

RESOLUTION 2025-39

A RESOLUTION RELATING TO A TAX ABATEMENT ON PROPERTY BEING DEVELOPED BY JOSE FERNANDEZ GARCIA AND MARIA FLORES GARIBAY; GRANTING THE ABATEMENT.

BE IT RESOLVED by the City Council of the City of Pipestone, Minnesota as follows:

Section 1. Authorization and Recitals.

- 1.01. The City, pursuant to Minnesota Statutes, Sections 469.1812 to 469.1815, as amended (the “Act”), is authorized to grant an abatement of the property taxes imposed by the City on a parcel of real property (Property Tax Abatement) if certain conditions are met, through the adoption of a resolution specifying the terms of the abatement.
- 1.02. The City has adopted the Pipestone Home Initiative (PHI) which further stipulates requirements before an abatement of taxes will be granted for residential development.
- 1.03. Jose Fernandez Garcia and Maria Flores Garibay applied for a property tax abatement pursuant to the City’s Home Initiative on property legally described as Lot Two (2), Block Two (2), First Addition in Southwest Acres Subdivision to the City of Pipestone, Minnesota.
- 1.04. Pursuant to the Act, the Council on June 16, 2025, conducted a public hearing on the desirability of granting the abatement. Notice of the public hearing was duly published as required by law in the Pipestone County Star, the official newspaper of the City.

Section 2. Findings. On the basis of information compiled by the City and elicited at the public hearing referred to in Section 1.04, it is hereby found, determined and declared:

- 2.01. There is a need for new development on the property to increase the tax base of the City and to improve the general economy of the state.
- 2.02. The granting of the proposed abatement is in the public interest because it will increase or preserve the tax base of the City.
- 2.03. The property is not located in a tax increment financing district.
- 2.04. The granting of the proposed abatement will not cause the aggregate amount of abatements granted by the City under the Act to exceed the greater of ten percent (10%) of the City’s current property tax levy or \$200,000.
- 2.05. It is in the best interests of the City to grant the tax abatement authorized in this resolution.

Section 3. Granting of Tax Abatement.

- 3.01. A property tax abatement (the “Abatement”) is hereby granted in respect of property taxes levied by the City on the property for three (3) years, commencing with taxes payable for the assessed value related to the capital improvements outlined in 1.03.

- 3.02. The City shall provide the awarded abatement payment of due real estate taxes annually. One single payment shall be made to the owner of record by December 30th of that calendar year.
- 3.03. The tax abatement period will commence with receipt of the Certificate of Occupancy, or not more than one (1) year following approval of the taxing authority's resolution, whichever is first.
- 3.04. The abatement may be modified or terminated at any time by the City Council in accordance with the Act.

Passed and adopted by the City Council of the City of Pipestone this 16th day of June 2025.

Dan Delaney
Mayor

ATTEST:

Deb Nelson
City Administrator