



**CITY OF MARSHALL
HOUSING AND REDEVELOPMENT AUTHORITY MEETING
A G E N D A
Tuesday, February 25, 2020 at 3:45 PM
Marshall Middle School**

CALL TO ORDER

APPROVAL OF THE MINUTES

1. Consider approval of the minutes from the special meeting held on November 26, 2019.

NEW BUSINESS

2. Set Public Hearing for Sale of HRA Owned Property to Marshall Municipal Utilities

ADJOURN



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, February 25, 2020
Category:	APPROVAL OF MINUTES
Type:	ACTION
Subject:	Consider approval of the minutes from the special meeting held on November 26, 2019.
Background Information:	Staff encourages HRA Members to provide any suggested corrections to the minutes in writing to City Clerk, Kyle Box, prior to the meeting. We then could potentially incorporate proposed amended minutes at the meeting.
Fiscal Impact:	
Alternative/ Variations:	
Recommendations:	that the minutes of the special meeting held on November 26, 2019 be approved as filed with each member and that the reading of the same be waived.

CITY OF MARSHALL
HOUSING AND REDEVELOPMENT AUTHORITY MEETING
M I N U T E S
Tuesday, November 26, 2019

The special meeting of the Housing and Redevelopment Authority was held on November 26, 2019 in the Professional Development Room at the Marshall Middle School, 401 South Saratoga Street. The meeting was called to order at 5:15 P.M. by Chairman Robert Byrnes. In addition to Byrnes the following members were present: Craig Schafer, Steven Meister, Glenn Bayerkohler, John DeCramer, Russ Labat, James Lozinski. Absent: None. Staff present included: Sharon Hanson, Executive Director; Dennis Simpson, City Attorney; Annette Storm, Director of Administrative Services and Kyle Box, City Clerk.

Consider approval of the minutes from the special meeting held on September 24, 2019.

Motion made by Board Member Lozinski, Seconded by Board Member Decramer that the minutes of the special meeting held on September 24, 2019 be approved as filed with each member and that the reading of the same be waived. Voting Yea: Chairman Byrnes, Board Member Schafer, Board Member Meister, Board Member Bayerkohler, Board Member Decramer, Board Member Labat, Board Member Lozinski. The motion **Carried. 7-0**

Block 11 Predevelopment Agreement Procedure

The City of Marshall and APX Construction Group, LLC have entered into a Predevelopment Agreement regarding potential development for portions of Block 11 in downtown Marshall. As part of the Predevelopment Agreement the City of Marshall has requested title work to verify ownership of the property subject to the Predevelopment Agreement. Title work has been completed. Title work does verify ownership of the majority of the property in the name of the City of Marshall. However, several parcels of property are in the name of Housing and Redevelopment Authority in and for the City of Marshall. Therefore, it is recommended that those lots owned by the HRA be transferred to the City of Marshall. With that transfer, all property will be owned by the City of Marshall and will be available for sale if the development project occurs. City Attorney believes that it is best to have property all under the same ownership whether it is for the development project with APX Construction Group or some other future group.

This is a proposed non-monetary transfer and as such it is not a sale of property. Therefore, a public hearing need not be held, and it is recommended that the HRA approve the transfer of the described properties to the City of Marshall.

Motion made by Board Member Meister, Seconded by Board Member Schafer that the HRA authorize transfer of HRA owned property in Block 11 downtown Marshall to the City of Marshall. Proposed deed is attached. Voting Yea: Chairman Byrnes, Board Member Schafer, Board Member Meister, Board Member Bayerkohler, Board Member Decramer, Board Member Labat, Board Member Lozinski. The motion **Carried. 7-0**

Adjourn Meeting

Motion made by Board Member Schafer, Seconded by Board Member Labat to adjourn. Voting Yea: Chairman Byrnes, Board Member Schafer, Board Member Meister, Board Member Bayerkohler, Board Member Decramer, Board Member Labat, Board Member Lozinski. The motion **Carried. 7-0**

Robert J. Byrnes
Chairman

ATTEST:

Sharon Hanson
Executive Director



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, February 25, 2020
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Set Public Hearing for Sale of HRA Owned Property to Marshall Municipal Utilities
Background Information:	See attached Memo from City Attorney
Fiscal Impact:	N/A
Alternative/ Variations:	None
Recommendations:	Set Public Hearing



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, February 25, 2020
Category:	NEW BUSINESS
Type:	INFO/ACTION
Subject:	Call for Public Hearing on the Sale of Public Property Owned by HRA
Background Information:	<p>Marshall Municipal Utilities presently has an option to purchase property described as Lot Two in Block 7 Commerce Industrial Park Second Addition to the City of Marshall. MMU has given written notice of its intention to exercise the option to purchase property. Attached are documents provided to HRA from MMU.</p> <p>Minnesota Statutes Section 469.029 subd. 2 requires that the HRA conduct a public hearing prior to the sale of any publicly owned land. It is recommended that HRA call for a public hearing to be held on Tuesday, March 10, 2020 to consider the sale of publicly owned property.</p>
Fiscal Impact:	The option contract grants to MMU the right to purchase the identified property for price of \$1.00 and other good and valuable consideration. The \$1.00 has previously been paid at the time the option contract was signed.
Alternative/ Variations:	No alternative actions recommended. The option agreement has previously been executed by both property owner, HRA and MMU.
Recommendations:	It is recommended that the sale be concluded as agreed upon between the parties. MMU has been a financial partner with HRA in the development of the Commerce Park.



Office of the City Attorney

109 South Fourth Street

Marshall, MN 56258

Ph. (507) 537-1441

Fax: (507) 537-1445

Email: dsimpson@qdlawfirm.com

MEMORANDUM
VIA EMAIL TRANSMITTAL

TO: Kyle Box, City Clerk
CC: Sharon Hanson, City Administrator; Glenn Olson, Director of Public Works/City Engineer;
Jason Anderson, Director of Public Works/City Engineer; Brad Roos, General Manager
Marshall Municipal Utilities
FROM: Dennis H. Simpson, City Attorney
DATE: February 20, 2020
RE: HRA Sale to MMU

Enclosed is an HRA Agenda Item and supporting document for Agenda Item. The Agenda Item is to call for a public hearing regarding the sale of HRA owned property to MMU. Please place this on HRA Agenda for Tuesday, February 25.

The law requires that notice of the public hearing be published once at least ten days prior to the hearing. Therefore, publication will have to occur after the 25th, but prior to February 29th. I will prepare notice for publication and have that available for you at the meeting on the 25th.

Thank you for your immediate attention to this matter.

DHS:jlh



113 South Fourth Street • Marshall, Minnesota 56258-1223
Telephone: 507-537-7005 • Fax: 507-537-6836 • www.marshallutilities.com

February 19, 2020

Marshall Housing and Redevelopment Authority
Sharon Hanson Executive Director
City Offices
344 W. Main
Marshall, MN 56258

Re: Option to purchase land

Dear Sharon:

The MMU Commission has directed me to exercise the Option pursuant to the attached Amended Option Contract for lot 2 block 7 in Commerce Park. Please work with the City Attorney and HRA/City Council to affect the purchase of said lot.

The 2020 use of the lot is not scheduled to change and can continue to be leased for agricultural purposes with whomever the HRA and/or City selects. The future uses of the lot may include hosting a solar array in the 2-5-year horizon and in a longer view, the future water treatment plant. The use for a water plant would be after the current plant completes its useful life. That could be 50 years from now. The fact that the raw water line lies adjacent make the lot valuable for that purpose.

The Right of First Refusal (ROFR) on the adjacent portion of lot 1 block 7 in Commerce Industrial Park expires December 31, 2022. MMU expects that the ROFR will terminate at that time unexercised.

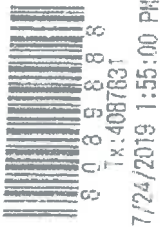
Sincerely,

A handwritten signature in blue ink that reads 'Brad Roos'.

Brad Roos
General Manager

Encl:

CC: Bob Byrnes and Dennis Simpson (email)



WHEREAS, the Housing and Redevelopment Authority in and for the City of Marshall, Minnesota, a municipal corporation, and Marshall Municipal Utilities, a municipal entity, previously entered into an exclusive 50 year option contract dated September 26, 2017, a copy of which is attached hereto and identified as Exhibit A; and

WHEREAS, said property has recently been re-platted and the description of the property subject to the option contract has hereby been amended.

Lot Two (2) in Block Seven (7), Commerce Industrial Park Second Addition to the City of Marshall, Lyon County, Minnesota, according to the recorded plat thereof.

Further, the parties agree that all terms and conditions of said exclusive 50 year Option Contract apply to the re-platted property as described herein.

IN WITNESS WHEREOF:

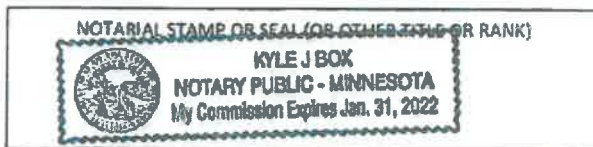
HOUSING AND REDEVELOPMENT AUTHORITY IN AND
FOR THE CITY OF MARSHALL

By: [Signature]
Robert J. Byrnes
Its: Chairman

By: [Signature]
Sharon Hanson
Its: Executive Director

STATE OF MINNESOTA)
)ss.
COUNTY OF LYON)

The foregoing instrument was acknowledged before me this 05 day of June,
2019, by Robert J. Byrnes and Sharon Hanson, the Chairman and Executive Director of Housing and
Redevelopment Authority, in and for the City of Marshall, Minnesota, a municipal corporation under the
laws of the State of Minnesota, on behalf of the Authority.



[Signature]
SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

OPTIONEE, Marshall Municipal Utilities, hereby accepts this option and agrees to each and all of its terms.

MARSHALL MUNICIPAL UTILITIES

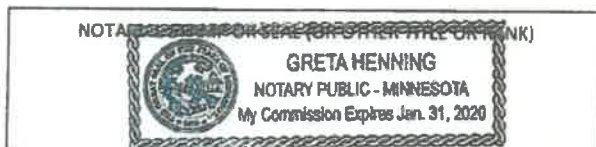


By: Brad Roos

Its: General Manager

STATE OF MINNESOTA)
)ss.
COUNTY OF LYON)

The foregoing instrument was acknowledged before me this 23 day of July, 2019, by Brad Roos, General Manager of Marshall Municipal Utilities, a municipal entity under the laws of the State of Minnesota, on behalf of the Utility.




SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

THIS INSTRUMENT WAS DRAFTED BY:

QUARNSTROM & DOERING, P.A.
By: Dennis H. Simpson
109 South Fourth Street
Marshall, MN 56258
(507) 537-1441

EXHIBIT A

(Not previously recorded)

OPTION CONTRACT

For and in consideration of the sum of One and no/100 (\$1.00) Dollar and other good and valuable consideration, (\$1.00) in hand paid, the receipt whereof is hereby acknowledged, Housing and Redevelopment Authority in and for the City of Marshall, a municipal corporation, and its successors and assigns, hereby grants unto Marshall Municipal Utilities, a municipal entity, and its successors and assigns, an Exclusive Option for fifty (50) years from the 26th day of September, 2017 to purchase, for the sum of said One and no/100 (\$1.00) Dollar (already paid) the following-described lands situated in the County of Lyon and State of Minnesota, to-wit:

Lot Two (2) and the Easterly 551.76 feet of Lot One (1) all in Block Four (4), Commerce Industrial Park Addition to the City of Marshall, Lyon County, Minnesota, according to the recorded plat thereof.

Upon the following terms and conditions, to-wit: \$1.00 Cash, the receipt of which is hereby acknowledged, and the balance \$0. Said optionee, MMU shall signify its intention to take said property by due notice in writing, and shall perform the conditions and comply with the terms of this Option, all within the time above specified. The failure to give such notice, and failure to comply with the terms and perform the conditions herein, within the time specified, shall terminate this Option, and all rights thereunder, without further act or notice whatsoever, time being the essence of this agreement.

In case said notice shall be given in due time, but transaction is not completed, then an additional 180 days shall be given in which to examine titles, make conveyances and close the transaction

IN WITNESS WHEREOF

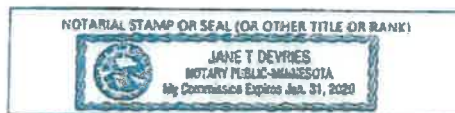
HOUSING AND REDEVELOPMENT AUTHORITY IN AND
FOR THE CITY OF MARSHALL

By: [Signature]
Robert J. Byrnes
Its: Chairman

By: Sheila Dubs
Sheila Dubs
Its: Interim Executive Director

STATE OF MINNESOTA)
)ss.
COUNTY OF LYON)

The foregoing instrument was acknowledged before me this 21 day of Sept, 2017, by Robert J. Byrnes and Sheila Dubs, the Chairman and Interim Executive Director of Housing and Redevelopment Authority, in and for the City of Marshall, a municipal corporation under the laws of the State of Minnesota, on behalf of the Authority.



[Signature]
SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

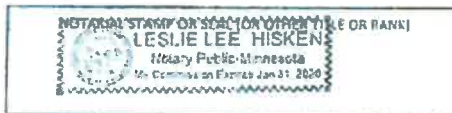
OPTIONEE, Marshall Municipal Utilities, hereby accepts this option and agrees to each and all of its terms.

MARSHALL MUNICIPAL UTILITIES

Brad Roos
By: Brad Roos
Its: General Manager

STATE OF MINNESOTA)
)ss.
COUNTY OF LYON)

The foregoing instrument was acknowledged before me this 3rd day of October, 2017, by Brad Roos, General Manager of Marshall Municipal Utilities, a municipal entity under the laws of the State of Minnesota, on behalf of the Utility.



[Handwritten Signature]
SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

THIS INSTRUMENT WAS DRAFTED BY:

QUARNSTROM & DOERING, P.A.
By: Dennis H. Simpson
109 South Fourth Street
Marshall, MN 56258
(507) 537-1441

