



City of Glyndon Special Meeting
Future Housing Development
March 3, 2015, 8:30 a.m.
Glyndon City Hall – Council Chambers

Council Members Present – Mayor Johnson, David Owings, and Joe Olson.
Skype – David Drown
City Attorney – Ken Norman and City Clerk – Denise Anderson

The Meeting was called to order at 8:30 a.m. by Mayor Johnson.

Seters second Addition East

Ken Norman addressed his concern regarding assessment of cost of improvements in Seters Second Addition East to adjoining properties and also the term of carrying costs of the Improvement for 15 to 20 years which they are asking the City to undertake. Mr. Drown agreed that is the most challenging issue for the City to carry the cost on such a long term basis considering the property under consideration is currently farmed acreage. It is an obstacle that both the City and the Developer are experiencing and Drown questioned could property tax generated after housing construction be devoted to carry the costs for long term infrastructure?

Possible solutions generated:

1. A "Letter of Credit" would reduce the City's risk
2. Earmark tax revenues of any new home constructed to carry long term infrastructure costs.
3. Defer some payments which translates to the City providing supplemental dollars.
4. When creating Bonding District structure debt to cover a long period of repayment time.

A discussion of a feasibility study for the project ensued and the main consensus of all participants was that the developer should do the feasibility study with their engineering firm and present that study to the City Engineer for his review; or the City could ask the developer for a deposit to cover the cost of the City Engineer to complete the study.

Mr. Drown explained how a properly constructed "Letter of Credit" works as a tool to reduce the risk the City would experience in Bonding for such a project and that a "Letter of Credit" is renewed annually at the banks discretion of whether or not they (the bank) chooses to renew.

City of Glyndon Special Meeting
Future Housing Development
March 3, 2015, 8:30 a.m.
Glyndon City Hall – Council Chambers

Proposed direction to follow as discussed:

1. Mr. Drown will review plans, dollar amounts previously proposed and estimate development costs for Seter's Second East Development.
2. An Engineering firm for Seter's Second East Division should do a feasibility study for the Developer's.
3. The City will have the City Engineer review the above mentioned feasibility study.

Mr. Drown felt that if the Developers pursue and obtain a "Letter of Credit" it would be a wonderful concession for the City.

Centennial Development

Sullivan Construction submitted a letter requesting TIF consideration for 20 lots proposed to be developed during 2015. Mr. Norman gave an overview of what Mr. Sullivan had proposed during previous meetings and was concerned that TIF consideration had never been discussed during those meetings.

Mr. Drown feels Mr. Sullivan is asking for the same concession that was benefited to the previous developer. There was a discussion of reimbursing City public improvements to insure the proposed lots are more affordable to purchase. Mr. Norman stated that his concern is the City be reimbursed for all costs associated with the feasibility study and all engineering costs. He also stated it is imperative that a City Engineer be on site at all times to insure that City infrastructure is constructed and installed to meet 100% City code. Mr. Drown agreed and stated that the City will have infrastructure work inspected by the City Engineer.

There was a discussion of how TIF dollars could benefit both developer and the City.

There was further discussion that Sullivan Construction will be responsible to insure home buyers meet income eligibly for TIF consideration and that Sullivan Construction will be responsible to have homes certified annually for TIF compliance. The city will provide Sullivan Construction a form for documentation.

Proposed direction to follow as discussed:

1. Mr. Drown will contact Mr. Sullivan regarding today's discussions.
2. Sullivan Construction will be asked for a deposit to cover costs to set up TIF District and Developers Agreement.
3. Mr. Norman and Mr. Drown will collaborate on drafting a Developers Agreement and then schedule a date for a Public Hearing.

Monsanto Annexation

Topics of discussion:

- Annexation would be contingent on obtaining TIF.
- A joint Resolution involving The City of Glyndon and Glyndon Township agreeing to terms of Monsanto Annexation.

- Discussion of reimbursing Glyndon Township for lost tax base revenue for a certain length of time.

City of Glyndon Special Meeting

Future Housing Development

March 3, 2015, 8:30 a.m.

Glyndon City Hall – Council Chambers

- Discussion of gravel roads along 12th Avenue South and county Road 71.
- Zoning changes.

Proposed direction to follow as discussed:

1. Begin creation of TIF District
2. Begin necessary steps for Annexation
3. Determine scope of costs for utility installation.

The meeting was adjourned at 9:45 a.m.



Respectfully Submitted By Denise Anderson City Clerk/Treasurer