

PROCEEDINGS OF THE STURGIS CITY COUNCIL

The Common Council of the City of Sturgis met in special session starting at 5:02 p.m. on Monday, July 31, 2014 at City Hall. Present: Mayor Mark Carstensen, Alderpersons Jason Anderson, Mike Bachand, Branden Bestgen, David Hersrud (arrived at 5:06), Marcia Johnston, Tim Potts and Ronald Waterland. Also present: City Manager Daniel Ainslie City Attorney Greg Barnier. Absent: Kelly Vasknetz

Hersrud introduced the following written resolution and moved its adoption:

RESOLUTION 2014-46
RESOLUTION AUTHORIZING THE PURCHASE OF THE NORTHWEST CORNER
OF MAIN AND SECOND STREET “SECOND STREET PLAZA”

WHEREAS the City of Sturgis authorized a Downtown Steering Committee to develop strategies to enhance the quality of life within Sturgis by delineating strategies to improve the Sturgis Downtown Core; and

WHEREAS numerous items developed by that Committee have been completed including but not limited to the creation of the Downtown business Improvement District, the establishment of a Downtown Zoning overlay and the establishment of a Downtown Façade Improvement Program; and

WHEREAS one of the strategies developed included the construction of a Plaza in the heart of the Downtown where residents could gather year round for community celebrations which would also serve as a destination location for tourists throughout the year; and

WHEREAS the development of this plaza has been identified to be most ideally located at the northwestern corner of Main Street and Second Street; and

WHEREAS the City has attempted to proceed with the lease of the Plaza during non-Rally months in order to reduce the upfront costs associated with land purchase; and

WHEREAS the City has been unable to complete a long-term lease of the site because of federal regulations which limit the ability of banks to enter into long term leases for property; and

WHEREAS the ten year lease history of the parcel demonstrates the ability of the lease revenue to exceed the costs to finance the purchase of the plaza; and

WHEREAS the City has dedicated the revenue from Rally leases along Second Street to fund the development costs of the plaza.

NOW THEREFORE BE IT RESOLVED that this Resolution authorizes the City Manager to sign all necessary documents to purchase the northwest corner of Main and Second Street from First Interstate Bank for a price not to exceed \$870,000 and to sign all necessary documents to enter into a loan with First Interstate Bank to finance the said purchase and plaza improvements with a loan amount not to exceed \$1,200,000 amortized over 20 years at an annual interest rate of 3.75%.

Dated this 31st day of July, 2014.

Published: 08-13-2014

Effective: 09-03-2014

Johnston seconded the motion for the adoption of the foregoing resolution with all members present voting yes and the resolution was declared passed and adopted. Bachand was a yes with reservations.

Motion by Hersrud, second by Bestgen and carried to go into Executive Session for Contracts at 5:33 pm.

Motion by Waterland, second by Bestgen and carried to come out of Executive Session at 5:54 pm.

Motion by Bestgen, second by Waterland and carried to adjourn at 5:54.

ATTEST: _____
Fay Bueno, Finance Officer

APPROVED _____
Mark Carstensen, Mayor

Published once at the total approximate cost of \$