant funding for home rehabilitation.

Local Housing Trust Fund

Local housing trust funds can help communities leverage public and private resources to fund authorized expenditures including grants and loans for housing rehabilitation.

RENTER OCCUPIED HOME REHABILITATION

Housing quality or the physical condition of housing plays a vital role in the long term sustainability and preservation of housing units. For existing residents, quality housing ensures safety, stability, and retention of residents. Potential new residents are also influenced by the quality of housing. By maintaining and preserving existing rental units, the City can ensure there are sufficient affordable housing options for residents and new community members.



IMPLEMENTATION



USDA Multi Family Housing Preservation Grant

This program provides grants to sponsoring agencies for the repair or rehabilitation of housing owned or occupied by low- and very-low-income rural residents.

Rental Rehabilitation Deferred Loan Program

This program provides financing for rehabilitation and repair of naturally occurring affordable housing and federally subsidized housing including USDA 515 properties. The loan is typically 0% interest with a forgivable portion at the end of the term.

HOME and PARIF

Both are structured as 30 year loan programs with 0% interest for rehabilitating multifamily structures. The HOME program also provides financing for new multifamily construction projects.

THANK YOU!

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