



CITY OF MARSHALL
Housing and Redevelopment Authority
Meeting
A g e n d a
Tuesday, August 25, 2020 at 4:15 PM
Minnesota Emergency Response and Industrial
Training (MERIT) Center, 1001 Erie Road

NOTICE: Pursuant to Minnesota State Statute 13D.021

Some or all members of the City Council may participate by telephone or other electronic means. Regular attendance and meeting location are not feasible due to the Coronavirus Disease (COVID-19) pandemic.

CALL TO ORDER

APPROVAL OF MINUTES

1. Consider approval of the minutes from the special meeting held on August 11, 2020.

NEW BUSINESS

2. [Authorize](#) the Appropriate Officials to Execute an Amendment to Declaration, Which Document Defines Property Within Commerce Industrial Park Second Addition, Which Will Remain Restricted Property Pursuant to State of Minnesota BDPI Grant No. BDPI-17-0003-0-FY1A.

ADJOURN

CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, August 25, 2020
Category:	APPROVAL OF MINUTES
Type:	ACTION
Subject:	Consider approval of the minutes from the special meeting held on August 11, 2020.
Background Information:	
Fiscal Impact:	
Alternative/ Variations:	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.
Recommendations:	that the minutes of the special meeting held on August 11, 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, August 11, 2020

The special meeting of the Housing and Redevelopment Authority was held on August 11, 2020 in the Minnesota Emergency Response and Industrial Training (MERIT) Center, 1001 Erie Road. The meeting was called to order at 3:45 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: Steve Meister. Staff present included: Sharon Hanson, Executive Director; Dennis Simpson, City Attorney and Kyle Box, City Clerk.

Consider approval of the minutes from the special meeting held on June 9, 2020.

Motion made by Board Member Lozinski, Seconded by Board Member Schafer that the minutes of the special meeting held on June 9, 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 Bayerkohler, Board Member DeCramer, Board Member Labat, Board Member Lozinski. The motion **Carried. 6-0**

Request Authorization for the Appropriate City Officials to Execute a Certificate of Completion and Final Certificate related to Finalization and Closing Out of a Contract for Private Development Including Land Purchase and Business Subsidy Agreement by and between City of Marshall, HRA, and Ralco Nutrition and Knochenmus Enterprises.

On April 13, 2012, the City of Marshall, HRA and Ralco Nutrition entered into a contract for private development including land purchase and business subsidy agreement. The agreement authorized the transfer of Sonstegard Addition Property to Ralco Nutrition and Knochenmus Enterprises. The Agreement further obligated those entities to retain six jobs for a specified period of time at certain income obligation. In addition, the developer was required to construct improvements on said property.

All obligations from the developer have been met. Property has been developed and jobs have been retained as required. All documentation noting that information has been provided to the State of Minnesota Department of Employment and Economic Development.

The Developer has requested that the certificate of completion and final certificate related to the development project be provided as set forth within the agreement. As indicated all property improvements have been made and all job retention obligations have been met and documented. It is reasonable to provide the certificates as requested.

Motion made by Board Member Schafer, Seconded by Board Member Lozinski That the City Council and HRA provide the certificate of completion and final certificate as requested by developer. That the appropriate officials be authorized to sign said certificates. Voting Yea: Chairman Byrnes, Board Member Schafer, Board Member Bayerkohler, Board Member DeCramer, Board Member Labat, Board Member Lozinski. The motion **Carried. 6-0**

At 3:50 P.M., Motion made by Board Member Schafer, Seconded by Board Member Lozinski 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**

Robert J. Byrnes
Chairman

ATTEST:

Sharon Hanson
Executive Director

HRA CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, August 25, 2020
Category:	NEW BUSINESS
Type:	INFO/ACTION
Subject:	Authorize the Appropriate Officials to Execute an Amendment to Declaration, Which Document Defines Property Within Commerce Industrial Park Second Addition, Which Will Remain Restricted Property Pursuant to State of Minnesota BDPI Grant No. BDPI-17-0003-0-FY1A
Background Information:	<p>The City of Marshall received a two-million-dollar grant for the development of infrastructure within Commerce Industrial Park Second Addition. The entire development project costs approximately five-million dollars with Marshall Municipal Utilities and the City of Marshall contributing up to three-million dollars for the development project and the State Grant Fund providing an additional two-million dollars for infrastructure development. At the time that the Grant was obtained, the City of Marshall filed a State Mandated "Declaration" indicating that the HRA owned the entirety of the property and that the property would be subject to the terms and conditions of the BDPI Grant. The Terms of the BDPI Grant require that all property subject to the Grant be sold at fair market value based upon appraisals conducted on a lot by lot basis. All fair market value land sales require that the funds acquired from property of sale be paid to the State of Minnesota. Throughout the construction project, the City of Marshall and DEED differentiated between infrastructure constructed within the road right of ways vs. excavation done within the broader scope of the development. BDPI Grant reimbursed for infrastructure installation within public right of ways and the construction of drainage swales and retention ponds located throughout the property. City of Marshall and MMU monies were used for general land property excavation and not for the installation of infrastructure.</p> <p>Subsequent discussions with both DEED and Minnesota Management Budget (MMB) indicated that the State agencies are receptive to an Amendment to the Declaration allowing for future restriction and encumbrance only of the properties on which the BDPI Grants were used for infrastructure installation. Therefore, an Amended Declaration has been prepared, which would indicate that the BDPI Grant funds were used and subsequently restricted property to the Michigan Road extension and infrastructure installation as well as the drainage properties. Therefore, the Amendment has been prepared and Out Lots; A, B, C, D and E have been identified as properties subject to the Declaration and restrictions. Additionally, the public roadway easement for installation of infrastructure in the road right of way is also restrictive property within the Amended Declaration.</p> <p>It is recommended that the appropriate officials be authorized to sign the Amended Declaration and authorize the subsequent recording of that Declaration. The Amended Declaration will indicate that the development of property within each of the various lots is not subject to the terms of the BDPI Grant and is not restrictive in or pursuant to the terms of the BDPI Grant. The Sale of property continues to be subject to the Statutory Restrictions for types of businesses but is not subject to repayment of the Grant. Attached is a copy of the Amendment to Declaration as well as a map verifying that the infrastructure has been installed in Michigan Road. Finally, a plat map is included identifying the properties subject to the restriction as being Out Lots; A, B, C, D and E and well as Michigan Road.</p>

Fiscal Impact:	The Amendment to the Declaration and subsequent approval by State Agencies will allow much more flexibility for the City to negotiate sale prices with any potential developers.
Alternative/ Variations:	No alternative action recommended.
Recommendations:	That the HRA authorize the proper officials to sign the Amended Declaration

AMENDMENT OF DECLARATION

The undersigned has previously filed a “State of Minnesota, General Obligation Bond Financed Property Declaration” (the “Declaration”) dated September 26, 2017 and filed in the official records of the Lyon County Recorder’s Office on September 28, 2017, as Document No. 214016, which Declaration mistakenly declared as the Restricted Property (as defined in the Declaration) real property and facilities thereon that was not improved or financed with state general obligation bond proceeds and therefore should not be subject to the restrictions on bond financed property contained in Minnesota Statutes, Section 16A.695 and in the Fourth Order Amending Order of Commissioner of Finance dated July 30, 2012. With the consent of the Commissioner of Minnesota Management and Budget (“MMB”), the undersigned desires to amend the legal description attached to the Declaration so that only that portion of the real property described in the Declaration constituting bond financed property is subject to the Declaration.

The Declaration, with the consent of the Commissioner of MMB, is hereby amended by this Amendment of Declaration (“Amendment”) by replacing the legal description of real property originally attached as Exhibit A to the Declaration with the legal description attached as Exhibit A (Revised) hereto.

All other terms and conditions of the Declaration remain in force and are unaffected by this Amendment.

[Remainder of page intentionally left blank]

The City of Marshall, a Municipal Corporation
under the laws of the State of Minnesota

By: _____

Title: Robert J. Byrnes, Mayor

By: _____

Title: Kyle Box, City Clerk

Dated: _____

STATE OF MINNESOTA)
) ss
COUNTY OF LYON)

The foregoing instrument was acknowledged before me this ____ day of _____,
2020, by Robert J. Byrnes, the Mayor, and Kyle Box, the Mayor and City Clerk, respectively, of the City of
Marshall, a Municipal Corporation under the laws of the State of Minnesota.

NOTARIAL STAMP OR SEAL (OR OTHER TITLE OR RANK)

Notary Public

My Commission Expires: _____

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CONSENT

The Commissioner of Minnesota Management and Budget hereby consents and approves of the recording of the foregoing Amendment of Declaration.

Date: _____, 20____

MINNESOTA MANAGEMENT AND BUDGET

By: _____
Commissioner

[illegible]

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, the Commissioner of Minnesota Management and Budget.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

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

Exhibit A (Revised) to Amended Declaration
LEGAL DESCRIPTION OF RESTRICTED PROPERTY

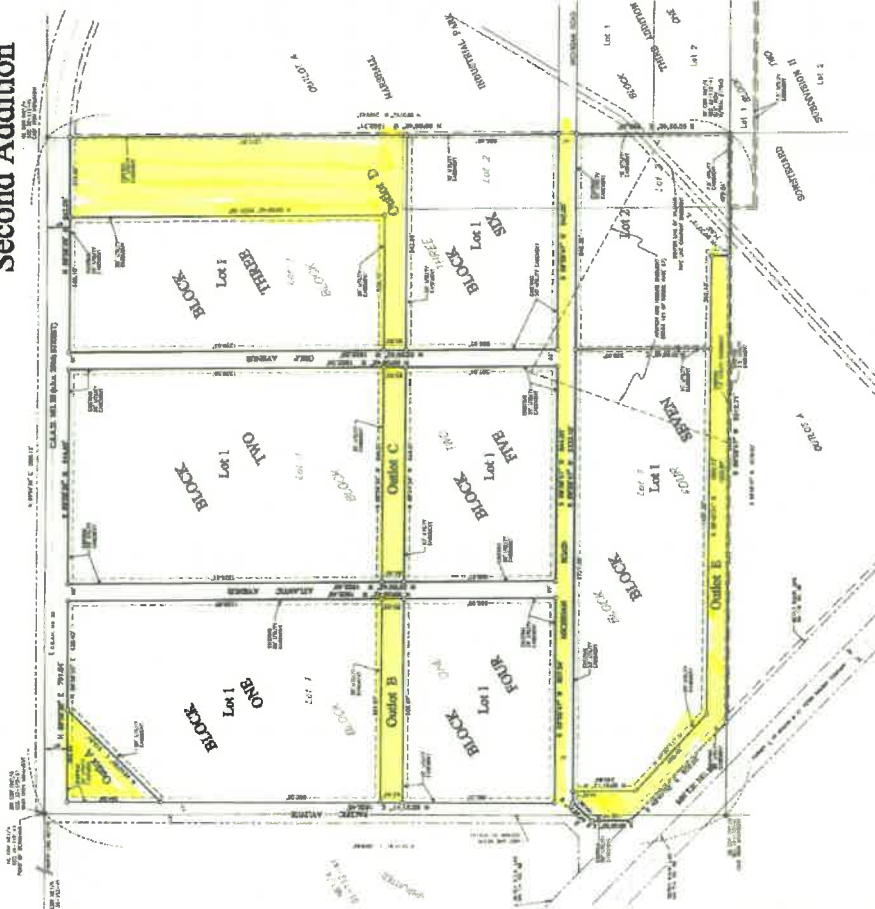
A Permanent Easement in the name of City of Marshall, a municipal corporation under the laws of the State of Minnesota in and to the following described property:

A utility easement in, on and under the City Street Right of Way identified as Michigan Road in Commerce Industrial Park Second Addition to the City of Marshall, Lyon County Minnesota according to the recorded plat thereof.

and

Fee Ownership in the name of the Housing and Redevelopment Authority in and for the City of Marshall, a municipal corporation under the laws of the State of Minnesota in and to the following described property:

Out Lot A, Out Lot B, Out Lot C, Out Lot D, and Out Lot E, all in Commerce Industrial Park Second Addition to the City of Marshall, Lyon County, Minnesota according the recorder plat thereof.



For help with 'copying'

