

MENAHGA CITY COUNCIL PUBLIC HEARING

July 9, 2013/7:00 P.M.

The Public Hearing of the Menahga City Council was held in the Council Chambers on Tuesday, July 9, 2013. The Hearing was called to order at 7:00 p.m. by Mayor Pat Foss.

Also present: Council Members Roger Henstorf, Kim Rasmussen, Alden Yliniemi, Mike Rogers, City Administrator/ Clerk/Treasurer Char West, Ehlers & Assoc. Financial Consultant Todd Hagen, Developers Jeff and Monica Schindeldecker, WCETA Economic Developer Mark Hansen, Planning Commission Chairman Jerry Wisuri, County Auditor/Treasurer Judy Taves, public; Sheldon Sagedahl, Jensine Kurtti and Jon Kangas.

Mayor Foss reported that the purpose of the Public Hearing was relating to the City of Menahga's proposed establishment of Tax Increment Financing (TIF) District 1-6 and the proposed adoption of a TIF Plan pursuant to MN State Statutes.

Mr. Hagen reviewed notification to the County Board and School Board and publication of the public hearing in the City's official newspaper; no comments had been received. He also provided an overview of the proposed project; to construction four 4-unit senior-living apartment units on four vacant lots, expected to increase the local tax base by \$28,379 annually, TIF housing district maximum life of 25 years from receipt of first tax increment, pay-as-you-go note, administrative fee up to 10% of annual increment, if costs were justified.

Mr. Hagen pointed out that he was currently working with the Developer on a Development Agreement that would be

considered for Council approval at a later date.

Questions received from the public were; will apartments be subsidized, what will the rent be, road and sidewalk system.

Mr. Schindeldecker and Mr. Hagen responded that the rent would be unsubsidized but certain income guideline requirements would have to be met, rent would vary from approximately \$650 to \$800 per month, had discussed driveway access with County and Township.

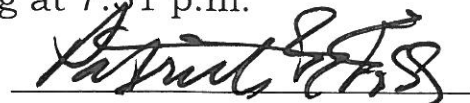
Jensine Kurtti commented that she had a concern of the TIF being allowed for 26 years as the cost had to be picked up by other taxpayers.

Mr. Hagen, City Council and Administrator West pointed out that state statute allowed up to 26 years but the Council could decide on less years. They reviewed the tax increment financing process and pointed out that taxpayers would not be picking up any expense of the project.

As no other questions were received, Mr. Hagen informed the Council that after closing the public hearing they could consider three alternative actions relating to the establishment of the TIF District; 1-motion to approve the Resolution modifying Development District #1 and establishing TIF District #1-6, 2-motion to deny approval of the Resolution or 3-motion to table any action.

Mayor Foss closed the Public Hearing at 7:51 p.m.





Charleen West, City Administrator Patrick Foss, Mayor