

Pipestone, Minnesota
February 3, 2025

Pursuant to due call and notice thereof, a special meeting of the Pipestone City Council was duly held in-person and via Zoom in the Municipal Building at 5:30 p.m. on the 3rd day of February 2025. Mayor Dan Delaney called the meeting to order. Roll call was taken, and a quorum was declared. Members present: Dan Delaney, Danielle Thompson, Scott Swanson, Rodger Smidt, and Verdeen Colbeck. Absent: none. Others present: City Financial Advisor Rebecca Kurtz, Kyle Kuphal, Cable Access Coordinator Steve Moffitt, EDA Director Justin Schroyer, Assistant City Administrator/City Clerk Stephanie LaBrune, and City Administrator Deb Nelson.

Mayor Delaney stated that the Council is holding a special work session meeting to discuss amending and restating resolution 2014-33 authorizing an interfund loan in connection with tax increment financing (TIF) district no. 1-13.

WORK SESSION

Delaney invited Rebecca Kurtz to the podium to explain the purpose of amending and restating resolution 2014-33.

Kurtz stated at the next regular council meeting, the council will need to consider taking action to adopt and restate the interfund loan that was adopted when TIF District no. 1-13 was created. She said with the TIF redevelopment district the city is able to reimburse itself for items relating to redevelopment such as demo, property acquisition, and rehabilitation expenses. She said it was important to keep the 2017 resolution due to the timing it was adopted, but said that a dollar amount of the interfund loan needed to be established and that is what amending and restating the resolution would do. She explained that she and city staff went through and looked for past expenses that would be eligible and found approximately \$400,000 that could be reimbursed back to the city as funds became available in the TIF district fund. She said with interest, she would recommend setting up the interfund loan for \$450,000. She also said that the council could choose to set the limit lower; however, if that amount was reached then the TIF district would have to be decertified. Thompson asked what the term of the TIF district was? Kurtz stated the TIF district was set up for 26 years and there is 20 years left remaining. Kurtz then went on to say that if the limit is set higher than what is needed there would be no penalty if the funds were not used and the city could decertify the district early if it is found that they are the only ones benefitting from the district. Smidt asked if the EDA could receive reimbursements from the district if they have expenses? Kurtz said yes, the EDA could receive funds. Kurtz then provided some history on why the TIF district was set up and explained the spending plan that was put into place. Further discussion was held on helping new businesses. Kurtz also explained that the TIF district is collecting funds from not only the city but the county and school district as well. Delaney then asked why weren't some buildings included when the district was created? Kurtz said the buildings would have needed to meet blight requirements at the time. Additional discussion was held concerning the option to add buildings to the district. Kurtz stated that it could be done by doing property assessments and modifying the district; however, it would need to be done by the 2026 deadline.

ADJOURNMENT

Motion made by Smidt, seconded by Colbeck and unanimously carried to adjourn the meeting at 6:03 p.m.

Dan Delaney
Mayor

ATTEST:

Stephanie LaBrune
Assistant City Administrator / City Clerk