

**CITY OF ST. FRANCIS  
ST. FRANCIS, MN  
ANOKA COUNTY**

**RESOLUTION NO. 2024-07**

**RESOLUTION GRANTING A PROPERTY TAX ABATEMENT  
FOR CERTAIN PROPERTY IN THE CITY OF ST. FRANCIS**

BE IT RESOLVED by the City Council of the City of St. Francis, Minnesota (the “City”) as follows:

Section 1.       Recitals.

1.01.   Vista Prairie at Eagle Pointe, LLC, a Minnesota limited liability company (the “Developer”), has proposed to construct an approximately 134-unit senior housing community consisting of independent living units, assisted living units, and nursing care on the property located in the City and identified by property identification number 32-34-24-23-0044 (the “Property”).

1.02.   The Developer has requested that the City abate a portion of the property taxes on the Property to make the construction and development of the senior housing portion of the development (the “Minimum Improvements”) economically feasible.

1.03.   Pursuant to Minnesota Statutes, Sections 469.1812 through 469.1815, as amended (the “Act”), the City is authorized to grant a property tax abatement (the “Abatement”) to the Developer to provide financing for the Minimum Improvements.

1.04.   The City Council has reviewed information concerning the Minimum Improvements, including a Contract for Private Development (the “Agreement”) proposed to be entered between the City and the Developer setting forth the terms of the construction and development of the Minimum Improvements and the proposed Abatement from the City.

1.05.   On the date hereof, the City Council conducted a duly noticed public hearing on the Abatement at which the views of all interested persons were heard.

Section 2.       Findings.

2.01.   The recitals set forth above are incorporated into this resolution.

2.02.   It is hereby found and determined that the benefits to the City from the Abatement will be at least equal to the costs to the City of the Abatement, because (a) the City believes that the development to be facilitated is not reasonably likely to occur absent the Abatement and the City needs additional housing opportunities; and (b) the long-term taxes collected from the Property after termination of the Abatement will exceed the amount of the Abatement provided to the Developer.

2.03.   It is hereby found and determined that the Abatement is in the public interest because such action will provide access to housing for seniors.

2.04.   It is further specifically found and determined that the Abatement is expected to result in the following public benefits:

- (a) an increase in market value for property tax purposes, which will be available to all taxing jurisdictions after expiration of the Abatement;
- (b) provision of new housing opportunities for seniors within the City; and
- (c) financing of public infrastructure, as needed.

Section 3. Actions Ratified; Abatement Approved.

3.01. The City Council hereby ratifies all actions of the City's staff and consultants in arranging for approval of this resolution in accordance with the Act.

3.02. Subject to the provisions of the Act, the Abatement is hereby approved and adopted subject to the following terms and conditions:

(a) The term "Abatement" means the real property taxes generated in any tax-payable year by extending the City's total tax rate for that year against the tax capacity increase resulting from the Minimum Improvements constructed on the Property in accordance with the Agreement, excluding the tax capacity of the land as of the date of the Abatement Agreement (\$9,671) and excluding the portion of the tax capacity attributable to the areawide tax under Minnesota Statutes, Chapter 473F, as amended, all as of January 2 in the prior year.

(b) The Abatement will be paid by the City to the Developer on the dates and in accordance with all the terms and conditions of the Agreement, which is incorporated herein by reference.

(c) In accordance with Section 469.1813, subdivision 8 of the Act, in no year shall the Abatement, together with all other abatements approved by the City under the Act and paid in that year, exceed the greater of ten percent (10%) of the net tax capacity of the City for that year or \$200,000 (the "Abatement Cap"). The City may grant other abatements permitted under the Act after the date of this resolution, provided that to the extent the total abatements in any year exceed the Abatement Cap, the allocation of Abatement Cap to such other abatements is subordinate to the Abatement granted pursuant to this resolution.

(d) The Abatement will have a maximum term of ten (10) years and shall be collected in the years 2026 through 2035 (from August 1, 2026 to February 1, 2036).

(e) In no event shall the total payments of Abatement to the Developer exceed \$1,975,000 or continue to be paid for more than ten (10) years.

(f) The Abatement is subject to modification in accordance with the Act, subject to the terms of the Agreement.

(g) In accordance with Section 469.1815 of the Act, the City will add to its levy in each year during the term of the Abatement the total estimated amount of current year Abatement granted under this resolution.

(h) The City makes no warranties or representations regarding the amount or availability of the Abatement.

3.03 The Abatement shall be provided to the Developer pursuant to the terms and conditions of the Agreement which is hereby approved in substantially the form on file with the City subject to modifications that do not alter the substance of the transaction and are approved by the Mayor and the City Administrator; provided that execution of the document by such officials is conclusive evidence of their approval.

3.04. The Mayor and the City Administrator are authorized and directed to execute and deliver the Agreement and any other agreements, certificates, or other documents that the City determines are necessary to carry out the transactions described in the Agreement and the intention of this resolution.

3.05. This resolution is effective upon execution in full of the Agreement.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF ST. FRANCIS THIS 5<sup>th</sup> DAY OF FEBRUARY, 2024.

APPROVED:

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Joseph Muehlbauer, Mayor

ATTEST:

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Jennifer Wida, City Clerk

The following Council Members voted in favor:

The following Council Members voted against or abstained:

SA330-30 (JAE)  
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