

Project Plan for Redevelopment Project Area No. 6

Housing and Redevelopment Authority

in and for the City of Marshall

City of Marshall, Minnesota

Prepared by

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Section A Definitions

The terms defined in this section have the meanings given herein, unless the context in which they are used indicates a different meaning:

"Authority" means the Housing and Redevelopment Authority in and for the City of Marshall, Minnesota, a public body corporate and politic duly organized and existing under the Constitution; and laws of the State

"Authority Board" means the Board of Commissioners of the Authority.

"City" means the City of Marshall, Minnesota, a municipal corporation and political subdivision of the State.

"City Council" means the duly elected City Council of the City.

"Comprehensive Plan" means the comprehensive plan of the City.

"County" means Lyon County, Minnesota.

"Governing Body" means the Board of Commissioners of the Authority.

"HRA Act" means Minnesota Statutes, Sections 469.001 through 469.047, as amended.

"Land Use Regulations" means all federal, state and local laws, rules, regulations, ordinances and plans relating to or governing the use or development of land in the Project Area, including but not limited to environmental, platting, zoning and building code laws, regulations and ordinances.

"Project" means Redevelopment Project Area No. 6, as shown in the map attached as Exhibit I, which includes the property legally described in Exhibit I.

"Project Area" means the geographic area of Redevelopment Project Area No. 6.

"Public Costs" means all legally permissible costs incurred or to be incurred by or on behalf of the Authority in carrying out the Project Plan, including but not limited to: (a) the costs of any redevelopment or housing activities consistent with the Project Plan as originally adopted or subsequently amended; (b) costs of administering the Project; and (c) debt service payments on any obligations issued to finance Public Costs authorized by the Project Plan.

"Project Plan" means the Project Plan for the Project Area, as it may be amended or supplemented from time to time.

"State" means the State of Minnesota.

"TIF Act" means Minnesota Statutes, Sections 469.174 through 469.1794, both inclusive.

"TIF District" means any tax increment financing district presently established or to be established in the future in the Project Area.

"TIF Plan" means the respective tax increment financing plan for each TIF district located within the Project Area.

Section B Statutory Authorization

The HRA Act authorizes the Authority to exercise all the powers relating to a housing and redevelopment authority granted under Minnesota Statutes, Sections 469.001 to 469.047, or other law. The Authority is authorized under the HRA Act to undertake and administer the Project Plan and the Project, and to pay for the Public Costs through tax increments derived from TIF Districts established within the Project Area or any other source of funds which the HRA Act permits the Authority to use for such purposes.

It is the intention of the City Council and the Authority Board, notwithstanding the enumeration of specific goals and objectives in the Project Plan, that the Authority shall have and enjoy with respect to the Project Area the full range of powers and duties conferred upon the Authority pursuant to the HRA Act, the TIF Act, municipal housing and redevelopment authority laws, and such other legal authority as the Authority may have or enjoy from time to time.

Section C Statement of Need and Public Purpose

The Authority finds that there is a need for development within the City and the Project Area to encourage related development and redevelopment and to protect and improve the tax base and general economic vitality of the City. The Authority further finds that the Project is necessary to alleviate a shortage of decent, safe, and sanitary housing for persons of low or moderate income and their families. More specifically, the Authority has identified that development of the property included in the Project is necessary to further development and affordable housing goals.

The Authority specifically finds that: (a) the land within the Project Area would not be available for development and affordable housing purposes without the financial aid to be sought under this Project Plan; (b) the Project Plan will afford maximum opportunity, consistent with the needs of the City as a whole, for the development of the Project by private enterprise; and (c) that the Project Plan conforms to the general plan for the development of the City as a whole.

The Authority further finds that the Project is a “housing development project” within the meaning of Minnesota Statutes, Section 469.001 subd. 15.

Section D Statement of Objectives

The Authority seeks to achieve one or more of the following objectives with respect to the Project Area, as the Authority may deem appropriate and necessary.

- (1) To promote and secure the prompt development of property within the Project Area, such property which is not now in its most productive use, in a manner consistent with the Comprehensive Plan, thus realizing Comprehensive Plan, land use, and tax base goals.
- (2) To assist development in the Project Area through the acquisition or write-down of certain interests in property which is not now in productive use or in its highest and best use, to make or defray the cost of soil corrections or site improvements on said property, and to construct or reimburse the developer for the construction of public improvements and other facilities on or for the benefit of said property, thereby promoting and securing the development of other land within the Project Area.

- (3) To promote the development of affordable housing to serve the Project Area and the City as whole, including without limitation the development of approximately 48 units of multifamily rental housing units, at least 40% of which will be affordable to individuals or families of low and moderate income.
- (4) To promote the development of decent, safe, and sanitary housing in order to protect the health and welfare of the residents of the City.
- (5) To provide funding for an ongoing development strategy and to prioritize the use of available resources.
- (6) To implement and revise from time to time, as may be deemed necessary or desirable, a consolidated and unified Project Plan and to finance the associated development costs on an area-wide basis.
- (7) To employ any of the powers of the Authority for the benefit of the Project Area in such cases and upon such terms as the Authority may deem appropriate.
- (8) To construct or acquire facilities deemed desirable for the development of the Project Area.

Section E Boundaries of the Project Area

The property within the City which constitutes the Project Area includes the property contained within the boundaries described below and is illustrated on the map attached as Exhibit I.

The Authority reserves the right to expand the boundaries of the Project Area in the future upon approval by the City Council.

Section F Property Acquisition

The Authority may acquire property, or appropriate interests therein, within the Project Area as it deems necessary or desirable to assist in the implementation of the Project Plan.

Section G Payment of Public Costs

It is anticipated that the Public Costs of the Project Area will be paid primarily from tax increments derived from one or more TIF Districts established within the Project or proceeds of tax increment bonds. Such costs are identified in the TIF Plan(s) for the corresponding TIF District(s) located within the Project Area. The Authority reserves the right to use other sources of revenue legally applicable to the Project Area to pay for such Public Costs including, but not limited to, special assessments, federal or state funds, and investment income.

Section H Environmental Controls; Land Use Regulations

All authority actions, public improvements and private development shall be carried out in a manner consistent with existing environmental controls and all applicable Land Use Regulations.

Section I Park and Open Space to be Created

Park and open space created within the Project Area will be done so in accordance with the zoning and platting ordinances of the City.

Section J Property Acquisition and Proposed Reuse

The Project Plan contemplates that the Authority may acquire property and reconvey the same to another entity. Prior to formal consideration of the acquisition of any property for private development, the Authority Board will require the execution of a binding development agreement with respect thereto and evidence that tax increments or other funds will be available to repay the Public Costs associated with the proposed acquisition. It is the intent of the Authority to negotiate the acquisition of property whenever possible. Appropriate restrictions regarding the reuse and redevelopment of property shall be incorporated into any development agreement to which the Authority is a party.

Section K Administration and Maintenance

Maintenance and operation of the Project Area will be the responsibility of the City Administrator who shall serve as administrator of the Project Area. Each year the administrator will submit to the Authority Board the maintenance and operation budget for the following year.

The administrator will administer the Project Plan pursuant to the provisions of the HRA Act; provided, however, that such powers may only be exercised at the direction of the Authority Board and the City Council. No action taken by the administrator pursuant to the above-mentioned powers shall be effective without authorization by the Governing Body.

Section L Relocation

The City does not anticipate the need for relocation of existing persons or businesses within the Project Area. Any person or business that is displaced as a result of the Project Plan will be relocated in accordance with the provisions of the HRA Act and other applicable state law.

Section M Amendments

The Authority reserves the right to alter and amend the Project Plan subject to the provisions of state law regulating such action.

MAP OF PROPOSED
REDEVELOPMENT PROJECT AREA NO. 6

