

RESOLUTION NO. 22-21  
RESOLUTION APPROVING MODIFICATIONS TO  
TAX INCREMENT FINANCING DISTRICT NO. 10-1  
AND THE USE OF TAX INCREMENT FINANCING

WHEREAS, the City Council of the City of Owatonna, Minnesota (the "City"), pursuant to Resolution No. 83-17, adopted on September 19, 2017, approved the creation of Tax Increment Financing District No. 10-1 (the "District") and in connection therewith adopted a tax increment financing plan; and

WHEREAS, the City has previously approved Development District No. 10 (the "Development District") and in connection therewith adopted a development program; and

WHEREAS, pursuant to Minnesota Statutes, section 469.175, subdivision 4, the City now desires to modify the District to (i) increase in amount the bonded indebtedness to be incurred and (ii) increase the estimate of the cost of the project, including administrative expenses, that will be paid or financed with tax increment from the District; and

WHEREAS, the City has reviewed "Tax Increment Financing District No. 10-1, dated February 16, 2021" (the "Plan"), which sets forth a proposal to use tax increments to finance, in whole or in part, capital and administrative costs therein; and

WHEREAS, it is desirable and in the public interest that the City undertake and carry out the Plan for the District pursuant to Chapter 469 of Minnesota Statutes, encompassing the area described in the Plan; and

WHEREAS, the Plan sets forth the City's estimate of the fiscal and economic impact of the District on the tax capacities of all taxing jurisdictions in which the District is located; and

WHEREAS, the County Auditor of Steele County, Minnesota, has been notified of the public hearing for the review of the Plan; and

WHEREAS, the Clerk of the School Board of Independent School District No. 761 has been notified of the public hearing for the review of the Plan; and

WHEREAS, the City has received and considered the comments of Steele County and Independent School District No. 761 as regards the Plan; and

WHEREAS, the City on February 16, 2021, after having published a notice of public hearing in the official newspaper of the City, conducted a public hearing on the Plan and received public comments on the same.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Owatonna as follows:

Sec. 1. The City finds and determines that there is a need for the activities of the Development District to be financed in part by the tax increments from the District.

Sec. 2. The City finds and determines that the activities to be financed by the District will carry out the objectives of the Development District and District Plans by preventing/eliminating blight, adding to the housing stock and enhancing the City's tax base.

Sec. 3. The City finds and determines that property redevelopment, adding to the housing stock and enhancing the tax base within the Development District are in the public interest of the City and the expenditures of the District are a public purpose, which promotes the health, safety and welfare of the community.

Sec. 4. The City finds and determines that the tax increment financing plan as set forth in the Plan having been duly reviewed and considered is hereby approved and adopted.

Sec. 5. The City finds and determines that the District is a Redevelopment District because parcels consisting of 100% of the area of the District were occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures and more than 50% of the buildings, not including outbuildings, were structurally substandard to a degree requiring clearance.

Sec. 6. That it is hereby found and determined, in the opinion of the City:

A. The proposed development or redevelopment would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future; and

B. The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the Plan.

Sec. 7. The City finds and determines that the tax increment financing plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development of the District by private enterprise

Sec. 8. The City finds and determines that the tax increment financing plan set forth in the Plan conforms to the general plan for the development of the City as a whole.

Sec. 9. The reasons and supporting facts for findings 5, 6, 7 and 8 as set forth in the Plan are by this reference confirmed, approved and adopted.

Sec. 10. The City Clerk is hereby directed to file a copy of this resolution with a copy of the Plan with the Minnesota Department of Revenue and Office of the State Auditor.

Sec. 11. The City hereby states its intention to use all of the captured tax capacity for purposes of tax increment financing as per the conditions set forth in the Plan.

Passed and adopted this \_\_\_\_ day of \_\_\_\_\_, 2021, with the following vote:

Aye \_\_\_\_; No \_\_\_\_; Absent \_\_\_\_.

Approved and signed this \_\_\_\_ day of \_\_\_\_\_, 2021.

---

Thomas A. Kuntz, Mayor

ATTEST:

---

Kris M. Busse, City Administrator/City Clerk