

# THE CITY OF



# OWATONNA

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DATE: September 30, 2021  
TO: Mayor and City Council  
FROM: Community Development Department – Troy Klecker  
SUBJECT: 147 W Bridge Street

**Purpose:**

City Council to adopt Resolution 98-21 to Set Public Hearing to Establish Development District No. 18 and Tax Increment Financing District 18-1.

**Background:**

Monson Eye Clinic is proposing to construct a new eye clinic building with a tenant space on the corner on West Pearl Street and North Oak Avenue. The City has spent approximately \$281,000 to purchase the property and demolish the 4-plex to make it ready for redevelopment. Tax Increment Financing is being requested to reimburse the City for these costs. Any remaining TIF would assist the business with TIF eligible costs. This would be a redevelopment TIF District which can last up to a maximum of 25 years.

**Budget Impact:**

The City will be reimbursed by the tax increment financing for the costs the City has incurred in preparing the property for redevelopment.

**Staff Recommendation:**

Staff recommends approval of Resolution 98-21 setting the public hearing for November 16, 2021.

RESOLUTION NO. 98-21  
PROPOSAL TO ADOPT DEVELOPMENT DISTRICT AND TAX INCREMENT FINANCING  
DISTRICT PLANS AND CALL FOR CONSULTATION WITH OTHER AFFECTED  
JURISDICTIONS AND PUBLIC HEARING  
(147 PEARL ST. W. REDEVELOPMENT PROJECT)

WHEREAS, a proposal to establish a development district and a tax increment financing district under the provisions of Minnesota Statutes, Chapter 469 (the "Act") has been received by the City Council; and

WHEREAS, the Act requires that prior to the establishment of a tax increment financing district, the City Council shall provide the County Auditor of Steele County and the Clerk of the School Board of Independent School District No. 761 with the proposed tax increment financing plan and the City's estimate of the fiscal and economic implications of the proposed tax increment financing district. The proposed plan and information on the fiscal and economic implications of the plan must be provided to the county auditor and clerk of the school board at least 30 days before the public hearing; and

WHEREAS, the Act further requires that prior to the establishment of a development district and a tax increment financing district and the adoption of a development district plan and tax increment financing plan a public hearing shall be held thereon.

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

1. Public Hearing. This City Council shall meet on Tuesday, November 16, 2021 at 7:00 p.m. to hold a public hearing on the following matters: (a) a proposal to establish Development District No. 18 and Tax Increment Financing District No. 18-1 and (b) the proposed adoption of a development district plan and tax increment financing plan relating thereto, all pursuant to and in accordance with the Act.

2. Notice of Hearing; Filing of Plan. The City Clerk is hereby authorized to cause a notice of the hearing, substantially in the form attached hereto as Exhibit A, to be published as required by the Act and to place a copy of the proposed Development District No. 18 and Tax Increment Financing No. 18-1 Plans on file in the Clerk's office at City Hall and to make such plan available for inspection by the public.

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

NOTICE OF PUBLIC HEARING ON  
DEVELOPMENT DISTRICT NO. 18  
AND  
TAX INCREMENT FINANCING DISTRICT NO. 18-1

TO WHOM IT MAY CONCERN:

Notice is hereby given that the City Council of the City of Owatonna, Minnesota, will meet in the City Council Chamber at 540 West Hills Circle, Owatonna, Minnesota, at 7:00 p.m. on Tuesday, November 16, 2021, to consider adoption of a Development District Plan and Tax Increment Financing District Plan pursuant to Minnesota Statutes, Chapter 469.

A map showing the location of the proposed Development District and Tax Increment Financing District accompanies this notice. Such persons as desire to be heard with reference to the proposed development district and tax increment financing district plans will be heard at this meeting. Copies of the proposed plans are on file in the office of the City Clerk and available for public examination. Written or oral statements will be considered.

Dated: This 5<sup>th</sup> day of October 2021.

BY ORDER OF THE OWATONNA CITY COUNCIL

BY: \_\_\_\_\_  
Kris M. Busse, City Administrator

