

City of Mantorville, Minnesota Business Subsidy Criteria

The following business subsidy criteria are intended to satisfy the requirements of Minnesota Statutes 116J.993 through 116J.995 (the "Act"). The Term "City" means collectively the City of Mantorville.

Criteria

The City hereby expresses its support for the use of business subsidies that meet the below listed criteria.

1. But-for Test. There is a substantial likelihood that the project would not go forward without the business subsidy requested. This criteria must be supported by representations of the applicant for business subsidy.
2. Redevelopment. The project will remove, prevent or reduce blight or other adverse conditions of the property, thereby protecting the City's property values and the general public health, safety, and welfare.
3. Attraction of New Business. The project will attract or retain competitive and financially strong commercial and industrial companies, which offer the potential for significant growth in employment and tax base.
4. Highest and Best Land Use. The use of the business subsidy will encourage quality construction and promote the highest and best use of land, consistent with the City's Comprehensive Plan.
5. Needed Services. The project will provide a needed service in the community, including health care, convenience and social services which are not currently available.
6. Unmet Housing Needs. The project will provide housing alternatives the community currently needs but are not available.
7. Economic Feasibility. The recipient can demonstrate that it has experience and adequate financing for the project, and that the project can be completed in a timely manner.
8. Impact on City Services and Infrastructure. The project will not significantly and adversely increase the demands for service needs in the City.
9. Job Creation. The project will create or retain jobs which pay at least the higher of the current Federal Minimum Wage or State of Minnesota minimum wage plus appropriate benefits. The City may take into account the special needs of small or growth-phase businesses with potential to create high paying jobs in the future.
10. Tax Base. The project will increase the City's tax base and generate new property tax revenue.

Evaluation

The City will evaluate each request for a business subsidy on a case by case basis. Applicants for assistance shall complete an application form and supply all additional information requested by the City. Meeting all or a majority of our criteria does not mean a subsidy will be awarded or denied. A decision to approve or reject a request for subsidy will be based on the merits of the project and the overall benefit to the community.

Adopted: May 2015

Valuation of a Business Subsidy

The City will calculate the value of assistance provided to a business in the following manner.

1. If the subsidy is a contribution or sale of real or personal property, the amount of the subsidy will be the fair market value of the property as determined by the City, less any amount paid.
2. If the subsidy is a loan, the amount of the subsidy will be the principal amount of the loan.
3. If the subsidy is a loan guarantee, the amount of the subsidy will be principal amount of the loan guaranteed.
4. If the subsidy takes the form of payments over time (such as pay-as-you-go tax increment) the amount of the subsidy will be the sum of projected payments, discounted to a present value using a discount factor determined by the City.

**EXTRACT OF MINUTES OF A MEETING OF THE
CITY COUNCIL OF THE CITY OF
MANTORVILLE, MINNESOTA**

HELD: May 27, 2015

Pursuant to due call and notice thereof, a special meeting of the City Council of the City of Mantorville, Dodge County, Minnesota, was duly held at the City Hall on Wednesday, the 27th day of May, 2015 at 7 o'clock p.m. for the purpose, in part, of conducting a public hearing on the adoption of business subsidy criteria.

The following Councilmembers were present:

and the following were absent;

Councilmember _____ introduced the following resolution and moved its adoption;

**Resolution Adopting
Business Subsidy Criteria**

WHEREAS, the City of Mantorville, Minnesota (the "City") acknowledges the need to provide financial assistance to businesses in the City to further the economic and development objectives of the City; and

WHEREAS, of Minnesota Statutes 116J.993 through 116J.995 requires the City to establish Business Subsidy Criteria before any new business subsidy can be provided; and

WHEREAS, the City has performed all actions required by law to be performed prior to the adoption of Business Subsidy Criteria, including the holding of a public hearing upon published notice as required by law.

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

1. The City hereby adopts a Business Subsidy Criteria Policy as attached hereto as Exhibit A, in fulfillment of the requirements of Minnesota Statutes 116J.993 through 116J.995

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember _____ and upon vote being taken thereon, the following voted in favor:

and the following voted against the same.

Whereupon said resolution was declared duly passed and adopted.

City of Mantorville, Minnesota

Business Subsidy Application

Business Name: _____ Business Address: _____ City: _____ State: _____ Zip: _____ Contact Person: _____ Daytime Phone: _____ Evening Phone: _____	<i>For office use only:</i> Application # _____ Date Received _____ Development District _____ Finance District _____ Application Fee Paid _____
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Type of assistance requested:

Tax Increment
 Tax Abatement
 Low Interest Loan
 Other (please specify)

Amount of assistance requested: \$ _____

Projected start date: _____ Projected completion date: _____

Project Information

Please attach a description of the proposed project.
Please attach a description of why the assistance is needed, be specific.

Estimated Costs (please itemize)	Financing Sources (please itemize)
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
Total Costs \$ _____	Total Funds \$ _____

Project Site:
 Parcel #'s: _____
Please attach a legal description of the property.

If the assistance is for a building project:

Estimated value *after* project completion: \$ _____

Size of Building _____ sq. ft. Building Type _____

Function of Building: _____

Provide a sketch plan and/or site plan for the project.

