

April 12, 2022

The regular meeting of the City Council of the City of Sleepy Eye was held in the Council Chambers, 200 Main Street East, Sleepy Eye, MN on the 12<sup>th</sup> day of April, 2022 per due call and notice. Mayor Wayne Pelzel and Councilors Gary Windschitl, Douglas Pelzel, Nathan Stevermer, Christina Andres, and Scott Krzmarzick were present. Also, present were City Manager Bob Elston, City Attorney Alissa Groen, and City Clerk Michelle Strate.

Councilor Windschitl moved to approve the minutes of the March 8, 2022 Regular Meeting. Councilor Krzmarzick seconded the motion and the motion carried with 5-0 vote.

Mayor Pelzel opened the Public Hearing at 7:04 p.m. Discussion was had regarding the apartment complex that wants to build in Sleepy Eye. They have requested an increase in the abatement amount to \$861,172.00. Public hearing was closed at 7:04 pm.

Councilor Andres made a motion to approve Resolution 10-2022.

*RESOLUTION NO. 10-2022*

*RESOLUTION RESCINDING RESOLUTION NO. 2-2022 ADOPTED ON JANUARY 11, 2022 AND RESOLUTION APPROVING PROPERTY TAX ABATEMENTS AND AUTHORIZING EXECUTION OF A TAX ABATEMENT AGREEMENT*

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

1. Recitals.

(a) At the regular meeting of the Council held on January 11, 2022, following a public hearing, the Council adopted a resolution entitled "Resolution Approving Property Tax Abatements and Authorizing Execution of a Tax Abatement Agreement (the "Resolution").

(b) The City staff has informed the Council that certain provisions of the Resolution need to be revised and therefore it is recommended that the Resolution be rescinded.

(c) The City proposes to approve tax abatements in connection with the construction of a multifamily rental housing project in the City (the "Project"). The City proposes to use the abatement for the Project as provided for in Minnesota Statutes, Sections 469.1812 through 469.1815 (the "Abatement Law"), from the property taxes to be levied by the City on Parcel ID Number 002.769.001.01.010 on which the Project will be constructed (the "Tax Abatement Property").

(d) On this date, the Council held a public hearing on the question of the Abatement, (as defined below) and said hearing was preceded by at least 10 days but not more than 30 days prior published notice thereof at which all interested persons appeared and were heard.

(e) It is proposed that the City will enter into a Tax Abatement Agreement to be entered into with Sleepy Eye Multifamily, LLC (the "Tax Abatement Agreement"), which provides for the use of tax abatements to finance the Project.

(f) The City proposes to approve tax abatements on a portion of the City's share of property taxes on the Tax Abatement Property in the amount of \$861,172 for a term of up to fifteen (15) years to finance a portion of the costs of the Project.

(g) The Abatement is authorized under the Abatement Law.

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

(a) The tax abatement is the City's share of real estate taxes which relate to the Project and the Tax Abatement Property (the "Abatement").

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



\_\_\_\_\_  
/s/Michelle Strate  
City Clerk

Councilor Pelzel seconded the motion and the motion carried 5-0.

Councilor Stevermer made a motion to approve the Development Agreement between the City of Sleepy Eye and Sleepy Eye Multi Family with the change of hazardous material section to apply only to the developer. Councilor Krzmarzick seconded the motion and the motion carried 5-0.

Councilor Andres called for the Second Reading of Ordinance #199 An Ordinance for Selling Real Estate to Sleepy Eye Multi Family, LLC, subject to the agreement of terms and conditions of purchase agreement and development agreement. Councilor Pelzel seconded the motion and the motion carried 5-0.

Councilor Stevermer made a motion to approve Resolution 11-2022

RESOLUTION #11-2022

ACCEPTING DONATION(S) TO THE CITY

**WHEREAS**, The City of Sleepy Eye, Minnesota, is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 for the benefit of its citizens, and is specifically authorized to accept gifts and bequests for the benefit of the City of Sleepy Eye and its citizens pursuant to Minnesota statutes Section 471.17; and

**WHEREAS**, The following persons and entities have offered to contribute the cash amounts set forth below to the:

<u>Name of Donor</u>	<u>Amount</u>	<u>For/In Memory of</u>
Nuvera	\$500	150 <sup>th</sup> Celebration
L.A. Amundson Foundation	\$10,000	Kayaks at Sportsmen’s Park
Mathiowetz Construction	\$5,000	Sleepy Eye Ambulance
Mathiowetz Construction	\$5,000	Sleepy Eye Fire Department

**WHEREAS**, The City Council finds that it is appropriate to accept the donations offered.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SLEEPY EYE, MINNESOTA AS FOLLOWS:**

1. The donations described above are accepted and shall be used for the expenses specified by the donor. If no specific expenses are stated, they shall be used for general expenses of the department specified.

I certify that the above resolution was adopted by the City Council of the City of Sleepy Eye on April 12<sup>th</sup>, 2022.

\_\_\_\_\_  
/s/Wayne Pelzel  
Wayne A. Pelzel, Mayor

I hereby certify and attest that the City Council of the City of Sleepy Eye Minnesota, did pass the above Resolution on April 12<sup>th</sup>,2022 in accordance with the Charter Provisions and state laws provided therefore.

Dated: April 12<sup>th</sup>, 2022

\_\_\_\_\_  
/s/Michelle Strate  
Michelle Strate, City Clerk

State of Minnesota    )  
                                  )ss.  
County of Brown     )

This instrument was acknowledged before me on April 12<sup>th</sup>, 2022 by Wayne A. Pelzel as Mayor, and by Michelle Strate as City Clerk, of the City of Sleepy Eye, a Municipal Corporation.

---

Notary Public

Councilor Windschitl seconded the motion and the motion carried 5-0.

Councilor Stevermer made a motion not to object to a gambling permit for St. Mary's Church and School for May 14, 2022. Councilor Andres seconded the motion and the motion carried 5-0.

Councilor Windschitl made a motion to approve a temporary liquor license for St. Mary's Church and School for May 14, 2022. Councilor Stevermer seconded the motion and the motion carried 5-0.

Mayor Pelzel proclaimed April 29, 2022 Arbor Day in Sleepy Eye, Minnesota.

Councilor Andres made a motion to approve a 5% increase requested by RVS. Rate increases are as follows: \$13.29 single rate, \$19.02 family rate, additional can would be \$4.00. Councilor Krzmarzick seconded the motion and the motion carried 5-0.

Councilor Pelzel made a motion to approve the purchase of fireworks for the 4<sup>th</sup> of July celebration in Sleepy Eye. The price of fireworks has increased 10%. Councilor Stevermer seconded the motion and the motion carried 5-0.

Attorney Groen reported on the following:

- A. Councilor Stevermer called for Second Reading of Ordinance #203 An Ordinance to Establishing Twice Second Addition. Councilor Krzmarzick seconded the motion and the motion carried 5.0.

City Manager Report

- A. League of MN Cities Conference is in Duluth this year June 22-24. Early registration cutoff is April 29<sup>th</sup>.
- B. Finance meeting to be scheduled April 27<sup>th</sup> at noon

Councilor Pelzel made a motion to approve the Police Report and Cash Fund Balances. Councilor Stevermer seconded the motion and the motion carried 5-0.

Councilor Andres made a motion to approve the payment of bills. Councilor Windschitl seconded the motion and the motion carried 5-0.

There was no other business.

The meeting was properly adjourned at 7:31 p.m.

---

Wayne Pelzel, Mayor

---

Michelle Strate, City Clerk