

CITY OF ANOKA
ECONOMIC DEVELOPMENT COMMISSION
MEETING MINUTES
OCTOBER 13, 2016

Call to Order: Chairperson Kelly called the EDC meeting to order at 7:30 a.m. at Anoka City Hall, 2015 First Avenue North in the City of Anoka.

Roll Call: EDC Members present were: Dr. Gene Dvoracek, Tracy Kelly, Gary Fahnhorst, Jason Peters, Andy Peterson (arrived at 7:40 a.m.), Tom Redmann, Kelsey Swokowski, and Jessica Thunder. EDC members absent were: Jerry Cotten. Staff present: Deputy Community Development Director Doug Borglund and Finance Director Lori Yager.

Approval of Minutes: MOTION BY COMMISSIONER FAHNHORST, SECONDED BY COMMISSIONER SWOKOWSKI, TO APPROVE THE MINUTES OF THE SEPTEMBER 8, 2016 EDC MEETING, AS PRESENTED. MOTION CARRIED.

OLD BUSINESS:

None.

NEW BUSINESS:

Tax Increment Financing Overview: Ms. Yager explained that tax increment financing is a tool that cities can use to help development or redevelopment in an area where it typically may not occur. She explained the process that a city follows to setup a tax increment financing district. She stated that it is a helpful tool the city can use to generate new taxes income. She stated that the City has four active TIF districts while the HRA has three active TIF districts. She reviewed some of the improvements the City has completed using TIF funds that helped to generate new development or redevelopment, which increases the tax income. She explained that once available TIF funds are spent within the district, the income generated simply pays off the debt, using the example of the ramp in the downtown TIF district. She stated that once debt is paid off within a district the City can simply decertify the district. She reviewed the different TIF districts within the City and provided an overview of projects and improvements the City has done within each district. She also highlighted the HRA TIF districts and the projects that have been completed.

Chairperson Kelly clarified that the TIF district takes all of the taxes that would normally go to the City, County and School District and places those funds into a special account to be used for public improvements. He asked the benefit the County and School District receive.

Ms. Yager explained that without the improvements in the TIF district, those areas would most likely never redevelop and when the redevelopment occurs the tax value increases

and therefore the County and School District will then receive more income in taxes from those areas.

Commissioner Redmann asked for clarification on the values of the properties that are placed in the TIF district.

Ms. Yager explained that the original value of the properties within the TIF district are still kept on file for tax purposes for the County and School District, as they continue to receive the taxes based on those values, while the TIF district captures taxes based on the difference between the original value and the increased value after improvements. She stated that therefore it does not impact the County or School District until the TIF district comes offline and then they receive the taxes from the increased value as well.

Commissioner Dvoracek noted that TIF was a huge benefit when the City created the industrial park.

Commissioner Redmann asked and received confirmation that in order to create a TIF district a certain percentage of properties need to meet a depressed value threshold.

City Owned Development Site(s) Update: Mr. Borglund noted that the City has three brokers that they work with to market the City owned sites and the sites are delegated based upon the expertise of the broker and the desires for development. He provided a brief overview of the 23 City owned sites, highlighting the broker and whether there has been interest in the parcel. He also noted the different steps that would be needed to develop certain sites, such as rezoning. He highlighted the properties which have a letter of intent or whether the City is in negotiation with a potential buyer/developer. He stated that staff will continue to work hard to market sites.

COMMUNICATIONS AND REPORTS:

Marketing and Communications Updates:

- Discover Anoka: Commissioner Peterson provided an update on recent events that Discover Anoka has held and upcoming events. He stated that some of the business windows downtown have been painted for Halloween. He stated that a new billboard was completed near Greenhaven. He noted that social media has been used more recently for downtown shopping events. He stated that work has begun to promote the tree lighting event. He noted that Anoka has been chosen for a Deluxe shopping event and the small businesses will be featured on the Deluxe website.
- ABLA – August 2016 Meeting: Mr. Borglund stated that an update was included in the Commission packet. He stated that information on the stamp unveiling was included, noting that it was a positive event and the

postal service even commented that this was one of the best unveilings that they have had.

MISCELLANEOUS:

Joint Meeting on October 18th at 5:30 p.m. to discuss the River Walk Concept with the EDC, HPC, and Parks: Mr. Borglund advised of the upcoming joint meeting to discuss the River Walk Concept on October 18th. He stated that this will be an opportunity to discuss the concept and provide input as the process moves forward.

Discuss Next Agenda: Chairman Kelly stated that he would be curious to hear more about tax abatement, specifically if Anoka has participated in tax abatement projects.

Mr. Borglund noted that he would review his notes from the previous meeting as there were items that the Commission had wanted to discuss in November as well.

Commissioner Fahnhorst stated that the following day he would be attending a meeting to discuss the future of the Celebrate Anoka golf event and noted that he would provide an update at the November meeting.

Adjournment: The meeting was adjourned upon a motion by Commissioner Dvoracek, a second by Commissioner Redmann, and a unanimous vote of those present at 8:38 a.m.

Amanda Staple, *TimeSaver Off Site Secretarial, Inc.*