

**CITY OF BALATON, MINNESOTA**

**RESOLUTION NO. 2024-06**

**RESOLUTION GRANTING A PROPERTY TAX ABATEMENT  
FOR REAL PROPERTY LOCATED AT 3090 EASTBAY AVENUE IN THE CITY OF  
BALATON**

BE IT RESOLVED by the City Council (the “City Council”) of the City of Balaton, Minnesota (the “City”) as follows:

Section 1. Recitals.

1.01. Pursuant to Minn. Stat. 469.1813, the City has authority to grant an abatement, by contract or otherwise, of the taxes imposed by the City on a parcel of property within the city limits of the City (“Abatement”).

1.02. Pursuant to Minn. Stat. 469.1813, subd. 1, certain requirements must be met before the City may grant an Abatement.

1.03. In addition to the statutory requirements, the City has duly adopted an Abatement Policy setting forth additional criteria which must be met before an Abatement is granted.

1.04. Michael Wall and Kim Wall (collectively, “Owner”) own real property in the City of Balaton, located at 3090 Eastbay Avenue, Parcel #: 21-116030-0, with the following legal description:

Lots Thirty (30) and Thirty-one (31), Block One (1), Balaton Eastbay Addition,  
Balaton, Minnesota

(“Property”).

1.05. Pursuant to Minn. Stat. 469.1813, subd. 4, the Property is not located in a tax increment financing district.

1.06. Owner completed and submitted an application to the City for an Abatement on the Property.

1.07. The Abatement provided to the Property by the City will increase the tax base, will help redevelop or renew blighted areas, and will encourage capital improvements to the Property.

1.08. This City Council has reviewed the information concerning the Abatement referenced herein and the benefits and incentives proposed thereof.

1.09. The Property satisfies the requirements and criteria set forth in Minn. Stat. 469.1813, subd. 1 and the City's Abatement Policy.

1.10. The City Council conducted a duly noticed public hearing pursuant to Minn. Stat. 469.1813, subd. 5 on the Abatement proposed to be granted by the City and the reasons thereof. The views of all interested persons were heard and considered at the public hearing.

1.11. The City intends to grant an Abatement of the City's share of real estate taxes for the Property pursuant to the terms set forth in this Resolution.

## Section 2. Findings.

2.01. The recitals set forth above are incorporated into this Resolution.

2.02. It is hereby found and determined that the benefits to the City from the Abatement will be at least equal to the costs to the City of the Abatement, because (a) the City believes that improvement of the Property is not reasonably likely to occur absent the Abatement, (b) the Abatement will facilitate private ownership of and capital improvements to the Property, (c) the long-term taxes collected from the Property after termination of the Abatement will exceed the amount of the Abatement returned to the Owner, and (d) the Abatement is in the public interest because such action will increase the City's tax base and help redevelop or renew blighted areas.

2.03. It is further specifically found and determined that the Abatement is expected to result in the following public benefits:

(a) Creation of an estimated \$1,060.00 in yearly property taxes to the City, which will be available to all taxing jurisdictions after expiration of the Abatement.

## Section 3. Actions Ratified; Abatement Approved

3.01. The City Council hereby ratifies all actions of the City's staff and consultants in arranging for approval of this Resolution in accordance with Minn. Stat. 469.1813 – 469.1815.

3.02. Subject to the provisions of Minn. Stat. 469.1813 – 469.1815, the Abatement is hereby approved and adopted subject to the following terms and conditions:

(a) The City does, hereby grant an Abatement of the City's share of real estate taxes upon the Property for a period of three (3) years commencing in 2023.

(b) In accordance with Minn. Stat. 469.1813, subd. 8, in no year shall the Abatement, together with all other abatements approved by the City and paid in that year exceed the greater of 10% of the net tax capacity of the City for that year or \$200,000 (the "Abatement Cap"). The City may grant other permitted abatements after the date of this Resolution, provided that to the extent the total abatements in any year exceed the Abatement Cap, the allocation of Abatement Cap to such other abatements is subordinate to the Abatement granted pursuant to this Resolution.

(c) The Abatement will have a maximum term of three (3) years and shall be collected commencing with the 2024 taxes as follows:

- (i) 2024: 80% of the City's share of real estate taxes abated
- (ii) 2025: 60% of the City's share of real estate taxes abated
- (iii) 2026: 40% of the City's share of real estate taxes abated

(d) In no event shall the total payments of Abatement to Owner continue to be paid after 2026. The maximum Abatement amount for this parcel is \$10,000 over 3 years.

(e) In order to be entitled to the Abatement, Owner shall not be in default to the City for any taxes, assessments, utility charges, or other governmental impositions.


(f) The Abatement is subject to modification in accordance with Minn. Stat. 469.1813 – 469.1815.

(g) In accordance with Minn. Stat. 469.1815, the City will add to its levy in each year during the term of the Abatement the total estimated amount of current year Abatement granted under this Resolution.


(h) The City makes no warranties or representations regarding the amount or availability of the Abatement.

Section 4. County Participation. The Mayor and City Administrator are authorized to work with the County if it chooses to abate a portion of their portion of the property taxes for the benefit of the Owner.

Approved by the City Council of the City of Balaton, Minnesota this 11th day of March, 2024.

  
Lonnie Lambertus, Sr.  
Mayor

ATTEST:

  
Kim Wall  
City Clerk/Treasurer

**NOTICE OF PUBLIC HEARING ON A PROPOSED TAX ABATEMENT  
RESOLUTION**

**NOTICE IS HEREBY GIVEN** that a public hearing will be held before the Balaton City Council on April 08, 2024, in the Balaton City Council Chambers located at 134 Third Street, Balaton, Minnesota 56115, at 7:00 p.m. to consider passing a tax abatement resolution, abating the city's share of taxes on the following parcels of real property owned by Michael and Kimberly Wall.

The terms and conditions of the proposed tax abatement resolution are available to the public at the City's office.

Dated this 15<sup>th</sup> day of March 2024.

SIGNED BY:

Kimberly Wall  
Kimberly Wall, City Clerk-Treasurer