

**MINUTES**  
**REGULAR MEETING - ECONOMIC DEVELOPMENT AUTHORITY (EDA)**  
**Wednesday, February 11, 2026 – 6:00 p.m.**  
**Monticello Community Center**

Commissioners: President Rick Barger, Vice President Jon Morpew, Treasurer Hali Sittig, Clint Berglof, Mayor Lloyd Hilgart, Councilmember Tracy Hinz, Steve Johnson  
Staff: Executive Director Jim Thares, Angela Schumann, Tyler Bevier, Sarah Rathlisberger

1. **General Business**

**A. Call to Order**

President Steve Johnson called the regular meeting of the Monticello EDA to order at 6:00 p.m.

**B. Roll Call (6:00 p.m.)**

Mr. Johnson called the roll.

**C. Consideration of Additional Agenda Items**

None

2. **Annual Business Meeting**

**A. Consideration of electing EDA officers**

Executive Director Jim Thares lead discussion on election of the 2026 EDA officers for President, Vice-President, and Treasurer. City Staff historically serve as EDA Secretary and will continue unless otherwise specified by the EDA.

Mr. Johnson entertained nominations for EDA President.

Hali Sittig nominated Rick Barger for EDA President.

HALI SITTIG MOVED TO CLOSE NOMINATIONS FOR EDA PRESIDENT. CLINT BERGLOF SECONDED THE MOTION.

A consensus was not received and motion ceased. Roll call was taken by current president Mr. Johnson to vote.

Tracy Hinz, Clint Berglof, and Hali Sittig voted in favor for Rick Barger for President. Rick Barger, Steve Johnson, and Jon Morpew abstained from voting.

Discussion continued among EDA members to address if potential concerns pertaining to the unanticipated nomination.

Mr. Barger said to be taken by surprise by his nomination; said to be willing to uphold

service and presidential duties for the EDA to the best of his abilities if elected.

Mr. Berglof asked if other nominations for President might be considered. Members and staff discussed the open motion needing consensus.

Mr. Johnson said to change his refrain to vote in favor for Rick Barger to serve as 2026 EDA president.

HALI SITTIG MOVED TO ELECT RICK BARGER AS 2026 EDA PRESIDENT. CLINT BERGLOF SECONDED THE MOTION. MOTION CARRIED, 5-0 – RICK BARGER AND LLOYD HILGART ABSTAINED.

Acting and newly appointed EDA President Mr. Barger entertained nominations for 2026 EDA Vice-President.

Mr. Morphew offered to serve again in the position if no one else desires the role. He in so doing felt he nominated himself for 2026 EDA Vice-President.

RICK BARGER MOVED TO ELECT JON MORPHEW AS 2026 EDA VICE-PRESIDENT. TRACY HINZ SECONDED THE MOTION. MOTION CARRIED, 7-0.

Mr. Barger entertained nominations for EDA Treasurer.

Mr. Thares said Ms. Sittig has served on the position and asked if she wanted to continue in that role.

Ms. Sittig said she is willing to serve again in that position if no one desires the role. She also said her willingness could be considered a self-nomination for 2026 EDA Treasurer.

CLINT BERGLOF MOVED TO ELECT HALI SITTIG AS 2026 EDA TREASURER. JON MORPHEW SECONDED THE MOTION. MOTION CARRIED, 7-0.

Mr. Thares said the Secretary position is currently held by Staff and could continue in that same manner.

**B./C. Consideration of Reviewing EDA Bylaws/Consideration of Reviewing EDA Enabling Resolution**

Mr. Thares included the information regarding the EDA's enabling resolution and Bylaws which are typically reviewed at the Annual Meeting. He noted that there are no staff recommendations as per review by the EDA attorney confirming the statutory language found no changes needed. They only need to be changed if the EDA members feel there should be adjustments. He said staff have no recommendations for changes based on EDA attorney review

Members concurred that no changes were needed in the organizational documents and no action was taken.

**D. Consideration of EDA Financial Statements and Fund Balance Information**

Finance Director Sarah Rathlisberger introduced herself and guided EDA members first through the Schedule of Revenues, Expenditures and Changes in Fund Balance for 2025. She then explained the Schedule of Assets, Liabilities, Deferred Inflows of Resources and Fund Balances for 2025.

When asked if any TIF fund balances may be nearing default to the County, Ms. Rathlisberger said no, then explained the excess increment process used for TIF 22, which has since been decertified and is no longer collecting increment dollars.

Ms. Hinz drew attention to TIF 24 nearing decertification in 2026, asked what to anticipate. Ms. Rathlisberger said for EDA to anticipate a resolution later in the year for review in which she will formally file with State auditors seeking decertification. Ms. Hinz asked if there is a definitive timeframe that might be used to capture pooled funding after decertification to utilize for future housing funding. Ms. Rathlisberger said she was not aware and would reach out to the EDA attorney to confirm.

TRACY HINZ MOVED TO APPROVE THE EDA 2025 YEAR END FINANCIAL REPORTS. HALI SITTIG SECONDED THE MOTION. MOTION CARRIED, 7-0.

**3. Approval of Agenda**

LLOYD HILGART MOVED TO APPROVE THE FEBRUARY 11, 2026, EDA REGULAR MEETING AGENDA. TRACY HINZ SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

**4. Consent Agenda**

**A. Consideration of Payment of Bills**

**B. Consideration of Approving December 10, 2025 Regular Meeting Minutes**

**C. Consideration of Approving December 10, 2025 Workshop Meeting Minutes**

**D. Consideration of Approving October 8, 2025 Workshop Meeting Minutes**

Mr. Thares referenced minor clerical edits which would be amended for the record.

LLOYD HILGART MOVED TO APPROVE THE CONSENT AGENDA. TRACY HINZ SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

**5. Public Hearing**

**A. Consideration of a Greater Monticello Enterprise Fund (GMEF) Loan application for Sperr Properties, LLC for an amount of \$65,000**

Mr. Thares provided background on the agenda item for consideration of authorizing a GMEF Loan to Sperr Properties, LLC dba L&L Homestyle Café, LLC for \$65,000 and a Business Subsidy Agreement for interior improvements and purchase of restaurant equipment. He provided background to the prior workshops and meetings to date regarding loan applications and of the improvements needed to be made to the building.

He provided a high-level overview of the funding uses and sources, including the components to certain aspects of the overall project. He also noted the scoring evaluation matrix. He stated that the underwriting report was not yet received from the local bank. He believes it will be available in the coming weeks. He said following the EDA opening and closure of the public hearing, staff's recommendation is to table the consideration until the March 11 regular meeting for all required documentation to be received.

Mr. Barger opened the public hearing portion of the agenda item.

Larry Sperr introduced himself and his nephew Logan Sperr as co-owners. He also said his brother, Mark, is also a partner, but not able to attend the meeting. He described the business opening, the general operational goals and unanticipated delays involving MN Department of Health licensing requirements which were recently completed. He described January as a slow month in the restaurant industry and offsetting expenses by booked catering events. He estimated about \$92,000 for interior updates. He touched on food costs, labor, and sales. He then noted that the exterior improvements such as windows and the front door replacement are slated to occur in April or May.

Mayor Hilgart said he has been in the re-opened restaurant a few times already and he noted the nice atmosphere and good customer numbers for this time of year.

Ms. Hinz gave praise to Mr. Sperr's work ethic experienced at her visits to the café, working alongside and hands-on with his employees.

Mr. Barger spoke about the buzz around town and in favor to the community outreach for the café to succeed and thrive in Downtown.

Mr. Sperr said he received compliments from a neighboring business for success and for potential to revive downtown livelihood.

Mr. Thares touched briefly on the history of the EDA review of the loan request and of the timeline to reopen and the injection of bridge loan dollars to allow the equipment to purchase to occur prior to the EDA final consideration of the loan. He also noted the \$24 hourly wage was averaged over the entire staff and included gratuities.

Mr. Barger closed the public hearing portion of the agenda item.

HALI SITTIG MOTIONED TO TABLE CONSIDERATION OF THE ITEM TO THE MARCH 11, 2026, EDA MEETING FOR RECEIPT OF A COMPLETED UNDERWRITING REPORT FOR REVIEW. CLINT BERGLOF SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

6. **Regular Agenda**

- A. **Consideration of adopting Resolution 2026-03 authorizing a Greater Monticello Enterprise Fund (GMEF) Loan to Renewed Pilates, LLC in the amount of \$28,500 and**

**Business Subsidy Agreement for equipment purchases and startup costs**

Mr. Thares provided background on the agenda item for consideration of authorizing a GMEF Loan to Renewed Pilates, LLC for \$28,500 and a Business Subsidy Agreement for equipment purchases and startup costs. He provided background of the December 10, 2025, workshop the businesses start-up plans and goals for the Pilates fitness studio in Downtown Monticello.

Mr. Thares provided information regarding financials between applicant and property management for studio space within Block 52. He noted that the GMEF loan request amount was approximately 12% of the entire project cost with the rest of the funding coming from Sherburne State Bank and the landlord in the form of the 1,734 sq. ft. space buildout.

When asked why a public hearing was not needed for this request, Mr. Thares explained the minimum funding threshold as being \$150,000 as per the MN State Business Subsidy Statute. He also noted the scoring evaluation matrix.

Cassie Mallinger reintroduced herself to the EDA members and clarified the indicated wages did not include potential incentives which is unique commonality within the fitness industry. She spoke of generous wages for quality staff to offset trainer certification costs. She explained the business operational hours and end goal of having five full-time staff instructors. Ms. Mallinger said she has already received positive feedback in the community and is eager to open up her fitness studio.

Mr. Morphew appreciated the need and fit within the community for a fitness studio of this nature.

When asked about the Pilates programs, Ms. Mallinger explained the monthly subscriptions for service and package plans to suit. She indicated that she would need 30 clients for sustainability and currently has 60 at her Maple Grove studio location. She explained additional staff would be needed if more classes should be added. She said her goal is to add two more reformer machines to max out at eight, keeping class sizes more personable.

JON MORPHEW MOVED TO APPROVE RESOLUTION 2026-03 AUTHORIZING A GMEF LOAN TO RENEWED PILATES, LLC IN THE AMOUNT OF \$28,500 AND A BUSINESS SUBSIDY AGREEMENT FOR EQUIPMENT PURCHASES AND STARTUP COSTS. HALI SITTIG SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

**7. Other Business**

**A. Consideration of Economic Development Manager's Report**

Community and Economic Development Coordinator Tyler Bevier provided an overview of the 2026 EDAM Winter Conference attended in January with Mr. Thares.

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Mr. Thares provided reports on the following items:

- Local Option Sales Tax Revenue Collections
- February Planning Commission updates

Mr. Morpew drew attention to the efforts by City Staff and decision makers and transparency in working to create a land use ordinance for data center development. Mr. Barger also spoke admirably of the City Planning Commission and City Council efforts in this realm and credited City staff for continuous communication within the community.

Mr. Thares spoke of the WCEDP Annual Meeting and awards ceremony held on January 16 wherein the City of Monticello received the 2025 Partner of the Year Award. He also provided updates regarding projects to date including Building Permits.

Ms. Hinz inquired on the status for development of Wendy's project; Ms. Schumann explained the request for, and approved extensions on, the conditional use permit (CUP) anticipated to expire in September 2026 without action.

Mr. Thares also provided updates to the project prospects list including Kids Haven Childcare and noted that Wright County may be able to obtain some grant funding for the Kids Haven development proposal.

**8. Adjournment**

LLOYD HILGART MOVED TO ADJOURN THE REGULAR MEETING OF THE MONTICELLO EDA. CLINT BERGLOF SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0. MEETING ADJOURNED AT 7:20 P.M.

Recorded by: Anne Mueller\_\_

Approved: March 11, 2026

ATTEST: \_\_\_\_\_  
Jim Thares, Executive Director of the Monticello EDA