Gaylord Economic Development Authority
Regular Meeting Agenda
Monday, August 13, 2018 (5:30 P.M.)
Please call 237-2338 if you are unable to attend.

I. CALL TO ORDER (5:30 P.M.)

II. AGENDA APPROVAL with any additions or corrections:
  1. Approve 8/13/2018 agenda

III. CONSENT AGENDA:
  1. Approve minutes for 07/09/18 GEDA Meeting pg 2
  2. EDA Fund Balances – pg 8
     I. EDA General Money Market Fund $15,250.14
     II. Sign & Awning Account Balance $4,107.66
     III. EDA Down Payment Assistance Program Funds $16,637.04
     IV. Commercial Rehabilitation Loan Program Funds $85,091.00
         Total: $121,085.84

IV. MONTHLY REPORTS/UPDATES:
  1. Council liaisons
     a. Homme
     b. Klein
  2. Staff Reports
  3. Other Reports

V. UNFINISHED BUSINESS:
  1. Sibley Housing Committee Update: (Klimmek)
  2. Eastside Terrace residential lots update (Young) pg 10
     a. Side yard land sale to existing home owner
     b. Status of playground equipment relocation
  3. Meadow Wood shovel ready plan (SEH) pg 11
  4. EDA Coordinator position (Young) pg 14
  5. 2019 EDA Budget pg 16

VI. NEW BUSINESS:
  1. Discussion regarding development incentives & funding tools pg 18
  2. Potential Apartment Concepts & Examples pg 26

VII. ADJOURNMENT
I. CALL TO ORDER (5:30 P.M.)

II. Pursuant to due call and notice thereof, Chuck Klimestone (President) called the Gaylord Economic Development Authority meeting to order in Gaylord City Hall at 5:30 P.M.

Members present: Chuck Klimestone (President), Doug Parrott (Vice President), Tom Homme (Secretary/Treasurer), Josh Klein and Steve Olmstead.

Members absent: None.

Staff present: Don Lannoye (City Attorney), Lory Young (City Administrator) and Colleen Snyder (Administrative Assistant).

Staff absent: None.

Guests present: Justin Black; SEH and Lisa Uecker (Gaylord Hub).

III. AGENDA APPROVAL with any additions or corrections:

1. Approve 7/09/2018 agenda - Approval was given through consensus.

IV. CONSENT AGENDA:

1. Approve minutes for 06/11/18 GEDA Meeting
   Motion by Olmstead, seconded by Parrott to approve the June 11, 2018 Minutes. Motion carried.

   2. EDA Fund Balances –
      I. EDA General Money Market Fund $ 15,246.92
      II. Sign & Awning Account Balance $ 4,107.66
      III. EDA Down Payment Assistance Program Funds $ 16,634.27
      IV. Commercial Rehabilitation Loan Program Funds $ XX,XXX.XX
          Total: $ 36,988.85
   
      Young reported she still does not have a number for the Commercial Rehabilitation Loan Program Funds.

V. MONTHLY REPORTS/UPDATES:

1. Council liaisons
   a. Homme-None.
   b. Klein-None.

2. Staff Reports-None.
3. Other Reports-None.

VI. UNFINISHED BUSINESS:
1. Sibley Housing Committee Update: (Klimmek)

Klimmek reported the MN Partner Housing Institute has given the Sibley Housing Committee an assignment to prepare a concept paper for a Housing Project. The project for the paper can be a hypothetical project or a real project. Klimmek went on to say since EDA has been working on the Meadow Wood addition it seems logical to base the concept paper off of Meadow Wood.

2. East Ridge Terrace residential lots update
   a. Side yard land sale to existing home owner
      Klimmek asked Young for a status update. Young replied the home owner wants to purchase the twenty-five feet located next to their property. Lannoye stated he is waiting for the legal description from Avery Grochow before he can proceed. Klimmek stated since the home owner is interested in buying the twenty-five feet we can proceed with selling the other lots and requested Young have Avery Grochow do the legal descriptions on the other lots. Klimmek stated once the legal description is done he will place signs on the lots and meet with Young and Reimers to take a look at the website.
   b. Status of playground equipment relocation
      Young reported due to the standing water the target date of removal is for the first week of August 2018. The plan is to take out the pea gravel at East Ridge Terrace prep the ground and put the equipment in, some is existing equipment the rest is from the former Sibley East School playground. Klimmek asked who was doing the removal of the playground equipment. Young replied Midwest PlayScapes Parrott stated if the ground has a lot of standing water perhaps it needs to be tiled. Young replied she would check with Reimers. Klimmek asked Parrott the amount of the donation from Gaylord Homes. Parrot replied $23,000.00. Klimmek asked what the cost is for the removal of the playground equipment. Young replied $8,900.00 and an estimate of $1,000.00 to prep the ground at East Ridge Terrace.

3. Meadow Wood re-plat concept plan

Klimmek stated he gave Brent some guidelines on the concept plan including the easement for the trail and some visual separation between the Commercial Property and Residential Property. EDA further discussed the re-plat concept plan. Klimmek stated he spoke to Avery Grochow regarding re-platting and the estimate is a couple thousand dollars but Klimmek stated before re-platting can occur re-zoning needs to take place. Lannoye recommended passing a motion so this can be presented to Planning & Zoning for re-zoning.

Motion by Parrott, seconded by Olmstead to present to Planning & Zoning a request to re-zone Meadow Wood. Motion carried.

Parrott stated this is just a concept plan if someone comes in and wants to do something different he hopes everyone will be flexible and allow something other than the concept plan dictates. Klimmek asked if EDA should move forward with the SEH concept plan, he plans on meeting with Justine Black and Brent Kavitz to make sure that everyone is on the same page.

Motion by Parrott, seconded by Olmstead to approve continuing the Concert Plan with SEH. Motion carried.

4. EDA Coordinator position (Young)

Young stated she is still working on the job description for the EDA Coordinator Position.

VII. NEW BUSINESS:

1. 2019 EDA Budget
Klimmek stated the only thing that may change the budget from 2018 to 2019 is the hiring of the EDA Coordinator.

VIII. ADJOURNMENT

Motion by Homme, second by Olmstead, to adjourn the meeting. Motion passed unanimously. The meeting was adjourned at 6:11 P.M.

Respectfully submitted,

__________________________
Chuck Klimmek, EDA President
I. CALL TO ORDER (5:30 P.M.)

II. Pursuant to due call and notice thereof, Chuck Klimmek (President) called the Gaylord Economic Development Authority meeting to order in Gaylord City Hall at 5:30 P.M.

III. Members present: Chuck Klimmek (President), Doug Parrott (Vice President), Tom Homme (Secretary/Treasurer), Steve Olmstead and Josh Klein.

Members absent: None.

Staff present: Colleen Snyder, (Administrative Assistant).

Staff absent: Lory Young (City Administrator).

Guests present: Joe Deis (Gaylord Hub).

IV. AGENDA APPROVAL with any additions or corrections:
   1. Approve 4/9/2018 agenda
      Homme requested two items be added to New Business, "TIP and Arlington. Parrott requested before discussion of East Ridge Terrace begins he would like to make an announcement.

      Motion by Klein, seconded by Olmstead to approve the April 9th, 2018 Agenda as amended. Motion carried.

V. CONSENT AGENDA:
   1. Approve minutes for 02/21/18 Neighborhood Meeting -- East Ridge Terrace Lots
   2. Approve minutes for 03/22/18 GEDA Meeting
   3. EDA Fund Balances –
      I. EDA General Money Market Fund $15,234.74
      II. Sign & Awning Account Balance $4,107.66
      III. EDA Down Payment Assistance Program Funds $16,623.80
      IV. Commercial Rehabilitation Loan Program Funds $XXXXXX
      Total: $35,966.20

      Parrott stated he would work with Snyder to make a couple changes to the 02/21/18 Neighborhood Meeting Minutes. Klimmek stated he would connect with Young to make a change to the 03/22/18 GEDA Meeting Minutes.
Motion by Parrott, seconded by Olmstead to approve the Consent Agenda as amended. Motion carried.

VI. MONTHLY REPORTS/UPDATES:
   1. Council liaisons
      a. Homme-None.
      b. Klein-None.
   2. Staff Reports-None
   3. Other Reports-None.

VII. UNFINISHED BUSINESS:
   1. Housing Update:
      a. Housing Study
         Klimmek reported he spoke with Sue from the Housing Study and
         the study might be done later this month or the beginning of May, which is
         ahead of schedule.
      b. Minnesota Housing Partnership Institute
         Klimmek reported there wasn’t anyone available from Gaylord to attend
         the Minnesota Housing Partnership Institute meeting last week. These
         meetings occur once a month and he is hoping to attend and get caught up
         on what has been happening. Also there will be a workshop in Willmar at the
         end of May which involves the New Ulm team and the Gaylord team.
   2. Conversion of park area to residential lots
      Parrott stated he is a member of the Board of Directors for Gaylord Homes. 
      **Due to the sale of property through Gaylord Homes the Board has agreed
to donate $23,000.00 to the City of Gaylord for playground equipment to be
used on the green space on Lot 15 at East Ridge Terrace. This is contingent
upon Lot 15 remaining green space. Lannoye stated the EDA Board was
asked with making a recommendation to City Council on what should
happen with East Ridge Terrace Lots 11, 12, 13, 14 & 15. Parrott stated
the residents expressed at the Neighborhood Meeting they would like the
green space to stay. Klimmek recommended one hundred and seventy five
feet on the south end be designated for green space/park and the
remaining land split into two one hundred foot lots. After some discussion
EDA came to a motion.**

Motion by Klein, seconded by Olmstead to recommend to City Council one hundred and seventyive feet on the southern end of East Ridge Terrace be designated as green space/park and the
remaining be divided into two one hundred foot lots for housing. Motion carried.

NEW BUSINESS:
1. EDA Coordinator position
   Klimmek reminded everyone this position was put on hold until the City
   Administrator opening was filled and wanted input on the filling of this
   position. Olmstead stated it would be beneficial to fill this position because
of the potential medical school coming to Gaylord but time wise it maybe too early. Klein asked for a job description. Klimmek will provide that information. The consensus was to put this back on the agenda for discussion at a later date.

2. TIF

Homme asked if EDA would have any involvement with TIF and the potential new medical school. Lannoye replied involvement will fall to the City and possibly the County. Parrott stated he is a strong supporter of TIF. Olmstead stated various communities around Gaylord have used TIF with good results.

3. Arlington

Homme reported the City of Arlington will waive the Sewer and Water Fee on new home construction. They will do this for three new homes. Klimmek stated he meet with Young regarding future home building. Young suggested offering incentives for new home builders. Klimmek stated once the housing study is complete EDA will be able to move in a more defined direction.

VIII. ADJOURNMENT

Motion by Homme, second by Klein, to adjourn the meeting. Motion passed unanimously. The meeting was adjourned at 6:14 P.M.

Respectfully submitted,

Chuck Klimmek, EDA President
**MMA account #4259 Balance as of 06-30-18**

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Expenses:

|          | - $      |          |          |

Total

|          | $15,246.92 |

**Sign & Awning Account Balance as of 1-30-17**

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Expenses:

|          | $0                                  |

Sign & Awning account balance as of 7-31-18

|          | $4,107.66 |

**Balance in MMA account #4259 as of 07-31-18**

|          | $19,357.80 |

**MMA account #842646 as of 6-30-18**

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Expenses:

|          | $0                                  |

Balance in MMA account #842646 as of 6-30-18

|          | $16,634.27 |

**Total EDA account balance as of 06-30-18**

|          | $35,994.84 |
## Projected funding for Commercial Rehabilitation Loan Program

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<td>2016 Micro Loan Payments</td>
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<tr>
<td>Total</td>
<td>$85,091.00</td>
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CERTIFICATE OF SURVEY

TRACT 1
The North 25.00 feet of Lot 11 of the plat of EAST RIDGE TERRACE, City of Gaylord, Minnesota, said plat being of record and on file at the Sibley County Recorder's Office, Sibley County, Minnesota.

TRACT 2
Lot 11 EXCEPT the North 25.00 feet thereof and the North 25.00 feet of Lot 12, all being part of the plat of EAST RIDGE TERRACE, City of Gaylord, Minnesota, said plat being of record and on file at the Sibley County Recorder's Office, Sibley County, Minnesota.

TRACT 3
Lot 12 EXCEPT the North 25.00 feet thereof and the North 25.00 feet of Lot 13, all being part of the plat of EAST RIDGE TERRACE, City of Gaylord, Minnesota, said plat being of record and on file at the Sibley County Recorder's Office, Sibley County, Minnesota.

TRACT 4
Lot 13 EXCEPT the North 25.00 feet thereof and the North 25.00 feet of Lot 14, all being part of the plat of EAST RIDGE TERRACE, City of Gaylord, Minnesota, said plat being of record and on file at the Sibley County Recorder's Office, Sibley County, Minnesota.

PARK DESCRIPTION
Lots 14 EXCEPT the North 25.00 feet thereof and Lot 15, all being part of the plat of EAST RIDGE TERRACE, City of Gaylord, Minnesota, said plat being of record and on file at the Sibley County Recorder's Office, Sibley County, Minnesota.

I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Registered Land Surveyor under the laws of the state of Minnesota.

AVERY GROCHOW, ES
DATE 2/12/18 REGISTRATION NO. 15475
REVISED: 6/27/18 REVISED: 8/1/18

LOT SURVEY FOR
CITY OF GAYLORD
OF LOTS 11–15
EAST RIDGE TERRACE
GAYLORD, MINNESOTA

DENOTES SIBLEY CO. MONUMENT
DENOTES IRON PIPE FOUND
DENOTES IRON PIPE SET BY RLS NO. 15475
SCALE: 1 INCH = 100 FEET
Feb., 2018 FILE NO.
Chuck,

We have completed the Conceptual Land Plan for the proposed Meadow Wood Addition for review as requested.

I believe this plan has satisfied all your requests with the exception of the single family lot’s to the north. The second attachment gives an option that would remove the three northern most twin home units and replace with single family units.

This plan incorporates the following units:

- 20 Multi-Family Town Homes
- 13 Twin Homes (26 Units)

Multi-Family - 2 Story Town Homes (Orange)

- 4 Unit Buildings
- Front Porches
- Rear Loaded Garages
- 2-4 Bedroom Units

Multi-Family - 2 Story Town Homes (Red)

- 4 Unit Building
- Front Porches
- Side Loaded Garages
- 2-4 Bedroom Units

Twin Homes

- Single Level
- Front Porches
- Rear Loaded Garages
- 2 Bedrooms on Main Floor
- Optional 3rd Bedroom in Basement

Items to note on the proposed plan:
• Trail on south end of the project
• Landscape buffers to the south and the west
• 20’ Typical Driveways to garages
• 34’ Wide Street with parking on both sides
• Possible trees in boulevards
• Community based design with large front porches and connected sidewalks that encourages social interactions with neighbors and convenient walks around the pond (lake on plan)

I have also included floor plans used as inspiration of the layout with some slight modifications.

If you have any questions, or need any additional information, please feel free to contact me.

Thank you,

Brent J. Kavitz, PE  |  Project Manager
bkavitz@sehinc.com  |  507.299.5211 Office / EXT. 5211
SEH  |  11 Civic Center Plaza, Suite 200  |  Mankato, MN  56001-7710
507.508.0137 Cell  |  877.316.7636 Toll Free  |  888.908.8166 Fax
sehinc.com
SEH—Building a Better World for All of Us®
PURPOSE AND SCOPE

The Economic Development Coordinator Administrative Assistant is an administrative position responsible for coordinating economic development activities, City website maintenance and upkeep and other administrative duties as directed. Under the general supervision of the City Administrator, the EDA Coordinator Administrative Assistant plans, organizes, and coordinates the City’s economic development & planning programs, City website upkeep and other duties as needed to provide the citizens of Gaylord, potential developers and other business opportunities with prompt courteous service. The EDA Coordinator will undertake activities to aid and promote the community and economic development of the community.

ESSENTIAL DUTIES AND RESPONSIBILITIES

The listed responsibilities include but are not limited to the following:

1) Economic Development Activities
   a) Provides information and assistance to existing and new businesses and industries in locating, relocating, or expanding in the Gaylord area. Initiates and assists with activities designed to attract new businesses and industries to the community.
   b) Coordinates and promotes business retention activities for existing businesses.
   c) Develops sources of prospective businesses and industries to relocate or expand in Gaylord.
   d) Researches and analyzes business sites; assists developers in obtaining financing for projects; and provides technical assistance during the project.
   e) Acts as a liaison with commercial/industrial/business developers, business owners, local associations and any other organizations that may be practical and necessary in areas related to economic development.
   f) Assists in the Developments of short and long-range plans for economic development, evaluates potential projects to determine feasibility and community impact and makes recommendations.
   g) Researches, applies for, and administers any appropriate grant or loan programs related to industrial and commercial developments, redevelopments, rehabilitations, etc. Oversees programs. Coordinates efforts with other City staff.
   h) Provides business information services such as research and customer services, and refers to other governmental services as appropriate.

2) Planning and Zoning Activities
   a) Acts as a resource to the Planning & Zoning Commission
   b) Serves as the Assistant Zoning Administrator for the City reviewing and approving various land use permits and applications;
   c) Preparation of information packets
   d) Ensures compliance with the City’s zoning ordinance and other laws regulating land use codes.

3) The EDA Coordinator may represent the City of Gaylord and Planning and Zoning Commission, at public meetings, hearings and conferences. Attends meetings of various committees and organizations as requested including but not limited to: City Council, Planning and Zoning Commission, Parks & Recreation Board, Chamber of Commerce, and others as directed.

4) Develops and conducts surveys, compiles results, prepares reports with the recommendations on a variety of development, and planning activities as directed.

5) Research and apply for grant programs to assist in economic development and redevelopment activities within the City.

6) Promotes awareness and involvement of economic development, land use, planning and zoning within the community. Actively work to promote growth and expansion in the City.

7) Assists in preparation and administration of annual economic development budget.
8) Review and update information on the City’s website to keep it current and up-to-date.

9) Performs other duties as requested.

MINIMUM QUALIFICATIONS
- Bachelor’s degree with major coursework in finance, real estate, marketing, economics, local and urban affairs, or a related field.
- Related experience in community or economic development, planning and zoning, grant writing.
- Comparable experience may be substituted for the minimum qualifications.

DESIRABLE QUALIFICATIONS
- Working knowledge of: a) real estate, finance, land acquisition, disposition, marketing and related areas; b) industrial and commercial property development principles; c) governmental processes, services, planning, and economic research; d) laws, rules, and regulations related to development and financing.
- Considerable ability to: a) plan, direct, and coordinate development activities; b) communicate effectively both orally and in writing with state and federal agencies, private businesses, elected officials, community volunteers, potential developers, city staff, and the general public; c) develop alternatives, determine costs, advantages, and disadvantages of alternatives.
- Working ability to: a) perform mathematical calculations, analyze data, and prepare reports; b) prepare and administer budgets; c) supervise staff and coordinate volunteers.

WORKING CONDITIONS
Office conditions. Some evening meetings and public contact. Possibly some stressful situations.

PHYSICAL DEMANDS
The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to sit and talk or hear. The employee is occasionally required to walk and use hands to finger, handle, feel or operate objects, tools or controls, and reach with hands and arms.

The employee must occasionally lift and/or move up to 25 pounds. Specific vision abilities required by this job include close vision and the ability to adjust focus.

WORK ENVIRONMENT
The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

NOTE TO EMPLOYEE: The undersigned Employee acknowledges that they have read and understand this Position Description, which includes the Physical and Environmental Factors List for the position. Furthermore, that a copy of this Position Description will be provided to the Employee and the signed original will be placed in their personnel file. Finally, that this Position Description shall define their position indefinitely unless later amended and duly adopted, at which time this same procedure shall be followed.

_________________________  __________________________
Mayor                                      Date

_________________________  __________________________
Employee                                    Date
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Let's start with TIF

"TIF is a financing tool which captures and redirects new property taxes paid by new private development to promote development which would not occur "but for" assistance."

- TIF is a financing program
- Uses new property tax revenues from new private development
- But-for test -- TIF should be used only when necessary to move good projects forward.

A sample TIF Project...

- Existing vacant parcel is worth $25,000:
  Current Taxes = $1,000

- The vacant parcel is developed as an apartment project worth $525,000:
  New Taxes = $11,000

Increment of $10,000 is the Tax Increment

Where do the taxes go?

Before Project...

\[
\begin{align*}
&\text{City tax} = $450 \\
&\text{County tax} = $450 \\
&\text{School tax} = $100 \\
\end{align*}
\]

After Project...

\[
\begin{align*}
&\text{Tax Increment} = $10,000 \\
&\text{City tax} = $450 \\
&\text{County tax} = $450 \\
&\text{School tax} = $100 \\
\end{align*}
\]
And when the debt is retired...

Property value is **ADDED** to the tax rolls

- City tax = 4,950
- County tax = 4,950
- School tax = 1,100

---

Key observations

- Project could not have otherwise happened without TIF.
- All taxing jurisdictions continue to receive the same property tax (from the frozen value); **only the increase** becomes a tax increment.
- Development pays normal taxes -- just like everyone else. TIF just re-directs the taxes for awhile.

---

How can you spend TIF funds?

*All expenditures must be authorized in the TIF Plan.*

**Private Development**
- Land acquisition
- Grading & excavating
- Parking, driveways
- Utility extensions
- Site improvements
- Others

**Public Infrastructure**
- Public Streets
- Sewer & Water
- Parking
- Sidewalks & alleys

You can pay for just about anything but "in kind & morta". Expenditures should be in support of a private project.

---

Creating a TIF District

*Process Requires significant public input*

- Written Plan which includes:
  - Geographic boundaries
  - Goals and Objectives
  - Budget -- how increments will be spent
  - Pooling, LGA Penalty, Other Details
- 30-Day Notice to County & School
- Published Notice in Newspaper
- Public Hearing
- TIF District certified to County and State

*Generally takes 60 to 90 Days*
**Income Restrictions for Owner-Occupied Housing Projects (TIF)**

- **Owner-Occupied:**
  95% of the assisted units must be initially purchased and occupied by families at or below 100% of statewide median income for two people, and 115% of statewide median income for 3 or more.

**Income Restrictions for Owner-Occupied Housing Projects**

- **2018 Owner-Occupied Income Restrictions:**
  - $84,200 - 2 person family (or fewer)
  - $96,830 - for 3 or more

  Income limits apply to first occupant only.

---

**How is TIF applied?**

- Generally, TIF assistance is used to reduce the cost of a lot for qualified buyers. This reduction typically amounts to approximately $10,000. This equates to a 10-12 year TIF subsidy.

---

**Example:**

A new home valued at $115,000 will generate an annual tax increment of approximately $1,300.

$1,300 per year for a period of 10 yrs. is sufficient to reimburse principal and interest on $9,000 in assessments.

A lot that cost $35,000 to develop could be sold for $26,000 to a qualified buyer.
Income Restrictions for Rental Housing Projects

- A rental property satisfies the requirements if 20% of the residential units in the project are occupied by individuals whose income is 50% or less of the area median gross income (or 40% at 60%). These requirements apply for the life of the District.

Examples (Owner-Occupied)

How is TIF applied?

Generally, TIF assistance is used to subsidize the land acquisition, utility, and site improvement expenses associated with the development of a new rental project. This assistance can take the form of an up front contribution or as a pay-as-you-go benefit.

Examples (Rental Housing)
Examples (Rental Housing)

Corporate Purpose Bonds "AKA" Essential Function Bonds
- Provides the statutory authority for local units of government to finance housing projects ($3,000,000 Limit).
- Can be issued as either a general obligation or a revenue obligation. The difference in interest rate is approximately 1.5%.
- Eligible to make a payment-in-lieu-of-taxes or PILOT.
- Income limits of 80% of area median income.

Example (Essential Function Bond)
Example (Essential Function Bond)

Low Income Housing Tax Credits

- Competitive program administered by the State. Projects are awarded federal tax credits that are a dollar-for-dollar reduction in federal tax liability over a specified term.
- Developers sell the tax credit to create an equity investment in the project. City generally required to provide TIF.
- Income limits required. Approximately $20,340 for 1 person, $33,540 for two, $47,740 for three, etc.
- Rent Limit estimates include $733 for an efficiency, $795 for 1-bedroom, $943 for 2-bedroom, and $1,089 for 3-bedroom.
- Tax credit projects have a very high level of construction quality as demanded by the architectural review conducted by the State.

Examples (Rental Housing)

Other Programs:

- State of Minnesota has developed a "workforce housing" program that offers financial assistance to build market rate housing.
- Requires a vacancy rate of 5% or less. Must serve employees of businesses within the area.
- $1.00 local match for every $2.00 in grant.
- Projects selected based on need, statewide impact, financial plan and readiness. Preference to areas of fewer than 18,000 people.
- Projects awarded in Fairlawn, Duluth, Worthington, Winroad, Glenwood, Grand Marais.
- DEED program contingent upon continued funding.
Recommendations:

- Promote a variety of housing types. Providing the consumer with choices is critical to developing demand.
- Carefully analyze the housing market. Overbuilding a segment of the market is a ticket to long-term failure.
- Participate in those projects that meet the most critical demands first.
- Allow the private sector an opportunity to meet the identified demand.
- Remember – the private sector does not always step to the plate.
- Partner with organizations that bring additional resources to the table and have expertise in administration and counseling.
Example of Apartments