

**WALKER CITY COUNCIL
PUBLIC HEARING MINUTES
WALKER FIRE HALL MEETING ROOM
Monday November 6, 2006 6:30 p.m.**

CALL TO ORDER – Mayor Walhof

- Mayor Walhof called the Public Hearing to Order at 6:30 p.m.
- Council members present: Bresley, Fjelstul, Mohr, Bruns, Walhof
- Council members absent: None
- Others present during portions of the hearing included:

Terri Bjorklund, Administrator

Mary Andrus, Resident

Jim Kennedy, Legion

Jim Thompson, Legion

Tony Sauer

Shirley Mallory, Shingobee Twp.

Sylvia Bakker, City Employee

Al Kennedy, Legion

Doug Sacre, Legion

Pat Finney, Resident

Bob Mallory, Shingobee Twp.

Mayor Walhof opened the Public Hearing for comments and concerns pertaining to the Walker American Legion Post 134, request of the new incremental property taxes to be levied by the City on tax parcel 96-337-1420. The total amount of taxes proposed to be abated by the City for 15 years is estimated to be \$400,000.00. Mayor Walhof opened the Public Hearing for comments. Council member Bresley stated that he wanted to clarify that the \$400,000.00 the Mayor read is a bit ambiguous. It's not a \$400,000.00 dollar abatement, \$400,000.00 is the estimated increase in market value, and those taxes will be abated, which is approximately \$74, 034.83, based on the tax capacity, the City tax rate, and the years of abatement, which is over 15 years.

There is a bit of exception that the Council will have to vote on tonight, that has to do with the abatement, and it has to do with the City's Business Subsidy Policy. Terri has the background. We qualify for the abatement, it's just how it's worded, and the City has to present it a certain way to conform to the Statute.

Administrator Bjorklund then explained that the Subsidy provided for the abatement would be on the increased taxable value of the property after renovations. The City is required to list the Public Purpose achieved by the City of Walker, by approving the abatement, and that would be retention of jobs currently generated by the American Legion, and the possible increase to that job base that the remodeling could generate. The ability of the American Legion to continue the excellent charitable and civic donations they make to the Walker area. The City is also required to list measurable, specific and tangible goals, which include, but are not limited to.

- Revitalization of a Public building within the City of Walker
- Abate hazardous materials

- Increase Energy Conservation
- Up-grade electrical systems
- Retention of a business in the City of Walker
- Increase the tax base of the City of Walker after the abatement period

In order for the Legion to meet the criteria for a Business Subsidy Agreement, there is criteria written in the Business Subsidy Policy that would require the Legion to pay a rate of 1.75 times the Federal Minimum Wage to it's employees. Terri explained that the City could deviate from its criteria listed in the Business Subsidy Policy by documenting the reasons for the deviation.

The City has determined that they would be willing to deviate from the Business Subsidy Policy in working on granting the Legion a Tax Abatement of the increased taxable value of the property, because of the magnitude of Public Services the American Legion provides to the Walker Area by providing charitable and Civic donations. These donations include but are not limited to:

- Flu Clinics
- Nursing Scholarships
- Meals on Wheels, Jaws of Life, Hovercraft
- Food Shelf Network
- Park Equipment
- Law Enforcement Equipment
- Health Equipment, such as hospital beds, walkers, crutches, wheelchairs, etc.
- Flags
- Flagpoles
- High School Scholarships
- Meeting space for non-profits

Council member Bresley, asked the members of the Legion if they felt the City needed to deviate from the Business Subsidy Policy, and after discussion it was determined it would be in the Legions best interest for the City to do so, and that would be the recommendation to the Council this evening.

Council member Bresley, asked the Legion members in attendance if they had heard from the School, or the County. The County has turned them down, but they were still working with the school.

Administrator Bjorklund, stated that if the Council approves moving forward with this, the City would start writing the Agreement, for the Tax Abatement for the Legion. It's something that the City would start working out with our Lawyers, Ehlers & Associates, and Briggs & Morgan together, would help us with that, and then we would sit down and go over it, and make sure it's something we could all live with.

The Legion members asked when it would be decided, and were told it was on the agenda for later in the Council meeting.

ADJOURNMENT – Mayor Walhof

Mayor Walhof adjourned the Public Hearing at 6:42 p.m.

Bradley J. Walhof, Mayor

Attest: _____
Terri Bjorklund, Administrator