AGENDA
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
ONE CITY HALL PLAZA, CHASKA CITY HALL
Monday, March 04, 2019
7:00 PM

1. Call to Order

2. Roll Call

3. Adopt Agenda

4. Approve Previous Meeting Minutes

    A. Approve EDA minutes from 1-28-2019

5. Discussion Items

    A. Adopt Resolution EDA 2019-01, Administrative Amendment for TIF District #12

    B. Adopt Resolution EDA 2019-02, Administrative Amendment to TIF District #13

6. Adjourn

# - MINUTES -
# CHASKA ECONOMIC DEVELOPMENT AUTHORITY
# JANUARY 28, 2019



1. Call to Order

President Windschitl called the meeting to order at 8:30 pm.

2. Roll Call

Roll call was taken. Present: Commissioners Hatfield, Huang, Grau and President Windschitl.
Absent: None.

Also Present: Nate Kabat, Assistant Executive Director and Matt Podhradsky, Executive Director.

3. Agenda

Motion by Commissioner Hatfield, second by Commissioner Huang, to adopt the agenda as presented.
Motion carried.

4. Minutes

Motion by Commissioner Huang, second by Commissioner Grau, to approve the minutes of the December 17, 2018 EDA meeting.
Motion carried.

5. Discussion Items

5.A. Assignment and Assumption of Lease Agreement with NorthStar Regional P.S.C. for Property Located at 314 Walnut St.

Assistant Executive Director Kabat presented the item to the Commission.

President Windschitl looked to clarify this is just a change of the name on the lease.

Assistant Executive Director Kabat confirmed that it was.

Motion by Commissioner Grau, second by Commissioner Huang to authorize the EDA President and Executive Director to execute the Assignment and Assumption of Lease Agreement with NorthStar Regional P.S.C. for Property Located at 314 Walnut St.
Motion carried.

6. Other Business

President Windschitl commented on the progress out at the old Business Center Site.

7. Adjourn

Motion by Commissioner Huang, second by Commissioner Hatfield to adjourn the meeting at 8:36 pm. Motion carried.

# REQUEST FOR ACTION
# CHASKA ECONOMIC DEVELOPMENT AUTHORITY
## 03/04/2019

**Subject:** **Administrative Amendment for Tax Increment Financing District #12**

Prepared By: Kelly Grinnell, Finance Manager
Reviewed By: Nate Kabat, Assistant City Administrator

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The purpose of the administrative amendment to the Tax Increment Financing (TIF) Plan for TIF District #12 is to make a line-item adjustment to the estimated uses of funds. This amendment will not increase the overall size of the budget but will clarify the EDA's intent to pool available tax increment revenues from TIF District #12 to finance eligible housing projects within the project area. When TIF District #12 was created, it was the EDA's intent to pool available increments for other projects. This amendment further clarifies the EDA's intent to annually transfer available increment for financing of eligible affordable housing activities.

## ECONOMIC DEVELOPMENT AUTHORITY ACTION REQUESTED

Motion to adopt Resolution Approving Administrative Modification to the Tax Increment Financing Plan for Tax Increment Financing District No. 12.

**CHASKA ECONOMIC DEVELOPMENT AUTHORITY**
**CITY OF CHASKA, COUNTY OF CARVER**

## RESOLUTION

**DATE 03/04/2019 RESOLUTION NO. EDA 2019-01**

**MOTION BY MEMBER________________ SECOND BY MEMBER______________________**

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**Resolution Approving Administrative Modification to the Tax Increment Financing Plan for Tax Increment Financing District No. 12**

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**WHEREAS,** the Chaska Economic Development Authority (the "Authority") has created and is administering its Tax Increment Financing District No. 12 (the "District") pursuant to Minnesota Statutes, Sections 469.174 to 469.1794; and

**WHEREAS** the uses of funds detailed in the Tax Increment Financing Plan (the "Plan") for the District need to be modified in order to correspond with the intent of pooling a portion of the tax increment revenues for certain eligible housing activities within the Project Area; and

**WHEREAS**, the Minnesota Tax Increment Financing Law, Minnesota Statutes, sections 469.174 to 469.1794, allows a tax increment authority to make changes to a tax increment plan budget administratively and without the notices and public hearing required to create a new tax increment plan if the proposed changes do not increase the overall budget contained in the Plan;

**WHEREAS**, the proposed changes to the Plan budget will not increase the overall budget; and

**WHEREAS**, there has been prepared and submitted to the Board of Commissioners of the Authority a proposed administrative amendment to the Plan.

**NOW, THEREFORE,** be it hereby resolved by the Board of Commissioners of the Authority that the Administrative Amendment to the Plan is hereby adopted.

Adopted by the Board of Commissioners of the Chaska Economic Development Authority this 4th day of March 2019.

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President

ATTEST:

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# City of Chaska, Minnesota
# Chaska Economic Development Authority

## Tax Increment Financing Plan

## for

## Tax Increment Financing (Housing) District No. 12

**Dated: July 1, 2002**
**Administrative Amendment Dated: March 4, 2019**
**Anticipated Approval Dated: March 4, 2019**

**Prepared by:**

**SPRINGSTED INCORPORATED**
**380 Jackson Street, Suite 300**
**St. Paul, MN 55101-2887**
**(651) 223-3000**
***WWW.SPRINGSTED.COM***

## Introduction

The purpose of the Administrative Amendment to the Tax Increment Financing Plan for Tax Increment Financing District No. 12 is to make a line-item adjustment to the Estimated Uses of Funds. This amendment will not increase the overall size of the budget but will clarify the EDA's intent to pool available tax increment revenues from TIF District No. 12 to finance eligible housing projects within the Project Area. The section specifically being modified is Subsection 2-10. This amendment does not reflect all the legislative changes that have occurred since original adoption and may not reflect fully the financial ramifications of all the TIF and property tax system changes.

## TABLE OF CONTENTS

***SECTION I – MODIFICATION TO THE REDEVELOPMENT PLAN FOR CHASKA FLOOD CONTROL REDEVELOPMENT PROJECT NO. 4***

***SECTION II – TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING DISTRICT NO. 12***

**Subsection 2-10. Uses of Funds**

The estimate of public costs and uses of funds associated with the District is outlined in the table below.

| | Original TIF Plan | Administrative Modification |
|---|---|---|
| **USES OF FUNDS** | **TOTAL** | **TOTAL** |
| Land/Building Acquisition | $7,000,000 | $4,000,000 |
| Site Improvements/Preparation | $475,000 | $475,000 |
| Public Utilities | $2,000,000 | $2,000,000 |
| Other Public Improvements | $400,000 | $400,000 |
| Construction of Affordable Housing | $0 | $3,000,000 |
| Administrative Costs (up to 10%) | $1,500,000 | $1,500,000 |
| **PROJECT COSTS TOTAL** | **$11,375,000** | **$11,375,000** |
| Interest | $4,000,000 | $4,000,000 |
| **TOTAL FINANCING AND PROJECT COSTS** | **$15,375,000** | **$15,375,000** |

The above budget is organized according to the Office of the State Auditor (OSA) reporting forms.

Estimated costs associated with the District are subject to change among categories without a modification to this Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budge above pursuant to the applicable statutory requirements. The EDA may expend funds for qualified housing activities outside of the District boundaries.

In accordance with this administrative modification, the estimated uses of funds will not increase, however line-item adjustments will be made to several categories to clarify the EDA's intent on the use of tax increment funds. The EDA intends to use tax increment to fulfill current obligations of the district, which includes a developer pay-as-you-go note, as well as administrative expenditures. The remaining budget authority of the district will be reserved for the financing of qualified housing activities outside of the District. The EDA intends to use all available increment from this district, after current district obligations, for pooling to eligible affordable housing projects.

# REQUEST FOR ACTION
# CHASKA ECONOMIC DEVELOPMENT AUTHORITY
## 03/04/2019

**Subject:** **Administrative Amendment for Tax Increment Financing District #13**

Prepared By: Kelly Grinnell, Finance Manager
Reviewed By: Nate Kabat, Assistant City Administrator

The purpose of the administrative amendment to the Tax Increment Financing (TIF) Plan for TIF District #13 is to make a line-item adjustment to the estimated uses of funds. This amendment will not increase the overall size of the budget but will clarify the EDA's intent to pool available tax increment revenues from TIF District #13 to finance eligible housing projects within the project area. When TIF District #13 was created, it was the EDA's intent to pool available increments for other projects. This amendment further clarifies the EDA's intent to annually transfer available increment for financing of eligible affordable housing activities.

**ECONOMIC DEVELOPMENT AUTHORITY ACTION REQUESTED**

Motion to adopt Resolution Approving Administrative Modification to the Tax Increment Financing Plan for Tax Increment Financing District No. 13.

**CHASKA ECONOMIC DEVELOPMENT AUTHORITY**
**CITY OF CHASKA, COUNTY OF CARVER**

**RESOLUTION**

**DATE 03/04/2019 ____________________ RESOLUTION NO. EDA 2019-02__**

**MOTION BY MEMBER ________________ SECOND BY MEMBER ______________________**

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**Resolution Approving Administrative Modification to the Tax Increment Financing Plan for Tax Increment Financing District No. 13**

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**WHEREAS,** the Chaska Economic Development Authority (the "Authority") has created and is administering its Tax Increment Financing District No. 13 (the "District") pursuant to Minnesota Statutes, Sections 469.174 to 469.1794; and

**WHEREAS** the uses of funds detailed in the Tax Increment Financing Plan (the "Plan") for the District need to be modified in order to correspond with the intent of pooling a portion of the tax increment revenues for certain eligible housing activities within the Project Area; and

**WHEREAS**, the Minnesota Tax Increment Financing Law, Minnesota Statutes, sections 469.174 to 469.1794, allows a tax increment authority to make changes to a tax increment plan budget administratively and without the notices and public hearing required to create a new tax increment plan if the proposed changes do not increase the overall budget contained in the Plan;

**WHEREAS**, the proposed changes to the Plan budget will not increase the overall budget; and

**WHEREAS**, there has been prepared and submitted to the Board of Commissioners of the Authority a proposed administrative amendment to the Plan.

**NOW, THEREFORE,** be it hereby resolved by the Board of Commissioners of the Authority that the Administrative Amendment to the Plan is hereby adopted.

Adopted by the Board of Commissioners of the Chaska Economic Development Authority this 4th day of March 2019.

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President

ATTEST:

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# City of Chaska, Minnesota
# Chaska Economic Development Authority

## Tax Increment Financing Plan

**for**

## Tax Increment Financing (Housing) District No. 13

**Dated: August 19, 2002**
**Administrative Amendment Dated: March 4, 2019**
**Anticipated Approval Dated: March 4, 2019**

**Prepared by:**

**SPRINGSTED INCORPORATED**
**380 Jackson Street, Suite 300**
**St. Paul, MN 55101-2887**
**(651) 223-3000**
***WWW.SPRINGSTED.COM***

## Introduction

The purpose of the Administrative Amendment to the Tax Increment Financing Plan for Tax Increment Financing District No. 13 is to make a line-item adjustment to the Estimated Uses of Funds. This amendment will not increase the overall size of the budget but will clarify the EDA's intent to pool available tax increment revenues from TIF District No. 13 to finance eligible housing projects within the Project Area. Upon TIF District No. 13 creation, it was the EDA's intent to pool available increments for other projects. This amendment further clarifies the EDA's intent to annually transfer available increment for financing of eligible affordable housing project activities. The section specifically being modified is Subsection 2-10. This amendment does not reflect all the legislative changes that have occurred since original adoption and may not reflect fully the financial ramifications of all the TIF and property tax system changes.

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**Subsection 2-10. Uses of Funds**

The estimate of public costs and uses of funds associated with the District is outlined in the table below.

| | Original TIF Plan | Administrative Modification |
|---|---|---|
| **USES OF FUNDS** | **TOTAL** | **TOTAL** |
| Land/Building Acquisition | $500,000 | $1,000,000 |
| Site Improvements/Preparation | $500,000 | $0 |
| Public Utilities | $90,000 | $90,000 |
| Other Public Improvements | $1,100,000 | $0 |
| Construction of Affordable Housing | $0 | $1,100,000 |
| Administrative Costs (up to 10%) | $410,000 | $410,000 |
| **PROJECT COSTS TOTAL** | **$2,600,000** | **$2,600,000** |
| Interest | $1,500,000 | $1,500,000 |
| **TOTAL FINANCING AND PROJECT COSTS** | **$4,100,000** | **$4,100,000** |

The above budget is organized according to the Office of the State Auditor (OSA) reporting forms.

Estimated costs associated with the District are subject to change among categories without a modification to this Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budge above pursuant to the applicable statutory requirements. The EDA may expend funds for qualified housing activities outside of the District boundaries.

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