



118 Central Avenue North, New Prague, MN 56071
phone: 952-758-4401 fax: 952-758-1149

MEMORANDUM

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: JOSHUA TETZLAFF, CITY ADMINISTRATOR
SUBJECT: EDA ENABLING RESOLUTION PUBLIC HEARING
DATE: JULY 29, 2025 (UPDATED AUGUST 12, 2025)

August 12 Update:

At the meeting on August 4, 2025, the City Council, upon recommendation from the City Attorney, continued the public hearing to the August 18, 2025, meeting.

Previous memo:

As discussed previously, the EDA is going through a strategic planning process now that it is wrapping up its work in the industrial park. For the EDA, part of this process includes updating its Economic Development District, which allows the EDA to look at the entire community as it determines the best steps for increasing jobs and tax base across the City.

For the City Council, part of the process is cleaning up the Enabling Resolution to better allow the EDA to carry out its mission while also requiring yearly accountability. Following the City Council's decision to direct the EDA to move forward with an EDA lease revenue bond, the City Attorney would like the City Council to update its Enabling Resolution that would allow the EDA to bond for projects, with the approval of the City Council.

I have attached a redlined copy of the Enabling Resolution, with two recommended changes from the City Attorney. The first change is the addition of Section 5.16, which would require the EDA to review its Strategic Plan annually and keep the Council informed of the directions and plans it is considering. The second change is updating the language in Section 6, with the removal of 6.2, 6.3, and a portion of 6.4. According to the City Attorney, this update does not give the EDA any authority it doesn't already possess. All borrowing must still come with the approval of the City Council. What it does is allow the EDA to issue debt directly after receiving that approval, instead of the City Council having to issue debt for the EDA. This is allowed under State statute, which is why the City Attorney is recommending it be allowed within the Enabling Resolution for the City's EDA.

Recommendation

Staff recommends approval of Resolution #25-08-04-01, Amending and Restating the Enabling Resolution Establishing an Economic Development Authority for the City of New Prague.