

EXTRACT OF MINUTES OF A MEETING OF THE
CITY COUNCIL OF THE CITY OF
PRINCETON, MINNESOTA

HELD: September 24, 2020

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Princeton, Mille Lacs and Sherburne Counties, Minnesota, was duly held on the 24th day of September, 2020 at 7:00 p.m.

The following members of the Council were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption.

RESOLUTION NO. 20-53

RESOLUTION APPROVING MODIFIED DEVELOPMENT DISTRICT NO. 9, APPROVING THE MODIFIED DEVELOPMENT PROGRAM THEREFOR, ESTABLISHING TAX INCREMENT FINANCING (HOUSING) DISTRICT NO. 9-2 AND APPROVING THE TAX INCREMENT FINANCING PLAN THEREFOR WITHIN THE DEVELOPMENT DISTRICT

WHEREAS:

A. The City of Princeton, Minnesota (the "City") has proposed modification to Development District No. 9 (the "Development District") and the adoption of a modified Development Program therefore (the "Development Program") and has proposed to establish Tax Increment Financing (Housing) District No. 9-2 (the "TIF District") therein and approve and accept the proposed Tax Increment Financing Plan therefor (the "TIF Plan") under the provisions of Minnesota Statutes, Sections 469.134 through 469.133, both inclusive, as amended and Minnesota Statutes, Sections 469.174 through 469.1794, both inclusive, as amended (collectively, the "Act"); and

B. The City has performed all actions required by law to be performed prior to the establishment of the Development District and the establishment of the TIF District therein and the adoption of the proposed Development Program and TIF Plan relating thereto, including, but not limited to, notification of Mille Lacs County and Princeton Public School District (ISD No. 477) having taxing jurisdiction over the property to be included in the TIF District; and

D. The City Council of the City (the "Council") has fully reviewed the contents of the Development Program and the TIF Plan, and on this date conducted a public hearing thereon at which the views of all interested persons were heard.

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

1. Development District No. 9. The modification to Development District No. 9 and the Development Program are approved and adopted.

2. Tax Increment Financing (Housing) District No 9-2. Tax Increment Financing (Housing) District No. 9-2 is hereby established within the Development District. The initial boundaries of the TIF District are fixed and determined as described in the TIF Plan.

3. Tax Increment Financing Plan. The TIF Plan is adopted as the tax increment financing plan for the TIF District.

4. Findings. In taking these actions, the City Council makes the following findings:

a. The TIF District is a housing district as defined in Minnesota Statutes, Section 469.174, Subdivision 11, the specific basis for such determination being that the approximate 49 unit multifamily rental housing project will provide safe, decent, affordable, sanitary housing for residents of the city and it will result in the preservation and enhancement of the tax base of the State.

b. The proposed development, in the opinion of the City Council, would not occur solely through private investment. The reasons supporting these findings are that:

i. The developer, Briggs Companies, has represented to the City that private investment will not finance these development activities because of prohibitive construction costs relative to rental revenues for low and moderate income housing units. It is necessary to finance these development activities through the use of tax increment financing so that this and other development by private enterprise will occur within the Development District.

ii. A comparative analysis of estimated market values both with and without establishment of the TIF District and the use of tax increments has been performed as described above. Such analysis is found in Exhibit I of the TIF Plan, which is hereby incorporated, herein by reference, and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the TIF District and the use of tax increments.

iii. In the opinion of the City Council, 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 TIF District

permitted by the TIF Plan. The reasons supporting this finding can be found in Exhibit I of the TIF Plan.

c. The TIF Plan for the TIF District conforms to the general plan for the development of the City as a whole. The reasons for supporting this finding are that:

- i. The TIF District is property zoned; and
- ii. The TIF Plan will generally complement and serve to implement policies adopted in the City's comprehensive Plan.

d. The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Development District by private enterprise.

5. Public Purpose. The adoption of the Development Program for the Development District, and the adoption of the TIF Plan for the TIF District therein conform in all respects to the requirements of the Act and will help fulfill a need to provide affordable housing choices, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose.

6. Certification and Filing. The City Administrator, or designee, is authorized and directed to transmit a certified copy of this resolution together with a certified copy of the TIF Plan to the Auditor of Mille Lacs County with a request that the original tax capacity of the property within the TIF District be certified to the City pursuant to Section 469.177, Subdivision 1, of the Act, and to file a copy of the Development Program and the TIF Plan with the Minnesota Commissioner of Revenue and State Auditor as required by the Act.

7. Administration. The administration of the Development District and the TIF District is assigned to the City Administrator who shall from time to time be granted such powers and duties pursuant to the Act as the City Council may deem appropriate.

The motion for the adoption of the foregoing resolution was duly seconded by member _____ and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTIES OF MILLE LACS AND SHERBURNE
CITY OF PRINCETON

I, the undersigned, being the duly qualified and acting City Clerk of the City of Princeton, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to tax increment financing in the City.

WITNESS my hand this ____ day of _____, 2020.

City Clerk