



**CITY OF MARSHALL  
HOUSING AND REDEVELOPMENT AUTHORITY MEETING  
A G E N D A**

**Tuesday, November 26, 2019 at 5:15 PM  
Professional Development Room - Marshall Middle School, 401 South  
Saratoga Street**

**CALL TO ORDER**

**APPROVAL OF MINUTES**

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

**PUBLIC HEARING**

**NEW BUSINESS**

2. Block 11 Predevelopment Agreement Procedure

**ADJOURN TO CLOSED SESSION**

**ADJOURN**



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Meeting Date:</b>	Tuesday, November 26, 2019
<b>Category:</b>	APPROVAL OF MINUTES
<b>Type:</b>	ACTION
<b>Subject:</b>	Consider approval of the minutes from the special meeting held on September 24, 2019.
<b>Background Information:</b>	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.
<b>Fiscal Impact:</b>	
<b>Alternative/ Variations:</b>	
<b>Recommendations:</b>	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.

**CITY OF MARSHALL**  
**HOUSING AND REDEVELOPMENT AUTHORITY MEETING**  
**MINUTES**  
**Tuesday, September 24, 2019**

The special meeting of the Housing and Redevelopment Authority was held on September 24, 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, Glenn Bayerkohler, John DeCramer, Russ Labat, James Lozinski. Absent: Steven Meister. Staff present included: Sharon Hanson, Executive Director; Dennis Simpson, City Attorney; Annette Storm, Director of Administrative Services; Scott VanDerMillen Director of Community Services; Dave Parsons, City Assessor; Preston Stensrud, Parks Superintendent; Sheila Dubs, Human Resource Manager and Kyle Box, City Clerk.

**Consider approval of the minutes from the special meeting held on September 10, 2019.**

Motion made by Board Member Lozinski, Seconded by Board Member Labat to approve the minutes. Voting Yea: Chairman Byrnes, Board Member Schafer, Board Member Bayerkohler, Board Member Decramer, Board Member Labat, Board Member Lozinski. The motion Carried. 6-0

**Consider offer to purchase Helena property on West Highway 19, Marshall, Minnesota.**

Negotiations have been ongoing for a 2 year period of time regarding the City's proposed purchase of Helena property. Negotiations have been stalled for the last 6-8 months but have recently been reinitiated. I am attaching and providing the following information:

1. Proposed purchase agreement for the sale and purchase of Helena property. Helena staff attorneys have reformatted the purchase agreement but the terms of the agreement as previously negotiated have not changed. Total purchase price \$350,000.
2. Purchase to be concluded once the Department of Agriculture has issued its order finding that no additional cleanup/remediation of fertilizer chemical impacts needs to be completed. \$5,000 earnest money payment is due immediately.
3. Additional compensation of unreimbursed remediation costs will be paid by purchaser HRA. Generally 80% of fertilizer chemical cleanup costs are reimbursed by the State of Minnesota. The remaining 20%, however, are subject to reimbursement by the City of Marshall HRA. It is unknown as to what, if any, remediation may need to be done on the site. Remediation process remains with Helena.
4. I am providing to you information from the Minnesota Department of Agriculture regarding recent fertilizer cleanup costs incurred by four western Minnesota fertilizer plants. Cleanup costs range from a low of \$177K up to a high of \$312K. Average cleanup costs \$244,500. 80% of the costs have been reimbursed. Average reimbursement \$195,500. Unreimbursed costs average \$48,956. I am advising that an additional \$50,000 be ear marked for remediation expenses.
5. A portion of the property to be acquired is to be set aside for aeronautic purposes as an RPZ (Runway Protection Zone).
6. The entirety of the property consists of 7.334 acres. Even after set aside of the RPZ aeronautical property, approximately 5 acres will remain available to the City for resale or other development.

7. The estimated Market Value is \$330,700 for taxes payable in 2020.

Pay 2019 = \$415,100

Pay 2018 = \$441,700

Pay 2017 = \$441,700

8. I have confirmed with the Helena representatives that the rail spur is included in the sale or property.

9. City staff is recommending that the HRA enter into this transaction to purchase property upon the terms as the parties have proposed.

10. The large Quonset building located with the RPZ most likely will need to be demolished at City expense. I am recommending that \$100,000 be earmarked or set aside to be used for demolition of that building.

11. Minnesota Department of Transportation (Mn/DOT) Aeronautics is recommending that the City HRA proceed with the purchase of property as soon as possible.

Motion made by Board Member Schafer, Seconded by Board Member Decramer that the HRA consider and approve entering into purchase agreement to purchase Helena property located on west Highway 19. Voting Yea: Chairman Byrnes, Board Member Schafer, Board Member Decramer, Board Member Labat, Board Member Lozinski. Voting Nay: Board Member Bayerkohler. The motion **Passed. 5-1**

#### **Adjourn Meeting**

Motion made by Board Member Lozinski, Seconded by Board Member Labat to adjourn. Voting Yea: Chairman Byrnes, Board Member Schafer, Board Member Bayerkohler, Board Member Decramer, Board Member Labat, Board Member Lozinski. The motion **Carried. 6-0**

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Robert J. Byrnes  
Chairman

ATTEST:

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Sharon Hanson  
Executive Director



## HRA CITY OF MARSHALL AGENDA ITEM REPORT

<b>Meeting Date:</b>	Tuesday, November 26, 2019
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Block 11 Predevelopment Agreement Procedure
<b>Background Information:</b>	<p>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.</p> <p>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.</p>
<b>Fiscal Impact:</b>	None.
<b>Alternative/ Variations:</b>	No alternative actions are recommended.
<b>Recommendations:</b>	That the HRA authorize transfer of HRA owned property in Block 11 downtown Marshall to the City of Marshall. Proposed deed is attached.

No delinquent taxes and transfer entered;  
Certificate of Real Estate Value  
( ) filed ( ) not required

Certificate of Real Estate Value

No. \_\_\_\_\_  
\_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
County Recorder

By \_\_\_\_\_  
Deputy

(reserved for recording data)

### WARRANTY DEED

Corporation or Partnership to Corporation or Partnership

STATE DEED TAX DUE HEREON: \$1.65

Dated: November \_\_\_\_, 2019

FOR VALUABLE CONSIDERATION, City of Marshall Housing and Redevelopment Authority a/k/a Housing and Redevelopment Authority in and for the City of Marshall, Minnesota, a municipal corporation under the laws of the State of Minnesota, Grantor, hereby conveys and warrants to City of Marshall, Grantee, a municipal corporation under the laws of the State of Minnesota, real property in Lyon County, Minnesota, described as follows:

The Northeasterly one-half of Lot One (1), in Block Eleven (11), of Original Plat to the City of Marshall Lyon County, Minnesota, according to the recorded plat thereof.

AND

That part of Lot One (1), Block Eleven (11), Original Plat of the City of Marshall, Minnesota, described as follows: Commencing at the Southeasterly corner of said Lot One (1), running thence in a Northeasterly direction along the Southeasterly line of said lot, a distance of Fifty-six (56) feet designated as a point of beginning; running thence in a Northwesterly direction at right angles to said lot line, a distance of Sixty-six (66) feet; thence at right angles in a Northeasterly direction, a distance of Ten (10) feet; thence at right angles in a Southeasterly direction, a distance of Sixty-six (66) feet, and thence at right angles in a Southwesterly direction, a distance of Ten (10) feet to the place of beginning.

AND

Lots Three (3), Four (4) and Five (5) in Block Eleven (11), Original Plat of the City of Marshall, Lyon County, Minnesota, according to the recorded plat thereof.

together with all hereditaments and appurtenances belonging thereto, subject to the following exceptions: highways, easements and rights of way of record.

Check box if applicable:



The seller certifies that the seller does not know of any wells on the described real property.



A well disclosure certificate accompanies this document.



I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

CITY OF MARSHALL HOUSING AND REDEVELOPMENT  
AUTHORITY A/K/A HOUSING AND REDEVELOPMENT  
AUTHORITY IN AND FOR THE CITY OF MARSHALL,  
MINNESOTA

Affix Deed Tax Stamp Here

By: \_\_\_\_\_  
Robert J. Byrnes  
Its: Chair

By: \_\_\_\_\_  
Sharon Hanson  
Its: Executive Director

STATE OF MINNESOTA       )  
                                      )ss  
COUNTY OF LYON         )

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

NOTARIAL STAMP OR SEAL (OR OTHER TITLE OR RANK)

\_\_\_\_\_  
SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

THIS INSTRUMENT WAS DRAFTED BY:

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

Tax Statements for the real property described in this instrument should be sent to (Include name and address of Grantee):

City of Marshall  
344 W. Main St.  
Marshall, MN 56258