



MAYOR AND COUNCIL COMMUNICATION

DATE: 04/16/2013

CONSENT

ITEM #: 7

MOTION *As part of Consent Agenda*

**AGENDA ITEM:** Adopting Amended Resolution Authorizing Limited Property Tax Abatement for 8665 Hudson Boulevard for years 2014, 2015, 2016, and 2017

**SUBMITTED BY:** Beckie Gumatz, Program Assistant

**THROUGH:** Dean Zuleger, City Administrator

**REVIEWED BY:** Adam Bell, City Clerk

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**SUGGESTED ORDER OF BUSINESS (if removed from the Consent Agenda):**

- Introduction of Item and Report/Presentation..... City Administrator
- Questions from Council to Staff..... Mayor Facilitates
- Call for Motion ..... Mayor & City Council
- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates

**SUMMARY AND ACTION REQUESTED:**

As part of its Consent Agenda, the City Council is asked to approve Resolution No. 2013-27, authorizing a property tax abatement for a commercial property located in the I-94 Corridor Planning Area (8665 Hudson Boulevard). If removed from the consent agenda the recommended motion for this action is as follows:

***“Move to approve Resolution No. 2013-27, Authorizing Limited Property Tax Abatement for 8665 Hudson Boulevard for years 2014, 2015, 2016, and 2017”***

**BACKGROUND INFORMATION:**

On February 19, 2013, the City Council approved Resolution No. 2013-11, which authorized limited property tax abatement for 8665 Hudson Boulevard for years 2014, 2015, 2016 and 2017. Resolution No. 2013-27 simply changes the name of the purchasing company from “Valley Cartage” to “Norman James, LLC.” Norman James, LLC is the name of the real estate holding company that is purchasing the building, while Valley Cartage, Inc. is the company who will be leasing the building. Todd Gilbert is a 50% owner of Norman James, LLC and is the sole owner of Valley Cartage, Inc.

**STAFF REPORT:**

The City of Lake Elmo has worked with Washington County to determine a total abatement figure of \$40,000 over a period of 4 years to offset the artificiality of the assessment policy and free up liquidity for the creation of jobs. Washington County approved its Tax Abatement Resolution and Agreement for its part of the project on Tuesday April 9, 2013 at its County Board Meeting.

**RECOMMENDATION:**

It is recommended that the City Council approve as part of the Consent Agenda Resolution No. 2013-27. If removed from the consent agenda the recommended motion for this action is as follows:

***“Move to approve Resolution No. 2013-27, Authorizing Limited Property Tax Abatement for 8665 Hudson Boulevard for years 2014, 2015, 2016, and 2017”***

**ATTACHMENTS:**

- 1. Resolution No. 2013-27

**SUGGESTED ORDER OF BUSINESS (if removed from the Consent Agenda):**

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- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates