

MINUTES OF SPECIAL COUNCIL MEETING
June 24, 2019

A special council meeting was duly called to order at 5:00 p.m. by Mayor Jeff Ross on Monday, June 24, 2019 with members Carlee Hunter, Matt Larson, Kurt Olson, Brad Ringnell and Jeff Ross present. Also present City Admin/Police Chief Brad Hughes and Deputy Clerk Kym Christiansen.

The purpose of the special meeting was to conduct public hearings and consider resolutions related to the Temperance Lake Ridge expansion financing.

Motion by Ringnell to approve the agenda, second by Olson, carried.

Motion by Ringnell to recess the council meeting at 5:00 p.m., second by Olson, carried.

Council meeting was reopened at 5:08 p.m.

At this time, a public hearing related to the proposed Tax Abatement for the Temperance Lake Ridge Project was called to order. Shannon Sweeney with David Drown Associates explained that a financial study and market study were completed and found that the project able to meet the financial obligations related to the bonds. Sweeney also stated that the City will be making a pledge to use tax levy funds in the event that revenues generated from Temperance Lake Ridge can't cover the bond payments. Motion by Ringnell to close the public hearing at 5:11 p.m., second by Olson, carried.

Motion by Olson to approve Resolution 2019-10 Approving Property Tax Abatement for Certain Property Located in the City of Sherburn, second by Hunter. Olson, yea; Hunter, yea; Larson, yea; Ringnell, yea; Ross, yea. Resolution 2019-10 approved.

At this time, a public hearing related to the Issuance of Housing Development Bonds by Sherburn EDA was called to order. Shannon Sweeney with David Drown Associates explained that as part of the financing there needs to be a housing finance program which is similar to one that was used in previous expansions. Sweeney stated that the competitive sale will be held on July 15 which when the interest rate of the bonds will be known. It is important to note that revenues from Temperance Lake Ridge will be used to pay the bonds and the use of the property tax dollars will happen in the event the revenues are unable to make the payment. Sweeney also explained that tax levy pledge was used with past projects. There would also be contribution of \$750,000 from the cash reserves. Sweeney does not recommend using any more cash reserves since there will costs related to staffing and startup of the expansion. The reason for two different financing types is that the limit has been reached with Housing bonds and the abatement is needed to fill the gap. Motion by Ringnell to close the public hearing at 5:14 p.m.; second by Olson, carried.

Motion by Ringnell to approve Resolution 2019-11 Approving the Housing Finance Program and the Issuance and Sale by the Economic Development Authority of the City of the Sherburn of its Housing Development Bonds, Series 2019 (City of Sherburn, Minnesota, General Obligation) in an Amount not to Exceed \$2,975,000 Backed by the Full Faith and Credit of the City of Sherburn, Minnesota, second by Larson. Ringnell, yea; Larson, yea; Hunter, yea; Olson, yea; Ross, yea. Resolution 2019-11 approved.

Motion to adjourn by Olson second by Ringnell, carried. Meeting declared adjourned at 5:15 p.m.

Kym Christiansen, Deputy Clerk