

ORTONVILLE CITY COUNCIL MEETING MINUTES
CITY COUNCIL WORKSHOP MEETING
CITY OFFICE MEETING ROOM
315 Madison Avenue, Ortonville, MN
Monday, July 20, 2009
6:00 P.M.

CALL TO ORDER AND ROLL CALL:

Mayor Pro Tem Nick Anderson called the Workshop Meeting to order at 6:06 PM. Roll call was taken with the following present: Mayor Pro Tem Nick Anderson, Mike Dorry, Bob Meyer, Bill Powell, and Craig Randleman. Absent: Mayor Blair Johnson and Steve Berkner. Staff Present: City Administrator David Lang, Deputy City Clerk Susan Lundell, Community Development Coordinator Vicki Oakes, City Attorney Craig Ash. Media Present: Mike Swenson (*Ortonville Independent*). Also present: EDA Board Members Burt Nypen and Becky Parker, Vince Robinson of Development Services, Inc., (DSI), Bruce Kimmel of Ehlers & Associates. Also Present: Penny Baybridge, Marcy Stotesbery, Alice Rademacher.

PRESENTATION - CAROLYN DRUDE-BRUCE KIMMEL, EHLERS & ASSOCIATES INC.-SCATTERED SITE REDEVELOPMENT-TAX INCREMENT FINANCING DISTRICT

A presentation regarding the use of tax increment financing (TIF) as a redevelopment tool was made by Bruce Kimmel of Ehlers & Associates Inc. and Community Development Coordinator Vicki Oakes. Vince Robinson of DSI explained the mechanics of the process. Discussion and questions followed. The proposed Pay-as-You-Go TIF is a relatively safe mechanism financially for the City Economic Development Authority to use. The focus is on modest increases in tax increment and these increments are also easy to capture via the Small Cities Development Grant Program. Compared to the parcels in the scattered site TIF District, the Hardware Hank and the Columbian Hotel projects would provide relatively larger increments over the next several years. The term of the TIF district would be proposed to run up to 26 years, but could be as short as 9 to 15 years. A timeline, the need for a Public Hearing, and contracts with Ehlers & Associates and Development Services Inc. were discussed. Also discussed were the negatives of creating a TIF District such as the ongoing expense of administering the program and that the city's tax revenue from the district is capped for the duration of the district.

ADJOURNMENT:

Pro Tem Mayor Anderson closed the Workshop Meeting at 6:55 P. M.

APPROVE:

ATTEST:

Blair Johnson
Mayor

David A. Lang
Clerk-Administrator