

**Special City Council Meeting
Mountain Lake City Hall
Tuesday, May 14, 2019
6:30 p.m.**

AGENDA

1. Meeting Called to Order *Additional information on agenda item is attached or at City Hall
2. Approval of Agenda
3. 6:30PM Public Hearing on Proposed Property Tax Abatements for the Downtown Housing Project
 - a. Discussion/Action – Open Public Hearing
 - b. Financial Presentation (handouts will be available) – *Tammy Omdal, Northland Securities*
 - c. Public Comment
 - d. Other
 - e. Discussion/Action – Close the Public Hearing

4. Conditional Use Permit – EDA Downtown Project
 - a. Review – Planning & Zoning Commission Meeting on May 13, 2019
 - b. Review – Conditional Use Permit Application (1-2)
 - c. Review – DRAFT Findings of Fact (3-4)
 - d. Review – Notice of Public Hearing (5)
 - e. Review – Planning & Zoning Commission Meeting Recommendations on Conditional Use Permit
5. Discussion/Action – Conditional Use Permit Resolution
 - a. Discussion/Action – DRAFT Resolution #14-19 Approving Conditional Use Permit (will be updated and finalized at meeting with Planning & Zoning Commission recommendations) (6-7)
6. Discussion/Action – Financial Resolutions
 - a. Discussion/Action – Resolution #12-19 Approving Tax Abatements (8-11)
 - b. Discussion/Action – Resolution #13-19 Approving the Issuance of Taxable General Obligation Tax Abatement Bonds, Series 2019A (12-14)
7. Other
8. Adjourn

CONDITIONAL USE PERMIT APPLICATION

City of Mt. Lake

Conditional Use Permit Application Fee \$ _____

(All fees payable upon submittal of completed application.)

Please complete the application. If the specs provided are insufficient, use additional sheets.

1. Name of Owner (First) (Middle) (Last) _____ (Phone) _____
Mt. Lake Economic Development Authority (EDA) _____ (507)427-2999 Ext. 4

2. Address of Owner (Street and PO Box) (City) (State) (Zip)
930 Third Avenue, PO Box C, Mt. Lake, MN 56159

3. Name of Applicant if Different from Owner: (First) (Middle) (Last)
N/A

4. Address of Applicant If Different from Above:
N/A

5. Street Address of Property Where Conditional Use will be in Effect:
322 10th Street North, 324 10th Street North, 326 10th Street North, 1050 Fourth Avenue

6. Complete Legal Description of the Property Involved and It's Property Identification Number:
322 10th Street North – The North Sixteen (16) feet of Lot Nine (9) in Block Fourteen (14), except the East Forty (40) feet thereof, in the Village (now City) of Mountain Lake, Cottonwood County, Minnesota. Parcel ID #: 225201020.
324 10th Street North – The West One Hundred Nineteen (119) feet of the alley between Lots Seven (7) and Eight (8); along with the West One Hundred Nineteen (119) feet of Lot Eight (8), Block Fourteen (14), Original Townsite, City of Mountain Lake, Cottonwood County, Minnesota. Parcel ID #: 225201000
326 10th Street North – Lots Six (6) and Seven (7), except the East Forty (40) Feet thereof, Block Fourteen (14), in the Village (now City) of Mountain Lake, Cottonwood County, Minnesota. Parcel ID #: 225200990
1050 Fourth Avenue – The east 40 feet of Lots 6, 7, and 8; the east 40 feet of the north 16 feet of Lot 9; and the east 40 feet of the vacated alley between Lot 7 and 8; all in the Block 14, Village of Mountain Lake, Cottonwood County, Minnesota. Parcel ID #: 225201010

7. State exactly what is intended to be done on or with the property that requires a conditional use permit:

The Mt. Lake Economic Development Authority (EDA) intends to construct 2 4-Plex Housing Units on the property. Subdivision 3. Conditional Uses 1.) Dwellings and boarding or lodging houses is a conditional use of the property. Each of the 4 previous buildings contained one or more apartment spaces for dwellings and a precedence has been set for using the property for housing.

8. The following information must be submitted with this application if requested: A. Site Plan (showing parcel and building dimensions); B. Location of all buildings and their square footage; C. Curb cuts, driveways, access roads, parking spaces, off-street loading areas and sidewalks; D. Landscaping and screening plans; E. Drainage plan; F. Sanitary sewer and water plan with estimated use per day; G. Soil types; H. Any additional data reasonably required. (See Below)

Signature: The above statements are true and correct to the best of my knowledge.

Applicant Signature: _____

Property Owner Signature: _____

Date: _____

Total Site Size: 16,111 sq. ft. / 11,700 sq. ft. hard surface total.

Water Usage: Per unit is 90 gallons per day on average x 8 units.

Storm Water: Storm water will drain to private road and then to city storm water intake on 4th Avenue.

Soil Type: Clay base, infilled with gravel where foundations were removed.

Water: 2" main supply. 1 ¼" unit services.

**Conditional Use Permit
DRAFT FINDINGS OF FACT
EDA Downtown Project**

Legal Description: 322 10th Street North – The North Sixteen (16) feet of Lot Nine (9) in Block Fourteen (14), except the East Forty (40) feet thereof, in the Village (now City) of Mountain Lake, Cottonwood County, Minnesota. Parcel ID #: 225201020.

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1. The conditional use was submitted in compliance with city code. An application has been completed by Rob Anderson, EDA Director, on behalf of the Economic Development Authority, according to Code 9.70 Subd. 4.
2. The conditional use request was made public in compliance with city code and state law. The Notice of Public Hearing was published at least 10 days but no more than 30 days in the Mountain Lake/Butterfield Observer/Advocate, posted in City Hall and on the city's website. Property owners within 350' of the property received mailed notification of the hearing.
3. The conditional use will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted, nor substantially diminish and impair property values within the neighborhood. (to be reviewed by the Planning & Zoning Commission)
4. The establishment of the conditional use will not impede the normal and orderly development and improvement of the surrounding vacant property for predominant uses in the area. (to be reviewed by the Planning & Zoning Commission)
5. That adequate utilities, access roads, drainage and other necessary facilities have been or are being provided for the conditional use. (to be reviewed by the Planning & Zoning Commission)

6. That adequate measures have been or will be taken to provide sufficient off-street parking and loading space to serve the conditional use. *(to be reviewed by the Planning & Zoning Commission)*

7. That adequate measures have been or will be taken to prevent or control offensive odor, fumes, dust, noise and vibrations, so that none of these will constitute a nuisance and to control lighted signs and other lights in such a manner that on disturbance to neighboring properties will result. *(to be reviewed by the Planning & Zoning Commission)*

8. That proper facilities are provided which would eliminate any traffic congestion or traffic hazard, which may result from the proposed conditional use. *(to be reviewed by the Planning & Zoning Commission)*

9. There is a demonstrated need for the proposed conditional use. *(to be reviewed by the Planning & Zoning Commission)*

10. The proposed conditional use is in compliance with the City Comprehensive Plan. *(to be reviewed by the Planning & Zoning Commission)*



City of Mountain Lake
930 Third Ave – Drawer C
Mountain Lake, Minnesota 56159
Phone (507) 427-2999 • Fax (507) 427-3327

NOTICE TO ADJOINING PROPERTY OWNERS

PUBLIC HEARING ON A PETITION TO GRANT A CONDITIONAL USE PERMIT

CITY OF MOUNTAIN LAKE PLANNING AND ZONING COMMISSION

April 29, 2019

The City of Mountain Lake Planning and Zoning Commission will meet on Monday, May 13, 2019 at 5:30 PM in the Council Chambers, City Hall, Mountain Lake, MN for the purpose of conducting a public hearing on the advisability of approving a conditional use permit to construct two 4-Plex Housing Units at the addresses of 322 10th Street North (Parcel ID #22.520.1020), 324 10th Street North (Parcel ID #22.520.1000), 326 10th Street North (Parcel ID #22.520.0990), and 1050 Fourth Avenue (Parcel ID #22.520.1010) (vacant lot between city park and public library); City of Mountain Lake, MN.

The Conditional Use Permit petition has been submitted for the purpose of allowing two 4-plex housing units in the downtown commercial district in accordance with Mountain Lake Ordinance Chapter 9, Section 9.20, Subdivision 3, #1.

A public hearing will be held by the City of Mountain Lake Planning and Zoning Commission on Monday, May 13, 2019 at 5:30 p.m. in the Council Chambers of the Mountain Lake City Hall, 930 Third Avenue, Mountain Lake, MN. At the public hearing you may speak in opposition to or in support of the proposed Conditional Use Permit.

Planning and Zoning Commission meetings are public meetings and are open to the public. Attendance at this public hearing is not limited to those receiving this notice. If you know of any neighbor or affected property owner who did not received this notice, please inform them of this public hearing. Written comments in opposition to or in support of can be submitted prior to the meeting to city hall or to mschulte@mountainlakemn.com.

If you have any concerns or further questions about the proposed use of the property, please contact the City Administrator, Michael Schulte at 507-427-2999 ext.1.

Respectfully,
City of Mountain Lake Planning & Zoning Commission

CITY OF MOUNTAIN LAKE, MINNESOTA

Resolution #14-19

A RESOLUTION APPROVING A CONDITIONAL USE PERMIT TO ALLOW A DWELLING IN THE RESIDENTIAL DISTRICT ON 322 10th Street North – The North Sixteen (16) feet of Lot Nine (9) in Block Fourteen (14), except the East Forty (40) feet thereof, in the Village (now City) of Mountain Lake, Cottonwood County, Minnesota. Parcel ID #: 225201020.324 10th Street North – The West One Hundred Nineteen (119) feet of the alley between Lots Seven (7) and Eight (8); along with the West One Hundred Nineteen (119) feet of Lot Eight (8), Block Fourteen (14), Original Townsite, City of Mountain Lake, Cottonwood County, Minnesota. Parcel ID #:225201000 326 10th Street North – Lots Six (6) and Seven (7), except the East Forty (40) Feet thereof, Block Fourteen (14), in the Village (now City) of Mountain Lake, Cottonwood County, Minnesota. Parcel ID #: 2252009901050 Fourth Avenue – The east 40 feet of Lots 6, 7, and 8: the east 40 feet of the north 16 feet of Lot 9; and the east 40 feet of the vacated alley between Lot 7 and 8; all in the Block 14, Village of Mountain Lake, Cottonwood County, Minnesota. Parcel ID #:225201010

WHEREAS, the Economic Development Authority (EDA) is the current owner of the above-named property; and

WHEREAS, The EDA has stated their intent to construct a dwelling at the above-named property; and

WHEREAS, said property is presently zoned as (C-1) Commercial – Downtown classification, wherein dwellings and boarding or lodging houses are an allowable conditional use; and

WHEREAS, Rob Anderson, EDA Director, on behalf of the EDA, has submitted to the City an application for a conditional use permit to allow a dwelling on above named property as set forth in Mountain Lake Ordinance 9.20 Subdivision 3, Number 1; and

WHEREAS, the City of Mountain Lake Planning and Zoning Commission conducted a public hearing on May 13, 2019 to consider said conditional use permit application and at the conclusion of said hearing passed a motion recommending the approval of _____.

WHEREAS, the Mountain Lake City Council upon the recommendation of the Planning and Zoning Commission considered granting a conditional use permit to allow a dwelling at the above-named property;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNTAIN LAKE, MN: That a conditional use permit with conditions allowing a dwelling on the above-named property is hereby proved; and,

BE IT FURTHER RESOLVED BY SAID CITY COUNCIL that this Resolution shall become effective after its passage and approval.

PASSED AND ADOPTED by the City Council of the City of Mountain Lake, MN on this 14th day of May, 2019.

ATTEST:

Mike Nelson, Mayor

Michael Schulte, City Administrator/Clerk

CITY OF MOUNTAIN LAKE
COUNTY OF COTTONWOOD
STATE OF MINNESOTA

RESOLUTION #12-19

RESOLUTION APPROVING PROPERTY TAX ABATEMENTS

HELD: May 14, 2019

BE IT RESOLVED by the City Council (the "Council") of the City of Mountain Lake, Minnesota (the "City"), as follows:

1. Recitals.

(a) The City proposes to approve tax abatements in connection the financing of the construction of the DT Housing Project to be located in the City (the "Project"). The City proposes to use the abatement for the purposes provided for in the Abatement Law (as hereinafter defined), including the Project. The proposed term of the abatement will be for up to twenty (20) years in an amount not to exceed \$1,270,000. The abatement will apply to the City's share of the property taxes (the "Abatement") derived from the property described by property identification numbers on the attached "Exhibit A" (the "Property") located in the City.

(b) The City has requested, in writing, that Independent School District No. 173 (the "School District") and Cottonwood County (the "County") grant a tax abatement to finance the Project and both the School District and County have declined in writing to grant a tax abatement for the Project.

(c) On May 14, 2019, the Council held a public hearing on the question of the Abatement, and said hearing was preceded by at least 10 days but not more than 30 days prior published notice thereof.

(d) The City proposes to issue Taxable General Obligation Tax Abatement Bonds (the "Bonds") in an amount not to exceed \$1,270,000 and use the proceeds thereof for the Project.

(e) The Abatement will be pledged to the payments of the Bonds. The proceeds of said Bonds shall be used to finance the Project.

(f) The Abatement is authorized under Minnesota Statutes, Sections 469.1812 through 469.1815 (the "Abatement Law").

2. Findings for the Abatement. The City Council hereby makes the following findings:

(a) The Council expects the benefits to the City of the Abatement to at least equal or exceed the costs to the City thereof.

- (b) Granting the Abatement is in the public interest because it will:
 - (i) provide or help acquire or construct public facilities; and
 - (ii) help redevelop or renew blighted areas.
- (c) The Property is not located in a tax increment financing district.

(d) In any year, the total amount of property taxes abated by the City by this and other existing abatement resolutions, shall not exceed ten percent (10%) of net tax capacity of the City for the taxes payable year to which the abatement applies or \$200,000, whichever is greater (the "Abatement Limit"). The City may grant other abatements permitted under the Abatement Law after the date of this resolution, provided that to the extent the total abatements in any year exceed the Abatement Limit the allocation of the Abatement limit to such other abatements is subordinate to the Abatement granted by this resolution.

3. Terms of Abatement. The Abatement is hereby approved. The terms of the Abatement are as follows:

(a) The Abatement shall be for up to a twenty (20) year period, anticipated to commence for the taxes payable in the year 2020. The City reserves the right to modify the commencement date, but the abatement period shall not exceed twenty (20) years.

(b) The City will abate the City's share of property tax amount which the City receives from the Property, not to exceed \$1,270,000.

(c) The Abatement shall be subject to all the terms and limitations of the Abatement Law.

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

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

Mike Nelson, Mayor

Attest:

Michael Schulte, City Administrator/Clerk

STATE OF MINNESOTA)
) SS
COUNTY OF COTTONWOOD)

I, the undersigned, being the duly qualified and acting City Administrator/Clerk of the City of Mountain Lake, Minnesota (the "City"), by reason of my office as City Administrator/Clerk, 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 the City, duly called and held on the date therein indicated, insofar as such minutes relate to property tax abatements.

WITNESS my hand this 14th day of May, 2019.

City Administrator/Clerk

EXHIBIT A

Parcel ID Numbers for "Property"

225200971	225201070
225201120	226130090
220340201	225240020
220340300	220341200
220340302	225200420
226130120	220320300
220040102	225200900
220340203	

**CERTIFICATION OF MINUTES
RELATING TO TAXABLE GENERAL OBLIGATION TAX ABATEMENT BONDS,
SERIES 2019A**

ISSUER: City of Mountain Lake, Minnesota

BODY: City Council

KIND, DATE, TIME AND PLACE OF MEETING:

A regular meeting held on Tuesday, May 14, 2019, at _____ p.m., in the City Offices

MEMBERS PRESENT:

MEMBERS ABSENT:

Documents Attached: Extract of Minutes of said meeting.

**RESOLUTION APPROVING THE ISSUANCE OF
TAXABLE GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2019A**

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the obligations referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said obligations; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS MY HAND officially as such recording officer on May 14, 2019.

City Clerk/Administrator

EXTRACT OF MINUTES OF A MEETING
OF THE CITY COUNCIL OF THE CITY OF MOUNTAIN LAKE, STATE OF MINNESOTA

HELD: Tuesday, May 14, 2019

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Mountain Lake, State of Minnesota, was duly held on Tuesday, May 14, 2019 at _____ p.m.

Member _____ introduced the following resolution and moved its adoption:

**RESOLUTION APPROVING THE ISSUANCE OF
TAXABLE GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2019A**

BE IT RESOLVED by the City Council of the City of Mountain Lake, Minnesota (herein, the "City"), as follows:

1. The City Council hereby finds and declares that it is necessary and expedient for the City to sell and issue its fully registered general obligation bonds in the total aggregate principal amount not to exceed \$1,270,000 (herein, the "Bonds"). The proceeds of the Bonds will be used to finance construction of four twin homes in the downtown area of the City and the costs of issuing the Bonds.
2. The City Council desires to proceed with the sale of the Bonds by direct negotiation with Northland Securities, Inc. (herein, "NSI"). NSI will purchase the Bonds in an arm's-length commercial transaction with the City.
3. The Mayor and Clerk/Administrator are hereby authorized to approve the sale of the Bonds in an aggregate principal amount not to exceed \$1,270,000 and to execute a bond purchase agreement for the purchase of the Bonds with NSI, provided the true interest cost is less than 4.43%.
4. Upon approval of the sale of the Bonds by the Mayor and the Clerk/Administrator the City Council will take action at its next regularly scheduled or special meeting thereafter to adopt the necessary approving resolutions as prepared by the City's bond counsel.
5. NSI is authorized to prepare an Official Statement related to the sale of the Bonds.
6. If the Mayor and the Clerk/Administrator have not approved the sale of the bonds to NSI and executed the related bond purchase agreement by October 31, 2019, this resolution shall expire.

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.

Mike Nelson, Mayor

Attest:

Michael Schulte, City Administrator/Clerk