Summary

Ordinance No. 2587-20

Ordinance establishing the South Cedar Trails
Homeowners Association Housing Improvement Area
pursuant to Minnesota Statutes, Sections 428A.11 to 428A.21

This ordinance establishes the South Cedar Trail Homeowners Association Housing Improvement Area, which is the area legally described on Exhibit A of the Ordinance, and specifies the "Housing Improvements" that will be constructed in South Cedar Trails Housing Improvement Area and financed with the Housing Improvement Fee.

This ordinance provides that the city may impose a fee on housing units within the South Cedar Trails HIA at a rate, term or amount sufficient to produce revenues required to finance the construction of the Housing Improvements (the “Housing Improvement Fee”). The Housing Improvement Fee is set by a separate city council resolution, but the ordinance lays out the ground rules on how the Housing Improvement Fee will be determined. Those rules are summarized as follows:

- The portion of the Housing Improvement Fee attributable to the Common Elements shall be divided evenly among the 32 housing units.
- The portion of the Housing Improvement Fee attributable to windows shall be allocated based on the number of windows installed in each housing unit.
- The Housing Improvement Fee may be prepaid according to the terms set forth in the resolution.
- The Housing Improvement Fee will be collected at the same time and in the same manner as property taxes.
- The total Housing Improvement Fee for each unit may not exceed the amount specified in the notice of public hearing for the resolution imposing the Housing Improvement Fee.

This ordinance provides that at any time after a contract with the Association for construction of all or part of the Housing Improvements has been entered into or the work has been ordered, and the period for prepayment without interest of the Housing Improvement Fee has begun, the council may begin disbursement to the Association of the proceeds of an internal loan of available city funds in the principal amount necessary to finance the cost of the Housing Improvements that have not been prepaid, together with administrative costs.