

HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF MARSHALL, MINNESOTA

RESOLUTION NO. 25-001

**APPROVING AN AMENDED SPENDING PLAN FOR
TAX INCREMENT FINANCING DISTRICTS 1-1, 1-7, AND 2-1**

WHEREAS, the Housing and Redevelopment Authority in and for the City of Marshall, Minnesota (the “HRA”) is a public body corporate and politic established pursuant to the provisions of Minnesota Statutes, Sections 469.001 to 469.047, as amended (the “HRA Act”); and

WHEREAS, the HRA has the power to engage in development or redevelopment activities under Minnesota law and the HRA is authorized to engage in activities relating to (a) housing projects and development, (b) removal and prevention of the spread of conditions of blight or deterioration, (c) bringing substandard buildings and improvements into compliance with public standards, (d) disposition of land for private redevelopment, and (e) improving the tax base and the financial stability of the community, and the HRA has the power to engage in the aforementioned activities when these activities cannot be undertaken solely by private initiative alone and to promote these activities in targeted neighborhoods; and the HRA is authorized to create redevelopment projects as defined in Minnesota Statutes, Section 469.002, Subd. 14; and

WHEREAS, various private entities have requested or identified the need for financial assistance from the HRA for various housing and redevelopment projects; and

WHEREAS, the HRA and the City of Marshall, Minnesota (the “City”) previously established Tax Increment Financing (Redevelopment) District No. 1-1, Tax Increment Financing (Redevelopment) District No. 1-7, and Tax Increment Financing (Redevelopment) District No. 2-1 located in the City (the “TIF Districts”) and adopted tax increment financing plans therefor, pursuant to the HRA Act and Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the “TIF Act”); and

WHEREAS, Section 469.176, subdivision 4n of the TIF Act (as amended, “Subd. 4n”), authorizes the HRA to spend available tax increment from any existing tax increment financing district, notwithstanding any other law to the contrary, to provide improvements, loans, interest rate subsidies, or assistance in any form to private development consisting of construction or substantial rehabilitation of buildings and ancillary facilities or to make an equity or similar investment in a corporation, partnership, or limited liability company that the HRA determines is necessary to make construction of a development, if the following conditions exist:

- (i) Such assistance will create or retain jobs in the State of Minnesota, including construction jobs;
- (ii) Construction commences before December 31, 2026;
- (iii) The construction would not have commenced before December 31, 2026, without the assistance;
- (iv) Tax increments under the spending plan are spent, loaned, invested, or otherwise irrevocably committed by December 31, 2025, or by December 31, 2026, if authorized by an amended spending plan pursuant to Subd. 4n; and
- (v) The City Council of the City (the “Council”) approves a written spending plan, after a duly noticed public hearing, that specifically authorizes the HRA to take such actions and details

the use of transferred increment, including the use of interest earned on transferred increment; and

WHEREAS, the Minnesota Legislature enacted and the Governor signed into law Minnesota Laws 2025, 1st Special Session, Chapter 13, Article 5, Section 14 (the “Special Law”), authorizing the City to elect to spend, loan or invest transferred increment collected from the TIF Districts, including any interest or investment earnings on such transferred increment as authorized under Subd. 4n, through December 31, 2027, provided that the use of the transferred increment is detailed in the City’s written spending plan adopted after holding a public hearing as required by Subd. 4n; and

WHEREAS, by Resolution No.25-053, adopted by a majority vote of all members of the Council on July 8, 2025, the Council approved the Special Law and the chief clerical officer of the City filed with the Minnesota Secretary of State a certificate in the form prescribed by the attorney general, all in accordance with the requirement for local approval under Minnesota Statutes, Section 645.021, as amended; and

WHEREAS, pursuant to Subd. 4n, the HRA proposes to adopt that certain Amended and Restated Spending Plan for the TIF Districts (“Spending Plan”), which supplements, amends and restates the Spending Plan as adopted on December 27, 2022 by the Council, which authorizes the use of tax increments from the TIF Districts to provide improvements, loans, interest rate subsidies, or assistance in any form for private development that will create or retain jobs in this state; and

WHEREAS, on November 25, 2025, the Council conducted a public hearing on the proposed Spending Plan, following published notice in a newspaper of general circulation in the City and on the City’s public website at least 10 days in advance of the hearing, in accordance with applicable law, and following such public hearing, the Council adopted a resolution approving the Spending Plan.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Marshall, Minnesota that:

Section 1. Approval of the Spending Plan.

1.01. The Board finds that the Spending Plan, as supplemented, amended and restated, is intended and, in the judgment of the Board, its effect will be, to create an impetus for development and redevelopment activities in the City, including, but not limited to, developing or redeveloping blighted or underutilized sites, lands or areas within the City, providing necessary public improvements for private development in the City, and otherwise promoting certain public purposes and accomplishing certain objectives as specified in the Spending Plan. The Board finds that the projects described in the Spending Plan would not have commenced by December 31, 2027, without the assistance being offered by the HRA as permitted by Subd. 4n and that assistance will stimulate private development and the creation or retention of jobs in the state, including construction jobs. The Board makes all the findings set forth in the Spending Plan, which are incorporated herein by reference

1.02. The Board finds that the tax increments transferred under the Spending Plan were not needed to pay obligations of the applicable TIF Districts due within the six months following such transfer and were not improperly retained, received, spent, or transferred.

1.03 The Board finds that the unobligated tax increments were transferred to a segregated account pursuant to the Spending Plan not later than December 31, 2022, in accordance with Subd. 4n.

1.04. The Spending Plan, as supplemented, amended and restated, is hereby approved and adopted and the Spending Plan shall be placed on file in the office of the Executive Director of the HRA. The HRA authorizes spending, loaning, investing, or otherwise irrevocably committing tax increments previously transferred in accordance with Subd. 4n, including interest earnings thereon, under the Spending Plan by December 31, 2027, for projects which commence construction by December 31, 2027.

1.05. The HRA's staff, advisors and legal counsel are authorized and directed to identify potential uses which are in accordance with the Spending Plan for projects that are likely to result in the most efficient and effective use of the identified funds, to proceed with the implementation of the Spending Plan and to negotiate, draft, and prepare all further plans, resolutions, documents and contracts necessary for this purpose for future approval by the Board.

1.06. The staff of the HRA is hereby directed to file a copy of the Spending Plan with the Office of the State Auditor.

Section 2. Effective Date. This resolution shall be in full force and effect from and after its approval.

Adopted by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Marshall, Minnesota this this 25th day of November 2025.

Robert J. Byrnes, Chair

ATTEST:

Sharon Hanson, Executive Director