

PUBLIC HEARING
CITY OF HENDRUM
Hendrum Civic Center
309 Main St E.
Hendrum, MN 56550

May 8, 2019

COUNCIL PRESENT: Paul Baukol, Steve Jeffery, Mike Smart, and Curt Johannsen.

COUNCIL ABSENT: Wesley Magnell.

PUBLIC: Tyson Hajicek, Moore Engineering; Jason Murray, David Drown Associates; Jerry Bents, Houston Engineering (Wild Rice Watershed District); John Kolness.

STAFF: Keri Plemmons, Clerk-Treasurer.

Mayor Johannsen opened the public hearing at 7:13 p.m.

PURPOSE: The purpose of the meeting was to hold a public hearing in order to gather public input on the intention of the City of Hendrum to use property tax abatement to finance up to \$150,000 in costs associated with constructing public improvements on the 2019 MNDOT Highway 75 Improvement Project, pursuant to Minnesota Statutes, Section 469.1812 to 469.1815, inclusive, as amended. The City intends to issue \$150,000 in General Obligation Tax Abatement Bonds to finance said improvements. The total amount of tax abatements will not exceed \$150,000 collected for a period of up to twenty (20) years, commencing with taxes payable 2020. The following tax parcels are proposed to be included in the proposed tax abatement:

1. 29-4454006
2. 29-4468000
3. 29-4467000
4. 29-4466000
5. 29-4465000
6. 29-4464000

PUBLIC COMMENTARY: Two questions were posed by the public at the hearing. There was no written testimony submitted.

1. John Kolness: What year will the first payment apply?

The first payment will be due in 2020.

2. John Kolness: Would shortening the bond payments to fifteen years save the city any money?

While there would be some savings in interest payments, the annual payments would increase enough that the city would have to increase taxes to cover the payments. At a twenty (20) year repayment schedule the payment would be slightly less than the bond payment that is currently levied for the Sinking Street Bond which ended in 2018. So the residents would not see an increase in taxes with the twenty (20) year repayment schedule.

Hearing no other questions or input, Mayor Johannsen closed the public hearing at 7:27 p.m.

Respectfully Submitted,

Keri Plemmons
City Clerk-Treasurer