

**RESOLUTION No: 19.10.16**  
**A RESOLUTION SUPPORTING LEGISLATION**  
**TO APPROPRIATE MONEY FOR STREET LIGHTING IN CROMWELL**

**WHEREAS**, the Minnesota Department of Transportation Highway 210 Construction Project 091532 is scheduled to renovate the Cromwell “downtown” area beginning in 2021; and

**WHEREAS**, all Minnesota cities benefit from a safe and appealing downtown area; and

**WHEREAS**, residential lighting, as part of an appealing streetscape, is needed to increase customer revenue for local business as well as encourage business opportunities, and

**WHEREAS**, residential lighting will provide enhanced safety for the new sidewalk system coming to Cromwell with the Construction Project that will create opportunities for citizens to walk for recreation, walk to shopping, walk to attend events, students to walk to school, and

**WHEREAS**, current funding for residential lighting is not covered in the project; and

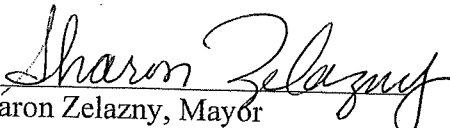
**WHEREAS**, no other residential lighting funding source is available to the City of Cromwell because of its small population and location, even though these same funding sources are available to other cities.

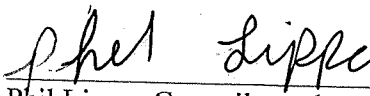
**NOW, THEREFORE, BE IT RESOLVED** that the city council of the City of Cromwell supports the legislation to Appropriate Money for Street Lighting in Cromwell.

**ADOPTED** by the City of Cromwell on this the 16<sup>th</sup> day of October, 2019.

Signed:

Attest:

  
\_\_\_\_\_  
Sharon Zelazny, Mayor

  
\_\_\_\_\_  
Phil Lippo, Councilmember

**RESOLUTION No. 19.7.17**

**Resolution for Layout Approval**

At a Meeting of the City Council of the City of Cromwell, held on the 17th day of July, 2019, the following Resolution was offered by Lally and seconded by Vigness to wit:

WHEREAS, the Commissioner of Transportation has prepared a final layout for the State Project 0915-32 on Trunk Highway 210 and a portion of Trunk Highway 73 in the City of Cromwell for ADA improvements; and seeks the approval thereof, as described in Minnesota Statutes 161. 162, to 161. 167 and

WHEREAS, said final layout is on file in the District X Minnesota Department of Transportation office, CITY, Minnesota being, marked as Layout No. 1, S.P. 0915-32.

NOW, THEREFORE, BE IT RESOLVED that the said final layout for the improvement of said Trunk Highway within the corporate limits be and is hereby approved.

Upon the call of the roll the following Council Members voted in favor of the Resolution: Lally, Vigness, Lippo, Zelazny.

The following Council Members voted against the resolution: None.

ATTEST:

Mayor Sharon Ziegler Dated July 17 2019

State of Minnesota, Carlton County, City of Cromwell

I do hereby certify that the foregoing Resolution is a true and correct copy of a Resolution presented to and adopted by the Council of the City of Cromwell, Minnesota at a duly authorized meeting held on the 17th day of July, 2019, as shown by the minutes of said meeting in my possession.

Seal

Michelle Johnson  
Clerk

CITY OF CROMWELL  
CARLTON COUNTY  
STATE OF MINNESOTA

Council member Lally introduced the following resolution and moved its adoption:

RESOLUTION NO. 19.4.15

RESOLUTION ADOPTING A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1; AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 1-2 THEREIN AND ADOPTING A TAX INCREMENT FINANCING PLAN THEREFOR.

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

Section 1. Recitals

1.01. The City Council of the City of Cromwell (the "City") has heretofore established Development District No. 1 and adopted the Development Program therefor. It has been proposed by the City that the City adopt a Modification to the Development Program for Development District No. 1 (the "Development Program Modification") and establish Tax Increment Financing District No. 1-2 (the "District") therein and adopt a Tax Increment Financing Plan (the "TIF Plan") therefor (the Development Program Modification and the TIF Plan are referred to collectively herein as the "Program and Plan"); all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.124 to 469.133 and Sections 469.174 to 469.1794, all inclusive, as amended, (the "Act") all as reflected in the Program and Plan, and presented for the Council's consideration.

1.02. The City has investigated the facts relating to the Program and Plan and has caused the Program and Plan to be prepared.

1.03. The City has performed all actions required by law to be performed prior to the establishment of the District and the adoption and approval of the proposed Program and Plan, including, but not limited to, notification of Carlton County and Independent School District No. 95 having taxing jurisdiction over the property to be included in the District and the holding of a public hearing upon published notice as required by law.

1.04. Certain written reports (the "Reports") relating to the Program and Plan and to the activities contemplated therein have heretofore been prepared by staff and consultants and submitted to the Council and/or made a part of the City files and proceedings on the Program and Plan. The Reports, including the redevelopment qualifications reports and planning documents, include data, information and/or substantiation constituting or relating to the basis for the other findings and determinations made in this resolution. The Council hereby confirms, ratifies and adopts the Reports, which are hereby incorporated into and made as fully a part of this resolution to the same extent as if set forth in full herein.

1.05 The City is not modifying the boundaries of Development District No. 1 but is modifying the Development Program therefor.

Section 2. Findings for the Adoption and Approval of the Development Program Modification.

2.01. The Council approves the Development Program Modification, and specifically finds that: (a) the land within the Project area would not be available for redevelopment without the financial assistance to be sought under this Development Program; (b) the Development Program, as modified, will afford maximum opportunity, consistent with the needs of the City as a whole, for the development of the Project by private enterprise; and (c) that the Development Program, as modified, conforms to the general plan for the development of the City as a whole.

Section 3. Findings for the Establishment of Tax Increment Financing District No. 1-2

3.01. The Council hereby finds that the District is in the public interest and is a "redevelopment district" under Minnesota Statutes, Section 469.174, Subd. 10(a)(1) of the Act.

3.02. The Council further finds that the proposed redevelopment would not occur solely through private investment within the reasonably foreseeable future and that 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 District permitted by the Tax Increment Financing Plan, that the Program and Plan conform to the general plan for the development or redevelopment of the City as a whole; and that the Program and Plan will afford maximum opportunity consistent with the sound needs of the City as a whole, for the development or redevelopment of the District by private enterprise.

3.03. The Council further finds, declares and determines that the City made the above findings stated in this Section and has set forth the reasons and supporting facts for each determination in writing, attached hereto as Exhibit A.

Section 4. Public Purpose

4.01. The adoption of the Program and Plan conforms in all respects to the requirements of the Act and will help fulfill a need to develop an area of the City which was already built up, to provide employment opportunities, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose. For the reasons described in Exhibit A, the City believes these benefits directly derive from the tax increment assistance provided under the TIF Plan. A private developer will receive only the assistance needed to make this development financially feasible. As such, any private benefits received by a developer are incidental and do not outweigh the primary public benefits.

Section 5. Approval and Adoption of the Program and Plan

5.01. The Program and Plan, as presented to the Council on this date, including without limitation the findings and statements of objectives contained therein, are hereby approved, ratified, established, and adopted and shall be placed on file in the office of the Clerk-Treasurer.

5.02. The staff of the City, the City's advisors and legal counsel are authorized and directed to proceed with the implementation of the Program and Plan and to negotiate, draft,

prepare and present to this Council for its consideration all further plans, resolutions, documents and contracts necessary for this purpose.


5.03 The Auditor of Carlton County is requested to certify the original net tax capacity of the District, as described in the Program and Plan, and to certify in each year thereafter the amount by which the original net tax capacity has increased or decreased; and the City of Cromwell is authorized and directed to forthwith transmit this request to the County Auditor in such form and content as the Auditor may specify, together with a list of all properties within the District, for which building permits have been issued during the 18 months immediately preceding the adoption of this resolution.

5.04. The Clerk-Treasurer is further authorized and directed to file a copy of the Program and Plan with the Commissioner of the Minnesota Department of Revenue and the Office of the State Auditor pursuant to Minnesota Statutes 469.175, Subd. 4a.

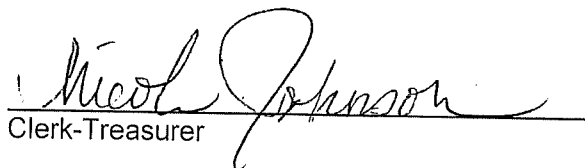
The motion for the adoption of the foregoing resolution was duly seconded by Council member Lippo, and upon a vote being taken thereon, the following voted in favor thereof: Lally, Lippo, Vigness, King-HagE, Zelazny.

and the following voted against the same: None.

Dated: April 17, 2019

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
Clerk-Treasurer

(Seal)

## EXHIBIT A

### RESOLUTION NO.19.4.15

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan (TIF Plan) for Tax Increment Financing District No. 1-2 (District), as required pursuant to Minnesota Statutes, Section 469.175, Subdivision 3 are as follows:

1. *Finding that Tax Increment Financing District No. 1-2 is a redevelopment district as defined in M.S., Section 469.174, Subd. 10(a)(1).*

The District consists of two parcels, with plans to redevelop the area for commercial purposes. At least 70 percent of the area of the parcels in the District are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures and more than 50 percent of the buildings in the District, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance. (See Appendix F of the TIF Plan.)

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that 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 District permitted by the TIF Plan.*

*The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future: This finding is supported by the fact that the redevelopment proposed in the TIF Plan meets the City's objectives for redevelopment. Due to the high cost of redevelopment on the parcels which were occupied by substandard buildings, the limited amount of commercial property within the city, and the cost of financing the proposed improvements, this project is feasible only through assistance, in part, from tax increment financing. The developer was asked for and provided a letter and a proforma as justification that the developer would not have gone forward without tax increment assistance.*

*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 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 District permitted by the TIF Plan: This finding is justified on the grounds that the cost of site and public improvements and utilities add to the total redevelopment cost. Historically, site and public improvements costs in this area have made redevelopment infeasible without tax increment assistance. The City reasonably determines that no other redevelopment of similar scope is anticipated on this site without substantially similar assistance being provided to the development.*

Therefore, the City concludes as follows:

- a. The City's estimate of the amount by which the market value of the entire District will increase without the use of tax increment financing is \$0.

- b. If the proposed development occurs, the total increase in market value will be \$547,600 (see Appendix D and G of the TIF Plan)
  - c. The present value of tax increments from the District for the maximum duration of the district permitted by the TIF Plan is estimated to be \$383,386 (see Appendix D and G of the TIF Plan).
  - d. Even if some development other than the proposed development were to occur, the Council finds that no alternative would occur that would produce a market value increase greater than \$179,101 (the amount in clause b less the amount in clause c) without tax increment assistance.
3. *Finding that the TIF Plan for the District conforms to the general plan for the development or redevelopment of the municipality as a whole.*

The Planning Commission reviewed the TIF Plan and found that the TIF Plan conforms to the general development plan of the City.

4. *Finding that the TIF Plan for the District will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of Development District No. 1 by private enterprise.*

The project to be assisted by the District will result in increased employment in the City and the State of Minnesota, the renovation of substandard properties, increased tax base of the State and add a high-quality development to the City.

CITY OF CROMWELL  
CARLTON COUNTY  
STATE OF MINNESOTA

RESOLUTION NO. 19.3.20

**A RESOLUTION REQUESTING  
COMPREHENSIVE ROAD AND TRANSIT FUNDING**

**WHEREAS**, all Minnesota communities benefit from a sound, efficient, and adequately funded transportation system that offers diverse modes of travel; and

**WHEREAS**, the integrity of Minnesota's transportation infrastructure is dependent upon long-term planning and ongoing maintenance, both of which require dedicated and sustainable revenue sources; and

**WHEREAS**, current funding for roads, bridges, and transit systems across all government levels in Minnesota is inadequate, and this under-investment diminishes quality of life for Minnesota residents and hinders Minnesota's progress as a national business, economic, and civic leader; and

**WHEREAS**, Minnesota's transportation system is failing to meet the capacity needs necessary to sustain population growth and promote economic development; and

**WHEREAS**, many rural roads are not built to modern safety standards and are not meeting the needs of industries that depend on the ability to transport heavy loads; and

**WHEREAS**, insufficient state funding has delayed regionally significant road construction and reconstruction projects across Minnesota; and

**WHEREAS**, transportation infrastructure maintenance and improvement costs significantly contribute to rising property taxes; and

**WHEREAS**, for every one dollar spent on maintenance, a road authority—and therefore taxpayers—save seven dollars in repairs; and

**WHEREAS**, Minnesota contains over 141,000 miles of roadway, and over 22,500 miles—or 16 percent—are owned and maintained by Minnesota's 853 cities; and

**WHEREAS**, almost 85 percent of all municipal streets are not eligible for dedicated Highway User Tax Distribution Fund dollars; and

**WHEREAS**, the more than 700 Minnesota cities with populations below 5,000 are ineligible for dedicated Highway User Tax Distribution Fund dollars, but have benefitted from the creation of the Small Cities Assistance Account; and



**WHEREAS**, city streets are a separate but integral piece of the network of roads supporting movement of people and goods; and

**WHEREAS**, existing funding mechanisms, such as Municipal State Aid (MSA), property taxes, and special assessments, have limited applications, leaving cities under-equipped to address growing needs; and

**WHEREAS**, city cost participation in state and county highway projects diverts resources from city-owned streets; and

**WHEREAS**, maintenance costs increase as road systems age, and no city—large or small—is spending enough on roadway capital improvements to maintain a 50-year lifecycle; and

**WHEREAS**, cities need greater resources, including an additional dedicated state funding source for transportation, and flexible policies to meet growing demands for street improvements and maintenance.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CROMWELL** that this Council requests that the Minnesota Legislature pass and Governor Tim Walz sign a comprehensive and balanced transportation funding package that permanently increases dedicated funding for transportation; and

**BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF CROMWELL** that this Council defines a comprehensive and balanced transportation funding package as an initiative that permanently increases dedicated funding for state and local road and transit systems in Greater Minnesota and the Metropolitan Area.


**BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF CROMWELL** that this Council requests an omnibus transportation funding bill that provides additional dedicated state funding for city streets, including funding that can be used for non-MSA city street maintenance, construction, and reconstruction.

**ADOPTED** by the Cromwell City Council on March 20, 2019.

Adopted:

  
Mayor

ATTEST:

  
City Clerk-Treasurer

**RESOLUTION #19.3.20.a**  
**A RESOLUTION TO CONTRACT WITH EXPRESS ATM COMPANY**  
**FOR SERVICES AND MACHINE AND FOR THE LIQUOR STORE**  
**MANAGER TO MAKE CASH WITHDRAWALS FROM GENERAL FUND**  
**TO STOCK THE MACHINE**  
**CITY OF CROMWELL, CARLTON COUNTY, MN**

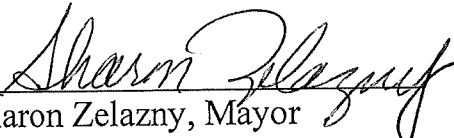
**Whereas**, the City Council and Mayor having met and duly reviewed the need to change the ATM service provider and machines used in the Municipal Liquor Store.

**Whereas**, it is determined that the contract price is as low as, or lower than the price at which the services can be obtained with the current provider.


**Whereas**, it is more cost effective for the Liquor Store Manager to withdraw the funds from the General Account and stock the ATM Machines as opposed to having the ATM Company stock the machines.

**Now, Therefore Be It Resolved** that the Cromwell Municipal Liquor Store will contract with Express ATM for services and the Liquor Store Manager will make weekly withdrawals from the General Account to stock the ATM machine(s).

Adopted by the City Council of the City of Cromwell, Minnesota, on the 20<sup>th</sup> day of March, 2019.

  
Sharon Zelazny, Mayor

ATTEST:

  
Nicole Johnson  
City Clerk/Treasurer

**CITY OF CROMWELL  
CARLTON COUNTY  
STATE OF MINNESOTA**

Council member Lally introduced the following resolution and moved its adoption:

**RESOLUTION NO. 19.4.15**

**RESOLUTION ADOPTING A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1; AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 1-2 THEREIN AND ADOPTING A TAX INCREMENT FINANCING PLAN THEREFOR.**

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

Section 1.     Recitals

1.01. The City Council of the City of Cromwell (the "City") has heretofore established Development District No. 1 and adopted the Development Program therefor. It has been proposed by the City that the City adopt a Modification to the Development Program for Development District No. 1 (the "Development Program Modification") and establish Tax Increment Financing District No. 1-2 (the "District") therein and adopt a Tax Increment Financing Plan (the "TIF Plan") therefor (the Development Program Modification and the TIF Plan are referred to collectively herein as the "Program and Plan"); all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.124 to 469.133 and Sections 469.174 to 469.1794, all inclusive, as amended, (the "Act") all as reflected in the Program and Plan, and presented for the Council's consideration.

1.02. The City has investigated the facts relating to the Program and Plan and has caused the Program and Plan to be prepared.

1.03. The City has performed all actions required by law to be performed prior to the establishment of the District and the adoption and approval of the proposed Program and Plan, including, but not limited to, notification of Carlton County and Independent School District No. 95 having taxing jurisdiction over the property to be included in the District and the holding of a public hearing upon published notice as required by law.

1.04. Certain written reports (the "Reports") relating to the Program and Plan and to the activities contemplated therein have heretofore been prepared by staff and consultants and submitted to the Council and/or made a part of the City files and proceedings on the Program and Plan. The Reports, including the redevelopment qualifications reports and planning documents, include data, information and/or substantiation constituting or relating to the basis for the other findings and determinations made in this resolution. The Council hereby confirms, ratifies and adopts the Reports, which are hereby incorporated into and made as fully a part of this resolution to the same extent as if set forth in full herein.

1.05 The City is not modifying the boundaries of Development District No. 1 but is modifying the Development Program therefor.

CITY OF CROMWELL  
CARLTON COUNTY  
STATE OF MINNESOTA

RESOLUTION NO. 19.2.20

**RESOLUTION CALLING FOR A PUBLIC HEARING BY THE CITY COUNCIL ON THE PROPOSED MODIFICATION OF THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1 AND THE PROPOSED ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 1-2 THEREIN AND THE ADOPTION OF THE TAX INCREMENT FINANCING PLAN THEREFOR AND ON THE ADOPTION OF POLICIES AND CRITERIA FOR AWARDED BUSINESS SUBSIDIES.**

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

Section 1. Public Hearing. This Council shall meet on April 17, 2019, at approximately 6:00 P.M., to hold a public hearing on the proposed modification of the Development Program for Development District No. 1, the proposed establishment of Tax Increment Financing District No. 1-2, (a redevelopment district), and the proposed adoption of a Tax Increment Financing Plan therefor (together the "Program and Plan"), all pursuant to and in accordance with Minnesota Statutes, Sections 469.124 to 469.133, and Sections 469.174 to 469.1794, inclusive, as amended, and Minnesota Statutes, Sections 116J.993 through 116J.995 in an effort to encourage the development and redevelopment of certain designated areas within the City and on the adoption of policies and criteria for awarding a business subsidies pursuant to Minnesota Statutes 116J.933 to 116J.995; and

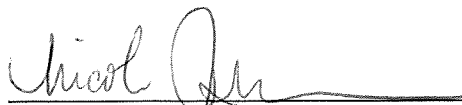
Section 2. Notice of Public Hearing, Filing of Program and Plan. City staff is authorized and directed to work with Ehlers & Associates, Inc., to prepare the Program and Plan and to forward documents to the appropriate taxing jurisdictions including Carlton County and Cromwell-Wright School District No. 95. The City Clerk-Treasurer is authorized and directed to cause notice of the hearing, together with an appropriate map as required by law, to be published at least once in the official newspaper of the City not later than 10, nor more than 30, days prior to April 17, 2019, and to place a copy of the Program and Plan on file in the City Clerk's office at City Hall and to make such copy available for inspection by the public.

Dated: February 20, 2019

Adopted:

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk-Treasurer

**CITY OF CROMWELL  
CARLTON COUNTY  
STATE OF MINNESOTA**

Council member Lally introduced the following resolution and moved its adoption:

**RESOLUTION NO. 19.4.15**

**RESOLUTION ADOPTING A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1; AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 1-2 THEREIN AND ADOPTING A TAX INCREMENT FINANCING PLAN THEREFOR.**

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

Section 1.     Recitals

1.01. The City Council of the City of Cromwell (the "City") has heretofore established Development District No. 1 and adopted the Development Program therefor. It has been proposed by the City that the City adopt a Modification to the Development Program for Development District No. 1 (the "Development Program Modification") and establish Tax Increment Financing District No. 1-2 (the "District") therein and adopt a Tax Increment Financing Plan (the "TIF Plan") therefor (the Development Program Modification and the TIF Plan are referred to collectively herein as the "Program and Plan"); all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.124 to 469.133 and Sections 469.174 to 469.1794, all inclusive, as amended, (the "Act") all as reflected in the Program and Plan, and presented for the Council's consideration.

1.02. The City has investigated the facts relating to the Program and Plan and has caused the Program and Plan to be prepared.

1.03. The City has performed all actions required by law to be performed prior to the establishment of the District and the adoption and approval of the proposed Program and Plan, including, but not limited to, notification of Carlton County and Independent School District No. 95 having taxing jurisdiction over the property to be included in the District and the holding of a public hearing upon published notice as required by law.

1.04. Certain written reports (the "Reports") relating to the Program and Plan and to the activities contemplated therein have heretofore been prepared by staff and consultants and submitted to the Council and/or made a part of the City files and proceedings on the Program and Plan. The Reports, including the redevelopment qualifications reports and planning documents, include data, information and/or substantiation constituting or relating to the basis for the other findings and determinations made in this resolution. The Council hereby confirms, ratifies and adopts the Reports, which are hereby incorporated into and made as fully a part of this resolution to the same extent as if set forth in full herein.

1.05 The City is not modifying the boundaries of Development District No. 1 but is modifying the Development Program therefor.

Section 2. Findings for the Adoption and Approval of the Development Program Modification.

2.01. The Council approves the Development Program Modification, and specifically finds that: (a) the land within the Project area would not be available for redevelopment without the financial assistance to be sought under this Development Program; (b) the Development Program, as modified, will afford maximum opportunity, consistent with the needs of the City as a whole, for the development of the Project by private enterprise; and (c) that the Development Program, as modified, conforms to the general plan for the development of the City as a whole.

Section 3. Findings for the Establishment of Tax Increment Financing District No. 1-2

3.01. The Council hereby finds that the District is in the public interest and is a "redevelopment district" under Minnesota Statutes, Section 469.174, Subd. 10(a)(1) of the Act.

3.02. The Council further finds that the proposed redevelopment would not occur solely through private investment within the reasonably foreseeable future and that 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 District permitted by the Tax Increment Financing Plan, that the Program and Plan conform to the general plan for the development or redevelopment of the City as a whole; and that the Program and Plan will afford maximum opportunity consistent with the sound needs of the City as a whole, for the development or redevelopment of the District by private enterprise.

3.03. The Council further finds, declares and determines that the City made the above findings stated in this Section and has set forth the reasons and supporting facts for each determination in writing, attached hereto as Exhibit A.

Section 4. Public Purpose

4.01. The adoption of the Program and Plan conforms in all respects to the requirements of the Act and will help fulfill a need to develop an area of the City which was already built up, to provide employment opportunities, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose. For the reasons described in Exhibit A, the City believes these benefits directly derive from the tax increment assistance provided under the TIF Plan. A private developer will receive only the assistance needed to make this development financially feasible. As such, any private benefits received by a developer are incidental and do not outweigh the primary public benefits.

Section 5. Approval and Adoption of the Program and Plan

5.01. The Program and Plan, as presented to the Council on this date, including without limitation the findings and statements of objectives contained therein, are hereby approved, ratified, established, and adopted and shall be placed on file in the office of the Clerk-Treasurer.

5.02. The staff of the City, the City's advisors and legal counsel are authorized and directed to proceed with the implementation of the Program and Plan and to negotiate, draft,

prepare and present to this Council for its consideration all further plans, resolutions, documents and contracts necessary for this purpose.

5.03 The Auditor of Carlton County is requested to certify the original net tax capacity of the District, as described in the Program and Plan, and to certify in each year thereafter the amount by which the original net tax capacity has increased or decreased; and the City of Cromwell is authorized and directed to forthwith transmit this request to the County Auditor in such form and content as the Auditor may specify, together with a list of all properties within the District, for which building permits have been issued during the 18 months immediately preceding the adoption of this resolution.

5.04. The Clerk-Treasurer is further authorized and directed to file a copy of the Program and Plan with the Commissioner of the Minnesota Department of Revenue and the Office of the State Auditor pursuant to Minnesota Statutes 469.175, Subd. 4a.

The motion for the adoption of the foregoing resolution was duly seconded by Council member Lippo, and upon a vote being taken thereon, the following voted in favor thereof: Lally, Lippo, Vigness, King-HagE, Zelazny.

and the following voted against the same: None.

Dated: April 17, 2019

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
Clerk-Treasurer

(Seal)

## EXHIBIT A

### RESOLUTION NO.19.4.15

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan (TIF Plan) for Tax Increment Financing District No. 1-2 (District), as required pursuant to Minnesota Statutes, Section 469.175, Subdivision 3 are as follows:

1. *Finding that Tax Increment Financing District No. 1-2 is a redevelopment district as defined in M.S., Section 469.174, Subd. 10(a)(1).*

The District consists of two parcels, with plans to redevelop the area for commercial purposes. At least 70 percent of the area of the parcels in the District are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures and more than 50 percent of the buildings in the District, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance. (See Appendix F of the TIF Plan.)

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that 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 District permitted by the TIF Plan.*

*The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future. This finding is supported by the fact that the redevelopment proposed in the TIF Plan meets the City's objectives for redevelopment. Due to the high cost of redevelopment on the parcels which were occupied by substandard buildings, the limited amount of commercial property within the city, and the cost of financing the proposed improvements, this project is feasible only through assistance, in part, from tax increment financing. The developer was asked for and provided a letter and a proforma as justification that the developer would not have gone forward without tax increment assistance.*

*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 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 District permitted by the TIF Plan. This finding is justified on the grounds that the cost of site and public improvements and utilities add to the total redevelopment cost. Historically, site and public improvements costs in this area have made redevelopment infeasible without tax increment assistance. The City reasonably determines that no other redevelopment of similar scope is anticipated on this site without substantially similar assistance being provided to the development.*

Therefore, the City concludes as follows:

- a. The City's estimate of the amount by which the market value of the entire District will increase without the use of tax increment financing is \$0.



- b. If the proposed development occurs, the total increase in market value will be \$547,600 (see Appendix D and G of the TIF Plan)
- c. The present value of tax increments from the District for the maximum duration of the district permitted by the TIF Plan is estimated to be \$383,386 (see Appendix D and G of the TIF Plan).
- d. Even if some development other than the proposed development were to occur, the Council finds that no alternative would occur that would produce a market value increase greater than \$179,101 (the amount in clause b less the amount in clause c) without tax increment assistance.

3. *Finding that the TIF Plan for the District conforms to the general plan for the development or redevelopment of the municipality as a whole.*

The Planning Commission reviewed the TIF Plan and found that the TIF Plan conforms to the general development plan of the City.

4. *Finding that the TIF Plan for the District will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of Development District No. 1 by private enterprise.*

The project to be assisted by the District will result in increased employment in the City and the State of Minnesota, the renovation of substandard properties, increased tax base of the State and add a high-quality development to the City.