

SPECIAL MEETING – AUGUST 16, 2011

The special meeting of the Common Council of the City of Marshall was held on August 16, 2011 in the Board Room at Marshall Municipal Utilities, 113 South 4<sup>th</sup> Street. The meeting was called to order at 5:30 P.M. by Mayor Byrnes. In addition to Byrnes the following members were present: Hulsizer, Doom, Sanow, DeCramer, Boedigheimer and Ritter. Absent: none. Staff present included: Ben Martig, Executive Director; Dennis Simpson, City Attorney, and Thomas M. Meulebroeck, Finance Director/City Clerk. Others in attendance included: Deb Gau and Steve Strautz.

**PUBLIC HEARING – CONSIDER RESOLUTION APPROVING PROPERTY TAX ABATEMENT RELATED TO COUNTRY CLUB DRIVE IMPROVEMENTS:**

This was the date and time set for a public hearing on the proposed Tax Abatement related to the Country Club Drive Improvements. Ben Martig, City Administrator, indicated that the City of Marshall may issue General Obligation Tax Abatement Bonds or other obligations to provide an amount equal to the sum of the abatements granted for a property under Minnesota Statutes Section 469.1813. The maximum principal amount of tax abatement bonds may not exceed the estimated sum of the abatements for the properties for the years authorized. The bonds may be general obligations of the City if the Council elects to pledge the full faith and credit in the resolution issuing the bonds.

The proceeds of Tax Abatement Bonds may be used to: pay for public improvements that benefit the property; acquire and convey land or other property; reimburse the property owner for the cost of the improvements made to the property; and pay the cost of issuance of the bonds.

Ritter moved, DeCramer seconded, that the public hearing be closed. All voted in favor of the motion.

DeCramer moved, Hulsizer seconded, the adoption of RESOLUTION NUMBER 3633, SECOND SERIES and that the reading of the same be waived. Resolution Number 3633, Second Series is a resolution Approving Property Tax Abatement Related to Country Club Drive Improvements. This resolution provides for the City of Marshall to issue General Obligation Tax Abatement Bonds. All voted in favor of the motion.

**PUBLIC HEARING – CONSIDER RESOLUTION APPROVING THE TAX INCREMENT FINANCING PLAN OF THE HRA FOR THE PROPOSED TIF DISTRICT NO. 1-11 AND MODIFICATION OF THE REDEVELOPMENT PLANS FOR REDEVELOPMENT PROJECT NO. 2 AND REDEVELOPMENT PROJECT NO. 1 IN WHICH THE TIF DISTRICT IS TO BE LOCATED:**

This was the date and time set for a public hearing on the Tax Increment Financing Plan of the Housing and Redevelopment Authority in and for the City of Marshall for the Proposed Tax Increment Financing District 1-11 and the Modification of the Modified Redevelopment Plans for Redevelopment Project No. 2 and Redevelopment Project No. 1 in which the TIF District is to be located.

DeCramer moved, Doom seconded, that the public hearing be closed. All voted in favor of the motion.

Doom moved, Boedigheimer seconded, the adoption of RESOLUTION NUMBER 3634, SECOND SERIES and that the reading of the same be waived. Resolution Number 3634, Second Series is a resolution Approving the Tax Increment Financing Plan of the Housing and Redevelopment Authority in and for the City of Marshall for Proposed Tax Increment Financing District No. 1-11 and Modification of the Modified Redevelopment Plans for Redevelopment Project No. 2 and Redevelopment Project No. 1 in which the TIF District is to be located. All voted in favor of the motion.

**PRESENTATION OF THE COMMUNITY ORGANIZATION REQUEST:**

The following Community Organizations presented their request for 2012:

Steven Strautz and David Sturrock, representatives of the Marshall Area Chamber of Commerce

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– Transportation Committee were in attendance to request \$18,000, which is the same amount as they received last year.

Neil Ingebrigtsen and Marge Becker were in attendance to represent the Lyon County Historical Society. Ms. Becker indicated that they have cut back on staff to help bring their finances to a stable position. The Lyon County Historical is requesting \$12,800 to assist with the operating cost of the Lyon County Historical Museum.

Russ Labat and Marc Klaith representatives from the Sounds of Summer were in attendance to request \$4,615.00.

Holly Martin Huffman, Marshall Lyon County Library Director, reviewed the 2010 annual report for the Marshall Lyon County Library, indicated that there were no step increases for the employees, reviewed possible cuts which would mean a reduction in the number of hours that the library is opened and she indicated that the cost of maintenance for the new library is not included in the budget. The Marshall Lyon County Library Board is requesting \$533,187 from the City of Marshall for 2012.

Chris Ellingson and Quinn Horvath, representatives from the Marshall Area Hockey Association (MAHA), are requesting \$40,000 from the City of Marshall.

Mayor Byrnes called for a 5-minute recess at 6:45 P.M.

Carol Purrington and Becky Wyffels, were in attendance at the meeting on behalf of MAFAC. MAFAC is requesting \$3,000 for their operating fund and \$1,500 for the summer concerts.

### **DISCUSSION ON PRELIMINARY LEVY:**

Ben Martig, City Administrator, indicated that the City of Marshall is required to adopt a preliminary budget by September 15, 2011. Mr. Martig provided a summary calculation of levy/property tax impact for 2011-2012 (completed on July 13, 2011) assuming growth in tax base plus no change in the state law related to Market Value Homestead Credit (MVHC). This illustrates that if there were no change to the MVHC program; the city could increase the levy by 6.14% or \$295,443, and had no change to the tax rate. The second calculation incorporates the MVHC changes adopted by the legislature, which results in a decrease in tax capacity for 2012 from \$10,257,354 to \$9,593,381. The end result is that increasing the levy by 6.14% with these changes will now lead to an increase of 7% for commercial property, increase of 5% for residential property valued at \$200,000 and a reduction or 4% for properties under \$76,000.

### **DISCUSSION OF 2012 COUNCIL PRIORITIES:**

Ben Martig, City Administrator, reviewed the minutes from the Special City Council meeting of August 3, 2010 that identified Community Issues and those issues that were prioritized at that time which included Industrial Park Development, Park Development, Regional Sports Center and MERIT Center and EDA Reorganization. Some of the potential projects and initiatives mentioned for 2012 included revenue goals, policies, Equipment/Public Improvements, Planning and Administration, Infrastructure/Capital and ongoing EDA projects.

### **DETERMINATION BY CITY COUNCIL TO GO INTO CLOSED SESSION PURSUANT TO MINNESOTA STATUTE 13D.03 RELATED TO UNION CONTRACT NEGOTIATIONS:**

Ritter moved, Doom seconded, that the Council go into closed session at 8:15 P.M. pursuant to Minnesota Statute 13D.03 related to union contract negotiations. All voted in favor of the motion.

The closed session was called to order at 8:17 P.M. Those present at the closed session included: Byrnes, Hulsizer, Doom, Sanow, DeCramer, Boedigheimer and Ritter. Staff present included: Ben Martig, City Administrator and Thomas M. Meulebroeck, Finance Director/City Clerk.

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The Council came out of closed session at 8:22 P.M.

DeCramer moved, Boedigheimer seconded, that the meeting be adjourned. All voted in favor of the motion.



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Mayor of the City of Marshall

ATTEST:

Thomas M. Meulebroeck  
Finance Director/City Clerk