



# Housing Starts Slow Down As New Subdivision Opens

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material prices are high priced. Barnesville has a very few in-fill lots scattered around the city that are being held by private residents. Those may or not be developed depending upon how the present owners feel about nearby neighbors. The only other place to build in the city is the new DelAcres/Gilbertson Phase II development.

That subdivision was planned for several years with actual completion of the infrastructure being started in 2016 and completed in 2017.

DelAcres/Gilbertson Phase II is a cooperative effort of the City of Barnesville and the Barnesville Economic Development Authority. It follows the general plan that was put together by Barnesville Developer Del Peterson and his sons Kim and Steve when they opened Phase I in 2006.

As Phase I gradually sold out, it became apparent that Barnesville would soon run out of space to build. Developer Del Peterson died in 2007, shortly after his new development opened. There was no individual or group that was willing to take the risk with a new development. The EDA began the process of developing property owned by Ed and Patty Gilbertson immediately east of Phase I.

Those negotiations saw a new 46-home development take shape to the south and east of the existing development. After years of plans and construction, those lots became available for construction in 2017.

The lots were large by Fargo-Moorhead standards with a single family residence being situated on a lot between 104 and 109 feet wide.

The cost for a building lot has been set at \$12,000, very near actual cost. Add in the special assessments and the total cost for the real estate for a new home comes in at less than \$50,000. That's less than half of what a smaller lot would cost in the F-M market and is lower and very competitively priced when compared to developments in smaller towns around the region.

The City of Barnesville has front-ended the cost of the sewer, water, storm sewer and streets in the sub-division just as they have done for every other development in



The health of a community is enhanced by a good park system. In 2017 kids in Barnesville got their first experience with a splash pad. The new attraction was installed in McGrath Park in 2016 and went into service in May of 2017. It was a very well received attraction. This year the park board is working to get \$130,000 in contributions in the bank to achieve a similar match from the city. If successful the fund drive will see every park in the city updated in 2018.

town. They will receive that money back as the lots are sold and the new residents pay the special assessments associated with the infrastructure. The City also loaned the EDA the money necessary to purchase the property and develop it. The City will be repaid by the lion's share of the lot revenues as the lots are sold.

New residential housing is a good deal for the City who acquires new

utility customers as well as additional tax base. New residential housing is also a good deal for every resident within the city as the expanding tax base spreads the tax load over more residents.

For those interested in building a new home in Barnesville, there are a number of incentives that are available. There is a two-year tax abatement available as well as utility

incentives being offered by the City of Barnesville. For local developers interested in specing a new home in Barnesville, there are incentives available from the EDA as well as Midwest Bank of Barnesville. For specific information on incentives

available for housing, contact Karen Lauer at the Barnesville EDA office at 218 354-2145.

While the crystal ball may be hazy about actual numbers, the future looks bright for new and existing housing in Barnesville.



The Highway 34 entrance into Barnesville got a little "splash" of color this past summer as a fountain was installed in the Blue Eagle settling pond adjacent to the highway. The colorful addition came about as a fountain was recycled from the water retention pond adjacent to the Barnesville Industrial Park and DelAcres/Gilbertson subdivision. The fountain was no longer functional once a berm was removed at the water retention pond. The fountain does add a beauty mark to one entrance into the city.



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