

INFORMATION MEETINGS FOR THE  
CROSSLAKE COMMUNITY CENTER REFERENDUM

The City Council scheduled meetings on Saturday, August 19, 1995 and Monday, August 21, 1995 at the Emergency Services Center in Crosslake to answer questions or concerns residents may have regarding the referendum to be held on August 29, 1995. Councilmembers present at the Saturday meeting were Mayor Dave Kolesar, Ray Smyth, Jane Michaud and Jack Webster. There were approximately 25 citizens present on Saturday. Councilmembers present at the Monday meeting were Mayor Dave Kolesar, Ray Smyth and Jane Michaud. There were approximately 40 residents present on Monday.

Ray Smyth welcomed all who were present and introduced Councilmembers and Building Committee Members.

Both sessions were video taped and were shown on the local television station several times.

Edited by:



Arlene A. Buchite  
City Clerk/Treasurer

# Important Notice To The Residents Of Crosslake

On Tuesday, August 29, 1995, the residents of Crosslake will have an opportunity to vote on an authorization for the City of Crosslake to borrow money by issuing its general obligation bonds in an amount not to exceed \$640,000 to finance the construction of a new Community Center building to replace the one destroyed by fire in January, 1994.

## Get The Facts!

Read this brochure carefully and then attend one of the following information meetings scheduled by the Crosslake City Council.

Saturday, August 19, 10:00 a.m.

Monday, August 21, 7:00 p.m.

Both meetings will be held in the Crosslake Emergency Services building.

This publication or information is provided by the City of Crosslake and is not circulated for the purpose of influencing either a "yes" or "no" vote at the August 29, 1995, special election.

### What is included in the proposed building?

The building includes two community rooms, a multi-purpose recreational center, an exercise room, a serving kitchen, lavatory and locker facilities, storage spaces and a small office.

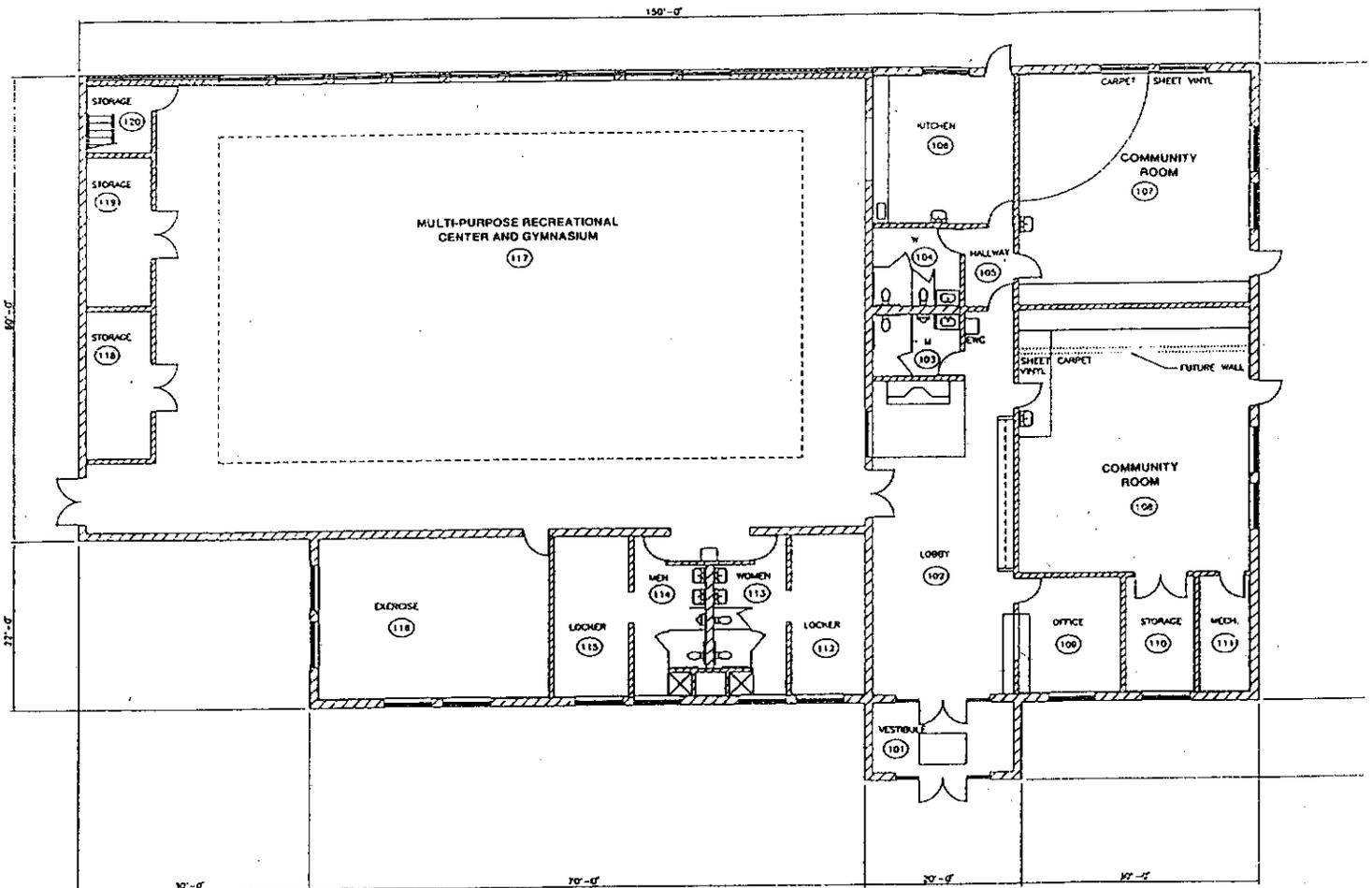
The two community rooms are designed to serve a wide variety of programs, including preschool classes, youth groups and adult clubs.

The kitchen is designed for the serving of light refreshments or catered meals, but not for preparation of full meals.

The multi-purpose recreational center is the size of a junior high gymnasium. Its specially designed carpeted floor will be lined for basketball and volleyball and will also be ideal for banquets and a wide variety of other activities. Lighting and a portable stage will enhance concerts, programs and stage productions. The perimeter of the room will serve as an indoor running and walking area during the cold winter months.

### Where will the building be located?

The building site is just east of the old Community



Center. The front entrance to the building will face south toward Daggett Pine Road.

**Who has been involved in planning and designing the proposed building?**

Shortly after the fire a citizens' study committee was organized. That committee mailed a survey to almost 2,000 property owners to determine community interests. More than 600 responses were received. The committee also conducted a public hearing on April 22, 1994, to get community input. Using the information obtained from residents, the committee submitted findings and recommendations to the City Council.

On June 30, 1994, the City Council scheduled a public meeting to get community reaction to the committee's recommendations. The Council subsequently appointed a smaller citizens' planning committee to work with an architect. The proposed plan responds to the needs and desires identified by residents in the survey and the two public meetings.

**What kinds of activities are likely to occur in such a building?**

Many activities have been suggested including club meetings, bridge, youth overnights, indoor walking, concerts, karate classes, carnivals, stage productions, parties, receptions, health and fitness programs, adult education classes, preschool classes, basketball and volleyball, community Halloween, Christmas and Easter parties for children, etc. The center is intended to serve people of all ages.

**How much will the building cost?**

The architect's estimated construction cost is \$800,000.

**How will it be financed?**

The city received approximately \$220,000 in insurance for the old building, some of which has been expended to clear the site after the fire and to pay architectural fees.

The proposed way to finance the remaining construction costs is to borrow money by issuing general obligation bonds in an amount not to exceed \$640,000. The bonds would be issued for a term of 15 years.

**If the voters approve this bond issue, what kind of tax increase can I expect?**

That depends on the market value of your property. For residential homestead property, the additional tax would

be as shown in the following table.

A minimum and maximum range is shown because homesteaded properties may be eligible for a Property Tax Refund (Circuit Breaker), depending upon household income. For example, the owner of a residential homestead with an estimated market value of \$90,000 can expect to have an increase of about \$25.41 per year for the 15 years of the issue. If the household qualifies for an income-related Property Tax Refund, the refund may reduce the net effect of this increase to not less than \$10.14 per year. A form must be filed with the State to receive a refund. Households with income greater than \$60,000 are not eligible for a Property Tax Refund.

**Residential Homestead**  
(As related to income)

Market Value	Annual Increase	
	Minimum	Maximum
\$60,000	\$5.06	\$16.94
70,000	5.93	19.76
80,000	7.91	22.59
90,000	10.14	25.41
100,000	11.29	28.23
125,000	19.41	35.29
150,000	23.29	42.35
175,000	27.18	49.41
200,000	56.47	56.47
300,000	84.70	84.70

**What about seasonal recreational residential property, or commercial and industrial property?**

Since the additional tax is based on market value rather than on tax capacity, the increases for these classifications of property are no different than for residential homestead except that these properties do not qualify for any Property Tax Refund.

**Seasonal Recreational Residential**  
or  
**Commercial and Industrial**

Market Value	Annual Increase
\$60,000	\$16.94
70,000	19.76
80,000	22.59
90,000	25.41
100,000	28.23
125,000	35.29

150,000	42.35
175,000	49.41
200,000	56.47
300,000	84.70

**Would part of this property tax increase go to the county and the school district?**

No. All funds collected from this special property tax levy would go to the City of Crosslake to be used to pay for the Community Center.

**I've heard about a possible grant to finance the proposed Community Center. What's that all about?**

The Crosslake Telephone Company has applied to the Rural Utilities Service of the U.S. Department of Agriculture for a grant of \$400,000. All of the \$400,000 grant, along with a required contribution of \$80,000 from the Telephone Company, would become a permanent Crosslake Telephone Company Revolving Loan Fund. It never would have to be repaid to the RUS. The \$480,000 would initially be made available as a zero interest loan to assist in financing the new Community Center building. The loan must be repaid to the Telephone Company from the city budget over a period of ten years. Funds repaid would subsequently be reloaned by the Telephone Company for other economic development projects within its service area.

**Wouldn't this still result in an increase in my property taxes?**

Yes, but the increase would be much less than shown above because there is no interest and no fees on \$480,000 of the money that must be borrowed to finance the proposed Community Center.

**How likely is it that the Telephone Company will receive this grant, and how soon will we know?**

That's impossible to say at this time. A similar application was submitted to the RUS last January by the Arvig Telephone Company for a grant to finance an Industrial Park in Pequot Lakes. Word of approval of that application was not received until five months after its submission. The Crosslake Telephone Company application was submitted in early April, so a response is not expected until this fall at the earliest, and might not be received for as long as a year from the time of application.

**Why not wait until we have a response to the RUS application?**

That's a good question, and one that has been considered. The City Council determined that to wait would delay the start of construction until the spring of 1996 at the earliest. Such a delay would also result in increased building costs.

**Would there be an increase in annual operating costs if a new Community Center building is constructed?**

Yes. In 1993, the last year that the old Community Center was operated, the cost of operating the center – including staffing costs, maintenance, utilities, insurance, supplies and equipment – came to about \$73,000. The projected operating costs for the first year of the proposed new center are estimated to be approximately \$89,000. The increase in anticipated operating costs is caused by a combination of factors including inflation, a proposed building that is larger than the old building, and the plan to have the center available for community use Monday through Friday during evening as well as daytime hours and also during the day on Saturdays.

**Where may I vote and what are the voting hours?**

Polls will be open from 10:00 a.m. to 8:00 p.m. on Tuesday, August 29, 1995. Voting will be in the Crosslake City Hall.

**Who may vote?**

All residents of the City of Crosslake who are registered to vote. You may also register at the polls on election day, but proof of residence, such as a Minnesota Driver's License, must be furnished.

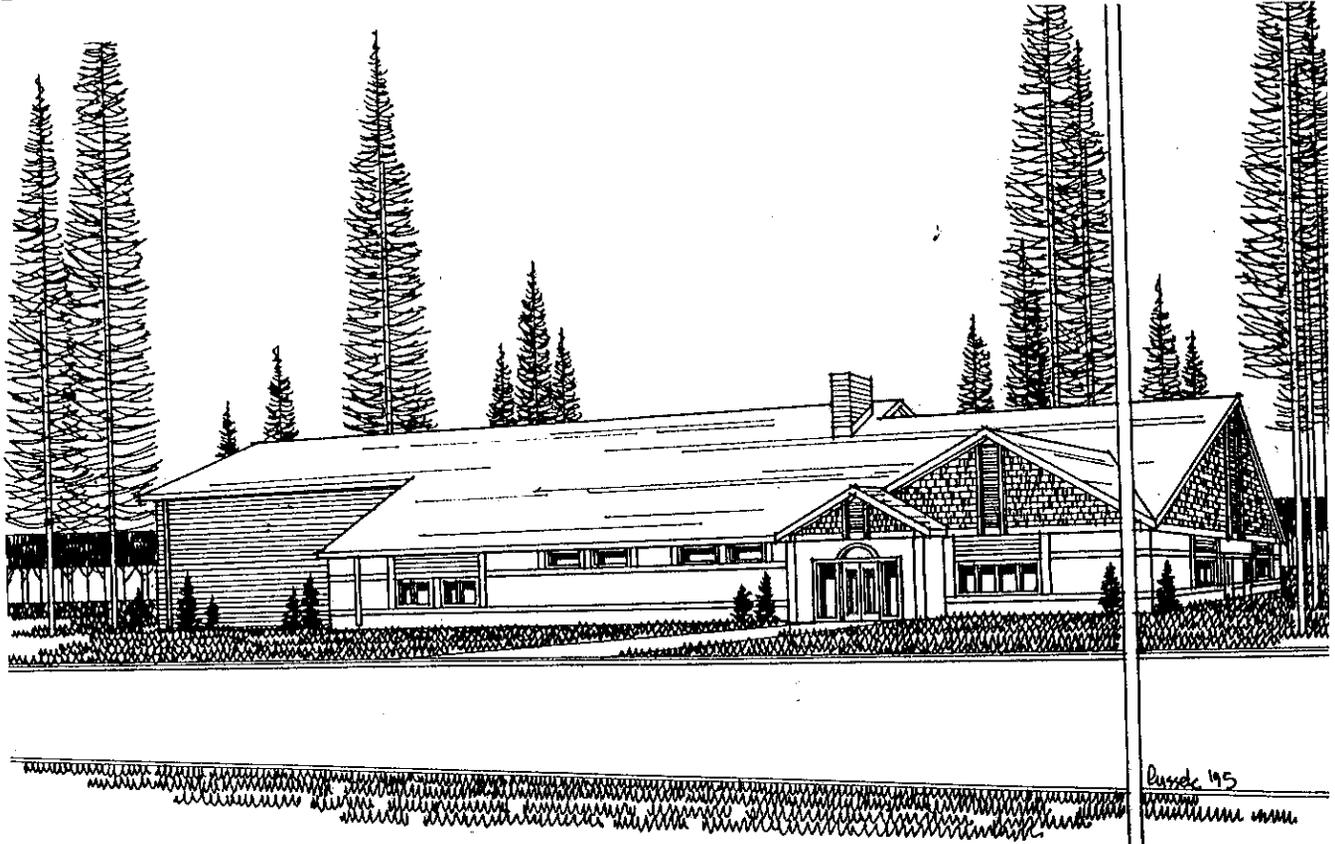
**May I vote by absentee ballot if I will be unable to come to the polls?**

Yes. Beginning July 28, 1995, you may come to the Crosslake City Hall between the hours of 8:30 a.m. and 4:30 p.m. Monday through Friday for an absentee ballot application. The City Hall will also be open for absentee voting on Saturday, August 26, from 1:00 to 3:00 p.m. and on Monday, August 28, from 8:30 a.m. to 7:00 p.m.

**Where can I obtain more information?**

Come to one of the public information meetings being sponsored by the City Council on Saturday, August 19, at 10:00 a.m. and on Monday, August 21, at 7:00 p.m. in the Crosslake Emergency Services building.

*Proposed Crosslake Community Center Building*



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Crosslake, MN 56442

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