

Agenda
Zumbrota City Council
Regular Meeting,
Thursday March 20, 2025, at 6:00 p.m., City Hall

1. Call to Order/Pledge of Allegiance
2. Amendments/Adoption of Agenda
3. Accounts Payable 3/20/2025 (Bucher)
4. Public Comments: *(Individuals may address the City Council about any item of concern. Speakers must state their name and limit their remarks to five minutes. Generally, the City Council will not take official action on these items but may refer the matter to staff for a future report or direct that the matter be scheduled for a future meeting agenda.)*

5. Consent Agenda

All items listed in the consent agenda are considered routine by the council and will be approved by one motion. There will be no separate discussion on these items unless a council member requests, in which case the item will be removed from the consent agenda and be considered in its normal sequence on the agenda.

- a. Minutes-3/6/25 Regular Meeting
- b. Minutes – 3/13/25 Work Session

6. Public Hearings/Meetings

- a. Resolution 2025-16 – Public Hearing for Modification of Municipal Development District No. 1, adoption of proposed Tax Increment Financing for the proposed Bridgeview Apartment Building
- b. Ordinance 2025-02 - Recreational and Specialty Motor Vehicles

7. Unfinished Business

- a. Review Bids for the Proposed Trestle Bridge Repair

8. New Business

- a. Request to switch Credit/Debit Card Providers
- b. New Plow Truck Purchase
- c. Resolution 2025-17 Authorizing an Interfund Loan to Fund the Purchase of a New Plow Truck and Additional Capital Equipment as Deemed Necessary
- d. Concrete for Water Fill Station
- e. Larry Zielsdorf Retirement
- f. Reschedule the June 19th City Council Meeting

9. Reports

- a. City Assistant Finance Director / Community Development Director / Public Works Director / City Engineer / Library Director/Police Chief / City Attorney / City Administrator
- b. Mayor Hammel
- c. Council members, Raasch, Prigge, Bucher, Amundson

10. Adjournment

CITY OF ZUMBROTA

ACCOUNTS PAYABLE
MARCH 20, 2025

CHECK	PAYEE	DESCRIPTION	AMOUNT	DEPARTMENT
81335	ACE HARDWARE ZUMBROTA	SUPPLIES	90.51	GEN/WATER
81336	AUTOMATION SERVICES INC	SERVICE CALL	395.25	SEWER
81337	BACKWOODS METAL WORKS LLC	STEEL	40.00	STREETS
81340	BENEFIT RESOURCE LLC	ADMIN	250.00	ALL DEPTS
81341	BUSBY HARDWARE	SUPPLIES	1,070.55	ALL DEPTS
81342	CALIBRATIONS AND CONTROLS	CALLIBRRATION	695.00	SEWER
81343	CEDA	ADMIN SERVICES	9,172.17	EDA/PZ
81344	CHARTER COMMUNICATIONS	INTERNET	230.00	GENERAL
81346	CORE & MAIN	METERING SUPPLIES	2,107.80	WATER
81347	COUNTRYSIDE LANDSCAPING	SNOW REMOVAL	1,365.00	GENERAL
81348	DE LAGE LANDEN	COPIER LEASE	49.15	POLICE
81349	D'S AUTO CARE	REPAIRS	3,532.87	POLICE/STREETS
81350	EATI	SQUAD BUILD	2,235.37	POLICE
81352	FLAHERTY & HOOD PA	LEGAL SERVICES	2,255.00	GENERAL
81353	GERKEN'S ZTA FEED & GRAIN LLC	POLICE ROOF	423.10	GENERAL
81354	GILA LLC	FEE	12.00	WATER
81356	GOPHER STATE ONE-CALL	LOCATES	10.80	WATER
81357	GREAT AMERICA FINANCIAL SVCS	COPIER LEASE	105.66	GENERAL
81358	GRIMSRUD PUBLISHING INC	PUBLISHING	196.88	GENERAL
81359	HAWKINS WATER TREATMENT GROUP	CHEMICALS	130.00	SEWER
81362	HUEBSCH	RUGS	100.60	GENERAL
81363	LINDE GAS & EQUIPMENT	WELDING SUPPLIES	56.09	STREETS
81364	MAID IT CLEAN LLC	CLEANING	504.00	GENERAL
81365	MATTHEES OIL CO	FUEL	1,184.65	STREETS
81366	MCMA SECRETARIAT	DUES	158.40	GENERAL
81367	MENARDS - ROCHESTER NORTH	SUPPLIES	45.98	SEWER
81368	METRO SALES INC	COPY COST	486.38	GENERAL
81369	MIDWEST MACHINERY CO.	OIL FILTER	18.08	STREETS
81370	MN MUNICIPAL UTILITIES ASSOC	CONSORTIUM	245.00	GENERAL
81371	NAPA AUTO PARTS STORE	PARTS	50.47	STREETS
81372	ON-SITE COMPUTERS INC	IT SERVICES	1,861.50	GENERAL
81373	O'ROURKE MEDIA GROUP	PUBLISHING	261.66	GENERAL
81374	PHONE STATION	REPAIRS	278.00	POLICE
81375	QUILL LLC	OFFICE SUPPLIES	159.96	GENERAL
81376	RDO EQUIPMENT	PARTS	496.25	STREETS
81377	RTS ROCHESTER TELECOM SYSTEM	LONG DISTANCE	2.22	GENERAL
81378	SHANE ELECTRIC INC	POLICE ELECTRICAL	339.92	ARPA
81379	STAPLES	SCANNER	279.99	POLICE
81380	SYMBOLARTS	BADGES	873.00	PASS THRU - POLICE
81382	TSM SCREEN PRINTING	NAME PLAQUE	37.58	GENERAL
81383	UC LABORATORY	TESTING	3,435.66	WATER
81384	USA BLUEBOOK	SUPPLIES	770.71	SEWER
81386	ZTA POSTMASTER	STAMPS	730.00	GENERAL
81387	ZTA VET CLINIC	ANIMAL CONTROL	61.90	GENERAL
1068859	CITY OF ZUMBROTA	UTILITY BILL	57.95	GENERAL
1068860	MINNESOTA ENERGY	NATURAL GAS	6,904.04	SEWER
1068861	MN DEPT OF REVENUE	WATER SALES TAX	329.00	WATER
1068862	ZTA TELEPHONE CO	TELEPHONE	316.77	SEWER
1068863	CITY OF ZUMBROTA	UB - GARAGE	57.95	GENERAL
1068864	MINNESOTA ENERGY	NATURAL GAS	670.33	GENERAL
1068865	ZTA TELEPHONE CO	TELEPHONE	104.89	STREETS
1068866	CITY OF ZUMBROTA	UB - SEWER	35.87	SEWER
1068867	ZTA TELEPHONE CO	TELEPHONE	268.27	POLICE
1068868	ZTA TELEPHONE CO	TELEPHONE	18.09	WATER
1068869	ZTA TELEPHONE CO	TELEPHONE	253.52	GENERAL
TOTAL			<u>45,821.79</u>	

DATE: March 20, 2025

MAYOR: _____

COUNCIL MEMBER: _____

CITY ADMINISTRATOR: _____



MEMORANDUM

DATE: March 20, 2025
TO: Mayor Hammel and Members of the City Council
FROM: Brian Grudem, City Administrator
RE: City Council Meeting March 20, 2025

Consent Agenda

Minutes: 3/6/2025 Regular Meeting

Please review and approve the attached 3/6/25 Regular Meeting Minutes.

Minutes – 3/13/25 Work Session

Please review and approve the attached 3/13/25 Work Session Meeting Minutes.

Public Hearing

Resolution 2025-16 –Modification of Municipal Development District No. 1, adoption of proposed Tax Increment Financing for the Proposed Bridgeview Apartment Building

Keith Dahl from Ehlers will be in attendance to provide a presentation and answer questions citizens and council may have on the TIF tool to facilitate the development of a new 38-Unit apartment building. Note that this evening's action to approve the TIF Plan establishes the tool to provide assistance. It does not create an obligation for the City. At a future date, the City will review the Agreement, which will create the obligation and contract.

After considering public input, staff recommends approval of Resolution 2025-16 –Modification of Municipal Development District No. 1, adoption of proposed Tax Increment Financing for the Proposed Bridgeview Apartment Building.

Ordinance 2025-02 - Recreational and Specialty Motor Vehicles

See the attached Ordinance 2025-02 – Recreational and Specialty Motor Vehicles. The Committee for ordinance Definition and Enforcement has been working on this proposed ordinance for about a year. They researched many area ordinances, studied complaints related to RV's parking on the roads for extended periods of time as well as RV's and Specialty Motor Vehicles parked in driveways and yards around town. There was a first reading of the proposed ordinance at the Thursday March 6th City Council Meeting. Constructive public input is encouraged during this public hearing. After considering public input, staff recommends sending Ordinance 2025-02 - Recreational and Specialty Motor Vehicles back to the CODE Committee for changes based on council and public feedback.

Unfinished Business

Trestle Bridge Short Term Repair

At the March 6th City Council Meeting, the Council provided direction to staff to solicit quotations for repairing the Trestle Bridge. The existing bridge is in critical condition and was closed in the fall of 2024 due to safety concerns by the bridge authority, Goodhue County. Staff has now solicited quotes to repair the bridge. The repair will consist of replacing the rotted/damaged wooden floor beams, stringers, and decking and stabilizing the north abutment. This repair is intended to allow the City and County to re-open the bridge until a full replacement of the bridge can be completed.

Quotes were requested from three contractors - ICON Constructors, Knutson Construction, and Kraus-Anderson Construction. Quotes are not included in the council packet as they will be received after the packet is sent out. Quotes will be available at the City Council Meeting for review and consideration.

New Business

Request to switch Credit/Debit Card Providers

See the attached memo from Communications Specialist & Account Technician Mirand Raasch. Staff recommends approval of the request to switch credit/debit card providers.

New Plow Truck Purchase

Council approved the purchase of a new plow truck at the 3/6/25 City Council meeting, the purchase price approved was \$300,399.00. It has come to our attention that taxes and other fees were not included on the quote provided to council. See the attached invoice for the new truck total cost of \$320,888.63. Staff recommends amending the previous approval to include the tax and fees.

Resolution 2025-17 Authorizing an Interfund Loan for Purchase of a New Plow Truck

See the attached memo from Finance Director, Kim Simonson outlining two borrowing options for the New Plow Truck and Additional Capital Equipment as deemed necessary. Staff recommends approval of Resolution 2025-17 Authorizing an Interfund Loan for Purchase of a New Plow Truck and Additional Capital Equipment as deemed necessary.

Concrete for Water Fill Station

See the attached memo from Public Works Director Mike Olson. Staff recommends approval of the Quote from Creative Concrete in the amount of \$15,100 for concrete for the new water filling station at the Public Works Cold Storage Building.

Larry Zielsdorf Retirement

See the attached letter notifying council of Larry Zielsdorf's intent to retire on August 15, 2025. Staff recommends acceptance of Larry's retirement.

Reschedule the June 19th City Council Meeting

The 3rd Thursday of June falls on June 19th which is Juneteenth. We cannot have a council meeting on a holiday. Staff recommends moving the June 19th city council meeting to Wednesday June 18th at 6pm.

**CITY OF ZUMBROTA
COUNCIL MEETING MINUTES
MARCH 6, 2025
6:00 P.M.
TOWN HALL**

Pursuant to due call and notice thereof, acting Mayor Bob Prigge called the Zumbrota City Council to order at 6:00 PM. PRESENT: Council members Bob Prigge, Joan Bucher, Kevin Amundson, and Fred Raasch. Absent: Todd Hammel. Others present: Public Works Director Mike Olson, City Administrator Brian Grudem, Finance/HR Director Kim Simonson, Deputy City Administrator Myles Robb, Police Chief Pat Callahan, Street Maintenance Worker Adam Bang, Holly Galbus (News Record – remote), City Attorney Mike Flaherty (remote), and City Engineer Bill Angerman.

AMENDMENTS/ADOPTION OF AGENDA

MOTION Amundson, second Bucher to adopt the agenda. Approved 4-0-0.

ACCOUNTS PAYABLE MARCH 6, 2025:

MOTION Bucher, second Kevin to approve the accounts payable of \$63,978.54. Approved 4-0-0

PUBLIC COMMENT

No public comments

CONSENT AGENDA:

5-A. MINUTES - 02/20/2025 REGULAR COUNCIL MEETING MINUTES

MOTION Amundson, second Bucher to approve the consent agenda. Approved 4-0-0.

PUBLIC HEARING

UNFINISHED BUSINESS

7-A. 5TH STREET & WEST AVENUE CROSSWALK STUDY UPDATE

Administrator Grudem updated the council on the crosswalk study. Angerman explained the findings and the requirements the city must follow by law. After review, the intersection does not merit a four-way stop. Suggestions for improvement included a painted crosswalk, signage, and bump outs. Staff is recommending painting the crosswalk. Council discussed the possibility of installing crosswalk signs mid-road. **MOTION** Raasch, second Bucher, to paint a crosswalk on the corner of West Avenue and 5th Street and to install mid road crosswalk signs. Approved 4-0-0.

NEW BUSINESS

8-A. ORDINANCE 2025-02 – RECREATION AND SPECIALTY MOTOR VEHICLES

This was a first reading of the ordinance and a request to set up a public hearing on March 20th at approximately 6:00 pm. The ordinance is an attempt to address the parking of recreational vehicle, trailers, etc. The proposed ordinance was modelled after several other Minnesota cities' ordinances. The City Attorney has reviewed and added some language. Raasch asked if this ordinance may be modified further upon Council review and public input. That will be part of the process. This ordinance will also be spoken about at next week's work session. **MOTION** Amundson, second Bucher to set a public hearing on March 20, 2025, at approximately 6:00 pm for Ordinance 2025-02 – Recreation and Specialty Motor Vehicles. Approved 4-0-0.

8-B. RESOLUTION 2025-13 – SCHEDULE A PUBLIC HEARING FOR MODIFICATION OF MUNICIPAL DEVELOPMENT DISTRICT NO. 1 ADOPTION OF PROPOSED TAX INCREMENT FINANCING FOR THE PROPOSED BRIDGEVIEW APARTMENT BUILDING

3/20 public hearing. At approximately 6pm.

MOTION Bucher, second Amundson to approve Resolution 2025-13 – Schedule a public hearing for modification of Municipal Development District No. 1 Adoption of Proposed Tax Increment Financing for the Proposed Bridgeview Apartment Building for March 20, 2025, at approximately 6:00 pm. Approved by roll call: Prigge: aye; Bucher: aye; Amundson: aye; Raasch: aye.

8-C. RESOLUTION 2025-14 APPROVING SUPPORT FOR A NORTH ZUMBRO SANITARY SEWER DISTRICT REGIONAL WASTEWATER FACILITY

MOTION Amundson second Bucher to approve Resolution 2025-14 Approving Support for a North Zumbro Sanitary Sewer District Regional Wastewater Facility. Approved by roll call: Prigge: aye; Bucher: aye; Amundson: aye; Raasch: aye.

8-D. NEW PLOW TRUCK PURCHASE

Olson and Bang presented the following options for replacing the 2001 Sterling plow truck. The first option was from Istate Truck Center for a 2026 single axel cab and chassis Western Star 47X for a total of \$132,790.81. The upfitting charge to add all the plow options is \$162,214.00 for a total of \$295,004.81. To add the brine setup and the second camera comes to \$324,804.81. This does not include an expected increase from the state bid of (10%) which would add another \$17,400 to the contract price. The delivery date of this truck would be September 2026, but no firm date can be anticipated depending on how many trucks they must build.

The second option is from Boyer Trucks for a 2022 Western Star Truck which is fully equipped and ready to go which has all the same options as the first quote for a total of \$300,399.00. It is a new truck with approximately two hundred miles on it and still has a 5-year warranty. This truck was part of a contract with the State of Minnesota which they backed out on and that is why it is upfit and plow ready. Some of the options with the truck are being able to track the amount of salt and sand being used and having brine for an option. Staff also hopes to be able to use the truck to apply chloride to the gravel roads in town. **MOTION** Amundson, second Bucher to approve the purchase of the 2022 Western Star Truck from Boyer trucks for \$300,399.00. Approved 4-0-0,

8-D. TRESTLE BRIDGE SHORT TERM REPAIR

Angerman spoke about the trestle bridge. The City of Zumbrota is a finalist for a TA grant but the implementation of that, should it be awarded, is four years out. Staff would like to explore the possibility of doing a short term – fix, which would last five to ten years. Angerman asked for Council consensus about getting quotes for a repair to span that period. Raasch said he would like more than two quotes. Angerman will reach out to construction companies.

8-E. SET UP WORK SESSION

MOTION Amundson, second Bucher to set a work session for Tuesday, April 29th from 5:30 pm to 7:00 pm. Approved 4-0-0.

COMMENTS

CITY ADMINISTRATOR BRIAN GRUDEM

Gave update on the State Capitol meetings he attended during the day for the Sanitary District. The American Legion raised \$3200 for the pool.

CITY ATTORNEY MIKE FLAHERTY

Asked for Council to feel free to submit any questions they may have about the proposed recreation vehicle ordinance prior to the public hearing.

FINANCE/HR DIRECTOR KIM SIMONSON

Will be working on the process to get equipment certificates to fund the purchase of the new plow truck.

COUNCIL MEMBER KEVIN AMUNDSON

Reported on the most recent meeting of the Zumbrota Area Ambulance Service. They will be raising the per capita due to dwindling and delayed Medicaid reimbursements. There are also concerns about the radio changeovers and the services lack of functional radios. Rigg costs are becoming remarkably high, and they are looking at ways to contain costs.

The meeting was adjourned at 6:52 pm.

City Administrator Brian Grudem

**CITY OF ZUMBROTA
COUNCIL WORK SESSION MEETING MINUTES
March 13, 2025
5:30 P.M.
TOWN HALL**

Pursuant to due call and notice thereof, Mayor Todd Hammel called the Zumbrota City Council to order at 5:30 PM. PRESENT: Council members Fred Raasch, Bob Prigge, Joan Bucher, and Kevin Amundson. Others present: City Administrator Brian Grudem, Deputy City Administrator Myles Robb. Communications Specialist and Account Technician Miranda Raasch, Finance Director Kim Simonson, Police Chief Pat Callahan, and Public Works Director Mike Olson.

REQUEST TO SWITCH CREDIT/DEBIT CARD PROVIDERS

Miranda Raasch explained the current credit/debit card provider system. Staff is requesting provider be switched to a Zift which is more compatible with the financial software. Staff will continue to work on the details.

SAFETY DOLLARS DISCUSSION

Simonson addressed the Council about the budget for each of the three emergency services and how the State of Minnesota had awarded public safety dollars. She broke it down into percentages for comparison. Council will continue to discuss the best way to allocate.

RECREATIONAL AND SPECIALTY VEHICLES

The recreational and specialty vehicles ordinance was discussed. There will be a public hearing for input at the next meeting. Much of the discussion centered around the setbacks of the vehicles.

CITY VISION STATEMENT

Grudem asked the Council for input on the vision statement in the Comprehensive Plan. The statement is as follows: *Zumbrota is a forward thinking vibrant small town utilizing its geographic location to emerge as the destination for business and a great place to call home."*

SEWER CAMERA PROJECT

Olson asked the Council if they would like to proceed with a sewer cameraing project. The last time the sewers were cameraed was in the early 2000's. He was directed to bring back quotes.

2025 STAFF GOALS

Grudem presented 2025 goals the staff has been discussing.

RESCHEDULE JUNETEENTH COUNCIL MEETING DATE

The second council meeting in June falls on a holiday. The Council will consider moving the meeting to Wednesday and rescheduling the EDA meeting.

The meeting adjourned at 7:00 pm.

EXTRACT OF MINUTES OF A MEETING OF THE
CITY COUNCIL OF THE CITY
OF ZUMBROTA, MINNESOTA

HELD: MARCH 20, 2025

Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of Zumbrota, Goodhue County, Minnesota, was duly called and held at the City Hall, in said City on March 20, 2025, at 6:00 P.M.

The following members of the Council were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 2025-16

RESOLUTION APPROVING THE MODIFICATION TO THE DEVELOPMENT PROGRAM FOR MUNICIPAL DEVELOPMENT DISTRICT NO. 1 AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 1-20 WITHIN MUNICIPAL DEVELOPMENT DISTRICT NO. 1 AND APPROVING THE TAX INCREMENT FINANCING PLAN THEREFOR; AUTHORIZING AN INTERFUND LOAN; AND AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT

A. WHEREAS, it has been proposed that the City of Zumbrota, Minnesota (the "City") (1) modify the Development Program for Municipal Development District No. 1 (the "Development District"); (2) establish Tax Increment Financing District No. 1-20 therein (the "TIF District") and (3) approve and adopt the proposed Tax Increment Financing Plan therefor under the provisions of Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the "Act"); and

B. WHEREAS, the City Council has investigated the facts and has caused to be prepared the Modification to the Development Program for the Development District (the "Development Program Modification"), and has caused to be prepared a proposed tax increment financing plan for the TIF District therein (the "TIF Plan"); and

C. WHEREAS, the City has performed all actions required by law to be performed prior to the approval of the establishment of the TIF District and the adoption of the Development Program Modification and TIF Plan, including, but not limited to, notification of Goodhue County and Independent School District No. 2805 having taxing jurisdiction over the property to be included in the TIF District and the holding of a public hearing upon published and mailed notice as required by law; and

D. WHEREAS, Keller-Baartman Properties XIII, LLC (the "Developer") has requested the City to assist with the financing of certain costs incurred in connection with the

acquisition, construction and equipping of a 38-unit apartment complex on the Development Property located in the City (the "Project"); and

E. WHEREAS, the Developer and the City have determined to enter into a Development Agreement providing for the City's tax increment financing assistance for the Project (the "Development Agreement").

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

Development District. The City is not modifying the boundaries of the Development District.

Development Program Modification. The Modification to the Development Program for Municipal Development District No. 1, a copy of which is on file in the office of the City Administrator, is adopted.

Tax Increment Financing District No. 1-20. There is hereby established in the City within the Development District, Tax Increment District No. 1-20, a redevelopment tax increment financing district, the initial boundaries of which are fixed and determined as described in the TIF Plan.

Tax Increment Financing Plan. The TIF Plan is adopted as the tax increment financing plan for the TIF District, and the City Council makes the following findings:

The TIF District is a redevelopment district as defined in Minnesota Statutes, Section 469.174, Subd. 10, the specific basis for such determination is set forth in Appendix C of the TIF Plan.

The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future. The reasons for such determination are set forth in Appendix C of the TIF Plan.

In the opinion of the City Council, the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan. The reasons supporting this finding are set forth in Appendix C of the TIF Plan.

The TIF Plan for the TIF District conforms to the general plan for development or redevelopment of the City as a whole. The reasons for supporting this finding are set forth in Appendix C of the TIF Plan.

The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Development District by private enterprise. The reasons supporting this finding are set forth in Appendix C of the TIF Plan.

Appendix C of the TIF Plan is incorporated herein by reference.

Public Purpose. The adoption of the TIF Plan for the TIF District within the Development District conforms in all respects to the requirements of the Act and will help fulfill a need to develop an area of the State which is already built up to provide safe, decent, sanitary housing for residents of the City, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose.

Certification. The Auditor of Goodhue County is requested to certify the original net tax capacity of the TIF District as described in TIF Plan, and to certify in each year thereafter the amount by which the original net tax capacity has increased or decreased in accordance with the Act; and the City Administrator is authorized and directed to forthwith transmit this request to the County Auditor in such form and content as the Auditor may specify, together with a list of all properties within the TIF District for which building permits have been issued during the 18 months immediately preceding the adoption of this Resolution.

Filing. The City Administrator is further authorized and directed to file a copy of the Modification and TIF Plan for the TIF District with the Commissioner of Revenue and the Office of the State Auditor.

Administration. The administration of the Development District is assigned to the City Administrator who shall from time to time be granted such powers and duties pursuant to Minnesota Statutes, Sections 469.130 and 469.131 as the City Council may deem appropriate.

Interfund Loan. The City has determined to pay for certain costs (the "Qualified Costs") identified in the TIF Plan consisting of certain administrative expenses, which costs may be financed on a temporary basis from the City's general fund or any other fund from which such advances may be legally made (the "Fund"). Under Minnesota Statutes, Section 469.178, Subd. 7, the City is authorized to advance or loan money from the Fund in order to finance the Qualified Costs. The City intends to reimburse itself for the payment of the Qualified Costs, plus interest thereon, from tax increments derived from the TIF District in accordance with the following terms (which terms are referred to collectively as the "Interfund Loan"):

The City shall repay to the Fund from which the Qualified Costs are initially paid, the principal amount of \$191,614 (or, if less, the amount actually paid from such fund) together with interest at 4.00% per annum (which is not more than the greater of (i) the rate specified under Minnesota Statutes, Section 270C.40, or (ii) the rate specified under Minnesota Statutes, Section 549.09) from the date of the payment.

Principal and interest on the Interfund Loan ("Payments") shall be paid annually on each December 31 commencing with the date the tax increments from the TIF District are available and not otherwise pledged to and including the earlier of (a) the date the principal and accrued interest of the Interfund Loan is paid in full, or (b) the date of last receipt of tax increment from the TIF District ("Payment Dates") which Payments will be made in the amount and only to the extent of available tax increments. Payments shall be applied first to accrued interest, and then to unpaid principal.

Payments on the Interfund Loan are payable solely from the tax increment generated in the preceding twelve (12) months with respect to the TIF District and remitted to the City by Goodhue County, all in accordance with Minnesota Statutes, Sections 469.174 to 469.1794, as amended. Payments on this Interfund Loan are subordinate to any outstanding or future bonds, notes or contracts secured in whole or in part with tax increment, and are on parity with any other outstanding or future interfund loans secured in whole or in part with tax increments.

The principal sum and all accrued interest payable under this Interfund Loan are pre-payable in whole or in part at any time by the City without premium or penalty. No partial prepayment shall affect the amount or timing of any other regular payment otherwise required to be made under this Interfund Loan.

The Interfund Loan is evidence of an internal borrowing by the City in accordance with Minnesota Statutes, Section 469.178, Subd. 7, and is a limited obligation payable solely from tax increment pledged to the payment hereof under this resolution. The Interfund Loan and the interest hereon shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on the Interfund Loan or other costs incident hereto except out of tax increment, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on the Interfund Loan or other costs incident hereto. The City shall have no obligation to pay any principal amount of the Interfund Loan or accrued interest thereon, which may remain unpaid after the termination of the TIF District.

The City may amend the terms of the Interfund Loan at any time by resolution of the City Council, including a determination to forgive the outstanding principal amount and accrued interest to the extent permissible under law.

Development Agreement.

The Council hereby approves the Development Agreement in substantially the form submitted, and the Mayor and the City Administrator are hereby authorized and directed to execute the Development Agreement on behalf of the Council.

The approval hereby given to the Development Agreement includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the City officials authorized by this resolution to execute the Development Agreement. The execution of the Development Agreement by the appropriate officer or officers of the City shall be conclusive evidence of the approval of the Development Agreement in accordance with the terms hereof.:

and the following voted against same:

Adopted this 20th day of March, 2025.

Mayor

Attest: _____
City Administrator

STATE OF MINNESOTA
GOODHUE COUNTY
CITY OF ZUMBROTA

I, the undersigned, being the duly qualified and acting City Administrator of the City of Zumbrota, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City, duly called and held on the date therein indicated, insofar as such minutes relate to the establishment of the Tax Increment Financing District No. 1-20 in the City, authorization of an interfund loan and authorizing execution of a development agreement.

WITNESS my hand as such City Administrator of the City Council of the City of Zumbrota, Minnesota this 20th day of March, 2025.

City Administrator

Public Hearing Date: March 20, 2025

City of Zumbrota

Goodhue County, Minnesota

MODIFICATION TO THE DEVELOPMENT PROGRAM

Municipal Development District No. 1

&

Tax Increment Financing (TIF) Plan

Establishment of Tax Increment Financing

District No. 1-20: 70 - 3rd Street

(a redevelopment district)



Prepared by:

Ehlers
3060 Centre Pointe Drive
Roseville, Minnesota 55113

BUILDING COMMUNITIES. IT'S WHAT WE DO.

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Modification to the Development Program for Municipal Development District No. 1

FOREWORD

The following text represents a Modification to the Development Program for Municipal Development District No. 1. This modification represents a continuation of the goals and objectives set forth in the Development Program for Municipal Development District No. 1. Generally, the substantive changes include the establishment of Tax Increment Financing District No. 1-20: 70 - 3rd Street.

For further information, a review of the Development Program for Municipal Development District No. 1, is recommended. It is available from the City Administrator at the City of Zumbrota. Other relevant information is contained in the tax increment financing plans for the tax increment financing districts located within Municipal Development District No. 1.

Tax Increment Financing Plan for Tax Increment Financing District No. 1-20: 70 - 3rd Street

FOREWORD

The City of Zumbrota (the "City"), staff and consultants have prepared the following information to expedite the establishment of Tax Increment Financing District No. 1-20: 70 - 3rd Street (the "District"), a redevelopment tax increment financing district, located in Municipal Development District No. 1.

STATUTORY AUTHORITY

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the City has certain statutory powers pursuant to *Minnesota Statutes ("M.S."), Sections 469.124 - 469.133*, inclusive, as amended, and *M.S., Sections 469.174 to 469.1794*, inclusive, as amended (the "TIF Act"), to assist in financing public costs related to this project.

This section contains the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Modification to the Development Program for Municipal Development District No. 1.

STATEMENT OF OBJECTIVES

The District currently consists of three (3) parcels of land and adjacent roads and internal rights-of-way. The District is being created to facilitate the development of 38-units of workforce rental housing in the City. The City anticipates entering into an agreement with Kenner-Baartman Properties XIII, LLC. Development is anticipated to begin in Spring 2025. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for Municipal Development District No. 1.

The activities contemplated in the Modification to the Development Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Municipal Development District No. 1 and the District.

DEVELOPMENT PROGRAM OVERVIEW

Pursuant to the Development Program and authorizing state statutes, the City is authorized to undertake the following activities in the District:

1. Property to be Acquired - The City currently owns one parcel of property within the District. The remaining property located within the District, including interior and adjacent street rights of way, may be acquired by the City and is further described in this TIF Plan.
2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S., Chapter 117* and other relevant state and federal laws.
3. Upon approval of a developer's plan relating to the project and completion of the necessary legal requirements, the City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.
4. The City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.

DESCRIPTION OF PROPERTY IN THE DISTRICT AND PROPERTY TO BE ACQUIRED

The District encompasses all property and adjacent roads rights-of-way and abutting roadways identified by the parcels listed below.

Parcel number	Address	Owner
72.100.1260	70 - 3rd St. W	Frandsen Bank
72.100.1270	93 - 2nd St. W	Frandsen Parking
72.100.1250	Unassigned	City

Please also see the map in Appendix A for further information on the location of the District.

The City may acquire any parcel within the District including interior and adjacent street rights of way.

Any properties identified for acquisition will be acquired by the City only in order to accomplish one or more of the following: storm sewer improvements; provide land for needed public streets, utilities and facilities; carry out land acquisition, site improvements, clearance and/or development to accomplish the uses and objectives set forth in this plan. The City may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of this TIF Plan.

Such acquisitions will be undertaken only when there is assurance of funding to finance the acquisition and related costs.

The City currently owns one (1) parcel of the property to be included in the District.

DISTRICT CLASSIFICATION

The City, in determining the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.1794*, as amended, inclusive, finds that the District, to be established, is a redevelopment district pursuant to *M.S., Section 469.174, Subd. 10(a)(1)*.

- The District is a redevelopment district consisting of three (3) parcels.
- An inventory shows that parcels consisting of more than 70% of the area in the District are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures.
- An inspection of the buildings located within the District finds that more than 50% of the buildings are structurally substandard as defined in the TIF Act. (See Appendix D).

Pursuant to *M.S., Section 469.176, Subd. 7*, the District does not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111, 273.112, or 273.114 or Chapter 473H* for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

DURATION & FIRST YEAR OF DISTRICT'S TAX INCREMENT

Pursuant to *M.S., Section 469.175, Subd. 1, and Section 469.176, Subd. 1*, the duration and first year of tax increment of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.*, the duration of the District will be 25 years after receipt of the first increment by the City (a total of 26 years of tax increment). The City elects to receive the first tax increment in 2027, which is no later than four years following the year of approval of the District.

Thus, it is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2052, or when the TIF Plan is satisfied. The City reserves the right to decertify the District prior to the legally required date.

ORIGINAL TAX CAPACITY, TAX RATE & ESTIMATED CAPTURED NET TAX CAPACITY VALUE/INCREMENT & NOTIFICATION OF PRIOR PLANNED IMPROVEMENTS

Pursuant to *M.S., Section 469.174, Subd. 7* and *M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District will be based on the market values placed on the property by the assessor in 2024 for taxes payable 2025.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2027) the amount by which the original value has increased or decreased as a result of:

1. Change in tax exempt status of property;
2. Reduction or enlargement of the geographic boundaries of the District;
3. Change due to adjustments, negotiated or court-ordered abatements;
4. Change in the use of the property and classification;
5. Change in state law governing class rates; or
6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured and no tax increment will be payable to the City.

The original local tax rate for the District will be the local tax rate for taxes payable 2025, assuming the request for certification is made before June 30, 2025. The rates for 2025 were not available at the time the District was established. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. 4* and *M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within Municipal Development District No. 1, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The City requests 100% of the available increase in tax capacity be used for repayment of the obligations of the City and current expenditures, beginning in the tax year payable 2027. The Project Tax Capacity (PTC) listed is an estimate of values when the projects within the District are completed.

Project Tax Capacity		
Development estimated Tax Capacity upon completion	203,394	
Original estimated Net Tax Capacity	4,185	
Fiscal Disparities	0	
Estimated Captured Tax Capacity	199,209	
Original Local Tax Rate	121.5210%	Pay 2023
Estimated Annual Tax Increment	\$242,081	
Percent Retained by the City	100%	

Note: Tax capacity includes a 4.3% inflation factor for the duration of the District. The tax capacity included in this chart is the estimated tax capacity of the District in year 26. The tax capacity of the District in year one is estimated to be \$70,538.

Pursuant to *M.S., Section 469.177, Subd. 4*, the City shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits have been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3*. The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

The City has reviewed the area to be included in the District and found no parcels for which building permits have been issued during the 18 months immediately preceding approval of the TIF Plan by the City.

SOURCES OF REVENUE/BONDS TO BE ISSUED

The total estimated tax increment revenues for the District are shown in the table below:

SOURCES	
Tax Increment	\$ 3,832,281
Interest	383,228
TOTAL	\$ 4,215,509

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The City reserves the right to issue bonds (as defined in the TIF Act) or incur other indebtedness as a result of the TIF Plan. As presently proposed, the projects within the District will be financed by pay-as-you-go notes and interfund loans.

Any refunding amounts will be deemed a budgeted cost without a formal modification to this TIF Plan. This provision does not obligate the City to incur debt. The City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City.

The City may issue bonds secured in whole or in part with tax increments from the District in a maximum principal amount of \$2,326,434. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

USES OF FUNDS

Currently under consideration for the District is a proposal to facilitate the development of 38-units of workforce rental housing. The City has determined that it will be necessary to provide assistance to the project for certain District costs, as described herein.

The City has studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District is outlined in the following table.

USES	
Land/Building Acquisition	\$ 340,000
Site Improvements/Preparation	-
Affordable Housing	1,794,820
Utilities	-
Other Qualifying Improvements	-
Administrative Costs (up to 10%)	191,614
PROJECT COSTS TOTAL	\$ 2,326,434
Interest	1,889,075
PROJECT AND INTEREST COSTS TOTAL	\$ 4,215,509

The total project cost, including financing costs (interest) listed in the table above does not exceed the total projected tax increments for the District as shown in the Sources of Revenue section.

Estimated costs associated with the District are subject to change among categories without a modification to the TIF Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget above pursuant to the applicable statutory requirements. Pursuant to *M.S., Section 469.1763, Subd. 2*, no more than 25% of the tax increment paid by property within the District will be spent on activities related to development or redevelopment outside of the District but within the boundaries of Municipal Development District No. 1, (including administrative costs, which are considered to be spent outside of the District) subject to the limitations as described in the TIF Plan.

ESTIMATED IMPACT ON OTHER TAXING JURISDICTIONS

The estimated impact on other taxing jurisdictions assumes that the redevelopment contemplated by the TIF Plan would occur without the creation of the District. However, the City has determined that such development or redevelopment would not occur "but for" tax increment financing and that, therefore, the fiscal impact on other taxing jurisdictions is \$0. The estimated fiscal impact of the District would be as follows if the "but for" test was not met:

Impact on Tax Base			
Entity	2022/Pay 2023 Total Net Tax Capacity	Estimated Captured Tax Capacity (CTC) upon completion	Percent of CTC to Entity Total
Goodhue County	100,498,183	199,209	0.1982%
City of Zumrota	4,951,006	199,209	4.0236%
ISD 2805 (Zumbro-Mazeppa Public Schools)	9,565,894	199,209	2.0825%

Impact on Tax Rates				
Entity	Pay 2023 Extension Rate	Percent of Total	CTC	Potential Taxes
Goodhue County	41.5360%	34.18%	199,209	\$ 82,743
City of Zumrota	49.4050%	40.66%	199,209	98,419
ISD 2805 (Zumbro-Mazeppa Public Schools)	29.8840%	24.59%	199,209	59,532
Other	0.6960%	0.57%	199,209	1,386
	121.5210%	100.00%		\$ 242,081

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the Pay 2023 rate. The calculations are the calculations used for the Minnesota Housing Workforce Housing Grant and the related underwriting for funding. The total net capacity for the entities listed above are based on Pay 2023 figures. The District will be certified under the Pay 2025 rates, which were unavailable at the time this TIF Plan was prepared.

Pursuant to *M.S., Section 469.175 Subd. 2(b)*:

- (1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is \$3,832,281;
- (2) Probable impact of the District on city provided services and ability to issue debt. An impact of the District on police protection is expected. With any addition of new residents or businesses, police calls for service will be increased. New developments add an increase in traffic, and additional overall demands to the call load. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The probable impact of the District on fire protection is not expected to be significant. Typically, new buildings generate few calls, if any, and are of superior construction. The existing buildings, located at the site, which will be eliminated by the new development, have public safety concerns that include several unprotected old buildings with issues such as accessibility concerns. In addition, the new building will be fully sprinklered. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The impact of the District on public infrastructure is expected to be minimal. The development is not expected to significantly impact any traffic movements in the area. The current infrastructure for sanitary sewer, storm sewer and water will be able to handle the additional volume generated from the proposed development. Based on the development plans, there are no additional costs associated with street maintenance, sweeping, plowing, lighting and sidewalks. The City intends to waive the SAC and WAC changes. It is anticipated that the developer will pay for storm sewer replacement or additions as well as sidewalk and road repairs as well as other infrastructure expenses related to the development.

The probable impact of the issuance of any general obligation tax increment bonds payable from tax increment revenues from the District on the City's ability to issue debt for general fund purposes is expected to be minimal. It is not anticipated that there will be any general obligation debt issued in relation to this project, therefore there will be no impact on the City's ability to issue future debt or on the City's debt limit.

- (3) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is \$942,421;
- (4) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is \$1,309,878;
- (5) Additional information requested by the county or school district. The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S., Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

No requests for additional information from the county or school district regarding the proposed development for the District have been received.

SUPPORTING DOCUMENTATION

Pursuant to *M.S., Section 469.175, Subd. 1 (a), clause 7* this TIF Plan must contain identification and description of studies and analyses used to make the determination set forth in *M.S., Section 469.175, Subd. 3, clause (b)(2)* and the findings are required in the resolution approving the District.

- (i) In making said determination, reliance has been placed upon (1) written representation made by the Developer to such effects, (2) review of the Developer's proforma; and (3) City staff awareness of the feasibility of developing the project site within the District, which is further outlined in the City Council resolution approving the establishment of the District and Appendix C.

- (ii) A comparative analysis of estimated market value both with and without establishment of the District and the use of tax increments has been performed. Such analysis is included with the cashflow in Appendix B and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the District and the use of tax increments.

DISTRICT ADMINISTRATION

Administration of the District will be handled by the City Administrator.

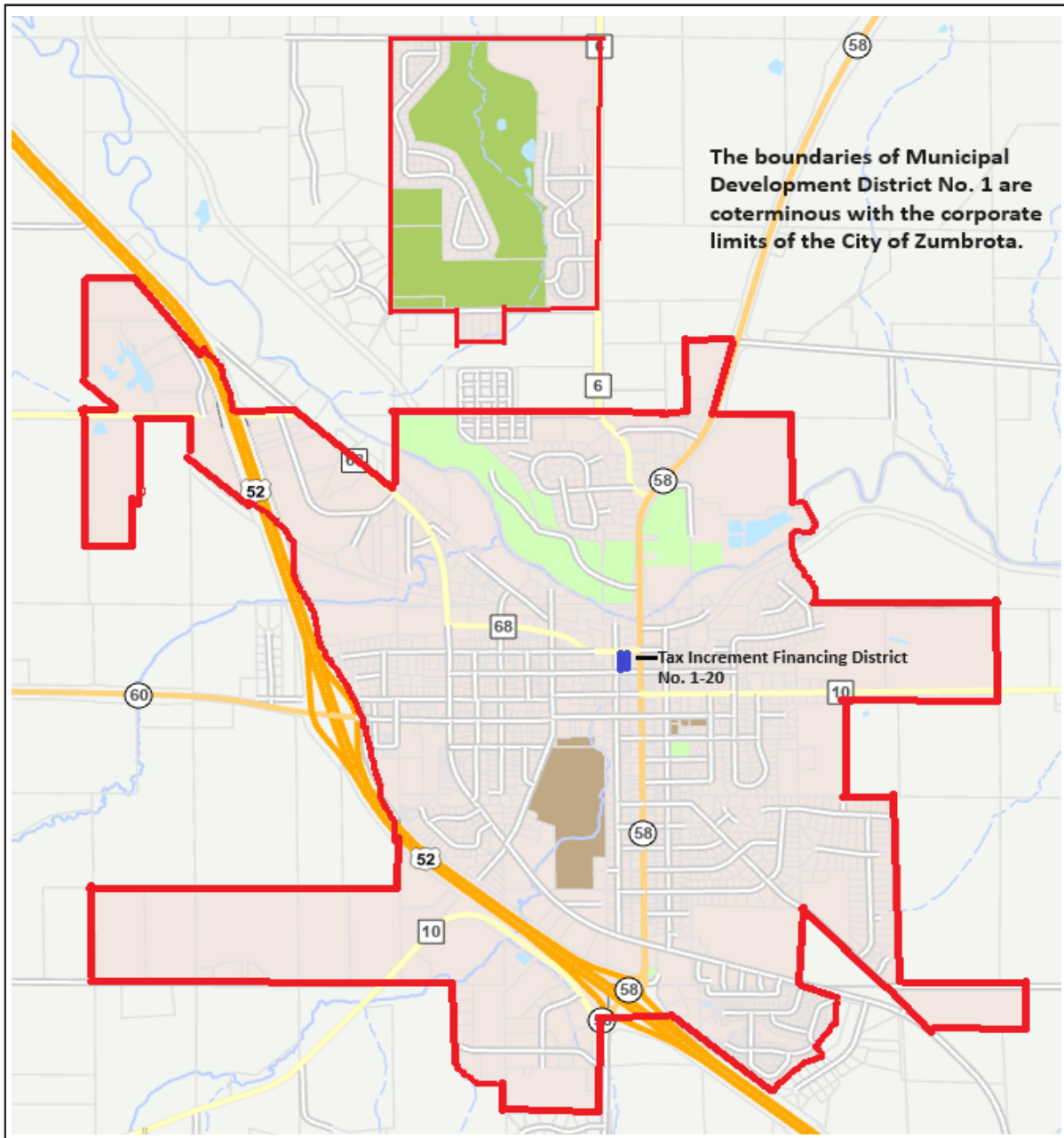
Appendix A: Map of Municipal Development District No. 1 and the TIF District

City of Zumbrota Project

Tax Increment Financing District No. 1-20

City of Zumbrota

Goodhue County, Minnesota



- Municipal Development District No. 1
- Tax Increment Financing District No. 1-20



Tax Increment Financing District 1-20:

PID #s:

72.100.1260

72.100.1270

72.100.1250

Appendix B: Estimated Cash Flow for the District

Workforce Housing Development - 4.3% Inflation

City of Zumbrota, MN

38-Units of Market Rate Workforce Rental Housing



ASSUMPTIONS AND RATES

DistrictType:	Redevelopment
District Name/Number:	TIF 1-20
County District #:	TBD
First Year Construction or Inflation on Value	2025
Existing District - Specify No. Years Remaining	
Inflation Rate - Every Year:	4.3%
Interest Rate:	5.0%
Present Value Date:	1-Aug-26
First Period Ending	1-Feb-27
Tax Year District was Certified:	Pay 2025
Cashflow Assumes First Tax Increment For Development:	2027
Years of Tax Increment	26
Assumes Last Year of Tax Increment	2052
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	NA
Incremental or Total Fiscal Disparities	Incremental
Fiscal Disparities Contribution Ratio	NA
Fiscal Disparities Metro-Wide Tax Rate	NA
Maximum/Frozen Local Tax Rate:	121.521% Pay 2023
Current Local Tax Rate: (Use lesser of Current or Max.)	121.521% Pay 2023
State-wide Tax Rate (Comm./Ind. only used for total taxes)	33.0030% Preliminary Pay 2024
Market Value Tax Rate (Used for total taxes)	0.28921% Pay 2023

Tax Rates

Exempt Class Rate (Exempt)	0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)	
First \$150,000	1.50%
Over \$150,000	2.00%
Commercial Industrial Class Rate (C/I)	2.00%
Rental Housing Class Rate (Rental)	1.25%
Affordable Rental Housing Class Rate (Aff. Rental)	
First \$100,000	0.25%
Over \$100,000	0.25%
Non-Homestead Residential (Non-H Res. 1 Unit)	
First \$500,000	1.00%
Over \$500,000	1.25%
Homestead Residential Class Rate (Hmstd. Res.)	
First \$500,000	1.00%
Over \$500,000	1.25%
Agricultural Non-Homestead	1.00%

BASE VALUE INFORMATION (Original Tax Capacity)

Map ID	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.	Area/ Phase
A	72.100.1260	Frandsen Bank	70 - 3rd St. W	93,700	206,400	300,100	100%	300,100	Pay 2024	C/I Pref.	5,252	Rental	3,751	1
B	72.100.1270	Frandsen Parking	93 - 2nd St. W	13,000	0	13,000	100%	13,000	Pay 2024	C/I	260	Rental	163	
C	72.100.1250	City	Unassigned	18,000	3,700	21,700	100%	21,700	Pay 2024	Exempt	-	Rental	271	
				124,700	210,100	334,800		334,800			5,512		4,185	

Note:

1. Base values are for pay 2024 based on review of County website on March 11, 2024.
2. Located in SD #2805, WS #_____

Workforce Housing Development - 4.3% Inflation

City of Zumbrota, MN
38-Units of Market Rate Workforce Rental Housing



PROJECT INFORMATION (Project Tax Capacity)													
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2025	Percentage Completed 2026	Percentage Completed 2027	Percentage Completed 2028	First Year Full Taxes Payable
	Apartments	148,500	148,500	38	5,643,000	Rental	70,538	1,856	100%	100%	100%	100%	2027
TOTAL					5,643,000		70,538						
Subtotal Residential				38	5,643,000		70,538						
Subtotal Commercial/Ind.				0	0		0						

Note:

1. Market values are based upon project located at 300 West Ave., Zumbrota for Pay 2024 inflated 4% annually to Pay 2027.

TAX CALCULATIONS									
New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
Apartments	70,538	0	70,538	85,718	0	0	16,320	102,038	2,685.21
TOTAL	70,538	0	70,538	85,718	0	0	16,320	102,038	

Note:

1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	102,038
less State-wide Taxes	0
less Fiscal Disp. Adj.	0
less Market Value Taxes	(16,320)
less Base Value Taxes	(5,086)
Annual Gross TIF	80,632

MARKET VALUE BUT / FOR ANALYSIS	
Current Market Value - Est.	334,800
New Market Value - Est.	5,643,000
Difference	5,308,200
Present Value of Tax Increment	1,850,158
Difference	3,458,042
Value likely to occur without Tax Increment is less than:	3,458,042



Workforce Housing Development - 4.3% Inflation

City of Zumbrota, MN

38-Units of Market Rate Workforce Rental Housing

TAX INCREMENT CASH FLOW

% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities Incremental	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 5%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
100%	70,538	(4,185)	-	66,353	121.521%	80,632	40,316	(145)	(2,009)	38,162	36,324	0.5	2027	02/01/27
100%	73,590	(4,185)	-	69,405	121.521%	84,341	40,316	(145)	(2,009)	38,162	71,761	1	2027	02/01/28
100%	76,774	(4,185)	-	72,589	121.521%	88,211	42,171	(152)	(2,101)	39,918	107,925	1.5	2028	08/01/28
100%	80,096	(4,185)	-	75,911	121.521%	92,248	42,171	(152)	(2,101)	39,918	143,206	2	2028	02/01/29
100%	83,562	(4,185)	-	79,377	121.521%	96,459	44,105	(159)	(2,197)	41,749	179,207	2.5	2029	08/01/29
100%	87,177	(4,185)	-	82,992	121.521%	100,853	44,105	(159)	(2,197)	41,749	214,329	3	2029	02/01/30
100%	90,950	(4,185)	-	86,765	121.521%	105,437	46,124	(166)	(2,298)	43,660	250,163	3.5	2030	08/01/30
100%	94,885	(4,185)	-	90,700	121.521%	110,219	46,124	(166)	(2,298)	43,660	285,122	4	2030	02/01/31
100%	98,991	(4,185)	-	94,806	121.521%	115,209	48,230	(174)	(2,403)	45,653	320,786	4.5	2031	08/01/31
100%	103,274	(4,185)	-	99,089	121.521%	120,414	48,230	(174)	(2,403)	45,653	355,581	5	2031	02/01/32
100%	107,743	(4,185)	-	103,558	121.521%	125,844	50,427	(182)	(2,512)	47,733	391,073	5.5	2032	08/01/32
100%	112,405	(4,185)	-	108,220	121.521%	131,510	50,427	(182)	(2,512)	47,733	425,699	6	2032	02/01/33
100%	117,268	(4,185)	-	113,083	121.521%	137,420	52,719	(190)	(2,626)	49,902	461,016	6.5	2033	08/01/33
100%	122,343	(4,185)	-	118,158	121.521%	143,586	52,719	(190)	(2,626)	49,902	495,472	7	2033	02/01/34
100%	127,636	(4,185)	-	123,451	121.521%	150,019	55,110	(198)	(2,746)	52,166	530,612	7.5	2034	08/01/34
100%	133,159	(4,185)	-	128,974	121.521%	156,731	55,110	(198)	(2,746)	52,166	564,895	8	2034	02/01/35
100%	138,921	(4,185)	-	134,736	121.521%	163,732	57,604	(207)	(2,870)	54,527	599,856	8.5	2035	08/01/35
100%	144,932	(4,185)	-	140,747	121.521%	171,037	57,604	(207)	(2,870)	54,527	633,965	9	2035	02/01/36
100%	151,203	(4,185)	-	147,018	121.521%	178,658	60,207	(217)	(3,000)	56,991	668,744	9.5	2036	08/01/36
100%	157,746	(4,185)	-	153,561	121.521%	186,609	60,207	(217)	(3,000)	56,991	702,676	10	2036	02/01/37
100%	164,571	(4,185)	-	160,386	121.521%	194,903	62,922	(227)	(3,135)	59,561	737,273	10.5	2037	08/01/37
100%	171,692	(4,185)	-	167,507	121.521%	203,557	62,922	(227)	(3,135)	59,561	771,025	11	2037	02/01/38
100%	179,122	(4,185)	-	174,937	121.521%	212,585	65,755	(237)	(3,276)	62,242	805,438	11.5	2038	08/01/38
100%	186,872	(4,185)	-	182,687	121.521%	222,003	65,755	(237)	(3,276)	62,242	839,010	12	2038	02/01/39
100%	194,958	(4,185)	-	190,773	121.521%	231,829	68,710	(247)	(3,423)	65,040	873,236	12.5	2039	08/01/39
100%	203,394	(4,185)	-	199,209	121.521%	242,081	68,710	(247)	(3,423)	65,040	906,628	13	2039	02/01/40
100%							71,793	(258)	(3,577)	67,958	940,666	13.5	2040	08/01/40
100%							71,793	(258)	(3,577)	67,958	973,875	14	2040	02/01/41
100%							75,010	(270)	(3,737)	71,003	1,007,725	14.5	2041	08/01/41
100%							75,010	(270)	(3,737)	71,003	1,040,749	15	2041	02/01/42
100%							78,365	(282)	(3,904)	74,179	1,074,409	15.5	2042	08/01/42
100%							78,365	(282)	(3,904)	74,179	1,107,249	16	2042	02/01/43
100%							81,866	(295)	(4,079)	77,493	1,140,718	16.5	2043	08/01/43
100%							81,866	(295)	(4,079)	77,493	1,173,371	17	2043	02/01/44
100%							85,519	(308)	(4,261)	80,950	1,206,650	17.5	2044	08/01/44
100%							85,519	(308)	(4,261)	80,950	1,239,116	18	2044	02/01/45
100%							89,329	(322)	(4,450)	84,557	1,272,202	18.5	2045	08/01/45
100%							89,329	(322)	(4,450)	84,557	1,304,481	19	2045	02/01/46
100%							93,304	(336)	(4,648)	88,320	1,337,374	19.5	2046	08/01/46
100%							93,304	(336)	(4,648)	88,320	1,369,465	20	2046	02/01/47
100%							97,452	(351)	(4,855)	92,246	1,402,164	20.5	2047	08/01/47
100%							97,452	(351)	(4,855)	92,246	1,434,067	21	2047	02/01/48
100%							101,778	(366)	(5,071)	96,341	1,466,573	21.5	2048	08/01/48
100%							101,778	(366)	(5,071)	96,341	1,498,286	22	2048	02/01/49
100%							106,292	(383)	(5,295)	100,614	1,530,597	22.5	2049	08/01/49
100%							106,292	(383)	(5,295)	100,614	1,562,121	23	2049	02/01/50
100%							111,002	(400)	(5,530)	105,072	1,594,239	23.5	2050	08/01/50
100%							111,002	(400)	(5,530)	105,072	1,625,573	24	2050	02/01/51
100%							115,915	(417)	(5,775)	109,723	1,657,496	24.5	2051	08/01/51
100%							115,915	(417)	(5,775)	109,723	1,688,640	25	2051	02/01/52
100%							121,040	(436)	(6,030)	114,574	1,720,368	25.5	2052	08/01/52
100%							121,040	(436)	(6,030)	114,574	1,751,592	26	2052	02/01/53
Total							3,846,127	(13,846)	(191,614)	3,640,667				
Present Value From 08/01/2026							1,850,158	(6,661)	(92,175)	1,751,592				

Appendix C: Findings Including But/For Qualifications

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan (TIF Plan) for Tax Increment Financing District No. 1-20: 70 - 3rd Street (the “District”), as required pursuant to *Minnesota Statutes (M.S.), Section 469.175, Subdivision 3* are as follows:

1. *Finding that Tax Increment Financing District No. 1-20: 70 - 3rd Street is a redevelopment district as defined in M.S., Section 469.174, Subd. 10.*

The District consists of three (3) parcels and vacant right-of-way, with plans to redevelop the area for the development of 38-units of workforce rental housing. Parcels consisting of 70% of the area of the District are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures and more than 50% of the buildings in the District, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance. (See Appendix D of the TIF Plan.)

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of Tax Increment Financing District No. 1-20: 70 - 3rd Street permitted by the TIF Plan.*

The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future: This finding is supported by the fact that the redevelopment proposed in the TIF Plan meets the City’s objectives for redevelopment. Due to the high cost of redevelopment on the parcels currently occupied by a substandard building, the incompatible land uses at close proximity, and the cost of financing the proposed improvements, this project is feasible only through assistance, in part, from tax increment financing. The Developer was asked for and provided a letter and a pro forma as justification that the Developer would not have gone forward without tax increment assistance.

The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan: This finding is justified on the grounds that the cost of site and public improvements and utilities add to the total redevelopment cost.

Historically, construction costs, site and public improvements costs in this area have made redevelopment infeasible without tax increment assistance. The City reasonably determines that no other redevelopment of similar scope is anticipated on this site without substantially similar assistance being provided to the development.

Therefore, the City concludes as follows:

- a. The City's estimate of the amount by which the market value of the entire District will increase without the use of tax increment financing is \$0.
 - b. If the proposed development occurs, the total increase in market value will be \$5,308,200.
 - c. The present value of tax increments from the District for the maximum duration of the district permitted by the TIF Plan is estimated to be \$1,850,158.
 - d. Even if some development other than the proposed development were to occur, the Council finds that no alternative would occur that would produce a market value increase greater than \$3,458,042 (the amount in clause b less the amount in clause c) without tax increment assistance.
3. *Finding that the TIF Plan for the District conforms to the general plan for the development or redevelopment of the municipality as a whole.*

The City Council reviewed the TIF Plan and found that the TIF Plan conforms to the general development plan of the City.

4. *Finding that the TIF Plan for Tax Increment Financing District No. 1-20: 70 - 3rd Street will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of Municipal Development District No. 1 by private enterprise.*

The project to be assisted by the District will result in increased employment in the City and the State of Minnesota, the renovation of substandard properties, increased tax base of the State and add a high-quality development to the City. In addition, through the implementation of the TIF Plan, the City will increase the availability of safe and decent life-cycle housing in the City.

Appendix D: Redevelopment Qualifications for the District

To be added to prior to the public hearing



**CITY OF ZUMBROTA
GOODHUE COUNTY
STATE OF MINNESOTA**

ORDINANCE 2025-02

§ 90.14 RECREATIONAL AND SPECIALTY MOTOR VEHICLES

(A) *Purpose.* The purpose of this ordinance is to provide reasonable regulations for the use and storage of recreational and specialty motor vehicles on public and private property in the City. This ordinance is not intended to allow what the Minnesota Statutes prohibit or to prohibit what the Minnesota Statutes expressly allow. It is intended to ensure the public safety and prevent a public nuisance.

(B) *Nuisance.* The outside parking or outside storage of recreational or specialty vehicles, on or abutting residential properties, in violation of the standards set forth in this section, is found to create a Public Nuisance subject to Section 72.22 of the City of Zumbrota's Fine Schedule (See Section 10.99 of City Code).

(C) *Definitions.*

(1) Recreational Vehicles: Any self-propelled vehicle and any vehicle propelled or drawn by a self-propelled vehicle used for recreational purposes including, but not limited to trail bike, off-highway motorcycle, as defined by Minn. Stat. § 84.787, subd. 7, or other all-terrain vehicle as defined by Minn. Stat. 84.90 and Minn. Stat. § 84.92, subd. 8-10, including campers and motorhomes.

(2) Specialty Vehicles: include motorized golf carts, all-terrain vehicles (ATVs), utility task vehicles (UTVs), trailers, cargo trailers, snowmobiles, boats, mini-trucks, and other watercrafts.

(D) *Permitted Storage Locations.* Recreational or specialty motor vehicles shall not be used for living, sleeping, or housing purposes, whether on public or private property. In extenuating circumstances, City residents may apply for a parking permit with the City, authorizing an extended parking period, which upon good and reasonable cause shown by the applicant, may be granted by City staff.

Recreational and specialty motor vehicles must be parked on an improved surface at all times, and may only be parked on a driveway or City street for up to seventy-two (72) hours at a time, for purposes of loading, unloading, or routine maintenance (See Section 72.03, 10.99 & 70.99) unless expressly authorized, in writing, by the City.

(1) In front or side yards abutting streets, the recreational or specialty vehicle must not extend more than eight (8) feet in front of the wall plane of the dwelling facing a street, nor shall it extend closer than fifteen (15) feet to the curb edge.

(2) In rear yards, recreational or specialty vehicles must be set back at least five (5) feet from any rear lot line not abutting a street and at least fifteen (15) feet from any rear lot line abutting a street.

(E) *Prohibited Acts*. It is unlawful for any person to operate a recreational or specialty motor vehicle in the following ways:

(1) In a manner so as to create a loud, unnecessary, or encroaching manner which disturbs, annoys, or interferes with the peace and quiet of the public.

(2) On a public sidewalk or walkway provided or used for pedestrian travel.

(3) On publicly owned land including school grounds, park property, playgrounds, except where permitted by this section.

(4) At any time while under the influence of intoxicating liquor or narcotics or controlled substances as defined by State law.

(5) On any public street, highway, or right-of-way, unless licensed by the City.

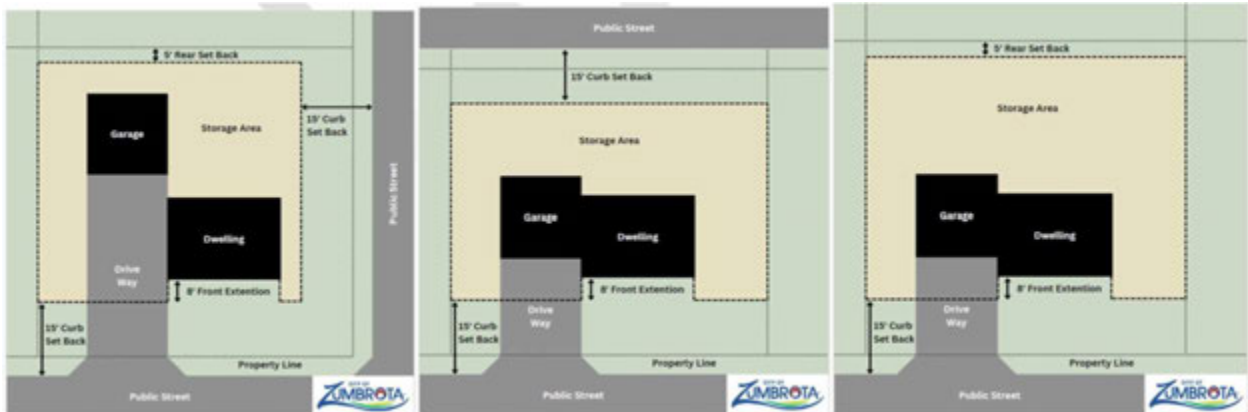
(6) To operate or halt any recreational or specialty vehicle carelessly or with disregard for the rights safety of others.

(F) *Minimum Equipment Requirements*

(1) Mufflers. Standard mufflers must be properly attached and in constant operation to reduce the noise of the gasoline motor of any recreational or specialty vehicle to the minimum necessary for operation. No person may use a muffler cutout, by-pass, straight pipe, or similar device on a recreational or specialty vehicle.

(2) Brakes. Brakes must be adequate to control the movement of the vehicle and to stop and hold the vehicle under any conditions of operation.

(3) Lamps. At least one (1) clear lamp must be attached to the front of the vehicle with sufficient intensity to see at least 100 feet ahead during the hours of darkness under normal conditions. It must also be equipped with at least one (1) red tail lamp having a minimum candlepower of sufficient intensity to exhibit light plainly visible from a distance of 500 feet after day under normal conditions. This equipment is required and must be in operating condition when the vehicle is operated.



Memo



To: Mayor & City Council Members

From: Miranda Raasch

Date: March 17, 2025

Re: Request to switch Credit/Debit Card Providers

Staff is requesting the discontinuation of the current credit/debit card providers Payment Service Network (PSN) and Gila/MSB in support of a switch to Zift.

The capabilities with Zift are much greater than our current two providers as well as it being more compatible with our current utility software. With Zift, we would be able to take online payments for anything we'd like through our Customer Portal. Our Customer Portal is an easy way for customers to view their utility account, update payment types, and make payments. Currently, customers are only able to pay their utility bill through our Customer Portal. We also have customers using PSN, which creates an added bit of confusion for customers as they can only pay utility bills through that website and not view their utility bill or change any account information.

The following are examples of online payments we would be able to accept moving forward with Zift:

- building permits
- dog licenses
- shelter/room rental fees
- fingerprinting
- fines
- liquor/tobacco/THC licenses

The currently process for the above items being paid via credit/debit involves customers either calling in their payments over the phone or coming into City Hall. Zift would provide a more convenient method of payment not only for us but for our customers as well.

	YEARLY FEE	CC FEE	CC <\$100 FEE	ECHECK FEE	NSF FEE	CHARGEBACK FEE
PSN	\$89.00	2.75%	2.75%+\$0.50	\$1.10	\$35.00	\$15.00
GILA/MSB	\$95.00	2.9%+\$0.30	2.9%+\$0.30	\$1.00	\$12.00	\$12.00
ZIFT	\$0.00	2.9%+\$0.30	2.9%+\$0.30	\$1.00	\$2.50	\$15.00

Attached you will also find information regarding a new payment terminal that will be needed. Staff feels the P2 SMARTPAD or P2 PRO would be the most appropriate for City Hall.

SUNMI P2 SMARTPAD Payment Terminal New

Integrated PINpad for a faster checkout experience

\$359.00

High Performance For Seamless Payment

Built-in quad-core 1.3GHz processor and large memory optional ensure smooth operation. PCI PTS 6.x certified, the P2 SMARTPAD satisfies local payment compliance, for your every transaction to be secured.

Ergonomic Design Powering A High-end User Experience

P2 SMARTPAD presents a large 4" landscape mode screen to provide users a wider interface. The ergonomic keypad is designed to facilitate reliable and accurate input. IP53 rated, the P2 SMARTPAD can sustain liquid spilling or splashing.

Multi-option Payment Support

Accepting any electronic payment method, including Chip & Pin, Chip & Sign, Magstripe, QR code, Contactless, Google pay/Apple pay, P2 SMARTPAD fulfills your customers payment needs.

SUNMI OS Empowers Better Operational Efficiency

During payment, kiosk mode can effectively prevent any program exit caused by user misuse. Default application startup can be set on SUNMI Partner Platform for P2 SMARTPAD to boot directly on a selected application.

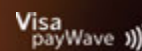


P2 SMARTPAD Tech Specs

Model Approved T6A10	OS SUNMI OS (*based on Android 9.0)	Processor Cortex-A53, quad-core 1.3GHz	Memory 1GB RAM+8GB Flash; 2GB RAM+16GB Flash (optional)	Display 4" color screen, WVGA; 480*800; Capacitive multi-touch
Camera Front: 0.3MP, FF 1D/2D barcode scanning SMP, FF (optional) Photo-taking supported	Wi-Fi 2.4GHz/5GHz IEEE 802.11 a/b/g/n/ac	Bluetooth Bluetooth 4.1 BLE	NFC Reader Type A&B card, MIFARE card; ISO/IEC 14443, qUICS, PayPass, payWave	Magstripe Reader 1/2/3 track; Bi-directional card reading; ISO 7810/7811 compliant; Dual MSR head (optional)
IC Card Reader Smart IC card; ISO 7816/EMV compliant	Ports 1*RJ45 LAN port, 1*Type-C support RS232, USB 1*Audio Jack 1*Kensington	PSAM Card Slot 2*PSAM	TF/Micro SD Card Slot 1*Micro SD (up to 32GB)	Power Adapter Input: AC 100~240V Output: DC 12V/1A PoE, Powered USB, Powered RS232 supported
Speaker 1*1W	MIC (Optional) 1*MIC	Buttons 15 keys (10 numeric keys+5 function keys); raised markings Backlit supported	Dimensions (L*W*H) 181.85*117.8*54.5mm	Total Weight 385g
Security PCI PTS 6.x	Protection IP53	Environment Operating temp: -10°C~50°C Storage temp: -20°C~60°C	Accessories Stylus pen, rotatable mount, customizable multi-function cable	

SUNMI P2 PRO Smart Payment Terminal

Bezel-less, more powerful.



Ergonomics

Its 5.99" bezel-less screen and the ultra-slim (thinnest part 17.5mm) body all reflect SUNMI's never-ending pursuit of ergonomics.

High Performance

Equipped with a high performance processor and a 2GB of RAM, P2 PRO features quick responses and smooth switches among Apps.

Convenient Data Capture

To read product barcodes, P2 PRO comes with a 1D barcode scan engine, thus to make it applicable in all retail scenarios.

Optional Accessory



SUNMI P2 PRO Cradle
A charging cradle & USB expander.



\$379.00

SUNMI P2 PRO Tech Specs

Product Model

T692C

OS

SUNMI OS
(*based on Android 7.1)

Processor

Cortex-A53 quad-core,
1.4GHz

Memory

2GB RAM+16GB ROM

Display

5.99" HD+, 1440*720
Capacitive multi-touch

Camera

Rear:
5MP, Flash, AF
1D/2D barcode scanning

Magstripe Reader

1/2/3 track card
Bidirectional reading
ISO 7810/7811 compliant

IC Card Reader

Smart IC card/logic encryption contact card
EMV/PBOC 3.0 compliant
5V/3V/1.8V

NFC Reader

Type A & B card, Mifare card, FeliCa card
ISO/IEC 14443, qPBOC3.0, EMV, Paypass,
Paywave, FeliCa ISO18092 compliant.

Security

ANSI X9.8/ISO 9564, ANSI X9.9/ISO 16609, ANSI X 9.24-1, ANS
X9.24-3, Master Key/Session Key, DUKPT, and ANSI X9 TR-31
compliant.
3DES, AES, RSA, SHA-256, SM2, SM3, SM4.

Printer

Built-in 58mm thermal
printer
Print speed: 70mm/s
Paper roll: ϕ 40mm max

Scanner

1D professional hardware
decoding scanner (Optional)

Speaker

1*0.8W

PSAM Card Slot

2* SAM
ISO 7816 compliant

SIM Card Slot

2* SIM

Network

2G & 3G & 4G

Wi-Fi

2.4GHz/5GHz
IEEE 802.11a / b / g / r

Bluetooth

Bluetooth 2.1/3.0/4.1
and BLE

GPS

AGPS, GPS

Sensor

Gravity sensor

Weight

430g

Port

1* Type-C USB2.0 HS
OTG supported

Battery

Non-removable LiPo battery,
7.6V/2580mAh

Power Adapter

Input: AC 100~240V
Output: DC 5V/2A

Dimensions (L*W*H)

224.9*84.2*17.5mm

Base (Optional)

Charging base,
supporting USB OTG

Buttons

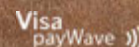
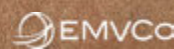
1* Power on/off button (lock screen button)
2* Volume (+/-) button

Environment

Operating temp: -10°C~50°C
Storage temp: -20°C~60°C

SUNMI P2 Smart Payment Terminal

Cost-effective, high performance.



High-speed Printing

With an inbuilt 58mm Seiko thermal printer, P2 delivers excellent printing quality smoothly and swiftly.

Front and Rear Cameras

P2 is equipped with an UnionPay certified front camera for facial recognition payment and a rear camera for QR code payment.

Removable Battery

The removable LiPo battery offers a higher flexibility for multi-shift operations.

Optional Accessory



SUNMI P2 Cradle

A charging cradles supporting USB OTG and Ethernet (optional).

\$290.00

SUNMI P2 Tech Specs

Product Model

T690C

OS

SUNMI OS
(*Android 7 & 11Go.)

Processor

Cortex-A53, quad-core
1.5GHz

Memory

1GB RAM+8GB ROM
2GB RAM+16GB ROM
(Optional)

Display

5.5" HD+, 1440*720
Capacitive multi-touch

Camera

Front: 0.3MP FF (Optional)
Rear:
5MP AF + Flashlight
1D/2D barcode scanning

Printer

Built-in 58mm thermal printer
Print speed: 70mm/s
Paper roll: ϕ 40mm

Magstripe Reader

1/2/3 track;
Bi-directional card reading;
ISO 7810/7811 compliant

IC Card Reader

Smart IC card/logic
encryption contact card;
ISO 7816/EMV/ PBOC 3.C
compliant;
5V/3V/1.8V

Cryptographic Standards (China)

SM2, SM3, SM4

NFC Reader

Type A & B card, Mifare card;
ISO/IEC 14443, qPBOC3.0, EMV, Paypass, Paywave

Security

NSI X9.8/ISO 9564, ANSI X9.9/ISO 16609, ANSI X9.24-1, ANSI X9.24-3, Master Key/Session Key, DUKPT, and ANSI X9 TR-31 compliant.
3DES, AES, RSA, SHA-256, SM2, SM3, SM4.

Fingerprint (Optional)

FAP10, STQC, FB

Speaker

1* 1W

PSAM Card Slot

1* MINI SAM
or 2*MINI SAM

SIM Card Slot

1* NANO SIM
or 1*MINI SIM & 1*NANO SIM

Network

2G & 3G & 4G

Wi-Fi

2.4GHz/5GHz
IEEE 802.11a/b/g/r

Bluetooth

Bluetooth 2.1/3.0/4.2

GPS

GPS, AGPS

Buttons

1* Power button
1* Function button

MIC

1* MIC

Port

1* Type-C,
OTG supportec

Battery

Removable LiPo battery
7.6V/2540mAh
3000mah (Optional)

Power Adapter

Input: AC 100~240V
Output: DC 5V/2A

Dimensions (L*W*H)

222*81.6*17.6mm

Weight

400g

Environment

Operating temp: -10°C~50°C
Storage temp: -20°C~60°C

Base (Optional)

Charging base,
supporting USB OTG and
Ethernet (optional)

SUNMI P2 MINI Smart Payment Terminal



Ultra-slim body contains all-in-one mobile payment.



P2 MINI Scanner / P2 MINI Standard

Multiple Payment Methods

P2 MINI supports payment of QR code, magnetic stripe card, IC card and NFC.

Improved Performance With Low Consumption

Built-in quad-core 1.8GHz processor, P2 MINI brings powerful performance and lower consumption. Using SUNMI OS based on Android 9.0 GO, it brings a smoother experience.

The Slim Body Design Brings A Light Grip

With thinnest part is only 15mm, P2 MINI brings a comfortable one-handed grip and survives the 1.2-meter drop, continuing the durable features.

Professional 2D Scan Engines

1D/2D barcodes can be recognized even if they are scratched, folded or stained.

Optional Accessories

Rugged Case

Use with this rubber case to make P2 MINI even more rugged (1.6m drop proof). It also has a lanyard hole for easy carry.

4-slot Battery Charger*

Support charging up to 4 POS simultaneously and intelligent battery management

Fingerprint Case*

The payment POS with fingerprint case integrates fingerprint recognition biometric solution.

*These accessories will be launched to the market. Please consult sales reps for details.



\$275.00

P2 MINI Tech Specs

Product Model T5810	OS SUNMI OS (*based on Android 9.0 Go)	Processor Cortex-A53, quad-core 1.8GHz or 2.0GHz	Memory 1GB RAM+8GB ROM 2GB RAM+16GB ROM (Optional)	Display 5" HD, 1280*720, IPS Capacitive multi-points
Camera Rear: 5.0MP, Flash, AF, support 1D/2D barcode scanning Front: 0.3MP FF, support 1D/2D barcode scanning (optional)	Magstripe Reader 1/2/3 track; BI-directional card reading; ISO 7810/7811 compliant	IC Card Reader Smart IC card; ISO 7816/EMV/PBOC 3.0 standards compliant	NFC Reader Type A & B card, Mifare card; PBOC 3.0, ISO/IEC 14443, Paypass, Paywave compliant	
Speaker 1" 1W	Network 2G & 3G & 4G	Wi-Fi 2.4GHz/5GHz IEEE 802.11 ac/a/b/g/n	Bluetooth Bluetooth 5.0 BLE	GPS GPS, AGPS
Sensors Gravity Sensor (Optional) P/L sensor (Optional)	Buttons 1" Power on/off button 2" Functional button	Battery Built-in LiPo battery, 3.8V/2500mAh	PSAM Card Slot 1"PSAM, ISO 7816 standard compliant	Pogo Pin 8" POGO Pin (Optional)
Sim Card / TF Card Slot 2" SIM (1.8V/3.0V) or 1" SIM + 1" Micro SD (up to 32GB)	Dimensions (L*W*H) 144*74*15mm (20mm for scanner side)	Total Weight Main frame net weight: 200g (Standard vers.) 210g (Scanner vers.)	Port 1" Type-C USB 2.0 OTG supported 1" 3.5mm Audio Jack	Environment Operating temp: -10°C~50°C Storage temp: -20°C~60°C
Security ANSI X9.8/ISO 9564, ANSI X9.9/ISO 08731, Master Key/ Session Key, Support 3DES, RSA, SHA-256, SM2, SM3, SM4, etc.	Certifications PCI PTS 5.x, SRED EMV L1 & L2 EMV Contactless L1 MasterCard paypass Visa payWave MasterCard TQM ABECS FCC CE Anatel RoHS Discover D-PAS JCB AE	Scanner 1D/2D Professional Barcode Reader (Scanner version)		



Boyer Ford Trucks, Inc.
A Transwest Company
4631 Odessa Ave. NE
St. Michael MN 55376

Invoice

Contract Date: 03/07/2025
Deal #: DE-18292
Customer #: 41974
Invoice #: 18292
Salesperson: Bill Fischer

Bill To: **41974**
CITY OF ZUMBROTA
175 WEST AVE
ZUMBROTA MN 55992
P:(507) 951-8773

Ship To:
CITY OF ZUMBROTA
175 WEST AVE
ZUMBROTA, MN 55992

REMIT TO: Boyer Trucks | PO Box 512 | St Michael | MN | 55376

Stock#: WS22739 VIN:SKKAAVFE7PPNK1475 Mileage: 1
OMAHA ORANGE ELITE E New 2023 WST 4700SF

Price:	\$299,900.00
Documentation Fee	\$275.00
License Fee	\$20.00
Transfer Fee	\$75.50
6.875% State Tax	\$20618.13
Per Unit:	\$320,888.63

Net Total \$320,888.63



**CITY OF ZUMBROTA
GOODHUE COUNTY
STATE OF MINNESOTA**

**RESOLUTION 2025-17
RESOLUTION AUTHORIZING AN INTERFUND LOAN FOR ADVANCE OF
CERTAIN COSTS IN CONNECTION WITH THE PURCHASE OF A NEW PLOW
TRUCK AND OTHER CAPITAL EQUIPMENT AS DEEMED NECESSARY**

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

Section 1. Background.

1.01. The City has heretofore approved the purchase of a new plow truck and other capital equipment as deemed necessary.

1.02. The City has determined to pay for certain costs identified for the new plow truck consisting of the truck, associated equipment, documentation fee, license fee, transfer fee, and sales tax and other capital equipment as deemed necessary (collectively, the "Qualified Costs"), which costs may be financed on a temporary basis from City funds available for such purposes.

1.03. Under Minnesota Statutes, Section 469.178, Subd. 7, the City is authorized to advance or loan money from the City's general fund or any other fund from which such advances may be legally authorized, in order to finance the Qualified Costs.

1.04. The City intends to reimburse itself for the Qualified Costs from the Sewer Restricted Fund (Fund 606) in accordance with the terms of this resolution (which terms are referred to collectively as the "interfund loan").

Section 2. Terms of Interfund Loan.

2.01. The City hereby authorizes the advance of A \$350,000 from the Sewer Restricted Fund (Fund 606). The City shall reimburse itself for such advances together with interest at the rate stated below. Interest accrues on the principal amount from the date of the advance. The maximum rate of interest permitted to be charged is limited to the greater of the rates specified under Minnesota Statutes, Section 270C.40 or Section 549.09 as of the date the loan or advance is authorized, the interest rate shall be 3% and will not fluctuate.

2.02. Principal and interest ("Payments") on the Interfund Loan shall be paid annually on each December 31 (each a "Payment Date"), commencing on December 31, 2025.

2.03. The principal sum and all accrued interest payable under this Interfund Loan are pre-payable in whole or in part at any time by the City without premium or penalty. No partial prepayment shall affect the amount or timing of any other regular payment otherwise required to be made under this Interfund Loan.

2.05. This Interfund Loan is evidence of an internal borrowing by the City in accordance with Minnesota Statutes, Section 469.178, Subd. 7.

2.06. The City may amend the terms of this Interfund Loan at any time by resolution of the City Council, including a determination to forgive the outstanding principal amount and accrued interest to the extent permissible under law.

Section 3. Effective Date. This resolution is effective upon the date of its approval.

Motion introduced by _____, seconded by _____ and adopted this 2nd day of January 2025 upon the following roll call vote:

AYES:

NAYS:

ABSENT:

SIGNED:

ATTEST:

Todd Hammel, Mayor

Brian Grudem, City Administrator

	Aye	Nay
Todd Hammel	___	___
Bob Prigge	___	___
Joan Bucher	___	___
Kevin Admundson	___	___
Fred Raasch	___	___



MEMORANDUM

DATE: March 20, 2025

TO: Mayor Hammel and Members of the City Council

FROM: Kim Simonson, Finance/HR Director

RE: *EQUIPMENT CERTIFICATES VS INTERFUND LOAN*

The City of Zumbrota's Capital Improvement Plan and the budget for 2025 allows for an issuance of equipment certificates in the amount of \$350,000 to fund capital equipment purchases. There are two choices for funding this \$350,000. The first would be to issue debt with an outside lender, the second would be to do an interfund loan. If we were to use an outside lender the city would pay back principal and interest to that lender on a 10-year note. If the City were to do an interfund loan those interest payments would be paid to the fund loaning the money and the interest payments would remain in house. I respectfully ask the Council to consider a \$350,000 interfund loan from the Sewer Restricted Fund (Fund 606) to the Capital Equipment Fund (Fund 400) for a period of 10 years at an interest rate of 3.00%. This money would come out of the money market investments for Fund 606 which is currently receiving an interest rate of 2.5%. Payments would be \$41,030.68, which is right in line with the capital plan. Also, please note the Council did not issue equipment certificates in 2024 but chose instead to fund an equipment purchase with the increase in LGA. Administrator Grudem will also discuss the possibility of a refund resolution which would allow us to issue debt if an unforeseen circumstance came up and Fund 606 needed the money back.

I have included an amortization schedule for your consideration.



Interfund Capital Equipment Loan

Enter values

Loan amount	\$350,000.00
Annual interest rate	3.00%
Loan period in years	10
Number of payments per year	1
Start date of loan	7/1/2025
Optional extra payments	\$100.00

Loan summary

Scheduled payment	\$41,030.68
Scheduled number of payments	10
Actual number of payments	1
Total early payments	\$0.00
Total interest	\$60,306.77
Lender name	Woodgrove Bank

Payment number	Payment date	Beginning balance	Scheduled payment	Extra payment	Total payment	Principal	Interest	Ending balance	Cumulative interest
1	7/1/2025	\$350,000.00	\$41,030.68	\$0.00	\$41,030.68	\$30,530.68	\$10,500.00	\$319,469.32	\$10,500.00
2	8/1/2025	\$319,469.32	\$41,030.68	\$0.00	\$41,030.68	\$31,446.60	\$9,584.08	\$288,022.73	\$20,084.08
3	9/1/2025	\$288,022.73	\$41,030.68	\$0.00	\$41,030.68	\$32,390.00	\$8,640.68	\$255,632.73	\$28,724.76
4	10/1/2025	\$255,632.73	\$41,030.68	\$0.00	\$41,030.68	\$33,361.70	\$7,668.98	\$222,271.03	\$36,393.74
5	11/1/2025	\$222,271.03	\$41,030.68	\$0.00	\$41,030.68	\$34,362.55	\$6,668.13	\$187,908.49	\$43,061.87
6	12/1/2025	\$187,908.49	\$41,030.68	\$0.00	\$41,030.68	\$35,393.42	\$5,637.25	\$152,515.07	\$48,699.13
7	1/1/2026	\$152,515.07	\$41,030.68	\$0.00	\$41,030.68	\$36,455.23	\$4,575.45	\$116,059.84	\$53,274.58
8	2/1/2026	\$116,059.84	\$41,030.68	\$0.00	\$41,030.68	\$37,548.88	\$3,481.80	\$78,510.96	\$56,756.38
9	3/1/2026	\$78,510.96	\$41,030.68	\$0.00	\$41,030.68	\$38,675.35	\$2,355.33	\$39,835.61	\$59,111.70
10	4/1/2026	\$39,835.61	\$41,030.68	\$0.00	\$39,835.61	\$38,640.54	\$1,195.07	\$0.00	\$60,306.77

Memo

To: Mayor & Council
From: Mike Olson
cc: Brian Grudem
Date: 03/14/25
Re: Concrete For Water Fill Station

I have two quotes for concrete flatwork along the north side of the cold storage building for the water fill station. The first quote is from Krause Masonry for a total of \$15,365.00. The second quote is from Creative Concrete for a total of \$15,100.00. It is public works recommendation to accept the quote from Creative Concrete in the amount of \$15,100.00. I have attached copies of the quote.

Thank you,



Date: 2/5/2025

Customer: City Of Zumbrota – Water Fill Station Driveway – Attn. Mike

Job Description/Work Included:

Flatwork:

Setup, Fine Grade, Rebar Pour, Broom Finish and Saw Cut Driveway 16' Wide Along The Building From the Street Than Turning to Exit at 25' Wide For An Additional 10'

Exclusions: Fill for Fine Grading

Concrete Specs: 4000 psi concrete over compacted base, rebar placed and tied together according to spec – saw cuts to be placed to ACI standards – Work to be done in a professional and timely manner

Fill Requirements: Class 5 Gravel will be billed as and additional charge if needed.

Total Bid: \$15100.00

Quote prices good 30 days from bid

Potential Fuel Surcharges To Be Applied Effective January 1 2023

Creative Concrete Designs, Inc.

Date: _____

Customer

Date: _____

Aaron Hinz
Cell: (507) 208-6178
Email: aaron@creativeconcretemn.com

Jake Rude
Cell: (507) 251-0807

Krause Masonry, Inc.
45494 200th Ave
ZUMBROTA, MN 55992 US
+15077325777
krause.masonry@gmail.com

Proposal



ADDRESS

City of Zumbrota
City of Zumbrota
175 West Ave
Zumbrota, MN 55992

PROPOSAL #	DATE	
1709	03/12/2025	

P.O. NUMBER

concrete slab at Maintenance Ga

ACTIVITY

Flatwork - 6"

6" Flatwork. 4000# 16' x 96' + 12' x 18'curved

SUBTOTAL	15,365.00
TAX (6.875%)	0.00
TOTAL	\$15,365.00

Accepted By

Accepted Date

Larry Zielsdorf
44540 Jefferson
Zumbrota, MN 55992

March 20, 2025

Honorable Mayor and Council Members of the Zumbrota City Council
175 W. Avenue
Zumbrota, MN 55992

Dear Mayor Hammel, Council Member Prigge, Council Member Bucher, Council Member Amundson, and Council Member Raasch,

I am writing this letter to formally announce my retirement as your Street Supervisor for the City of Zumbrota effective August 15, 2025.

I greatly appreciate the opportunity to work for the City of Zumbrota, and to work with such dedicated Mayors, Councils, and staff. I have learned much and gained valuable experience, but I have decided it is time for me to move to the next phase of life and enjoy my retirement.

I will do everything I can to ensure a smooth transition during my remaining time with the City of Zumbrota.

Thank you for your support during my time here. I am grateful to have worked for the City of Zumbrota and its residents.

Sincerely,

Larry Zielsdorf

A handwritten signature in cursive script that reads "Larry Zielsdorf". The signature is written in black ink and is positioned below the printed name.