



## Legislation Text

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**File #:** Res. 2020-095, **Version:** 1

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**City Council Meeting Date:** October 6, 2020

**To:** Mayor and City Council

**From:** Ben Martig, City Administrator

Consider Approval of Sale of Property in Faribault by Northfield Hospital + Clinics.

**Action Requested:**

The Northfield City Council consider the attached Resolution approving the sale by the Northfield Hospital + Clinics of real property at 1645 Lyndale Ave., N., Suite 103 in Faribault and dispensing with review of the sale by the Northfield Planning Commission. Note: Approval requires a two-thirds (5/7) vote.

**Summary Report:**

Northfield Hospital + Clinics (NH+C) purchased the former clinic property in 2016 for \$170,000 when NH+C acquired an ENT practice. Later, NH+C partnered with an orthopedic practice to provide services at this clinic. The practices outgrew the clinic space and the clinic moved to a new Faribault location in 2019. The former clinic was offered for sale. A purchase offer was received from K&J Baker Properties, LLC to purchase the building. The Hospital Board approved the sale on July 30, 2020.

The Northfield City Council called for the public hearing to consider sale of property on September 15, 2020. The public hearing notice was published in the Northfield News on Wednesday, September 23, 2020. The public hearing was held on October 6, 2020.

Per Northfield City Charter Section 15.5 a public hearing is required prior to the sale of real property.

City Charter Section 15.5. - Sales of Real Property.

The council may by resolution approved of by at least five (5) members sell or otherwise dispose of any real property of the city. A sale or other disposition of the city's real property may be made only after a public hearing has been held and published notice of the hearing has been given at least ten (10) but not more than thirty (30) days prior to the hearing. The net cash proceeds of the sale of the property shall be used to retire any outstanding indebtedness incurred by the city in the acquisition or improvement of the property. Any remaining net cash proceeds shall be used to finance other improvements in the capital improvement budget or to retire any other bonded indebtedness.

Minnesota Statutes, Section 462.356, subdivision 2 states that no publicly owned interest in real property within a city shall be acquired or disposed of until after the planning commission has reviewed the proposed acquisition or disposal and reported in writing to the city council its findings as to compliance of the proposed acquisition or disposal with the comprehensive plan. The same statute further states, however, that the city council may, by resolution adopted by two-thirds vote, dispense with the requirements of this subdivision when in its judgment it finds that the acquisition or disposal of real property has no relationship to the comprehensive plan.

Staff will provide the staff report as a presentation under the public hearing. No additional staff report is intended for this action item.

**Alternative Options:**

N/A

**Financial Impacts:**

N/A

**Tentative Timelines:**

N/A