

RESOLUTION NO. 22-105

RESOLUTION APPROVING A SPENDING PLAN FOR TAX INCREMENT FINANCING DISTRICTS NOS. 1-1, 1-7 AND 2-1

BE IT RESOLVED By the City Council (the “City Council”) of the City of Marshall, Lyon County, Minnesota (the “City”) as follows:

Section 1. Background; Findings.

1.01. The City Council has the statutory authority under Minnesota Statutes, Section 469.176, Subd 4n (“Subd. 4n”), to approve a spending plan (the “Spending Plan”), after a public hearing thereon.

1.02. The City has previously established Tax Increment Financing (Redevelopment) Districts Nos. 1-1, 1-7 and 2-1 located in the City (the “TIF Districts”) and adopted tax increment financing plans therefor, pursuant to Minnesota Statutes, Sections 469.001 through 469.047, Sections 469.090 through 469.1081, and Sections 469.174 through 469.1794, all as amended (the “TIF Act”).

1.03. The City is authorized by Subd. 4n 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, 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, 2025;
- (iii) The construction would not have commenced before December 31, 2025 without the assistance;
- (iv) Tax increments under the Spending Plan are spent by December 31, 2025; and
- (v) The City Council approves a written Spending Plan (after a duly noticed public hearing) that specifically authorizes the City to take such actions.

1.04. On this date, the City Council conducted a public hearing on the proposed Spending Plan, following published notice in a newspaper of general circulation in the City on December 16, 2022 and posting on the City’s website at least 10 days in advance of the hearing, in accordance with applicable law, and at said public hearing all interested parties were provided a reasonable opportunity to express their views on the Spending Plan.

1.05. The City Council has considered the documentation submitted in support of the findings and determinations made herein and has taken into account the information and knowledge gained as summarized above and in the public hearing.

Section 2. Approval of the Spending Plan.

2.01. The City Council further finds the Spending Plan is intended and, in the judgment of the City Council, 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 City Council finds that the projects described in the Spending Plan would not commence by December 31, 2025 without assistance 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 City Council makes all the findings set forth in the Spending Plan, which are incorporated herein by reference.

2.02. The City Council finds that the tax increments to be transferred under the Spending Plan are not needed to pay obligations of the TIF Districts due within the six months following such transfer and are not improperly retained, received, spent, or transferred.

2.03. The Spending Plan is hereby approved and adopted and the Spending Plan shall be placed on file in the office of the Community Development Director of the City. The City Council authorizes transferring all tax increments under the Spending Plan to a segregated account by December 31, 2022 and spending tax increments under the Spending Plan by December 31, 2025 for projects which commence construction by December 31, 2025.

2.04. The City'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 and determination of the necessary findings under the law by the City Council.

2.05. The staff of the City are hereby directed to file a copy of the Spending Plan with the Office of the State Auditor.

This Resolution shall become effective upon its passage and without further publication.

Passed by the Common Council of the City of Marshall, this 27th day of December 2022.

Mayor

ATTEST:

City Clerk

