COLUMBUS

Economic Development Authority Handbook

Published August 11, 2010

RESOLUTION

RESOLUTION NO. 10-13

CITY OF COLUMBUS
COUNTY OF ANOKA
STATE OF MINNESOTA

ENABLING RESOLUTION ESTABLISHING AN
ECONOMIC DEVELOPMENT AUTHORITY UNDER
MINNESOTA STATUTES, SECTIONS 469.090 TO 469.1081

WHEREAS, Minnesota Statutes, Sections 469.090 to 469.1081 (the "EDA Act"), authorizes cities to establish Economic Development Authorities ("EDA") with specified powers and obligations to promote and to provide incentives for economic development; and

WHEREAS, the City Council of the City of Columbus, Minnesota (the "Council") has determined that it is in the best interest of the City of Columbus, Minnesota (the "City") to establish an EDA in order to preserve and create jobs, enhance its tax base, implement certain housing initiatives, to promote the general welfare of the people of the City and to assume primary responsibility for development and redevelopment activities within the City; and

WHEREAS, the Council has provided public notice and conducted a public hearing on May 26, 2010, concerning the establishment of an EDA and has fulfilled all other legal requirements for the establishment of an EDA.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Columbus as follows:

1. The Columbus Economic Development Authority (the "Columbus EDA") is hereby established pursuant to Section 469.091, subdivision 1 of the EDA Act.

2. The Columbus EDA shall have all of the powers, rights, duties, and obligations conferred upon economic development authorities by Section 469.090 to 469.1081, including the powers of a city granted by the Municipal Development District Act, Minnesota Statutes,

Sections 469.124 to 469.134 and of a housing and redevelopment authority granted by the Housing and Redevelopment Authorities Act, Minnesota Statutes, Section 469.001 to 469.047.

3. It is the intention of the Council, by adoption of this enabling resolution, to grant to the Columbus EDA the powers set forth in paragraph 2, while at the same time leaving unaffected by this action all powers of the City. Specifically, the City shall retain all powers necessary to carry out all development activities not hereby transferred to the Columbus EDA.

4. The funds and accounts currently existing in the name of the City and budgeted for the City's Economic Development Committee are hereby designated in the name of the Columbus EDA and transferred to the ownership and control of the Columbus EDA to be used in accordance with and in furtherance of this resolution and the EDA Act.

5. The Columbus EDA shall be governed by a board of commissioners ("Commissioners") consisting of the members of the Council. The terms of the Commissioners shall coincide with their terms of office as members of the Council in that such term shall expire with the expiration of the Council term being served at the time of their appointment.

6. Each Commissioner of the Columbus EDA shall be paid in such amounts as are determined by the Council. Reimbursement of expenses and cost of travel for each Commissioner shall be paid in such amounts and at such rates as are established for Council Members. All money paid for such compensation or reimbursement shall be paid out of the Columbus EDA's budget.

7. The first meeting of the Commissioners shall take place on or before June 23, 2010, at the City Council Chambers. At such first meeting, the Commissioners shall elect a vice-president, treasurer, secretary, and assistant treasurer in accordance with Section 469.096, Subd. 2 of the EDA Act. The Mayor of the City shall be the ex-officio President of the Columbus

EDA. Such officers shall have the duties and powers set forth in Section 469.096 and such other powers and duties as determined by the Commissioners. In addition, the Commissioners shall adopt bylaws and rules of procedure for the Columbus EDA at the first meeting.

8. The City Administrator for the City shall be the ex-officio Executive Director of the Columbus EDA and, in such capacity, shall act at the direction of the Commissioners. The City may provide such City staff to the Columbus EDA as the Columbus EDA may require; provided that the City may require reasonable reimbursement by the Columbus EDA for costs associated with the provision of such staff; and provided further that nothing in this paragraph shall preclude the Columbus EDA from hiring such personnel as the Columbus EDA may from time to time determine necessary.

9. The Columbus EDA may contract for the services of consultants, agents, public accountants, and other persons needed to perform its duties and exercise its powers. The Columbus EDA shall retain the services of the City's legal counsel for its legal needs.

10. The Columbus EDA's fiscal year shall be the same as that of the City. In accordance with Section 469.100, subdivision 2 of the EDA Act, the Columbus EDA shall annually submit its budget to the Council for approval. Within thirty (30) days of the Commissioners' first meeting pursuant to paragraph 6 above, the Commissioners shall submit for Council approval a temporary budget covering the period from the date of such submittal until the end of the current fiscal year. For each subsequent fiscal year, the Columbus EDA shall submit a proposed budget for approval of the Council on or before August 1st of the preceding fiscal year. Upon submittal to the Council of its proposed annual budget, the Columbus EDA shall also provide its report to the Council as required by Section 469.100, subdivision 4 of the EDA Act.

11. The financial statements of the Columbus EDA shall be prepared, audited, filed, and published or posted as required by Section 469.100, subdivision 5 of the EDA Act.

12. Each year, within sixty (60) days of the anniversary date of the first adoption of this enabling resolution, the Columbus EDA shall submit to the Council its report regarding modification of this enabling resolution as provided in Section 469.092, subdivision 3 of the EDA Act.

13. Nothing shall prevent the City from modifying this enabling resolution to impose limits on the powers of the Columbus EDA or provide for other matters as authorized in the EDA Act or other law.

Adopted: June 9, 2010

AYES: Walsh, Peterson, Duraine, Fry and Mettler.

NAYS: None

ABSENT: None

APPROVED

Mel Mettler

Mel Mettler, Mayor

ATTEST:

Elizabeth Mursko

Elizabeth Mursko, City Administrator

1304558.2

COLUMBUS ECONOMIC DEVELOPMENT AUTHORITY

EDA RESOLUTION NO. 15-01

A RESOLUTION CONSENTING TO THE DEFEASANCE, REDEMPTION, AND PREPAYMENT OF THE AUTHORITY'S OUTSTANDING TAXABLE LEASE REVENUE BONDS, SERIES 2010

BE IT RESOLVED By the Board of Commissioners of the Columbus Economic Development Authority (the "Authority"), as follows:

Section 1. Recitals.

1.01. Pursuant to a Mortgage and Security Agreement and Trust Indenture, dated as of November 1, 2010 (the "Indenture"), between the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"), the Authority issued its Taxable Lease Revenue Bonds, Series 2010 (the "Authority Bonds"), dated as of November 1, 2010, in the original aggregate principal amount of $4,720,000. The proceeds of the Authority Bonds were used to finance the acquisition of certain real property (the "Site") located in the City of Columbus, Minnesota (the "City"). The Authority acquired a leasehold interest in the Site pursuant to a Ground Lease, dated as of November 1, 2010 (the "Ground Lease"), between the City, as lessor, and the Authority, as lessee. The Authority Bonds are secured by lease payments (the "Lease Payments") from the City to the Authority pursuant to a Lease-Purchase Agreement, dated as of November 1, 2010 (the "Lease"), between the Authority, as lessor, and the City, as lessee.

1.02. Section 8.1(2) of the Lease permits the City to purchase the Site on February 1, 2016, at a price of par plus accrued interest from funds deposited in the Bond Fund, in accordance with Section 6.6 of the Lease. Pursuant to Section 6.6 of the Lease, the City may purchase all or a portion of the Site by depositing funds to the Trustee for deposit in the Bond Fund established under the Indenture and applied to the payment of principal of and interest on the Authority Bonds.

1.03. Pursuant to a resolution to be considered by the City Council of the City on the date hereof (the "City Resolution"), the City will exercise its option to prepay the Authority Bonds in order to acquire the Site. Section 8.2 of the Lease requires that the City give notice to the Authority of its intention to exercise its option to prepay the Lease Payments and acquire the Site at least forty-five (45) days in advance of the date of prepayment and purchase. In order to prepay the Lease Payments and acquire the Site from the Authority, the City will issue its Taxable General Obligation Tax Abatement Bonds, Series 2015A (the "City Bonds"), in the aggregate principal amount of approximately $4,350,000. Proceeds of the City Bonds will be used to defease, redeem, and prepay the outstanding Authority Bonds in an amount sufficient to prepay the Lease Payments.

1.04. The Authority Bonds are currently outstanding in the aggregate principal amount of $4,400,000 and are callable on February 1, 2016, at a price of par plus accrued interest. Pursuant to the City Resolution, the City will request that the Authority consent to and call the Authority Bonds for redemption on February 1, 2016 (the "Redemption Date"), in accordance with Section 8.2 of the Lease.

Section 2. Findings.

2.01. It is determined that it is in the best interests of the sound financial management of the Authority and the City that the City issued the City Bonds to defease, redeem, and prepay the outstanding Authority Bonds and thereby acquire the Site from the Authority.

2.02. Officials of the Authority are authorized and directed to take all actions and execute any documents necessary to carry out redemption of the Authority Bonds and the conveyance of the Site to the City as of the Redemption Date.

Adopted by the Board of Commissioners of the Columbus Economic Development Authority this 25th day of February, 2015.

By _____
Its President

Attest:

By _____
Its Executive Director

BYLAWS

BYLAWS AND RULES OF PROCEDURE FOR THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF COLUMBUS

1. The Authority

Section 1.1. Name of Authority. The name of the Authority shall be the Columbus Economic Development Authority (hereinafter, the "Authority"), and its governing body shall be called the Board of Commissioners (hereinafter, the "Board").

Section 1.2. Office. The principal office of the Authority shall be at City Hall, 16319 Kettle River Blvd., Columbus, Minnesota.

Section 1.3. Seal. The Authority shall have an official seal.

2. Organization

Section 2.1. Board. The Board of Commissioners for the Authority shall consist of the Mayor and each member of the City Council in and for the City of Columbus (the "City"). In addition, the Mayor will appoint two at-large members from the City's business community to serve on the Board.

Section 2.2. Terms. The initial terms of the two at-large Commission members shall be five and six years, respectively. Thereafter, all at-large Commissioners shall be appointed for terms of six years. The terms of the Commissioners who are members of the Council shall coincide with their terms of office as members of the Council in that such term shall expire with the expiration of the Council term being served at the time of appointment.

Section 2.3. Officers. The officers of the Authority shall consist of a President, a Vice President, a Secretary, a Treasurer and an Assistant Treasurer. The Mayor of the City shall serve as the President of the Authority. The Vice President and the Treasurer shall be members of the Board and shall be elected at the annual meeting of the Board. No Commissioner may serve as President and Vice President at the same time. The offices of Secretary and Assistant Treasurer need not be held by a Commissioner.

Section 2.4. President. The President shall preside at all meetings of the Board.

Section 2.5. Vice President. The Vice President shall preside at any meeting of the Board in the absence of the President and may exercise all powers and perform all responsibilities of the President if the President cannot exercise or perform the same due to absence or other inability.

Section 2.6. President Pro Tem. In the event of the absence or inability of the President and the Vice President at any meeting, the Board may appoint any remaining Commissioner as President Pro Tem to preside at such meeting.

Section 2.7. Treasurer. The Treasurer shall receive and be responsible for Authority money, shall disburse Authority money by check only, keep an account of all Authority receipts

and disbursements and the nature and purpose relating thereto, shall file the Authority's financial statement with its Secretary at least once a year as set by the Authority, and be responsible for the acts of the Assistant Treasurer.

Section 2.8. Assistant Treasurer. The City Administrator for the City shall serve as the Assistant Treasurer to the Authority and shall have all powers and duties of the Treasurer if the Treasurer is absent or disabled.

Section 2.9. Secretary. The City Administrator shall serve as the Secretary of the Authority and shall keep or cause to be kept minutes of all meetings of the Board and shall maintain or cause to be maintained all records of the Authority. The Secretary shall also have such additional duties and responsibilities as the Board may from time to time and by resolution prescribe.

Section 2.10. Executive Director. The City Administrator shall serve as the Executive Director of the Authority, shall be chief appointed executive officer of the Authority, and shall have such additional responsibilities and authority as the Board may from time to time by resolution prescribe. The City Planner for the City shall be the Assistant Executive Director.

3. Procedures of Board of Commissioners

Section 3.1. Annual Meeting. The annual meeting of the Board shall be held at 6:00 p.m. on the second Wednesday of January in each year.

Section 3.2. Regular Meetings. The Board shall hold regular meetings on the second Wednesday of each month, commencing at 6:00 p.m., C.T., or at such other time as the Board may determine. In the event such date shall fall on a legal holiday, the meeting shall be held on the next succeeding secular day or on such other date as determined by the Board.

Section 3.3. Special Meetings. Special meetings of the Authority may be called by the President, the Executive Director or four members of the Board for the purpose of transacting any business designated in the call.

The call for a special meeting may be delivered at any time prior to the time of the proposed meeting to each Commissioner or may be mailed to the business or home address of each Commissioner at least two (2) days prior to the date of such special meeting.

At least three days prior to a special meeting, written notice of its date, time, place and purpose shall be (a) mailed or delivered to anyone who has specifically requested notice of special meetings or, as an alternative, published in the Authority's official newspaper, and (b) posted on the "principal bulletin board" of the Authority or, if there is none, on the door of the Commissioner's "usual meeting room." At such special meeting, no business shall be considered other than as designated in the call, but if all of the members of the Authority are present at a special meeting, any and all business may be transacted at such special meeting.

Section 3.4. Emergency Meetings. Meetings regarding matters which, in the judgment of those calling the meeting pursuant to Section 3.3, above, require the immediate consideration of the Authority may be held without regard to the notice requirements otherwise applicable to

special meetings. The Authority shall make a good faith effort to give notice of such emergency meeting, including the purpose thereof, to any news medium that has filed such a written request with the Authority. If matters other than those related to the emergency are permitted to be discussed under Section 3.3, above, and so are discussed, the minutes of the meeting shall include a specific description of such matters.

Section 3.5. Quorum. A quorum of the seven member Board shall consist of four Commissioners. In the absence of a quorum, no official action may be taken by, on behalf of, or in the name of the Board or Authority.

Section 3.6. Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than simple majority of all Commissioners present and constituting a quorum. Resolutions may, but need not, be read aloud prior to a vote taken thereon and may, but need not, be executed after passage.

Section 3.7. Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.

4. Appointments and Vacancies

Section 4.1. Appointments. Council members are automatically appointed to the Board on the first day of his or her term of office. All other appointments will be made by the Mayor after application to the City and will be effective upon confirmation of the Council.

Section 4.2. Recruiting Members. In order to recruit individuals with the requisite experience for service to the Board and the City, the City Administrator will advertise vacancies on the Board by any or all of the following methods: (1) newspapers; (2) internet; (3) regular posting places throughout the City; and (4) the City's electronic sign.

Section 4.3. Qualifications. Individuals interested in serving as a Commissioner must have some tie to the City's business community. In addition, the individual must have the ability to prepare for and attend Board meetings, as well as work on projects as assigned by the Board.

Section 4.3. Application. The City Administrator will maintain an application form at the City Offices. Interested individuals must complete the application and interview with the Mayor. The applicant may be asked to respond to additional questions from the Council based on the Mayor's appointment.

Section 4.4. Vacancies. A vacancy is created in the membership of the Board when a Council member ends Council membership. A vacancy for this or another reason must be filled for the balance of the unexpired term in the manner in which the original appointment was made.

5. Miscellaneous

Section 5.1. Fiscal Year. The fiscal year of the Authority shall be the same as the City's fiscal year.

Section 5.2. Treasurer's Bonds. The Treasurer shall give bond to the state conditioned for the faithful discharge of official duties. The bond must be approved as to form and surety by the Authority and filed with the Secretary and must be for twice the amount of money likely to be on hand at any one time as determined at least annually by the Authority, provided, however, that said bond must not exceed $300,000.

Section 5.3. Checks. An Authority check must be signed by (1) the President and (2) the Treasurer or Assistant Treasurer. The check must state the name of the payee and the nature for which the check was issued.

Section 5.4. Financial Statements. The Authority shall examine the financial statement together with the Treasurer's vouchers, which financial statement shall disclose all receipts and disbursements, their nature, money on hand and the purposes to which it shall be applied, the Authority's credits and assets and its outstanding liabilities. If the Authority finds the financial statement and Treasurer's vouchers to be correct, it shall approve them by resolution.

Section 5.5. Report to City. The Authority shall annually, at a time designated by the City, make a report to the City Council giving a detailed account of its activities and of its receipts and expenditures for the preceding calendar year.

Section 5.6. Budget to City. The Authority shall annually, at a time designated by the City, send its budget to the City Council which budget includes a written estimate of the amount of money needed by the Authority from the City in order for the Authority to conduct business during the upcoming fiscal year.

Section 5.7. Employees. The Authority shall utilize City staff and facilities as it may require as assigned by the Executive Director.

Section 5.8. Services. The Authority may contract for the services of consultants, agents, public accountants and others as needed to perform its duties and to exercise its powers. The Authority may also use the services of the City Attorney.

Section 5.9. Supplies, Purchasing, Facilities and Services. The Authority may purchase the supplies and materials it needs. The Authority may use the facilities of the City's purchasing department. The City may furnish offices, structures and space, stenographic, clerical, engineering and other assistance to the Authority.

Section 5.10. Execution of Contracts. All contracts, notes, and other written agreements or instruments to which the Authority is a party or signatory or by which the Authority may be bound shall be executed by the President and/or the Executive Director or the Assistant Executive Director, or by such other Commissioners or Officers of the Authority as the Board may by resolution prescribe.

Section 5.11 Amendment of By-Laws. These By-Laws may be amended by the Board by majority vote of all Commissioners, provided that any such proposed amendment shall first have been delivered to each Commissioner at least five days prior to the meeting at which such amendment is considered.

The foregoing By-Laws were duly adopted by the Board of Commissioners of the Columbus Economic Development Authority on the 14th day of March, 2012.

APPROVED:

David J. Povolny, President

ATTEST:

Elizabeth Mursko, Executive Director

1385780.2

GUIDELINES

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SUMMARY OF MINNESOTA HRA AND EDA POWERS

Julie Eddington
Kennedy & Graven, Chartered
June, 2010

Following is a generalized summary of the powers of a housing and redevelopment authority ("HRA") under Minnesota Statutes, Sections 469.001 to 469.047 ("HRA Act") and an economic development authority ("EDA") under Minnesota Statutes, Sections 469.090 to 469.108 ("EDA Act")

A. HRAs

1. Housing

Housing powers are generally grouped under the definition of a "housing project" and a "housing development project."

Housing projects are any work or undertaking to provide decent, safe and sanitary dwellings for persons of *low income* and their families. Section 469.002, Subd. 13. Such persons are those who lack a sufficient income to enable them, without financial assistance, to live in decent, safe and sanitary dwellings without overcrowding.

Housing development projects are any work or undertaking to provide housing for persons of *moderate income.* Section 469.002, subd. 15. Such persons are those whose income is not adequate to cause private enterprise to provide, without governmental assistance, a substantial supply of decent, safe and sanitary housing and rents or prices within their financial means.

The statute includes a more specific schedule of powers that fleshes out this general authority, most of which are discussed below. Generally, HRAs may do all things necessary and convenient to acquire, construct and operate housing projects and housing development projects.

Key specific powers that supplement the general language above include:

a. Interest reduction programs, allowing financial assistance to reduce the cost of interest on

privately financed housing intended primarily for occupancy by low and moderate income individuals. Sections 469.0012, Subds. 7 to 9.

b. Housing rehabilitation loan and grant program, for property owned by person of low and moderate income. Section 469.012, Subd. 6.

c. Down payment assistance loans and grants, where the HRA finds that the program is necessary to promote economic integration or encourage owner occupancy of single family residences. Section 469.012, Subd. 13

HRAs may finance housing projects and housing development projects through issuance of bonds secured by a mortgage on HRA property, a pledge of HRA revenues, or a pledge of grants or contributions from the federal government or any other source. Section 469.012, Subd. 1q, Section 469.034. If certain criteria are met, and subject to certain limits, the HRA may sell bonds for housing development projects secured by the City's general obligation pledge, with the City Council's approval after public hearing. Section 469.034, Subd. 2.

2. Redevelopment

HRA powers regarding redevelopment are described under the powers to create and operate "redevelopment projects." That term means, generally, any work or undertaking to acquire property in order to remove, prevent or reduce blight or blighting factors; construct utilities and site improvements essential to the preparation of sites for uses in accordance with the redevelopment plan; sell or lease land for uses in accordance with the redevelopment plan; prepare a redevelopment plan; or conduct an "urban renewal project," which itself is broadly defined to include any undertaking for the elimination or prevention of blighted or deteriorating areas. Section 469.002, Subd. 14.

The specific schedule of powers regarding redevelopment includes the power:

a. To establish a redevelopment project. The HRA (and City Council) must approve a redevelopment plan, which is a general plan for the development or redevelopment of the project area. After a public hearing, with at least 10 days published notice, the City Council must find that:

(i) the land in the project area would not be made available for redevelopment without the financial aid to be sought;

(ii) the redevelopment plans for the redevelopment areas in the locality will afford maximum opportunity, consistent with the needs of the locality as a whole, for the redevelopment of the areas by private enterprise; and

(iii) the redevelopment plan conforms to a general plan for the development of the locality as a whole.

Section 469.028, Subd. 2.

b. To undertake, prepare, carry out and operate projects[1] and to provide for the construction, reconstruction, improvement, extension, alteration, or repair of any project or any part thereof. Section 469.012, Subd. 1d.

c. To give, sell, transfer, convey or otherwise dispose of real or personal property or any interest therein, and to execute leases, deeds, conveyances, negotiable instruments, purchase agreement and other contracts or instruments and take action that is necessary or convenient to carry out the purposes of the HRA Act. Section 469.012, Subd. 1e..

d. To acquire real or personal property or any interest therein by gifts, grants, purchase, exchange, lease, transfer, bequest, or otherwise, and by exercise of the power of eminent domain. Section 469.012, Subd. 1g..

e. To borrow money or other property and accept contributions, grants, gifts, services or other assistance from the federal government, state public bodies, or from any other public or private sources. Section 469.012, Subd. 1o.

f. To cooperate with or act as the agent for the federal government, the state or any state public body, or any agency or instrumentality of the forgoing, in carrying out the HRA Act. Section 469.012, Subd. 1l.

g. To issue bonds for any corporate purposes and to secure the bonds by mortgages upon property held or to be held by the HRA or by pledge of its revenues, including grants or contributions. Section 469.012, Subd. 1q; Section 469.034.

h. To levy a special benefits tax on all property in the HRA's area of operation (in this case, the City as a whole). The City Council must approve the tax levy either annually or without a time limitation; in any event, the HRA must file a budget with the City in accordance with the procedures for executive departments of the City. The special benefits tax may not exceed .0185% of the taxable market value in the City. Section 469.033, Subd. 6.

i. To carry out studies of the housing and redevelopment needs within its area of operation and of the meeting those needs. Section 469.012, Subd. 1t..

j. To lease or rent any dwellings, accommodations, land, buildings, structures or facilities included in any project. Section 469.012, Subd. 1v.

k. To own, hold and improve real or personal property and to sell, lease, exchange, transfer, assign, pledge or dispose of any real or personal property or any interest therein. Section 469.012, Subd. 1w. Sale or lease of land in a redevelopment project generally requires a

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[1] The term "project," unless otherwise indicated, includes a housing project, a housing development project, a redevelopment project, and an interest reduction program. Section 469.002, Subd. 12.

public hearing with 10 days published notice and restrictions on use or resale of the property to accomplish the public purpose of the redevelopment plan. Section 469.029.

l. To exercise the powers of a City in carrying out a commercial rehabilitation loan program under Section 469.184, if the City by ordinance so authorizes. Section 469.184, Subd. 7.

m. To make loans to a business, a for-profit or nonprofit organization, or an individual for any purpose that an HRA is otherwise authorized to carry out under the HRA Act. Section 469.192.

In addition to the powers described above, HRAs are one of the "authorities" with the power to establish tax increment financing districts (with City Council approval) under Sections 469.174 to 469.179. The tax increment must be used to finance or otherwise pay the "public redevelopment costs" pursuant to the HRA Act, which term is defined to mean the entire cost of a "project" (See Footnote 1), including administrative expense of the HRA allocable to the project and debt charges an all other costs authorized to be incurred by the HRA in the HRA Act.

B. EDAs

The powers of an EDA are more ambiguous and complex than those of an HRA. Most of the powers specified in the EDA Act itself must be exercised within an "economic development district" (not to be confused with a tax increment financing district with the same name). Until recently, an EDA economic development district had to meet all the requirements of a *redevelopment* tax increment financing district, including the finding that more than 50% of the buildings are structurally substandard. The odd result was that, despite the name, the core of the EDA Act provides powers only in an area that meets stringent redevelopment criteria. Laws of Minnesota 2010, Chapter 389, Article 7, Section 5, passed in the most recent regular legislative session removes the redevelopment tax increment reference and makes it much less onerous to create an EDA economic development district.

The EDA Act offers significant flexibility because of its cross-referencing provisions. An EDA has all the powers of an HRA (described above) and all the powers of a city under Minnesota Statutes, Sections 469.124 to 469.134 (the "Municipal Development District Act"). The Municipal Development District Act provides broad authority to carry out economic development. Further, an EDA may use powers under Sections 469.152 to 469.165 (the "Municipal Industrial Development Act") for a purpose under the HRA Act or EDA Act, and may use the powers under the HRA Act and EDA Act for a purpose under the Municipal Industrial Development District Act.

In addition to these cross-referenced powers, the EDA Act includes some specific unique powers, including the power to become a limited partner in a partnership "whose purpose is consistent with the authority's purpose" (Section 469.101, subd. 6); to carry out public relations activities in furtherance of economic development (Section 469.101, subd. 16); and to invest in certain venture capital businesses (Section 469.101, subd. 23).

The net result is that EDAs generally have similar powers to HRAs, except that the purposes extend

beyond housing and redevelopment to include the broader goals of economic development.

A final point involves tax levies. EDAs have access to two types of tax levies. First, an EDA may use its HRA powers and levy the HRA tax described above (subject to Council approval). In cities that have both an EDA and an HRA, the maximum levy (.0185% of market value) probably applies collectively to the two bodies. That is, if both an EDA and HRA wish to levy a special benefit tax, they probably need to allocate the statutory limit between them.

Secondly EDA Act authorizes a tax levy for EDAs as described in Section 469.107. If the EDA requests, a City *may* (but is not required to) levy a tax "for the benefit of the authority." The maximum amount is.01813% of the City's taxable market value. Unlike the HRA levy described above, this is not a separate levy made by the EDA; it is made by the City and is included within the City's levy limits. As a result this so-called "EDA levy" is not a significant benefit except in unusual circumstances.

SCHEDULE

PUBLIC NOTICE
CITY OF COLUMBUS
2016 SCHEDULE OF REGULAR MEETINGs
(Page 2)

Economic Development Authority 2016

The Annual Meeting of the EDA will be held the 2nd Wednesday of January at 6:00 p.m. and the regular meetings will be on the 2nd Wednesday of every other month at 6:00 p.m.

January 13
March 9
May 11
July 13
September 14
November 9

COLUMBUS SCHEDULE OF REGULAR BOARD MEETINGS FOR 2016

Park Advisory Board

Meetings are held quarterly at the Public Works Facility located at 16345 Kettle River Blvd., Columbus, MN. on Thursday, January 21 , April 21, July 21, and October 20, 2016.

Public Works Advisory Board

Meetings are held at the Public Works Facility located at 16345 Kettle River Blvd., Columbus, MN on an as needed basis quarterly.

Advisory Board meetings are subject to change and are not held on legal holidays.

Should there be any questions regarding this schedule, please contact the City Hall for further information.

Published in the TIMES on December __, 2015
Posted December __, 2015

Lorie A. Lemieux
Deputy Clerk

COMMISSIONERS

ECONOMIC DEVELOPMENT AUTHORITY

ANNUAL MEETING 2016

Board of Members

Mayor Dave Povolny
Council Member Dennis Peterson
Council Member Mark Daly
Council Member Jeff Duraine
Council Member Bill Krebs
Member at Large – Tracie Wilson
Executive Director – Elizabeth Mursko
Assistant Secretary – Lorie Lemieux

Election of Officers

President	Mayor Dave Povolny
Vice President	Council Member Mark Daly
Treasurer	Council Member Bill Krebs
Assistant Treasurer	Elizabeth Mursko
Secretary	Elizabeth Mursko