

A regular meeting of the City Council of the City of Canby, Minnesota was held on November 15th, 2011 at 7:00 P.M.

Members: Gene Bies, Gene Eilers, Nancy Bormann, Denise Hanson, Rick Bueltel

Absent: None

Visitors: Nicholas Johnson, City Administrator
Gerald Boulton, City Attorney
Dean Helstrom, City Attorney
John Meyer Ph.D.
Ellie Beman, Canby News
Jody Olson
Jeff Pederson, Water/Waste Water Supervisor
Chris Husby, Street Supervisor
Sami Jo VanDerostyne
Peyton Ufkin
Casie Baer
Kim Antony
Tabitha Stockman

The Special Assessment hearing for the Parking Lot project was opened at 6:30 P.M. There were no attendees.

The Special Assessment hearing was closed at 7:00 P.M.

The Tax Increment Financing hearing for TIF district 1-23 was opened at 7:00 P.M. There were no attendees.

The Tax Increment Financing hearing for TIF district 1-23 was closed at 7:10 P.M.

Resolution 2011-11-15-2, a resolution adopting the TIF plan and the creation of TIF district 1-23, was reviewed. A motion was made by Eilers and seconded by Bueltel to adopt Resolution 2011-11-15-2. All voted in favor. None voted against. The motion was carried.

CITY OF CANBY
RESOLUTION NO. 2011-11-15-2
RESOLUTION ADOPTING THE TAX INCREMENT FINANCING PLAN FOR AND THE
CREATION OF TAX INCREMENT FINANCING DISTRICT NO. 1-23

BE IT RESOLVED By the City Council (the Council) of the City of Canby, Minnesota (the City) as follows:

Section 1. Recitals.

- 1.01. On June 17, 1985, the Council adopted a Development Program for Development District No. 1, pursuant to and in accordance with Minnesota Statutes Sections 469.124 through 469.134 (previously Chapter 472A).
- 1.02. It has been proposed that the City create a Plan for Tax Increment Financing District No. 1-23.
- 1.03. The Council has investigated the facts and has caused to create the Tax Increment Financing Plan (Plan) for Tax Increment Financing District No. 1-23.
- 1.04. The City has performed all actions required by law to be performed prior to the adoption of the Plan, including, but not limited to, notification of Yellow Medicine County and the Independent School District and holding a public hearing regarding the Plan upon such notice as is required by law.
- 1.05. The Plan is contained in a document entitled "Tax Increment Financing Plan, for Tax Increment Financing District No. 1-23, City of Canby" dated November 15, 2011, on file at city hall.
- 1.07. The City Council has fully reviewed the contents of the Plan and has on this date conducted a public hearing thereon at which the views of all interested persons were heard.

Section 2. Findings Relating to the Plan for Tax Increment Financing District No. 1-23.

- 2.01. It is found and determined that it is necessary and desirable for the sound and orderly development of the District and the City as a whole, and for the protection and preservation of the public health, safety, and general welfare, that the authority of the TIF Act be exercised by the City to create the Plan for Tax Increment Financing District No. 1-23.
- 2.02. It is further found and determined, and it is the reasoned opinion of the City, that the actions proposed in the Plan for Tax Increment Financing District No. 1-23, could not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that therefore the use of tax increment financing is necessary to assist the project.
- 2.03. The expenditures proposed to be financed through tax increment financing are necessary to permit the City to realize the full potential of the District in terms of development intensity and tax base.
- 2.04. The creation of the Plan for Tax Increment Financing District No. 1-23 will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development of the tax increment financing district by private enterprise.

- 2.05. The Plan conforms to the plans for development of the City as a whole.
- 2.06. The City Council has relied upon the opinions and recommendations of its advisor and the personal knowledge of the members of the council in reaching its conclusions regarding the creation of the Plan.
- 2.07. Tax Increment Financing District No. 1-23 is an economic development tax increment financing district within the meaning of Minnesota Statutes Section 469.174, Subd. 12.

Section 3. Approval of the Tax Increment Financing Plan.

- 3.01. The Plan for Tax Increment Financing District No. 1-23 is hereby adopted and the district is hereby created.
- 3.02. The advisor is authorized and directed to file a copy of the Plan for Tax Increment Financing District No. 1-23 with the Minnesota Department of Revenue and the State Auditor Office.

Dated: November 15, 2011.

Attest:

City Administrator

Mayor

The minutes of November 1st were reviewed. A motion was made by Hanson and seconded by Bormann to approve the minutes. All voted in favor. None voted against. The motion was carried.

Resolution 2011-11-15-1, a resolution adopting assessments for parking lot 2 improvements, was reviewed. A motion was made by Bueltel and seconded by Hanson to adopt Resolution 2011-11-15-1. All voted in favor. None voted against. The motion was carried.

**RESOLUTION NO. 2011-11-15-1
RESOLUTION ADOPTING ASSESSMENTS
FOR PARKING LOT 2 IMPROVEMENTS**

WHEREAS, pursuant to proper notice duly given as required by law, the council has met and heard and passed upon all objections to the proposed assessment of Parking Lot 2 on Lots 1 through 9, Block 7, Original Plat in the City of Canby;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CANBY,
MINNESOTA:

1. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
2. Such assessment shall be payable in equal annual installments extending over a period of 20 years, the first of the installments to be payable on or before the first Monday in January 2012, and shall bear interest at the rate of 5.5 percent per annum from the date of the adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2011. To each subsequent installment, when due, shall be added interest for one year on all unpaid installments.
3. The owner of any property so assessed may, at any time prior to certification of the assessment to the county auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the city treasurer, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution; and he/she may, at any time thereafter, pay to the city treasurer the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the next succeeding year.
4. The administrator shall forthwith transmit a certified duplicate of this assessment to the county auditor to be extended on the property tax lists of the county. Such assessments shall be collected and paid over in the same manner as other municipal taxes.

Adopted by the council this 15th day of November, 2011.

Eugene Bies, Mayor

Nicholas Johnson, City Administrator

Dean Helstrom presented a change order for the Parking Lot project. The change order was for using recycled materials, latex paint instead of epoxy, and reimbursement to the City for sweeping. A motion was made by Bueltel and seconded by Eilers to approve the change order. All voted in favor. None voted against. The motion was carried.

Dean Helstrom presented Pay Application #1 in regard to the Parking Lot project in the amount of \$253,160.40. A motion was made by Bormann and seconded by Bueltel to approve the pay application. All voted in favor. None voted against. The motion was carried.

Jeff Pederson was present to give an update on the activities of the Water and Waste Water departments.

Chris Husby was present to give an update on the activities of the Street and Parks departments.

The Council discussed the purchase of a lawn mower with broom attachment for the Parks department. Two estimates were obtained, one for a used mower and new broom from Doug's Service & Marine and the other for a new mower and new broom from the State Bid for \$23,191.88 and \$29,521.35, respectively. Chris Husby noted that the used mower was compatible with the various attachments the street department already employed while the new mower was not. A motion was made by Bormann and seconded by Hanson to approve the purchase of a mower and broom from Doug's Service & Marine. All voted in favor. None voted against. The motion was carried.

The Council discussed the formation of a Cemetery Committee to handle improvement projects for the cemetery. The Ministerial Association will be contacted to gauge their interest.

Utility Certifications and Write-offs were reviewed. A motion was made by Bormann and seconded by Hanson to approve the certifications and write offs. Bies, Bormann and Hanson voted in favor. Bueltel and Eilers voted against. The motion was carried.

Nicholas Johnson presented the updated draft of the 2012 budget.

A motion was made by Bormann and seconded by Hanson to adjourn the meeting to a closed session for negotiations. All voted in favor. None voted against. The motion was carried.

A motion was made by Bueltel and seconded by Bormann to reopen the meeting. All voted in favor. None voted against. The motion was carried.

A motion was made by Hanson and seconded by Bueltel to adjourn the meeting. All voted in favor. None voted against. The motion was carried.

Attest:

City Administrator

Mayor