

MINUTES  
TAX INCREMENT FINANCE COMMITTEE  
May 22, 2007

MEMBERS PRESENT: Malcom Chapman, Ron Kroeger, Peter Anderson, David Janak, Marcia Elkins, Joel Landeen

OTHERS PRESENT: Joe Muth, Doug Sperlich, Kale McNaboe, Karen Bulman, Sharlene Mitchell

Call to Order

Elkins called the meeting to order at 11:42 a.m.

Brookfield Subdivision Drainage Improvements (07TIF010)

Bulman reviewed the Brookfield Subdivision request including the proposed drainage improvements, the proposed district boundaries and the projected district revenues. Bulman clarified the boundaries of the overlapping districts and the properties within the District boundaries requiring annexation.

McNaboe addressed the drainage improvements required at Cobalt Street and Three Rivers Drive noting that the development of the annexed properties will generate the revenues required to support the District improvements. Discussion followed regarding the acquisition of the property requiring annexation.

In response to a question from Anderson, McNaboe addressed the drainage flows on the Brookfield Subdivision requiring the installation of the two culverts. Discussion followed regarding the area Zone "A" floodplain designation, the drainage flow analysis required by FEMA and the resulting regional nature of the drainage improvements.

Sperlich indicated that Colbalt Street will be a collector street and will provide the access necessary to allow other area properties to develop. Discussion followed regarding the oversizing costs associated with the extension of City water and sewer services to the area. The Committee requested that the proposed District be amended to include the oversizing costs for the extension of water and sewer services.

In response to a question from Chapman, Elkins indicated that the request for Tax Increment Financing would not be forwarded to the Planning Commission until the annexation was completed.

Discussion followed regarding "affordable housing", development projections for the annexed property, and area water pressure issues. In response to a question, Sperlich indicated that the current water service is provided by the Haines Avenue main noting that the addition of the North Rapid main will address both volume and pressure issues. The Committee requested that the proposed District be amended to include the extension of the North Rapid water main.

Discussion followed regarding the area water services incorporated into an existing Tax Increment District and the expansion of those services to provide a loop service between the North Rapid and Haines Avenue water mains and development of a water reservoir to service the east and west sides of the ridge line.

In response to a question from Chapman, Bulman clarified the manner in which the increment from the overlapping Districts would be distributed noting that the entire increment from the annexed area would be directed to the repayment of the Brookfield Subdivision drainage improvements. Discussion followed regarding the impact the oversizing costs for water and sewer extensions would have on repayment of the District.

In response to a question from Anderson, Elkins indicated that the City does not assume responsibility for any District shortages with the possible exception of the oversizing costs should the City upfront those costs. Elkins clarified that repayment is based on the Developer's actual cost noting that costs in excess of the approved Project Plan are the Developer's responsibility. Discussion followed regarding the impact on the Brookfield Subdivision Tax Increment District should development of the annexed properties not occur as anticipated.

Discussion followed regarding the generation of District revenues, the location of the commercial property within the District boundaries and "affordable housing" as defined by the Tax Increment Finance Policy.

In response to a question from Elkins, Bulman addressed the impact the proposed Brookfield Subdivision District boundaries would have on the maximum percentage for Tax Increment Districts. Discussion followed regarding amendment of the proposed boundaries to reduce the proposed District's impact on the maximum percentage.

**Chapman moved to recommend that the Brookfield Subdivision Drainage Improvements Tax Increment District request be continued to June 5, 2007 at 11:30 a.m. to allow the applicant to reconfigure the District boundaries and to incorporate the oversize costs for water and sanitary sewer infrastructure. Landeen seconded the motion.**

In response to a question, Sperlich indicated that the applicant would move forward with the required annexation.

**The motion to recommend that the Brookfield Subdivision Drainage Improvements Tax Increment District request be continued to June 5, 2007 at 11:30 a.m. to allow the applicant to reconfigure the District boundaries and to incorporate the oversize costs for water and sanitary sewer infrastructure carried unanimously.**

Approval of Minutes

**Chapman moved, Landeen seconded and carried unanimously to approve the minutes of the April 17, 2007 meeting.**

Adjourn

There being no further business the meeting was adjourned at 12:26 p.m.