

**CITY OF HOPKINS
HENNEPIN COUNTY, MINNESOTA**

ORDINANCE NO. 2025-1226

AN ORDINANCE ESTABLISHING SUMMIT ON 7 HOUSING IMPROVEMENT AREA

THE CITY OF HOPKINS ORDAINS:

SECTION 1. Background.

1.01. The City of Hopkins, Minnesota (the “City”) is authorized under Minnesota Statutes, Sections 428A.11 through 428A.21, as amended (the “Act”), to establish by ordinance a housing improvement area within which housing improvements are made or constructed and the costs of the improvements are paid in whole or in part from fees imposed within the area.

1.02. The City Council of the City (the “Council”) adopted a Housing Improvement Area Policy on September 18, 2024 (the “Policy”).

1.03. The City has determined a need to establish the Summit on 7 Housing Improvement Area (the “Area”) as further defined below, in order to facilitate certain improvements to property known as the “Summit on 7” all in accordance with the Policy.

1.04. The City has consulted with The Summit Condominium Association, Inc. a Minnesota nonprofit corporation (the “Association”), and with residents in the proposed Area regarding the establishment of the Area and the housing improvements to be constructed and financed under this ordinance.

SECTION 2. Findings.

2.01. The Council finds that, in accordance with Section 428A.12 of the Act and the Policy, owners of at least seventy five percent (75%) of the housing units within the proposed Area have filed a petition with the City Clerk requesting a public hearing regarding establishment of such Area.

2.02. On April 15, 2025, the Council conducted a public hearing, duly noticed in accordance with Section 428A.13, subdivision 2 of the Act, regarding adoption of this ordinance, at which all persons, including owners of property within the proposed Area, were given an opportunity to be heard.

2.03. The Council finds that, without establishment of the Area, the Housing Improvements (as defined below) could not be made by the Association for, or by the housing unit owners in, the Summit on 7.

2.04. The Council further finds that designation of the Area is needed to maintain and preserve the housing units within such Area.

2.05. The City has provided full disclosure of public expenditures, loans, bonds, or other financing arrangements in connection with the Area, and has determined that the Association will contract for the Housing Improvements.

2.05. The City will be the implementing entity for the Area and the improvement fee

pursuant to Section 427A.14.

2.07. The Council finds that the Area meets each of the approval criteria contained in the Policy, including the criterion that a majority of the Summit on 7 owners support the project and the Area financing. The Association presented evidence to the Council adequate to demonstrate that these criteria were met, including presentation to the Council of the petitions described in Section 2.01 above.

SECTION 3. Housing Improvement Area Defined.

3.01. The Area is defined as the area of the City legally described in Exhibit A attached hereto.

3.02. The Area contains sixty two (62) housing units as of the date of adoption of this ordinance.

SECTION 4. Housing Improvements Defined.

4.01. For the purposes of this ordinance and the Area, the term "Housing Improvements" means the following improvements to housing units and common areas within the Area: (a) roof replacement, (b) façade and siding replacement, (c) renovation of balconies, (d) replacement of windows, (e) replacement of doors, and (f) if all the contingency is not used, the following improvements may be completed: replacement of common area carpeting, repainting of common areas, replacement of the driveway and parking lot pavement. Any remaining unused contingency will be placed in the City designated fund for the Association/Area for use on future debt service for any bonds issued by the City in connection with the Housing Improvements. The estimated total cost is \$4,640,000, including construction costs, administrative fees and costs, soft costs, costs of issuing bonds to finance the improvements, and capitalized interest.

4.02. Housing Improvements also include the following:

- (a) all costs of architectural services, engineering services and consultant services for establishing an Area in connection with the activities described in Section 4.01 hereof;
- (b) all administration, legal and consultant costs in connection with the Area, including without limitation all costs related to financing or issuance of bonds, if any.

SECTION 5. Housing Improvement Fee.

5.01. The City may, by resolution adopted in accordance with the hearing and notice procedures required under Section 428A.14 of the Act, impose a fee (the "Housing Improvement Fee") on the housing units within the Area, at a rate, term or amount sufficient to produce revenues required to provide the Housing Improvements, subject to the terms and conditions set forth in this Section.

5.02. The Housing Improvement Fee will be based on the square footage (percentage of common expense obligation) of each unit, which is consistent with Section 428A.14, subdivision 1 of the Act and with the "Common Interest Community No. 1422 (Condominium) The Summit Condominiums Restated Declaration."

5.03. The Housing Improvement Fee will be imposed and payable for a period no greater than 20 years after the first installment is due and payable.

5.04. Housing unit owners will be permitted to prepay the Housing Improvement Fee in accordance with the terms specified in the resolution imposing the fee.

5.05. The Housing Improvement Fee will not exceed the amount specified in the notice of public hearing regarding the approval of such fee; provided, however, that the Housing Improvement Fee may be reduced after approval of the resolution setting the Housing Improvement Fee, in the manner specified in the resolution.

5.06. The Housing Improvement Fee shall be collected at the same time and in the same manner as provided for payment and collection of ad valorem taxes, in accordance with Section 428A.15 of the Act and Minnesota Statutes, Section 428A.05. As set forth in Section 428A.14, subdivision 2 of the Act, the Housing Improvement Fee is not included in the calculation of levies or limits on levies imposed under any law or charter.

SECTION 6. Annual Reports.

6.01. By August 15, 2026, and by each August 15th thereafter until the Housing Improvement Fees have been paid in full and any bonds issued are no longer outstanding (or any later date specified in an agreement between the City and the Association), the Association (and any successor in interest) must submit to the City Clerk a copy of the Association's audited financial statements.

6.02. The Association (and any successor in interest) must also submit to the City any other reports or information at the times and as required by any contract entered into between that entity and the City.

SECTION 7. Notice of Right to File Objections.

7.01. Within five days after the adoption of this ordinance, the City Clerk is directed to mail to the owner of each housing unit in the Area the following: a summary of this ordinance; notice that owners subject to the proposed Housing Improvement Fee have a right to veto this ordinance if owners of at least forty-five percent (45%) of the housing units within the Area file a written objection with the City Clerk before the effective date of this ordinance; and notice that a copy of this ordinance is on file with the City Clerk for public inspection.

SECTION 8. Amendment.

8.01. This ordinance may be amended by the Council upon compliance with the public hearing and notice requirements set forth in Section 428A.13 of the Act.

SECTION 9. Summary Publication.

9.01. In accordance with Section 3.03 of the City Charter and Minnesota Statutes, Section 412.191, the City Council determines the publication of the title and a summary of the Ordinance would clearly inform the public of its intent and effect, and so City staff shall have the following summary printed in the official City newspaper in lieu of the complete ordinance:

ORDINANCE NO. 2025-1226

AN ORDINANCE ESTABLISHING SUMMIT ON 7 HOUSING IMPROVEMENT AREA

On April 15, 2025, the Hopkins City Council adopted Ordinance 2025-1226. The purpose of the ordinance is to establish the Summit on 7 Housing Improvement Area. The ordinance defines the housing improvement area, housing improvements, and authority to impose a housing improvement fee. The ordinance also provides certain findings, outlines annual reporting requirements, and identifies the rights of owners within the housing improvement area. A printed copy of the ordinance is available for inspection during regular business hours at Hopkins City Hall and at the Hopkins Library and is available online at the City's website located at www.hopkinsmn.com.

SECTION 10. Effective Date.

10.01. This ordinance is effective forty-five (45) days after adoption, or thirty (30) days after publication, whichever is later, subject to the veto rights of housing unit owners under Section 428A.18 of the Housing Improvement Act.

First Reading:	April 15, 2025
Second Reading:	May 6, 2025
Date of Publication:	May 15, 2025
Date Ordinance Takes Effect:	June 20, 2025

By _____
Patrick Hanlon, Mayor

ATTEST:

Amy Domeier, City Clerk

EXHIBIT A

Legal Description

Original Underlying Description. The Original Declaration established Common Interest Community No. 1422, Hennepin County, Minnesota, under the name The Summit Condominiums. It is a condominium (and not a planned community or cooperative), and is not subject to a master association. The underlying real estate included within this CIC was legally described in the Original Declaration as follows:

Lot 1, Block 1, Crossroads, Hennepin County, Minnesota.

Present Description. The real estate included in this CIC is now legally described as follows:

Units 200 through 205, inclusive, 207 through 213, inclusive;

Units 300 through 305, inclusive, 307 through 313, inclusive;

Units 401 through 405, inclusive, 407 through 413, inclusive;

Units 500 through 505, inclusive, 508 through 513, inclusive;

Units 600 through 605, inclusive;

Units 700 through 705, inclusive,

The Summit Condominiums, Common Interest Community No. 1422, Hennepin County, Minnesota.