

RESOLUTION #25-08-04-01

AMENDING AND RESTATING THE ENABLING RESOLUTION ESTABLISHING AN ECONOMIC DEVELOPMENT AUTHORITY FOR THE CITY OF NEW PRAGUE

WHEREAS, the City is authorized by Minnesota Statutes, Chapter 469 (the “Act”) and specifically, Section 469.091, to establish an Economic Development Authority (hereinafter the “EDA”) to coordinate and administrator economic development and redevelopment plans and programs of the City of New Prague; and

WHEREAS, an EDA would facilitate and assist economic development in the City of New Prague by directly involving certain groups and agencies in the process; and

WHEREAS, such an Authority will increase the overall efficiency of business recruitment, to the greatest benefit of the entire community; and

WHEREAS, a public hearing was held for the establishment of an EDA pursuant to Minnesota Statutes prior to the adoption of a Resolution titled “Enabling Resolution Creating Economic Development Authority” the initial enabling resolution originally adopted June 18, 1990, for the EDA and Resolution titled “Modified Enabling Resolution”, was amended and restated on February 19, 1991, following a public hearing; and

WHEREAS, the City desires to amend the enabling resolution for the EDA as hereinafter set forth, pursuant to Minnesota Statutes Section 429.093; and

WHEREAS, a public hearing has been held for this amendment to the enabling resolution of the EDA pursuant to Minnesota Statutes Section 469.093; and

NOW, THEREFORE, THE CITY OF NEW PRAGUE RESOLVES:

SECTION 1. APPOINTMENT OF AN ECONOMIC DEVELOPMENT AUTHORITY FOR THE CITY OF NEW PRAGUE, MINNESOTA

Section 1.1. Economic Development Authority Established. The Economic Development Authority for the City of New Prague, Minnesota (hereinafter the “EDA”) is hereby established. The EDA shall have all the power, duties, and responsibilities set forth in Section 469.090 to 469.108 of the Act and as said Act may be amended from time to time and all other applicable laws, except as limited by this Resolution.

Section 1.2. Purpose. The appointment of an EDA, pursuant to the provisions, restrictions, and regulations contained herein, is intended to provide the City with a board comprised of representatives from City government, private enterprise, and City residents capable of administering business incentives and other economic development measures to support existing businesses in New Prague and to provide growth in tax base and job creation in the City. The EDA shall be the chief economic development agency for the City, and shall be under the authority of the City Council.

Section 1.3. Definition. An EDA is a public body corporate and politic and a political subdivision of the State with the right to sue and be sued in its own name. An EDA carries out an essential governmental function when it exercises its power, but the EDA is not immune from liability because of this.

Section 1.4. Responsibility. The EDA shall have primary responsibility for commercial and industrial development and redevelopment.

SECTION 2. COMPOSITION OF THE EDA

Section 2.1. Composition. The seven commissioners of the EDA shall be selected or appointed as follows:

- a) The Mayor and one other City Councilmember shall be appointed as commissioners by the City Council.
- b) The City Council may appoint the remaining commissioners to serve at large. To be eligible for appointment, a person must either be a resident of New Prague or have an interest in the growth of New Prague community. No more than two (2) non-residents may serve on the EDA.
- c) The City Council has the final discretion as to who may serve on the EDA in the best interest of the New Prague Community.

Section 2.2. Terms. All terms are for six years. The City Council shall set the term of the commissioners who are members of the City Council to coincide with their term of office as members of the City Council. All terms shall expire at the City Council meeting at which the EDA appointments are made.

Section 2.3. Compensation and Reimbursement. EDA members shall be reimbursed for actual expenses as determined by the City Council.

Section 2.4. Vacancies. A vacancy is created in the membership of the EDA when a City Council member of the EDA ends Council membership. A vacancy for this or another reason must be filled for the balance of the unexpired term. To fill the vacancy, the Mayor shall recommend an appointment and City Council shall approve.

Section 2.5. Conflict of Interest. Except as authorized in Minnesota Statutes Section 471.88, a commissioner, officer, or employee of the EDA must not acquire any financial interest, direct or indirect, in any project or in any property included or planned to be included in any project, nor shall the person have any financial interest, direct or indirect, in any contract or proposed contract for materials or service to be furnished or used in connection with any project.

Section 2.6. Removal for Cause. An EDA commissioner may be removed by the City Council as provided in Minnesota Statutes Section 469.095, subd. 5.

SECTION 3. ORGANIZATION MATTERS

Section 3.1. Staffing. The City Administrator shall serve as the Executive Director of the EDA. All other required EDA staffing will be appointed by the City Administrator from the City of New Prague staff, for purposes of technical assistance, accounting, purchasing supplies, etc., as needed for operation of the EDA.

Section 3.2. By-Laws. The EDA may adopt by-laws and rules of procedure and may adopt an official seal.

Section 3.3. Officers. The EDA shall elect a president, a vice-president, a treasurer, a secretary, and an assistant treasurer. The authority shall elect the president, treasurer, and secretary annually. A commissioner must not serve as president and vice-president at the same time. The other offices may be held by the same commissioner. The offices of secretary and assistant treasurer need not be held by a commissioner.

Section 3.4. Public Money. EDA money is public money.

Section 3.5. Legal Services. The EDA shall use the services of the City Attorney for its legal needs. The City Attorney is its chief legal advisor.

Section 3.6. City Purchasing. The EDA may use the facilities of the City's purchasing department in connection with construction work and to purchase supplies, equipment or materials.

Section 3.7. Delegation of Power. The EDA may delegate to one or more of its agents or employees powers or duties as it may deem proper.

SECTION 4. FINANCIAL MATTERS

Section 4.1. Budget to the City. The EDA shall annually submit its budget to the City Council for approval. The budget must include a detailed written estimate of the amount of money that the EDA expects to need from the City to perform its business during the next fiscal year.

Section 4.2. Fiscal Year. The fiscal year for the EDA shall be the same as the City.

Section 4.3. Report to City. Annually, at a time and in a form fixed by the City Council, the EDA shall make a written report to the Council giving a detailed account of its activities and of its receipts and expenditures during the preceding calendar year, together with additional matters and recommendations it deems advisable for the economic development of the City.

Section 4.4 Transfer of Funds. Except when previously pledged by the EDA, the City Council may by resolution require the EDA to transfer any portion of the reserves generated by activities of the EDA that the City Council determines are not necessary for the successful operation of the EDA to the debt service fund of the City, to be used solely to reduce tax levies for bond indebtedness of the City.

SECTION 5. SCHEDULE OF POWERS

Section 5.1. Economic Development Districts. The EDA may establish and define the boundaries of economic development districts at any place and at any time within the City. The EDA must hold a public hearing on the matter, with notice published at least 10 days prior to the hearing in the official City newspaper. The establishment of an economic development district must be approved by the City Council pursuant to Minnesota Statutes.

Section 5.2. Acquisition of Property. No property may be leased, purchased, gifted, devised, or condemned by the EDA without prior approval by the City Council.

Section 5.3. Construction Contracts. The EDA may not enter into any construction contracts without prior approval by the City Council. Once approval has been given, for all contracts for construction, alteration, repair, or maintenance work, the EDA may award contracts to the vendor offering the best value, and “best value” shall be defined and applied as set forth in Minnesota Statutes 16C.28.1.a.2.c.1b. Alternatively, the EDA may award all contracts for construction, alteration, repair, or maintenance work to the lowest responsible bidder, reserving the right to reject any or all bids. Should any contracts require funds in excess of the balance of the EDA funds, approval shall be required by the City Council.

Section 5.4. Revolving Loan Fund. The EDA shall have the power to administrator the Economic Development Revolving Loan Fund.

Section 5.5. Eminent Domain. The EDA may use eminent domain under Chapter 117, or under the City Charter, to acquire property is it authorized to acquire through condemnation.

Section 5.6. Contracts. With City Council approval, the EDA may make contracts for the purposes of economic development within its granted powers. The EDA may arrange with the federal government, any of its agencies, with persons, public corporations, the state, or any of its political subdivisions, commissions, or agencies for separate or joint action, on any matters related to the EDA’s powers or doing its duties. The EDA may not contract to purchase and sell real and personal property without prior approval by the City Council.

Section 5.7. Limited Partner. The EDA may be a limited partner in a partnership whose purpose is consistent with the EDA’s purpose.

Section 5.8. Rights and Easements. The EDA, with prior approval by the City Council, may acquire rights or easements for a term of years or perpetually for development of an economic development district.

Section 5.9. Receipt of Public Property. The EDA may accept land, money, or other assistance, whether by gift, loan, or otherwise, in any form from the federal or state governments, or any political subdivision or agencies thereof, to acquire and development economic development districts.

Section 5.10. Development District Authority. The EDA may sell or lease land held by it for economic development in economic development districts, with prior approval by the City Council.

Section 5.11. As Agent. The EDA may cooperate or act as an agent for the federal or state government, or a state public body, or an agency or instrumentality of a government or public body, to carry out the EDA's duties, or any other related federal, state, or local law in the area of economic development district improvement.

Section 5.12. Studies, Analysis, and Research. The EDA may study and analyze economic development needs in the City, and ways to meet those needs.

Section 5.13. Public Relations. To further authorize purpose, the EDA may: (1) join an official, industrial, commercial, or trade association, or other organization concerned with the purpose; (2) have a reception of officials who may contribute to advancing the City and its economic development; and (3) carry out other public relations activities to promote the City and its economic development.

Section 5.14. Accept Public Land. The EDA may accept conveyances of land from all other public agencies, commissions, or other units of government, if the land can be properly used by the EDA in an economic development district.

Section 5.15. Economic Development. The EDA may carry out the law on economic development districts to develop and improve lands in an economic development district to make it suitable and available for its purposes.

Section 5.16. Strategic Plan. The EDA shall develop a Strategic Plan to implement the EDA's plans and strategies to meet the economic development needs in the City. Such Strategic Plan shall be reviewed annually by the EDA and presented to the City Council for consideration and comment.

SECTION 6. DEBT ISSUANCE.

Section 6.1. Debt Issuance. The EDA cannot issue debt obligations without prior approval of the City Council.

Section 6.2. Tax Levy. The tax levy must be certified by the City Council.

Section 6.3. As Borrow and Lender. The EDA may borrow for its approved projects from the City; and, from its own proceeds, may make or purchase loans for economic development facilities which it believes require financing.

SECTION 7. SALE OF PROPERTY

Section 7.1. Power. The EDA may sell and convey property owned by it within the City or an economic development district consistent with the requirements of Minnesota Statutes Section 469.105.

SECTION 8. ADVANCES BY EDA

Section 8.1. Advances by the EDA. The EDA may advance its general fund money or its credit, or both, without interest, for its objectives and purposes.

SECTION 9. DATE EFFECTIVE

Section 9.1. Adoption. This resolution shall be adopted upon affirmative vote of the majority of the City Council.

Section 9.2. Effect. This resolution shall be in full force upon its adoption and shall continue until such a time as it may be amended or rescinded by the City Council.

Section 9.3. Conflicts. Any conflicts arising out of the conduct and operation of the EDA shall be resolved with reference to Minnesota Statutes, and if there arises any conflict between this resolution and Minnesota Statutes, Minnesota statutes shall prevail.

Date Adopted: 8/18/2025.

New Prague City Council

Charles Nickolay

ATTEST:

Joshua M. Tetzlaff