

LAUDERDALE CITY COUNCIL MEETING AGENDA
7:30 P.M. TUESDAY, JANUARY 9, 2018
LAUDERDALE CITY HALL, 1891 WALNUT STREET

The City Council is meeting as a legislative body to conduct the business of the City according to Robert's Rules of Order and the Standing Rules of Order and Business of the City Council. Unless so ordered by the Mayor, citizen participation is limited to the times indicated and always within the prescribed rules of conduct for public input at meetings.

1. **CALL THE MEETING TO ORDER**
2. **ROLL CALL**
3. **APPROVALS**
 - a. Agenda
 - b. Minutes of the December 12, 2017 City Council Meeting
 - c. Claims Totaling \$130,659.65
4. **CONSENT**
 - a. November Financial Report
 - b. Designate Official Depository and Investment Institutions – Resolution No. 010918A
 - c. Tobacco and Alcohol Licenses – Resolutions No. 010918C and No. 010918D
5. **SPECIAL ORDER OF BUSINESS/RECOGNITIONS/PROCLAMATIONS**
6. **INFORMATIONAL PRESENTATIONS / REPORTS**
 - a. City Council Updates
7. **PUBLIC HEARINGS**

Public hearings are conducted so that the public affected by a proposal may have input into the decision. During hearings all affected residents will be given an opportunity to speak pursuant to the Robert's Rules of Order and the standing rules of order and business of the City Council.

8. **DISCUSSION / ACTION ITEM**
 - a. Resolution Finding that Modification to the Development Program and Tax Increment Financing Plan Conform to the General Plans for Development and Redevelopment of the City – Resolution No. 010918B
 - b. Memorandum of Understanding to Amend Union Agreements with AFSCME Council 5
 - c. Committee Appointments and Designations
9. **ITEMS REMOVED FROM THE CONSENT AGENDA**
10. **ADDITIONAL ITEMS**
 - a. Resolution Authorizing Interfund Loan in Connection with Tax Increment Financing District No. 1-2 – Resolution 010918E
11. **SET AGENDA FOR NEXT MEETING**
 - a. Update on Jurisdictional Change for Roselawn Avenue and Eustis Street
 - b. Public Hearing for Patsy's Prospect Hill Lot Split

- c. Public Hearing on the Modification to the Development Program for Development District No. 1 and the Proposed Establishment of Tax Increment Financing District No. 1-2, and the Proposed Adoption of a Tax Increment Financing Plan
- d. Comprehensive Plan Work Session

12. WORK SESSION

- a. Opportunity for the Public to Address the City Council

Any member of the public may speak at this time on any item not on the agenda. In consideration for the public attending the meeting, this portion of the meeting will be limited to fifteen (15) minutes. Individuals are requested to limit their comments to four (4) minutes or less. If the majority of the Council determines that additional time on a specific issue is warranted, then discussion on that issue shall be continued at the end of the agenda. Before addressing the City Council, members of the public are asked to step up to the microphone, give their name, address, and state the subject to be discussed. All remarks shall be addressed to the Council as a whole and not to any member thereof. No person other than members of the Council and the person having the floor shall be permitted to enter any discussion without permission of the presiding officer.

Your participation, as prescribed by the Robert's Rules of Order and the standing rules of order and business of the City Council, is welcomed and your cooperation is greatly appreciated.

- b. Community Development Update

13. ADJOURNMENT

LAUDERDALE CITY COUNCIL
MEETING MINUTES
Lauderdale City Hall
1891 Walnut Street
Lauderdale, MN 55113

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December 12, 2017

Roll Call

Mayor Gaasch called the Regular City Council meeting to order at 7:31 p.m.

Councilors present: Jeff Dains, Kelly Dolphin, Andi Moffatt, and Mayor Mary Gaasch.
Councilors absent: Roxanne Grove.

Staff present: Heather Butkowski, City Administrator; Jim Bownik, Assistant to the City Administrator; and Miles Cline, Deputy City Clerk.

Approvals

Mayor Gaasch asked if there were any changes to the meeting agenda. Mayor Gaasch stated that she would like to add a staff appreciation item to the Additional Items section. There being nothing else, Councilor Dains moved and seconded by Councilor Moffatt to approve the agenda as amended. Motion carried unanimously.

Mayor Gaasch asked if there were any changes to the meeting minutes. There being none, Councilor Dains moved and seconded by Councilor Dolphin to approve the minutes of the November 28, 2017, City Council Meeting. Motion carried unanimously.

Mayor Gaasch asked if there were any questions on the claims. There being none, Councilor Moffatt moved and seconded by Councilor Dains to approve the claims totaling \$79,518.29. Motion carried unanimously.

Consent

Councilor Dolphin moved and seconded by Councilor Dains to approve the Consent Agenda thereby approving the year end accounts payable authorization, adoption of the 2017 Fee Schedule – Resolution 121217A, and hiring Warming House attendants.

Informational Presentations/Reports

A. City Council Updates

Councilor Dains shared that the Cable Commission has hired a search firm to recruit a new executive director for CTV North Suburbs. Mayor Gaasch stated that she attended a joint meeting between the League of Minnesota Cities and Metro Cities.

Public Hearings

A. Truth in Taxation Hearing Regarding the 2018 Budget and Levy

Administrator Butkowski presented the Council with the final draft 2018 Budget and Levy. This included the 2018 General Fund, 2018 Special Revenue Funds, and the 2018-2027 Capital Improvement Plan.

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Lauderdale, MN 55113

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Mayor Gaasch opened the floor to anyone in attendance that wanted to address the Council at 7:40 p.m. There being no interested parties to speak, Mayor Gaasch closed the floor at 7:41 p.m.

Councilor Moffatt moved to adopt Resolution 121217B – A Resolution Adopting the 2018 Final Property Tax Levy. The motion was seconded by Councilor Dains and carried unanimously.

Councilor Dolphin moved to adopt Resolution 121217C – A Resolution Adopting the 2018 Final Budget and Establishing Fund Appropriations. The motion was seconded by Councilor Dains and carried unanimously.

Discussion/Action Items

A. 2018 City Council Meeting Schedule

Annually, the City Council sets its meeting schedule for the year. Historically, the Council meets on the second and fourth Tuesdays of the month excluding holidays that conflict with the schedule. Staff presented a proposed meeting schedule for 2018.

Councilor Dains moved, and seconded by Councilor Moffatt, to adopt the 2018 City Council Meeting Schedule as presented. Motion carried unanimously.

B. Setting of Recycling, Sanitary Sewer, and Storm Sewer Rates

The Council discussed the Utility Rate Study at the previous council meeting. Staff proposed increases for 2018: a 1.7% increase to the sanitary sewer rate resulting in a residential flat rate of \$55.01 and a commercial consumption rate of \$2.72; a 1.4% increase to the storm water rate resulting in a flat rate of \$16.25 per quarter per residential equivalency factor; and a 5% increase to the recycling collection rate resulting in a flat rate of \$2.98 per residential unit per month.

Councilor Moffatt moved to adopt Resolution 121217D – Establishing 2018 Sanitary Sewer Rates, Storm Sewer Rates, and Recycling Rates. The motion was seconded by Councilor Dolphin and carried unanimously.

C. Accepting Donation from the Chinese Church

The City received a donation from the Twin Cities Chinese Christian Church and has the option of adopting the resolution and thus accepting the donation, or declining the donation and returning it to the owner. After discussion, the Council decided to accept the donation and direct it towards the park fund.

Councilor Moffatt moved and seconded by Councilor Dolphin to adopt Resolution 121217E Accepting the Donation from the Twin Cities Chinese Christian Church. Motion carried unanimously.

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D. Commercial Building Official Compensation

Duane Grace, the Commercial Building Official for the City of Lauderdale, has historically been paid through plan review fees when there are commercial plans to review. The majority of commercial projects this year did not include plan reviews but other time intensive work dealing with roofing projects and issues of noncompliance, so staff has comprised a payment plan to properly compensate his work. The proposal includes paying commercial plan review fees collected, a flat fee of \$500 for responding to questions from perspective buyers of the Chinese Christian Church, and 85% of the commercial building permit fees when there was no plan review. This totaled \$3,592.32 and was in line with previous year compensation.

Councilor Moffatt moved and seconded by Councilor Dolphin to pay Duane Grace per the compensation plan noted above. Motion carried unanimously.

Additional Items

A. Appreciation Days for Employees

Mayor Gaasch voiced her appreciation for the Lauderdale City Staff for their work through the challenging times of 2017. In recognition, she proposed that staff be granted two personal days that must be used by January 20, 2018.

Council Dains moved and seconded by Councilor Dolphin to grant two personal days to Lauderdale staff members to be used by January 20, 2018. Motion carried unanimously.

Set Agenda for Next Meeting

Administrator Butkowski stated that the next council meeting may include the November Financial Report, 2018 Investment Policy, Designating Official Depository and Investment Institutions, Tobacco and Alcohol Licenses, Committee Appointments and Assignments, and Designating the Official Newspaper.

Work Session

A. Opportunity for the Public to Address the City Council

Mayor Gaasch opened the floor to anyone in attendance that wanted to address the Council. There being no interested parties to speak, Mayor Gaasch closed the floor.

B. Discuss Sale of 1821 Eustis Street

Tim Labey and his associates addressed the Council to discuss two separate properties on Eustis Street. The first property is located at 1825 Eustis Street which they are in the process of purchasing. The second property is located at 1821 Eustis Street and is owned by the City. He shared his design concepts with the Council of what they would like to build at the 1825 address with hopes that the Council would be interested in selling them the 1821 property. After

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discussing, the Council directed staff to further explore the possible sale in terms expectations of the completed product and begin drafting a purchase and development agreement.

C. Eustis Street Update with City Engineer

City Engineer Darren Amundsen approached the Council to give an update on the possible acquisition of certain segments of Eustis Street and Roselawn Avenue managed by Ramsey County. There are still some items to be resolved and a gap between the price of reconstruction and their level of compensation for taking ownership of the road. He will continue to work with the county to get closer to a resolution.

D. Community Development Update

Butkowski informed the Council that staff is working on the purchase agreement for the Chinese Christian Church, the adjustor is reviewing the damage at the City's building on Larpenteur Avneue, Goat Dispatch submitted a quote for invasive species management in the Nature Area, and the Fulham Street lot split is moving forward.

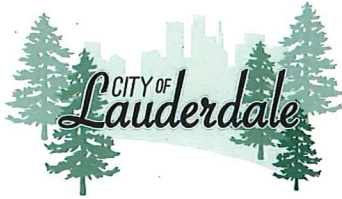
Adjournment

Councilor Dains moved and seconded by Councilor Moffatt to adjourn the meeting at 8:54 p.m. Motion carried unanimously.

Respectfully submitted,



Miles Cline
Deputy City Clerk



CITY OF LAUDERDALE
LAUDERDALE CITY HALL
1891 WALNUT STREET
LAUDERDALE, MN 55113
651-792-7650
651-631-2066 FAX

Request for Council Action

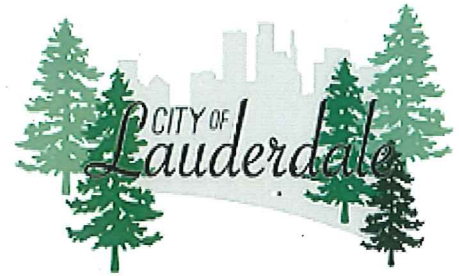
To: Mayor and City Council
From: City Administrator
Meeting Date: January 09, 2018
Subject: List of Claims

The claims totaling \$130,659.65 are provided for City Council review and approval that includes check numbers 25640 to 25681.

Accounts Payable

Checks by Date - Detail by Check Date

User: miles.cline
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Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	43	Public Employees Retirement Association	12/29/2017	
		PR Batch 52600.12.2017 PERA Coordinated	PR Batch 52600.12.2017 PER	1,057.70
		PR Batch 52600.12.2017 PERA Coordinated	PR Batch 52600.12.2017 PER	916.67
Total for this ACH Check for Vendor 43:				1,974.37
ACH	44	Minnesota Department of Revenue	12/29/2017	
		PR Batch 52600.12.2017 State Income Tax	PR Batch 52600.12.2017 Stat	588.67
Total for this ACH Check for Vendor 44:				588.67
ACH	45	ICMA Retirement Corporation	12/29/2017	
		PR Batch 52600.12.2017 Deferred Comp	PR Batch 52600.12.2017 Def	1,503.29
Total for this ACH Check for Vendor 45:				1,503.29
ACH	46	Internal Revenue Service	12/29/2017	
		PR Batch 52600.12.2017 Federal Income Tax	PR Batch 52600.12.2017 Fed	1,391.52
		PR Batch 52600.12.2017 Medicare Employer Po	PR Batch 52600.12.2017 Mec	228.40
		PR Batch 52600.12.2017 FICA Employer Portio	PR Batch 52600.12.2017 FIC.	976.65
		PR Batch 52600.12.2017 Medicare Employee Pc	PR Batch 52600.12.2017 Mec	228.40
		PR Batch 52600.12.2017 FICA Employee Portio	PR Batch 52600.12.2017 FIC.	976.65
Total for this ACH Check for Vendor 46:				3,801.62
25640	20	Abdo Eick & Meyers LLP	12/29/2017	
	392466	2017 Audit		750.00
	392466	2017 Audit		3,500.00
	392466	2017 Audit		750.00
Total for Check Number 25640:				5,000.00
25641	34	AFSCME MN Council 5	12/29/2017	
		PR Batch 52500.12.2017 Union Dues	PR Batch 52500.12.2017 Unio	194.96
Total for Check Number 25641:				194.96
25642	65	Allstream Inc.	12/29/2017	
	15062857	Fax Line		51.47
Total for Check Number 25642:				51.47
25643	33	City of Falcon Heights	12/29/2017	
	122017	Fire Inspections		800.00
	122017	5kFun Run/Parks and Rec Reimbursement		182.39
Total for Check Number 25643:				982.39
25644	36	City of Roseville	12/29/2017	
	0224012	December IT Services		521.25
	0224060	December Phone Services		94.24

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 25644:	615.49
25645	25	County of Ramsey	12/29/2017	
		PR Batch 52500.12.2017 Life Insurance	PR Batch 52500.12.2017 Life	310.08
		PR Batch 52500.12.2017 Long Term Disability	PR Batch 52500.12.2017 Lon	97.69
		PR Batch 52500.12.2017 Short Term Disability	PR Batch 52500.12.2017 Sho	67.58
	EMCOM-006554	November Fleet Support		6.24
	EMCOM-006566	November 911 Dispatch Services		1,280.65
	EMCOM-006581	November CAD Services		258.44
	EMCOM-006617	December Fleet Support		6.24
	EMCOM-006629	December 911 Dispatch Services		1,280.65
	EMCOM-006644	December CAD Services		258.44
	PRRRV-000744	Truth in Taxation Notice		158.54
	RISK-001895	Insurance Processing Fee		25.00
			Total for Check Number 25645:	3,749.55
25646	38	Croix Oil Company Inc.	12/29/2017	
	473544	December Fuel		128.10
	473544	December Fuel		27.45
	473544	December Fuel		27.45
			Total for Check Number 25646:	183.00
25647	19	Ehlers and Associates Inc	12/29/2017	
	75644	Consulting Services		4,700.00
	75656	Consulting Services		117.50
			Total for Check Number 25647:	4,817.50
25648	60	G & K Services Inc	12/29/2017	
	2277524-11	November Uniforms		121.85
	2277524-11	November Uniforms		121.85
			Total for Check Number 25648:	243.70
25649	61	Gopher State One Call	12/29/2017	
	7110514	November Locates		22.95
			Total for Check Number 25649:	22.95
25650	8	Duane Grace	12/29/2017	
	2017	2017 Commercial Plan Reviews		8,510.46
			Total for Check Number 25650:	8,510.46
25651	82	Home Depot	12/29/2017	
	42058	Cleaning Supplies		66.41
			Total for Check Number 25651:	66.41
25652	134	Katrina Joseph	12/29/2017	
	0071	November Legal Services		925.00
			Total for Check Number 25652:	925.00
25653	31	Kennedy & Graven Chartered	12/29/2017	
	140768	TIF District 1-2 Legal		2,275.00
	140768	Patsy's Prospect Hill Replat		379.50
	140768	November Legal Services		1,092.63

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 25653:	3,747.13
25654	23 INV960800	Metro Sales Inc 4Q 2017 Copier Fees	12/29/2017	194.61
			Total for Check Number 25654:	194.61
25655	140	Minnesota Department of Agriculture 2018 Tree Care Registry	12/29/2017	25.00
			Total for Check Number 25655:	25.00
25656	26 1294857 1294857	Stantec Consulting Services Inc Eustis & Roselawn Transfer Sewer Lining Project	12/29/2017	1,453.50 700.00
			Total for Check Number 25656:	2,153.50
25657	162 566	Swanson Haskamp Consulting Comprehensive Plan Pay 7	12/29/2017	2,175.00
			Total for Check Number 25657:	2,175.00
25658	4 17369 17369	The Neighborhood Recycling Company Inc November Recycling Contract November Revenue Sharing	12/29/2017	2,396.16 -69.88
			Total for Check Number 25658:	2,326.28
25659	3 345768618	US National Equipment Finance Inc December Copier Contract	12/29/2017	149.00
			Total for Check Number 25659:	149.00
25660	90 9797219980 9797219980 9797219980	Verizon Wireless November Cell Phone November Cell Phone November Cell Phone	12/29/2017	16.35 16.35 32.70
			Total for Check Number 25660:	65.40
25661	74 571703339 571919442 571919442 571919442 571919442	Xcel Energy November Street Lighting 1885 Fulham Street 1917 Walnut Street 1885 Fulham Street 1917 Walnut Street	12/29/2017	431.56 43.77 41.36 32.47 83.47
			Total for Check Number 25661:	632.63
			Total for 12/29/2017:	44,699.38
25662	13 5557	8th Day Landscaping LLC December Snow Removal	01/09/2018	645.00
			Total for Check Number 25662:	645.00
25663	21 012018	Accela Inc 2018 Membership	01/09/2018	100.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 25663:	100.00
25664	56 012018	James Bownik Mileage Reimbursement	01/09/2018	58.42
			Total for Check Number 25664:	58.42
25665	149 214334	Centro Business Forms Inc Tax Forms	01/09/2018	106.09
			Total for Check Number 25665:	106.09
25666	33 0118 012018	City of Falcon Heights December Fire Calls Fire Inspections	01/09/2018	1,144.21 150.00
			Total for Check Number 25666:	1,294.21
25667	29 3618	City of St Anthony January Police Services	01/09/2018	57,730.66
			Total for Check Number 25667:	57,730.66
25668	133 4Q2017	Miles Cline Mileage Reimbursement	01/09/2018	27.36
			Total for Check Number 25668:	27.36
25669	164 3265343	Dalco Enterprises Inc Paper Towels	01/09/2018	130.66
			Total for Check Number 25669:	130.66
25670	177 012018 012018	DVS Vehicle Registration Renewal - '16 Ford Vehicle Registration Renewal - '12 Ford	01/09/2018	16.00 16.00
			Total for Check Number 25670:	32.00
25671	61 7120513	Gopher State One Call December Locates	01/09/2018	9.45
			Total for Check Number 25671:	9.45
25672	1 012018	Lillie Suburban Newspapers Inc Publish Ordinance 17-05	01/09/2018	58.00
			Total for Check Number 25672:	58.00
25673	114 38	Metro Cities 2018 Dues	01/09/2018	1,188.00
			Total for Check Number 25673:	1,188.00
25674	99 2656	Metropolitan Area Management Association 2018 Membership Dues - HB	01/09/2018	45.00
			Total for Check Number 25674:	45.00
25675	24 0001075648 0001076822	Metropolitan Council January Wastewater Treatment February Wastewater Treatment	01/09/2018	10,846.48 10,846.48

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 25675:	21,692.96
25676	79 DEC1230252017	Minnesota Department of Labor & Industry 4Q2017 Surcharge Report	01/09/2018	165.78
			Total for Check Number 25676:	165.78
25677	112 012018	Minnesota Pollution Control Agency MS4 General Stormwater Permit Application	01/09/2018	400.00
			Total for Check Number 25677:	400.00
25678	40 0319285	Truck Utilities Inc Hydraulic Couplers	01/09/2018	17.00
			Total for Check Number 25678:	17.00
25679	77 012018	United States Postal Service 2018 Newsletter Postage	01/09/2018	1,500.00
			Total for Check Number 25679:	1,500.00
25680	110 012018	University of Minnesota Shade Tree Short Course - DH & GB	01/09/2018	420.00
			Total for Check Number 25680:	420.00
25681	7 7782204-0500-6	Waste Management Inc January Public Works	01/09/2018	339.68
			Total for Check Number 25681:	339.68
			Total for 1/9/2018:	85,960.27
			Report Total (46 checks):	130,659.65

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent X
Public Hearing
Discussion
Action
Resolution
Work Session

Meeting Date January 9, 2018

ITEM NUMBER November Financial Report

STAFF INITIAL WB

APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Every month I provide the Council with an updated copy of the city's finances. Following are the revenue, expense, and cash balance reports for November 2017.

OPTIONS:

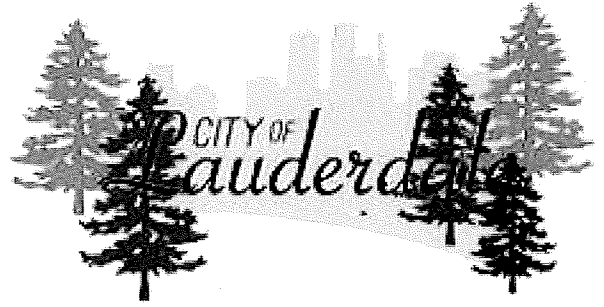
STAFF RECOMMENDATION:

By approving the consent agenda, the Council acknowledges the city's financial report for November 2017.

COUNCIL ACTION:

General Ledger

Cash Balances



User: heather.butkowski
 Printed: 12/20/2017 4:10:09 PM
 Period 11 - 11
 Fiscal Year 2017

Description	Account	Beg Bal	MTD Debit	MTD Credit	Current Balance
Cash	101-00000-000-10100	-2,388,128.98	200,754.50	130,946.28	-2,318,320.76
Change Fund	101-00000-000-10300	100.00	0.00	0.00	100.00
Cash	226-00000-000-10100	11,564.61	83.51	598.67	11,049.45
Cash	227-00000-000-10100	95,052.78	19,261.97	3,896.61	110,418.14
Cash	401-00000-000-10100	97,734.15	107.69	0.00	97,841.84
Cash	403-00000-000-10100	443,841.53	489.04	0.00	444,330.57
Cash	404-00000-000-10100	273,649.09	296.12	4,900.00	269,045.21
Cash	405-00000-000-10100	34,303.91	37.80	0.00	34,341.71
Cash	414-00000-000-10100	216,988.78	81,453.47	0.00	298,442.25
Cash	602-00000-000-10100	993,809.41	15,088.42	15,702.48	993,195.35
Cash	603-00000-000-10100	349,582.50	9,774.87	5,455.82	353,901.55
Current Assets		128,497.78	327,347.39	161,499.86	294,345.31
Petty Cash	101-00000-000-10200	300.00	0.00	0.00	300.00
Petty Cash		300.00	0.00	0.00	300.00
Investments - Fair Value Adj	101-00000-000-10410	2,787,543.36	3,395.61	0.00	2,790,938.97
Investments		2,787,543.36	3,395.61	0.00	2,790,938.97
Grand Total		<u>2,916,341.14</u>	<u>330,743.00</u>	<u>161,499.86</u>	<u>3,085,584.28</u>

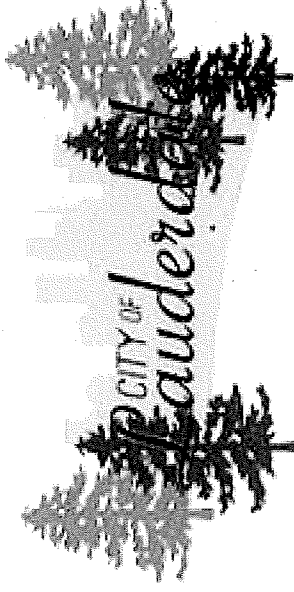
General Ledger Revenue vs Expense



User: heather.butkowski
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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
101	General Fund					
	Revenue					
	Taxes	708,333.00	182,283.92	548,995.62	159,337.38	77.51
	Licenses and Permits	29,750.00	3,899.82	32,896.37	-3,146.37	110.58
	Intergovernmental Revenues	539,016.00	0.00	274,507.50	264,508.50	50.93
	Charges for Services	11,025.00	904.17	13,567.34	-2,542.34	123.06
	Fines and Forfeits	45,000.00	1,706.99	20,749.73	24,250.27	46.11
	Miscellaneous Revenue	2,900.00	2,053.36	20,499.10	-17,599.10	706.87
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	1,336,024.00	190,848.26	911,215.66	424,808.34	68.20
	Expense					
	Personal Services	360,611.00	27,711.92	332,262.52	28,348.48	92.14
	Supplies	21,050.00	399.98	11,953.27	9,096.73	56.79
	Other Services and Charges	906,364.00	89,532.53	845,129.29	61,234.71	93.24
	Capital Outlay	0.00	0.00	0.00	0.00	0.00
	Other Uses	48,000.00	0.00	38,000.00	10,000.00	79.17
	Expense	1,336,025.00	117,644.43	1,227,345.08	108,679.92	91.87
101	General Fund	-1.00	73,203.83	-316,129.42	316,128.42	31,612,942.00

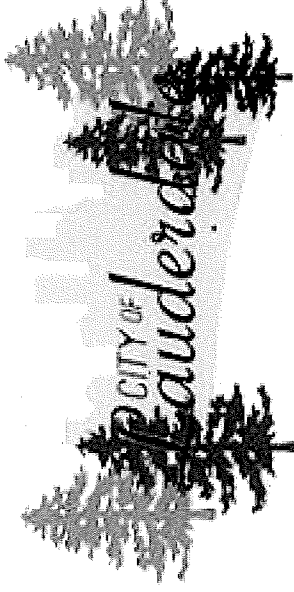
General Ledger Revenue vs Expense



User: heather.butkowski
 Printed: 12/20/2017 4:26:22 PM
 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
226	Communications					
	Revenue	20,000.00	71.35	16,700.01	3,299.99	83.50
	Taxes	25.00	12.16	89.92	-64.92	359.68
	Miscellaneous Revenue					
	Revenue	20,025.00	83.51	16,789.93	3,235.07	83.84
	Expense					
	Personal Services	7,943.00	598.67	7,110.10	832.90	89.51
	Supplies	600.00	0.00	834.60	-234.60	139.10
	Other Services and Charges	2,400.00	0.00	2,313.79	86.21	96.41
	Capital Outlay	5,000.00	0.00	4,733.40	266.60	94.67
	Expense	15,943.00	598.67	14,991.89	951.11	94.03
226	Communications	4,082.00	-515.16	1,798.04	2,283.96	44.05

General Ledger Revenue vs Expense



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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
227	Recycling Revenue					
	Intergovernmental Revenues	6,000.00	0.00	6,213.00	-213.00	103.55
	Miscellaneous Revenue	<u>37,350.00</u>	<u>19,261.97</u>	<u>42,205.17</u>	<u>-4,855.17</u>	<u>113.00</u>
	Revenue	43,350.00	19,261.97	48,418.17	-5,068.17	111.69
	Expense					
	Personal Services	21,260.00	1,619.48	18,847.30	2,412.70	88.65
	Supplies	350.00	0.00	0.00	350.00	0.00
	Other Services and Charges	35,000.00	2,277.13	19,547.40	15,452.60	55.85
	Capital Outlay	<u>0.00</u>	<u>0.00</u>	<u>331.00</u>	<u>-331.00</u>	<u>0.00</u>
	Expense	56,610.00	3,896.61	38,725.70	17,884.30	68.41
227	Recycling	-13,260.00	15,365.36	9,692.47	-22,952.47	-73.10

General Ledger

Revenue vs Expense



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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
401	General Capital Projects					
	Revenue					
	Intergovernmental Revenues	0.00	0.00	0.00	0.00	0.00
	Miscellaneous Revenue	500.00	107.69	1,096.02	-596.02	219.20
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	500.00	107.69	1,096.02	-596.02	219.20
	Expense					
	Other Services and Charges	0.00	0.00	1,280.00	-1,280.00	0.00
	Capital Outlay	0.00	0.00	6,179.00	-6,179.00	0.00
	Other Uses	0.00	0.00	0.00	0.00	0.00
	Expense	0.00	0.00	7,459.00	-7,459.00	0.00
401	General Capital Projects	500.00	107.69	-6,362.98	6,862.98	-1,272.60

General Ledger Revenue vs Expense



User: heather.butkowski
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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
403	Street Capital Projects					
	Revenue					
	Intergovernmental Revenues	0.00	0.00	8,235.00	-8,235.00	0.00
	Miscellaneous Revenue	3,500.00	489.04	5,005.02	-1,505.02	143.00
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	3,500.00	489.04	13,240.02	-9,740.02	378.29
	Expense					
	Capital Outlay	40,000.00	0.00	0.00	40,000.00	0.00
	Other Uses	0.00	0.00	0.00	0.00	0.00
	Expense	40,000.00	0.00	0.00	40,000.00	0.00
403	Street Capital Projects	-36,500.00	489.04	13,240.02	-49,740.02	-36.27

General Ledger Revenue vs Expense



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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
404	Park Capital Projects					
	Revenue					
	Miscellaneous Revenue	2,000.00	296.12	3,150.68	-1,150.68	157.53
	Other Financing Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Revenue	2,000.00	296.12	3,150.68	-1,150.68	157.53
	Expense					
	Supplies	0.00	0.00	0.00	0.00	0.00
	Capital Outlay	8,000.00	4,900.00	14,250.00	-6,250.00	178.13
	Other Uses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Expense	8,000.00	4,900.00	14,250.00	-6,250.00	178.13
404	Park Capital Projects	-6,000.00	-4,603.88	-11,099.32	5,099.32	184.99

General Ledger

Revenue vs Expense



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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
405	Rosehill Tax Increment Revenue	0.00	37.80	392.46	-392.46	0.00
	Miscellaneous Revenue	0.00	0.00	0.00	0.00	0.00
	Other Financing Sources					
	Revenue	0.00	37.80	392.46	-392.46	0.00
	Expense					
	Other Services and Charges	0.00	0.00	0.00	0.00	0.00
	Expense	0.00	0.00	0.00	0.00	0.00
405	Rosehill Tax Increment	0.00	37.80	392.46	-392.46	0.00

General Ledger Revenue vs Expense



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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
414	Development					
	Revenue					
	Miscellaneous Revenue	500.00	81,453.47	83,413.31	-82,913.31	16,682.66
	Other Financing Sources	<u>38,000.00</u>	<u>0.00</u>	<u>38,000.00</u>	<u>0.00</u>	<u>100.00</u>
	Revenue	38,500.00	81,453.47	121,413.31	-82,913.31	315.36
	Expense					
	Other Services and Charges	10,000.00	0.00	0.00	10,000.00	0.00
	Other Uses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Expense	10,000.00	0.00	0.00	10,000.00	0.00
414	Development	28,500.00	81,453.47	121,413.31	-92,913.31	426.01

General Ledger Revenue vs Expense



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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
415	Housing Redevelopment					
	Revenue	0.00	0.00	0.00	0.00	0.00
	Miscellaneous Revenue	0.00	0.00	0.00	0.00	0.00
	Other Financing Sources					
	Revenue	0.00	0.00	0.00	0.00	0.00
	Expense					
	Other Services and Charges	0.00	0.00	0.00	0.00	0.00
	Capital Outlay	0.00	0.00	0.00	0.00	0.00
	Expense	0.00	0.00	0.00	0.00	0.00
415	Housing Redevelopment	0.00	0.00	0.00	0.00	0.00

General Ledger

Revenue vs Expense



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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
602	Sanitary Sewer Revenue					
	Intergovernmental Revenues	0.00	0.00	0.00	0.00	0.00
	Charges for Services	267,814.00	14,090.49	230,175.98	37,638.02	85.95
	Miscellaneous Revenue	7,000.00	1,093.13	11,014.53	-4,014.53	157.35
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	274,814.00	15,183.62	241,190.51	33,623.49	87.77
	Expense					
	Personal Services	65,837.00	4,122.48	45,974.83	19,862.17	69.83
	Supplies	1,300.00	29.06	413.43	886.57	31.80
	Other Services and Charges	191,231.00	11,646.14	155,467.48	35,763.52	81.30
	Capital Outlay	0.00	0.00	-558.45	558.45	0.00
	Other Uses	0.00	0.00	0.00	0.00	0.00
	Expense	258,368.00	15,797.68	201,297.29	57,070.71	77.91
602	Sanitary Sewer	16,446.00	-614.06	39,893.22	-23,447.22	242.57

General Ledger

Revenue vs Expense



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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
603	Storm Water					
	Revenue					
	Intergovernmental Revenues	0.00	0.00	0.00	0.00	0.00
	Charges for Services	84,000.00	9,402.16	97,659.06	-13,659.06	116.26
	Miscellaneous Revenue	1,500.00	389.51	3,974.48	-2,474.48	264.97
	Other Financing Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Revenue	85,500.00	9,791.67	101,633.54	-16,133.54	118.87
	Expense					
	Personal Services	56,496.00	4,070.78	44,840.84	11,655.16	79.37
	Supplies	700.00	29.05	413.47	286.53	59.07
	Other Services and Charges	16,150.00	1,372.79	30,445.53	-14,295.53	188.52
	Capital Outlay	0.00	0.00	0.00	0.00	0.00
	Other Uses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Expense	73,346.00	5,472.62	75,699.84	-2,353.84	103.21
603	Storm Water	12,154.00	4,319.05	25,933.70	-13,779.70	213.38

General Ledger

Revenue vs Expense



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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
999	Fund					
	Revenue					
	Taxes	0.00	0.00	0.00	0.00	0.00
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	0.00	0.00	0.00	0.00	0.00
	Expense					
	Personal Services	0.00	0.00	-14,077.88	14,077.88	0.00
	Other Services and Charges	0.00	0.00	0.00	0.00	0.00
	Capital Outlay	0.00	0.00	0.00	0.00	0.00
	Other Uses	0.00	0.00	-33,123.94	33,123.94	0.00
	Expense	0.00	0.00	-47,201.82	47,201.82	0.00
999	Fund	0.00	0.00	47,201.82	-47,201.82	0.00

General Ledger Revenue vs Expense



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 Period 11 - 11
 Fiscal Year 2017

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
Revenue Total		1,804,213.00	317,553.15	1,458,540.30	345,672.70	0.8084
Expense Total		1,798,292.00	148,310.01	1,532,566.98	265,725.02	0.8522
Grand Total		5,921.00	169,243.14	-74,026.68	79,947.68	-12.5024

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent X
Public Hearing
Discussion
Action
Resolution X
Work Session

Meeting Date January 9, 2018

ITEM NUMBER Designating Official Depository and Investment Institutions/Brokers for 2018

STAFF INITIAL JB

APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Annually, the City designates the official depository and investment institutions/brokers.

North Star Bank is recommended to continue as the official depository.

Investment institutions/brokers includes Morgan Stanley, Northland Securities, RBC Capital Markets, LLC and the 4M Fund/PFA Financial Network, Inc.

OPTIONS:

1. To approve Resolution 010918A.
2. To remove the item from the consent agenda for further consideration.

STAFF RECOMMENDATION:

By approving the Consent Agenda, the Council adopts Resolution 010918A Designating Official Depository and Investment Institutions.

COUNCIL ACTION:

RESOLUTION 010918A

**CITY OF LAUDERDALE
COUNTY OF RAMSEY
STATE OF MINNESOTA**

**RESOLUTION DESIGNATING
OFFICIAL DEPOSITORY & INVESTMENT INSTITUTIONS**

BE IT HEREBY RESOLVED, that North Star Bank is designated as a depository for the funds of the City of Lauderdale.

BE IT FURTHER RESOLVED, that before any deposits are made that exceed the amount that is guaranteed by the Federal Deposit Insurance Corporation (FDIC), the depository must supply to the city a corporate surety bond in the amount of at least ten percent more than the amount on the deposit plus accrued interest at the close of the business day. The bond is subject to the approval of the city council.

BE IT FURTHER RESOLVED, that in lieu of the above bond, the depository may furnish collateral in the manner and to the extent permitted by law. All such collateral must be approved by the council and accompanied by a written assignment providing that, upon default, the financial institution shall release to the city on demand, free exchange or any other charges, the collateral pledged.

BE IT FURTHER RESOLVED, all collateral must be placed in safekeeping in a restricted account at either a Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution that is furnishing the collateral. In case of default upon the part of the depository, the council of the city shall have full power and authority to sell such collateral or as much as may be necessary to realize the full amount due the city over such federal guarantee.

BE IT FURTHER RESOLVED, Morgan Stanley, Northland Securities, RBC Capital Markets, LLC, and the 4M Fund/PFA Financial Network, Inc. are the city's investment institutions and brokers for 2018.

Adopted this 9th day of January 2018.

Mary Gaasch, Mayor

Heather Butkowski, City Administrator

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested	
Consent	<u> X </u>
Public Hearing	<u> </u>
Discussion	<u> </u>
Action	<u> </u>
Resolution	<u> X </u>
Work Session	<u> </u>

Meeting Date	January 09, 2018
ITEM NUMBER	<u>2018 Tobacco Licenses</u>
STAFF INITIAL	<u> MJC </u>
APPROVED BY ADMINISTRATOR	

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The City has received applications for renewal of tobacco licenses. The licenses would be valid January 1, 2018— December 31, 2018.

Larpenteur SuperUSA - 2424 Larpenteur Avenue W
Croix Oil (BP Station) - 2421 Larpenteur Avenue W

OPTIONS:

1. To approve Resolution 010918C.
2. To remove the item from the consent agenda for further consideration.

STAFF RECOMMENDATION:

Approve Resolution 010918C Approving 2018 Tobacco Licenses.

COUNCIL ACTION:

RESOLUTION 010917C

**CITY OF LAUDERDALE
COUNTY OF RAMSEY
STATE OF MINNESOTA**

APPROVING 2018 TOBACCO LICENSES

WHEREAS, the following applicants:

Larpenteur SuperUSA	2424 Larpenteur Avenue W
Croix Oil	2421 Larpenteur Avenue W

have presented to the City of Lauderdale complete applications for renewal of current tobacco licenses; and

WHEREAS, the establishments listed above have provided the proper fee and the Certification of Workers Compensation form and insurance certificate.

NOW, THEREFORE BE IT RESOLVED, that the Lauderdale City Council authorizes that the establishments listed above, be granted tobacco licenses with the City of Lauderdale for the term of January 1, 2018 through December 31, 2018.

Adopted by the City of Lauderdale this 9th day of January, 2018.

Mary Gaasch, Mayor

ATTEST:

Heather Butkowski, City Administrator

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested	
Consent	<u> X </u>
Public Hearing	<u> </u>
Discussion	<u> </u>
Action	<u> </u>
Resolution	<u> X </u>
Work Session	<u> </u>

Meeting Date	January 09, 2018
ITEM NUMBER	<u>3.2 Off Sale Malt Liquor</u>
License for 2018	<u> </u>
STAFF INITIAL	<u> MJC </u>
APPROVED BY ADMINISTRATOR	

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The City has received an application for renewal 3.2 off sale malt liquor license. The license would be valid January 1, 2018 — December 31, 2018

Larpenteur SuperUSA - 2424 Larpenteur Avenue W

OPTIONS:

1. To approve Resolution 010918D.
2. To remove the item from the consent agenda for further consideration.

STAFF RECOMMENDATION:

Approve Resolution 010918D Approving 3.2 Off Sale Malt Liquor License for 2018.

COUNCIL ACTION:

RESOLUTION 010918D

**CITY OF LAUDERDALE
COUNTY OF RAMSEY
STATE OF MINNESOTA**

APPROVING 3.2 OFF SALE MALT LIQUOR LICENSE FOR 2018

WHEREAS, the following applicant:

Larpenteur SuperUSA 2424 Larpenteur Avenue W

has presented to the City of Lauderdale their complete application for renewal of current 3.2 off sale malt liquor license; and

WHEREAS, the establishment listed above has provided the proper fee and the Certification of Workers Compensation form and insurance certificate.

NOW, THEREFORE BE IT RESOLVED, that the Lauderdale City Council authorizes that the establishment listed above, be granted 3.2 off sale malt liquor license with the City of Lauderdale for the term of January 1, 2018 through December 31, 2018.

Adopted by the City of Lauderdale this 9th day of January, 2018.

Mary Gaasch, Mayor

ATTEST:

Heather Butkowski, City Administrator

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent _____
Public Hearing _____
Discussion X
Action X
Resolution X
Work Session _____

Meeting Date January 9, 2018

ITEM NUMBER Development District Res

STAFF INITIAL AB

APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The following resolution is the next step in modifying the City's Development Program for Development District No. 1 and the Tax Increment Financing Plan for Tax Increment Financing District No. 1-2 (a.k.a. Program and Plan) in order to secure the funding for the purchase of the Chinese Church. With this resolution the City Council is affirming the changes to the Program and Plan are in conformance with the City's general plans for the development of the City.

OPTIONS:

STAFF RECOMMENDATION:

Motion to adopt Resolution 010918B—A Resolution Finding that a Modification to the Development Program for Development District No. 1 and a Tax Increment Financing Plan for Tax Increment Financing District No. 1-2 Conform to the General Plans for the Development and Redevelopment of the City.

RESOLUTION NO. 010918B

**CITY OF LAUDERDALE
RAMSEY COUNTY
STATE OF MINNESOTA**

**RESOLUTION FINDING THAT A MODIFICATION TO THE
DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1
AND A TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT
FINANCING DISTRICT NO. 1-2 CONFORM TO THE GENERAL PLANS
FOR THE DEVELOPMENT AND REDEVELOPMENT OF THE CITY.**

WHEREAS, the City of Lauderdale (the "City") has proposed to adopt a Modification to the Development Program for Development District No. 1 (the "Development Program Modification") and a Tax Increment Financing Plan for Tax Increment Financing District No. 1-2 (the "TIF Plan") therefor (the Development Program Modification and the TIF Plan are referred to collectively herein as the "Program and Plan") and has submitted the Program and Plan to the City Council (the "Council") pursuant to Minnesota Statutes, Section 469.175, Subd. 3, and;

WHEREAS, the Lauderdale city council (the "Council") serves as the City's planning agency within the meaning of Minnesota Statutes, Section 462.354, Subd. 1, and;

WHEREAS, the Council has reviewed the Program and Plan to determine their conformity with the general plans for the development and redevelopment of the City as described in the comprehensive plan for the City.

NOW, THEREFORE, BE IT RESOLVED by the Council that the Program and Plan conform to the general plans for the development and redevelopment of the City as a whole.

Dated: January 9, 2017

Mary Gaasch, Mayor

ATTEST:

Heather Butkowski, City Clerk - Administrator



*As of January 2, 2018
Draft for City Council*

**Modification to the Development Program
for Development District No. 1**

and the

Tax Increment Financing Plan

for the establishment of

**Tax Increment Financing District No. 1-2
(a redevelopment district)**

within

Development District No. 1

City of Lauderdale
Ramsey County
State of Minnesota

Public Hearing: January 23, 2018
Adopted:



EHLERS

Prepared by: EHLERS & ASSOCIATES, INC.
3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105
651-697-8500 fax: 651-697-8555 www.ehlers-inc.com

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(for reference purposes only)

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**Section 1 - Modification to the Development Program
for Development District No. 1**

Foreword

The following text represents a Modification to the Development Program for Development District No. 1. This modification represents a continuation of the goals and objectives set forth in the Development Program for Development District No. 1. Generally, the substantive changes include the establishment of Tax Increment Financing District No. 1-2.

For further information, a review of the Development Program for Development District No. 1 is recommended. It is available from the City Administrator at the City of Lauderdale. Other relevant information is contained in the Tax Increment Financing Plans for the Tax Increment Financing Districts located within Development District No. 1.

Boundaries of Development District No. 1

The boundaries of Development District No. 1 are being expanded to be coterminous with the corporate boundaries of the City of Lauderdale.

Section 2 - Tax Increment Financing Plan for Tax Increment Financing District No. 1-2

Subsection 2-1. Foreword

The City of Lauderdale (the "City"), staff and consultants have prepared the following information to expedite the establishment of Tax Increment Financing District No. 1-2 (the "District"), a redevelopment tax increment financing district, located in Development District No. 1.

Subsection 2-2. Statutory Authority

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the City has certain statutory powers pursuant to *Minnesota Statutes ("M.S.")*, Sections 469.124 to 469.133, inclusive, as amended, and *M.S.*, Sections 469.174 to 469.1794, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This section contains the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Modification to the Development Program for Development District No. 1.

Subsection 2-3. Statement of Objectives

The District currently consists of one parcel of land and adjacent and internal rights-of-way. The District is being created to facilitate construction of up to 130 market rate apartments in the City. Please see Appendix A for further District information. The City has not entered into an agreement or designated a developer at the time of preparation of this TIF Plan, so the TIF plan is based upon a maximum number of units that could be built on the site. The project may be smaller in the number of units and or may consist of single-family housing. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for Development District No. 1.

The activities contemplated in the Modification to the Development Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Development District No. 1 and the District.

Subsection 2-4. Development Program Overview

1. Property to be Acquired - Selected property located within the District may be acquired by the City and is further described in this TIF Plan.
2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S.*, Chapter 117 and other relevant state and federal laws.
3. Upon approval of a developer's plan relating to the project and completion of the necessary legal requirements, the City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.
4. The City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.

Subsection 2-5. Description of Property in the District and Property To Be Acquired

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcels listed in Appendix C of this TIF Plan. Please also see the map in Appendix B for further information on the location of the District.

The City may acquire any parcel within the District including interior and adjacent street rights of way. Any properties identified for acquisition will be acquired by the City only in order to accomplish one or more of the following: storm sewer improvements; provide land for needed public streets, utilities and facilities; carry out land acquisition, site improvements, clearance and/or development to accomplish the uses and objectives set forth in this plan. The City may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of this TIF Plan. Such acquisitions will be undertaken only when there is assurance of funding to finance the acquisition and related costs.

Subsection 2-6. Classification of the District

The City, in determining the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.1794*, as amended, inclusive, finds that the District, to be established, is a redevelopment district pursuant to *M.S., Section 469.174, Subd. 10(a)(1)* as defined below:

(a) *"Redevelopment district" means a type of tax increment financing district consisting of a project, or portions of a project, within which the authority finds by resolution that one or more of the following conditions, reasonably distributed throughout the district, exists:*

(1) *parcels consisting of 70 percent of the area in the district are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;*

(2) *The property consists of vacant, unused, underused, inappropriately used, or infrequently used rail yards, rail storage facilities or excessive or vacated railroad rights-of-way;*

(3) *tank facilities, or property whose immediately previous use was for tank facilities, as defined in Section 115C, Subd. 15, if the tank facility:*

(i) *have or had a capacity of more than one million gallons;*

(ii) *are located adjacent to rail facilities; or*

(iii) *have been removed, or are unused, underused, inappropriately used or infrequently used; or*

(4) *a qualifying disaster area, as defined in Subd. 10b.*

(b) *For purposes of this subdivision, "structurally substandard" shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance.*

(c) *A building is not structurally substandard if it is in compliance with the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same square footage and type on the*

site. The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence on the basis of reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs or other similar reliable evidence. The municipality may not make such a determination without an interior inspection of the property, but need not have an independent, expert appraisal prepared of the cost of repair and rehabilitation of the building. An interior inspection of the property is not required, if the municipality finds that (1) the municipality or authority is unable to gain access to the property after using its best efforts to obtain permission from the party that owns or controls the property; and (2) the evidence otherwise supports a reasonable conclusion that the building is structurally substandard.

- (d) A parcel is deemed to be occupied by a structurally substandard building for purposes of the finding under paragraph (a) or by the improvement described in paragraph (e) if all of the following conditions are met:
- (1) the parcel was occupied by a substandard building or met the requirements of paragraph (e), as the case may be, within three years of the filing of the request for certification of the parcel as part of the district with the county auditor;
 - (2) the substandard building or the improvements described in paragraph (e) were demolished or removed by the authority or the demolition or removal was financed by the authority or was done by a developer under a development agreement with the authority;
 - (3) the authority found by resolution before the demolition or removal that the parcel was occupied by a structurally substandard building or met the requirement of paragraph (e) and that after demolition and clearance the authority intended to include the parcel within a district; and
 - (4) upon filing the request for certification of the tax capacity of the parcel as part of a district, the authority notifies the county auditor that the original tax capacity of the parcel must be adjusted as provided by § 469.177, subdivision 1, paragraph (f).
- (e) For purposes of this subdivision, a parcel is not occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures unless 15 percent of the area of the parcel contains buildings, streets, utilities, paved or gravel parking lots or other similar structures.
- (f) For districts consisting of two or more noncontiguous areas, each area must qualify as a redevelopment district under paragraph (a) to be included in the district, and the entire area of the district must satisfy paragraph (a).

In meeting the statutory criteria the City relies on the following facts and findings:

- The District is a redevelopment district consisting of one parcel.
- An inventory shows that parcels consisting of more than 70 percent of the area in the District are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures.
- An inspection of the single building located within the District finds that it is structurally substandard as defined in the TIF Act. (See Appendix F).

Pursuant to *M.S., Section 469.176, Subd. 7*, the District does not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111, 273.112, or 273.114* or *Chapter 473H* for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

Subsection 2-7. Duration and First Year of Tax Increment of the District

Pursuant to *M.S., Section 469.175, Subd. 1, and Section 469.176, Subd. 1*, the duration and first year of tax increment of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.*, the duration of the District will be 25 years after receipt of the first increment by the City (a total of 26 years of tax increment). The City elects to receive the first tax increment in 2020, which is no later than four years following the year of approval of the District. Thus, it is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2045, or when the TIF Plan is satisfied. The City reserves the right to decertify the District prior to the legally required date.

Subsection 2-8. Original Tax Capacity, Tax Rate and Estimated Captured Net Tax Capacity Value/Increment and Notification of Prior Planned Improvements

Pursuant to *M.S., Section 469.174, Subd. 7 and M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District will be based on the market values placed on the property by the assessor in 2017 for taxes payable 2018.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2020) the amount by which the original value has increased or decreased as a result of:

1. Change in tax exempt status of property;
2. Reduction or enlargement of the geographic boundaries of the district;
3. Change due to adjustments, negotiated or court-ordered abatements;
4. Change in the use of the property and classification;
5. Change in state law governing class rates; or
6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured and no tax increment will be payable to the City.

The original local tax rate for the District will be the local tax rate for taxes payable 2018, assuming the request for certification is made before June 30, 2018. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. 4 and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within Development District No. 1, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The City requests 100 percent of the available increase in tax capacity for repayment of its obligations and current expenditures, beginning in the tax year payable 2020. The Project Tax Capacity (PTC) listed is an estimate of values when the projects within the District are completed.

Project Estimated Tax Capacity upon Completion (PTC)	\$243,750	
Original Estimated Net Tax Capacity (ONTC)	\$9,193	
Estimated Captured Tax Capacity (CTC)	\$234,557	
Original Local Tax Rate	1.13109	Estimated Pay 2018
Estimated Annual Tax Increment (CTC x Local Tax Rate)	\$265,305	
Percent Retained by the City	100%	

Pursuant to *M.S., Section 469.177, Subd. 4*, the City shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits have been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3*. The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

The City has reviewed the area to be included in the District and found no parcels for which building permits have been issued during the 18 months immediately preceding approval of the TIF Plan by the City.

Subsection 2-9. Sources of Revenue/Bonds to be Issued

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The City reserves the right to incur bonds or other indebtedness as a result of the TIF Plan. As presently proposed, the project within the District will be financed by a bond issue, interfund loan and/or transfer of funds needed if tax increment isn't adequate to cover debt service on the bonds. Based upon future development on the site, the City may issue a pay-as-you-go note to a private developer. Any refunding amounts will be deemed a budgeted cost without a formal TIF Plan Modification. This provision does not obligate the City to incur debt. The City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City.

The total estimated tax increment revenues for the District are shown in the table below:

<u>SOURCES OF FUNDS</u>	<u>TOTAL</u>
Tax Increment	\$6,873,114
Interest	\$687,311
TOTAL	\$7,560,425

The City may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of \$4,977,960. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

Subsection 2-10. Uses of Funds

Currently under consideration for the District is a proposal to facilitate construction of up to 130 market rate apartments. The City has determined that it will be necessary to provide assistance to the project(s) for certain District costs, as described. The City has studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District is outlined in the following table.

<u>USES OF TAX INCREMENT FUNDS</u>	<u>TOTAL</u>
Land/Building Acquisition	\$1,300,000
Site Improvements/Preparation	\$1,500,000
Utilities	\$200,000
Other Qualifying Improvements	\$1,290,649
<u>Administrative Costs (up to 10%)</u>	<u>\$687,311</u>
PROJECT COST TOTAL	\$4,977,960
<u>Interest</u>	<u>\$2,582,465</u>
PROJECT AND INTEREST COSTS TOTAL	\$7,560,425

The total project cost, including financing costs (interest) listed in the table above does not exceed the total projected tax increments for the District as shown in Subsection 2-9.

Estimated costs associated with the District are subject to change among categories without a modification to this TIF Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget above pursuant to the applicable statutory requirements. Pursuant to *M.S., Section 469.1763, Subd. 2*, no more than 25 percent of the tax increment paid by property within the District will be spent on activities related to development or redevelopment outside of the District but within the boundaries of Development District No. 1, (including administrative costs, which are considered to be spent outside of the District) subject to the limitations as described in this TIF Plan.

Subsection 2-11. Fiscal Disparities Election

Pursuant to *M.S., Section 469.177, Subd. 3*, the City may elect one of two methods to calculate fiscal disparities. If the calculations pursuant to *M.S., Section 469.177, Subd. 3, clause b*, (within the District) are followed, the following method of computation shall apply:

- (1) *The original net tax capacity shall be determined before the application of the fiscal disparity provisions of Chapter 276A or 473F. The current net tax capacity shall exclude any fiscal disparity commercial-industrial net tax capacity increase between the original year and the current year multiplied by the fiscal disparity ratio determined pursuant to M.S., Section 276A.06, subdivision 7 or M.S., Section 473F.08, subdivision 6. Where the original net tax capacity is equal to or greater than the current net tax capacity, there is no captured tax capacity and no tax increment determination. Where the original tax capacity is less than the current tax capacity, the difference between the original net tax capacity and the current net tax capacity is the captured net tax capacity. This amount less any portion thereof which the authority has designated, in its tax increment financing plan, to share with the local taxing districts is the retained captured net tax capacity of the authority.*
- (2) *The county auditor shall exclude the retained captured net tax capacity of the authority from the net tax capacity of the local taxing districts in determining local taxing district tax rates. The local tax rates so determined are to be extended against the retained captured net tax capacity of the authority as well as the net tax capacity of the local taxing districts. The tax generated by the extension of the less of (A) the local taxing district tax rates or (B) the original local tax rate*

to the retained captured net tax capacity of the authority is the tax increment of the authority.

The City will choose to calculate fiscal disparities by clause b.

According to *M.S., Section 469.177, Subd. 3*:

- (c) *The method of computation of tax increment applied to a district pursuant to paragraph (a) or (b) shall remain the same for the duration of the district, except that the governing body may elect to change its election from the method of computation in paragraph (a) to the method in paragraph (b).*

Subsection 2-12. Business Subsidies

Pursuant to *M.S., Section 116J.993, Subd. 3*, the following forms of financial assistance are not considered a business subsidy:

- (1) A business subsidy of less than \$150,000;
- (2) Assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of business, size, location, or similar general criteria;
- (3) Public improvements to buildings or lands owned by the state or local government that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;
- (4) Redevelopment property polluted by contaminants as defined in *M.S., Section 116J.552, Subd. 3*;
- (5) Assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance provided for designated historic preservation districts, provided that the assistance is equal to or less than 50% of the total cost;
- (6) Assistance to provide job readiness and training services if the sole purpose of the assistance is to provide those services;
- (7) Assistance for housing;
- (8) Assistance for pollution control or abatement, including assistance for a tax increment financing hazardous substance subdistrict as defined under *M.S., Section 469.174, Subd. 23*;
- (9) Assistance for energy conservation;
- (10) Tax reductions resulting from conformity with federal tax law;
- (11) Workers' compensation and unemployment compensation;
- (12) Benefits derived from regulation;
- (13) Indirect benefits derived from assistance to educational institutions;
- (14) Funds from bonds allocated under chapter 474A, bonds issued to refund outstanding bonds, and bonds issued for the benefit of an organization described in section 501 (c) (3) of the Internal Revenue Code of 1986, as amended through December 31, 1999;
- (15) Assistance for a collaboration between a Minnesota higher education institution and a business;
- (16) Assistance for a tax increment financing soils condition district as defined under *M.S., Section 469.174, Subd. 19*;
- (17) Redevelopment when the recipient's investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current year's estimated market value;
- (18) General changes in tax increment financing law and other general tax law changes of a principally technical nature;
- (19) Federal assistance until the assistance has been repaid to, and reinvested by, the state or local government agency;
- (20) Funds from dock and wharf bonds issued by a seaway port authority;
- (21) Business loans and loan guarantees of \$150,000 or less;
- (22) Federal loan funds provided through the United States Department of Commerce, Economic

- Development Administration; and
 (23) Property tax abatements granted under *M.S., Section 469.1813* to property that is subject to valuation under Minnesota Rules, chapter 8100.

The City will comply with *M.S., Sections 116J.993 to 116J.995* to the extent the tax increment assistance under this TIF Plan does not fall under any of the above exemptions.

Subsection 2-13. County Road Costs

Pursuant to *M.S., Section 469.175, Subd. 1a*, the county board may require the City to pay for all or part of the cost of county road improvements if the proposed development to be assisted by tax increment will, in the judgment of the county, substantially increase the use of county roads requiring construction of road improvements or other road costs and if the road improvements are not scheduled within the next five years under a capital improvement plan or within five years under another county plan.

If the county elects to use increments to improve county roads, it must notify the City within forty-five days of receipt of this TIF Plan. In the opinion of the City and consultants, the proposed development outlined in this TIF Plan will have little or no impact upon county roads, therefore the TIF Plan was not forwarded to the county 45 days prior to the public hearing. The City is aware that the county could claim that tax increment should be used for county roads, even after the public hearing.

Subsection 2-14. Estimated Impact on Other Taxing Jurisdictions

The estimated impact on other taxing jurisdictions assumes that the redevelopment contemplated by the TIF Plan would occur without the creation of the District. However, the City has determined that such development or redevelopment would not occur "but for" tax increment financing and that, therefore, the fiscal impact on other taxing jurisdictions is \$0. The estimated fiscal impact of the District would be as follows if the "but for" test was not met:

IMPACT ON TAX BASE			
	2017/Pay 2018 Total Net Tax Capacity	Estimated Captured Tax Capacity (CTC) Upon Completion	Percent of CTC to Entity Total
Ramsey County	496,357,455	234,557	0.0473%
City of Lauderdale	2,119,846	234,557	11.0648%
Roseville ISD No. 623	63,035,064	234,557	0.3721%

IMPACT ON TAX RATES				
	Pay 2018 Proposed Extension Rates	Percent of Total	CTC	Potential Taxes
Ramsey County	0.536920	47.47%	234,557	125,938
City of Lauderdale	0.299100	26.44%	234,557	70,156
Roseville ISD No. 623	0.212920	18.82%	234,557	49,942
Other	0.082150	7.26%	234,557	19,269
Total	1.131090	100.00%		265,305

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the estimated Pay 2018 rate. The total net capacity for the entities listed above are based on estimated Pay 2018 figures. The District will be certified under the actual Pay 2018 rates, which were unavailable at the time this TIF Plan was prepared.

Pursuant to *M.S. Section 469.175 Subd. 2(b)*:

- (1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is \$6,873,114.
- (2) Probable impact of the District on city provided services and ability to issue debt. An impact of the District on police protection is not expected. The City currently contracts with the St. Anthony Police Department for police services. With any addition of new residents or businesses, police calls for service may be increased. New developments may add an increase in traffic, and additional overall demands to the call load. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment or require that the City expand its contract with the St. Anthony Police Department.

The City currently contracts with the Falcon Heights Fire Department, and the probable impact of the District on fire protection is not expected to be significant. Typically new buildings generate few calls, if any, and are of superior construction.

The impact of the District on public infrastructure is expected to be minimal. The development is not expected to significantly impact any traffic movements in the area. The current infrastructure for sanitary sewer, storm sewer and water will be able to handle the additional volume generated from the proposed development. Based on the development plans, there are no additional costs associated with street maintenance, sweeping, plowing, lighting and sidewalks. The development in the District is expected to contribute to sanitary sewer (SAC) and water (WAC) connection fees.

The probable impact of any District general obligation tax increment bonds on the ability to issue debt for general fund purposes is expected to be minimal. It is anticipated that there will be general obligation debt issued in relation to this project on a temporary basis but that there will be no impact on the City's ability to issue future debt or on the City's debt limit.

- (3) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is \$1,293,520;
- (4) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is \$3,262,667;
- (5) Additional information requested by the county or school district. The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S. Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

No requests for additional information from the county or school district regarding the proposed

development for the District have been received.

Subsection 2-15. Supporting Documentation

Pursuant to *M.S. Section 469.175, Subd. 1 (a), clause 7* the TIF Plan must contain identification and description of studies and analyses used to make the determination set forth in *M.S. Section 469.175, Subd. 3, clause (b)(2)* and the findings are required in the resolution approving the District. Following is a list of reports and studies on file at the City that support the City's findings:

- A list of applicable studies will be listed here prior to the public hearing.

Subsection 2-16. Definition of Tax Increment Revenues

Pursuant to *M.S., Section 469.174, Subd. 25*, tax increment revenues derived from a tax increment financing district include all of the following potential revenue sources:

1. Taxes paid by the captured net tax capacity, but excluding any excess taxes, as computed under *M.S., Section 469.177*;
2. The proceeds from the sale or lease of property, tangible or intangible, to the extent the property was purchased by the authority with tax increments;
3. Principal and interest received on loans or other advances made by the authority with tax increments;
4. Interest or other investment earnings on or from tax increments;
5. Repayments or return of tax increments made to the Authority under agreements for districts for which the request for certification was made after August 1, 1993; and
6. The market value homestead credit paid to the Authority under *M.S., Section 273.1384*.

Subsection 2-17. Modifications to the District

In accordance with *M.S., Section 469.175, Subd. 4*, any:

1. Reduction or enlargement of the geographic area of the District, if the reduction does not meet the requirements of *M.S., Section 469.175, Subd. 4(e)*;
2. Increase in amount of bonded indebtedness to be incurred;
3. A determination to capitalize interest on debt if that determination was not a part of the original TIF Plan;
4. Increase in the portion of the captured net tax capacity to be retained by the City;
5. Increase in the estimate of the cost of the District, including administrative expenses, that will be paid or financed with tax increment from the District; or
6. Designation of additional property to be acquired by the City,

shall be approved upon the notice and after the discussion, public hearing and findings required for approval of the original TIF Plan.

Pursuant to *M.S. Section 469.175 Subd. 4(f)*, the geographic area of the District may be reduced, but shall not be enlarged after five years following the date of certification of the original net tax capacity by the county auditor. If a redevelopment district is enlarged, the reasons and supporting facts for the determination that the addition to the district meets the criteria of *M.S., Section 469.174, Subd. 10*, must be documented in writing and retained. The requirements of this paragraph do not apply if (1) the only modification is elimination of parcel(s) from the District and (2)(A) the current net tax capacity of the parcel(s) eliminated from the District equals or exceeds the net tax capacity of those parcel(s) in the District's original net tax capacity or (B) the City agrees that, notwithstanding *M.S., Section 469.177, Subd. 1*, the original net tax

capacity will be reduced by no more than the current net tax capacity of the parcel(s) eliminated from the District.

The City must notify the County Auditor of any modification to the District. Modifications to the District in the form of a budget modification or an expansion of the boundaries will be recorded in the TIF Plan.

Subsection 2-18. Administrative Expenses

In accordance with *M.S., Section 469.174, Subd. 14*, administrative expenses means all expenditures of the City, *other than*:

1. Amounts paid for the purchase of land;
2. Amounts paid to contractors or others providing materials and services, including architectural and engineering services, directly connected with the physical development of the real property in the District;
3. Relocation benefits paid to or services provided for persons residing or businesses located in the District;
4. Amounts used to pay principal or interest on, fund a reserve for, or sell at a discount bonds issued pursuant to *M.S., Section 469.178*; or
5. Amounts used to pay other financial obligations to the extent those obligations were used to finance costs described in clauses (1) to (3).

For districts for which the request for certification were made before August 1, 1979, or after June 30, 1982, and before August 1, 2001, administrative expenses also include amounts paid for services provided by bond counsel, fiscal consultants, and planning or economic development consultants. Pursuant to *M.S., Section 469.176, Subd. 3*, tax increment may be used to pay any **authorized and documented** administrative expenses for the District up to but not to exceed 10 percent of the total estimated tax increment expenditures authorized by the TIF Plan or the total tax increments, as defined by *M.S., Section 469.174, Subd. 25, clause (1)*, from the District, whichever is less.

For districts for which certification was requested after July 31, 2001, no tax increment may be used to pay any administrative expenses for District costs which exceed ten percent of total estimated tax increment expenditures authorized by the TIF Plan or the total tax increments, as defined in *M.S., Section 469.174, Subd. 25, clause (1)*, from the District, whichever is less.

Pursuant to *M.S., Section 469.176, Subd. 4h*, tax increments may be used to pay for the County's actual administrative expenses incurred in connection with the District and are not subject to the percentage limits of *M.S., Section 469.176, Subd. 3*. The county may require payment of those expenses by February 15 of the year following the year the expenses were incurred.

Pursuant to *M.S., Section 469.177, Subd. 11*, the County Treasurer shall deduct an amount (currently .36 percent) of any increment distributed to the City and the County Treasurer shall pay the amount deducted to the State Commissioner of Management and Budget for deposit in the state general fund to be appropriated to the State Auditor for the cost of financial reporting of tax increment financing information and the cost of examining and auditing authorities' use of tax increment financing. This amount may be adjusted annually by the Commissioner of Revenue.

Subsection 2-19. Limitation of Increment

The tax increment pledged to the payment of bonds and interest thereon may be discharged and the District may be terminated if sufficient funds have been irrevocably deposited in the debt service fund or other escrow

account held in trust for all outstanding bonds to provide for the payment of the bonds at maturity or redemption date.

Pursuant to *M.S., Section 469.176, Subd. 6:*

if, after four years from the date of certification of the original net tax capacity of the tax increment financing district pursuant to M.S., Section 469.177, no demolition, rehabilitation or renovation of property or other site preparation, including qualified improvement of a street adjacent to a parcel but not installation of utility service including sewer or water systems, has been commenced on a parcel located within a tax increment financing district by the authority or by the owner of the parcel in accordance with the tax increment financing plan, no additional tax increment may be taken from that parcel, and the original net tax capacity of that parcel shall be excluded from the original net tax capacity of the tax increment financing district. If the authority or the owner of the parcel subsequently commences demolition, rehabilitation or renovation or other site preparation on that parcel including qualified improvement of a street adjacent to that parcel, in accordance with the tax increment financing plan, the authority shall certify to the county auditor that the activity has commenced and the county auditor shall certify the net tax capacity thereof as most recently certified by the commissioner of revenue and add it to the original net tax capacity of the tax increment financing district. The county auditor must enforce the provisions of this subdivision. The authority must submit to the county auditor evidence that the required activity has taken place for each parcel in the district. The evidence for a parcel must be submitted by February 1 of the fifth year following the year in which the parcel was certified as included in the district. For purposes of this subdivision, qualified improvements of a street are limited to (1) construction or opening of a new street, (2) relocation of a street, and (3) substantial reconstruction or rebuilding of an existing street.

The City or a property owner must improve parcels within the District by approximately January 2022 and report such actions to the County Auditor.

Subsection 2-20. Use of Tax Increment

The City hereby determines that it will use 100 percent of the captured net tax capacity of taxable property located in the District for the following purposes:

1. To pay the principal of and interest on bonds issued to finance a project;
2. to finance, or otherwise pay the capital and administration costs of Development District No. 1 pursuant to *M.S., Sections 469.124 to 469.133*;
3. To pay for project costs as identified in the budget set forth in the TIF Plan;
4. To finance, or otherwise pay for other purposes as provided in *M.S., Section 469.176, Subd. 4*;
5. To pay principal and interest on any loans, advances or other payments made to or on behalf of the City or for the benefit of Development District No. 1 by a developer;
6. To finance or otherwise pay premiums and other costs for insurance or other security guaranteeing the payment when due of principal of and interest on bonds pursuant to the TIF Plan or pursuant to *M.S., Chapter 462C, M.S., Sections 469.152 through 469.165*, and/or *M.S., Sections 469.178*; and
7. To accumulate or maintain a reserve securing the payment when due of the principal and interest on the tax increment bonds or bonds issued pursuant to *M.S., Chapter 462C, M.S., Sections 469.152 through 469.165*, and/or *M.S., Sections 469.178*.

These revenues shall not be used to circumvent any levy limitations applicable to the City nor for other purposes prohibited by *M.S., Section 469.176, Subd. 4.*

Subsection 2-21. Excess Increments

Excess increments, as defined in *M.S., Section 469.176, Subd. 2,* shall be used only to do one or more of the following:

1. Prepay any outstanding bonds;
2. Discharge the pledge of tax increment for any outstanding bonds;
3. Pay into an escrow account dedicated to the payment of any outstanding bonds; or
4. Return the excess to the County Auditor for redistribution to the respective taxing jurisdictions in proportion to their local tax rates.

The City must spend or return the excess increments under paragraph (c) within nine months after the end of the year. In addition, the City may, subject to the limitations set forth herein, choose to modify the TIF Plan in order to finance additional public costs in Development District No. 1 or the District.

Subsection 2-22. Requirements for Agreements with the Developer

The City will review any proposal for private development to determine its conformance with the Development Program and with applicable municipal ordinances and codes. To facilitate this effort, the following documents may be requested for review and approval: site plan, construction, mechanical, and electrical system drawings, landscaping plan, grading and storm drainage plan, signage system plan, and any other drawings or narrative deemed necessary by the City to demonstrate the conformance of the development with City plans and ordinances. The City may also use the Agreements to address other issues related to the development.

Pursuant to *M.S., Section 469.176, Subd. 5,* no more than 25 percent, by acreage, of the property to be acquired in the District as set forth in the TIF Plan shall at any time be owned by the City as a result of acquisition with the proceeds of bonds issued pursuant to *M.S., Section 469.178* to which tax increments from property acquired is pledged, unless prior to acquisition in excess of 25 percent of the acreage, the City concluded an agreement for the development or redevelopment of the property acquired and which provides recourse for the City should the development or redevelopment not be completed.

Subsection 2-23. Assessment Agreements

Pursuant to *M.S., Section 469.177, Subd. 8,* the City may enter into a written assessment agreement in recordable form with the developer of property within the District which establishes a minimum market value of the land and completed improvements for the duration of the District. The assessment agreement shall be presented to the County Assessor who shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land upon which the improvements are to be constructed and, so long as the minimum market value contained in the assessment agreement appears, in the judgment of the assessor, to be a reasonable estimate, the County Assessor shall also certify the minimum market value agreement.

Subsection 2-24. Administration of the District

Administration of the District will be handled by the City Administrator.

Subsection 2-25. Annual Disclosure Requirements

Pursuant to *M.S., Section 469.175, Subds. 5, 6, and 6b* the City must undertake financial reporting for all tax increment financing districts to the Office of the State Auditor, County Board and County Auditor on or before August 1 of each year. *M.S., Section 469.175, Subd. 5* also provides that an annual statement shall be published in a newspaper of general circulation in the City on or before August 15.

If the City fails to make a disclosure or submit a report containing the information required by *M.S., Section 469.175 Subd. 5 and Subd. 6*, the Office of the State Auditor will direct the County Auditor to withhold the distribution of tax increment from the District.

Subsection 2-26. Reasonable Expectations

As required by the TIF Act, in establishing the District, the determination has been made that the anticipated development would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan. In making said determination, reliance has been placed upon written representation made by the developer to such effects and upon City staff awareness of the feasibility of developing the project site(s) within the District. A comparative analysis of estimated market values both with and without establishment of the District and the use of tax increments has been performed as described above. Such analysis is included with the cashflow in Appendix D, and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the District and the use of tax increments.

Subsection 2-27. Other Limitations on the Use of Tax Increment

1. General Limitations. All revenue derived from tax increment shall be used in accordance with the TIF Plan. The revenues shall be used to finance, or otherwise pay the capital and administration costs of Development District No. 1 pursuant to *M.S., Sections 469.124 to 469.133*. Tax increments may not be used to circumvent existing levy limit law. No tax increment may be used for the acquisition, construction, renovation, operation, or maintenance of a building to be used primarily and regularly for conducting the business of a municipality, county, school district, or any other local unit of government or the state or federal government. This provision does not prohibit the use of revenues derived from tax increments for the construction or renovation of a parking structure.
2. Pooling Limitations. At least 75 percent of tax increments from the District must be expended on activities in the District or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities within said district or to pay, or secure payment of, debt service on credit enhanced bonds. Not more than 25 percent of said tax increments may be expended, through a development fund or otherwise, on activities outside of the District except to pay, or secure payment of, debt service on credit enhanced bonds. For purposes of applying this restriction, all administrative expenses must be treated as if they were solely for activities outside of the District.
3. Five Year Limitation on Commitment of Tax Increments. Tax increments derived from the District shall be deemed to have satisfied the 75 percent test set forth in paragraph (2) above only if the five year rule set forth in *M.S., Section 469.1763, Subd. 3*, has been satisfied; and beginning with the sixth year following certification of the District, 75 percent of said tax increments that remain after expenditures permitted under said five year rule must be used only to pay previously committed expenditures or credit

enhanced bonds as more fully set forth in *M.S., Section 469.1763, Subd. 5.*

4. **Redevelopment District.** At least 90 percent of the revenues derived from tax increment from a redevelopment district must be used to finance the cost of correcting conditions that allow designation of redevelopment and renewal and renovation districts under *M.S., Section 469.176 Subd. 4j.* These costs include, but are not limited to, acquiring properties containing structurally substandard buildings or improvements or hazardous substances, pollution, or contaminants, acquiring adjacent parcels necessary to provide a site of sufficient size to permit development, demolition and rehabilitation of structures, clearing of the land, the removal of hazardous substances or remediation necessary for development of the land, and installation of utilities, roads, sidewalks, and parking facilities for the site. The allocated administrative expenses of the City, including the cost of preparation of the development action response plan, may be included in the qualifying costs.

Subsection 2-28. Summary

The City of Lauderdale is establishing the District to preserve and enhance the tax base, redevelop substandard areas, and provide employment opportunities in the City. The TIF Plan for the District was prepared by Ehlers & Associates, Inc., 3060 Centre Pointe Drive, Roseville, Minnesota 55113, telephone (651) 697-8500.

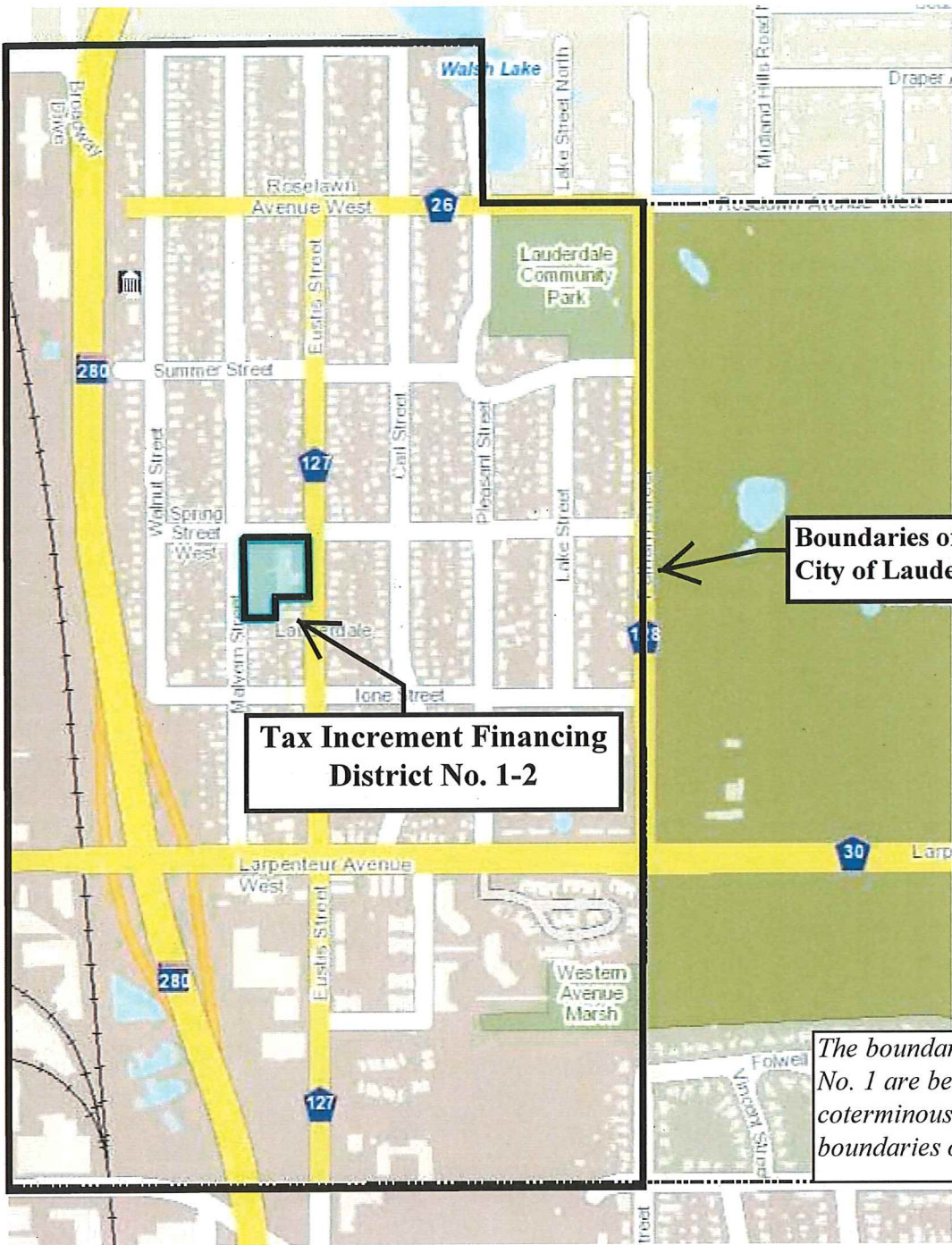
Appendix A

Project Description

The City intends to purchase the existing vacant property for the future redevelopment of the site. Future development anticipated is up to 130 units of market rate apartments. It is anticipated that the City will sell GO TIF bonds to pay for the acquisition and demolition of the structure to prepare the site for development.

Appendix B

Map of Development District No. 1 and the District



Legend

- City Halls
- Schools
- Hospitals
- Fire Stations
- Police Stations
- Recreational Centers
- Parcel Points
- Cities

Boundaries of the City of Lauderdale

Tax Increment Financing District No. 1-2

The boundaries of Development District No. 1 are being expanded to be coterminous with the corporate boundaries of the City of Lauderdale.

**TAX INCREMENT FINANCING DISTRICT NO. 1-2
DEVELOPMENT DISTRICT NO. 1 (GEOGRAPHIC EXPANSION)**

**CITY OF LAUDERDALE
RAMSEY COUNTY, MINNESOTA**

Appendix C

Description of Property to be Included in the District

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcel listed below.

<u>Parcel Numbers</u>	<u>Address</u>	<u>Owner</u>
17.29.23.33.0001	1795 Eustis St.	Chinese Christian Church

Appendix D
Estimated Cash Flow for the District



Chinese Church Redevelopment - No Inflation

City of Lauderdale

130 Market Rate Apartments

ASSUMPTIONS AND RATES

District Type: Redevelopment
District Name/Number: 2018
County District #: 0.00%
First Year Construction or Inflation on Value: 4.00%
Existing District - Specify No. Years Remaining: 1-Aug-18
Inflation Rate - Every Year: 1-Feb-19
Interest Rate: Pay 2018
Present Value Date: 2020
First Period Ending: 2045
Tax Year District was Certified: Inside(B)
Cashflow Assumes First Tax Increment For Development: Incremental
Years of Tax Increment: 28:7289% Pay 2018 TNT
Assumes Last Year of Tax Increment: 145:0950% Pay 2018 TNT
Fiscal Disparities Election [Outside (A), Inside (B), or NA]: 113:109% Pay 2018 TNT
Incremental or Total Fiscal Disparities: 45:0000% Pay 2018 TNT
Fiscal Disparities Contribution Ratio: 0:21930% Pay 2018 TNT
Fiscal Disparities Metro-Wide Tax Rate:
Maximum/Frozen Local Tax Rate:
Current Local Tax Rate: (Use lesser of Current or Max.)
State-wide Tax Rate (Comm./Ind. only used for total taxes)
Market Value Tax Rate (Used for total taxes)

Tax Rates	
Exempt Class Rate (Exempt)	0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)	
First \$150,000	1.50%
Over \$150,000	2.00%
Commercial Industrial Class Rate (C/I)	
Rental Housing Class Rate (Rental)	2.00%
Affordable Rental Housing Class Rate (Aff. Rental)	1.25%
First \$115,000	0.75%
Over \$115,000	0.25%
Non-Homestead Residential (Non-H Res. 1 Unit)	
First \$500,000	1.00%
Over \$500,000	1.25%
Homestead Residential Class Rate (Hmsld. Res.)	
First \$500,000	1.00%
Over \$500,000	1.25%
Agricultural Non-Homestead	1.00%

Map #	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage of Value Used for District	BASE VALUE INFORMATION (Original Tax Capacity)					
								Original Market Value	Market Value	Pay 2018	Exempt		
1	17.29.23.33.0001		1795 Eustis St	735,400	735,400	735,400	100%	735,400	735,400	0	0	9,193	9,193

Note:
 1. Base values are based upon land value only based upon review of county website on 8-28-17.
 2. Located in Rice Creek WS



Chinese Church Redevelopment - No Inflation

City of Lauderdale
130 Market Rate Apartments

PROJECT INFORMATION (Project Tax Capacity)										
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value	Total Sq. Ft./Units	Property Tax Class	Project Tax Capacity	Percentage Completed	Percentage Completed	Percentage Completed	First Year Full Taxes Payable
	Apt	150,000	150,000	130	Rental	1,875	100%	100%	100%	2020
TOTAL										
Subtotal Residential				130		243,750	100%	100%	100%	2020
Subtotal Commercial/Ind.				0		0				

Note:

1. Market values are based upon estimates.

TAX CALCULATIONS

New Use	Total Tax Capacity	Fiscal Disparities		Local Property Taxes		Fiscal Disparities Taxes		State-wide Property Taxes		Market Value Taxes		Total Taxes	Taxes Per Sq. Ft./Unit
		0	0	275,703	0	0	0	42,764	0	42,764	318,467		
Apt	243,750	0	0	275,703	0	0	0	0	0	42,764	318,467	2,449.74	
TOTAL	243,750	0	0	275,703	0	0	0	0	0	42,764	318,467	2,449.74	

Note:

1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM TIF?

Total Property Taxes	318,467
less State-wide Taxes	0
less Fiscal Disp. Adj.	0
less Market Value Taxes	(42,764)
less Base Value Taxes	(10,398)
Annual Gross TIF	265,306



Chinese Church Redevelopment - No Inflation
City of Lauderdale
130 Market Rate Apartments

% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities Incremental	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 10%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date												
															TAX INCREMENT CASH FLOW											
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	109,899	0.5	2020	02/01/19												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	217,842	1	2020	02/01/20												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	323,273	1.5	2021	08/01/21												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	426,833	2	2021	08/01/22												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	528,362	2.5	2022	08/01/22												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	627,901	3	2022	02/01/23												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	725,488	3.5	2023	08/01/23												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	821,161	4	2023	02/01/24												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	914,858	4.5	2024	08/01/24												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,006,917	5	2024	02/01/25												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,097,072	5.5	2025	08/01/25												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,185,459	6	2025	02/01/26												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,272,113	6.5	2026	08/01/26												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,357,069	7	2026	02/01/27												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,440,358	7.5	2027	08/01/27												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,522,014	8	2027	02/01/28												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,602,069	8.5	2028	08/01/28												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,680,555	9	2028	02/01/29												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,757,501	9.5	2029	08/01/29												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,832,939	10	2029	02/01/30												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,906,898	10.5	2030	08/01/30												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	1,979,406	11	2030	02/01/31												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,050,493	11.5	2031	08/01/31												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,120,186	12	2031	02/01/32												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,188,512	12.5	2032	08/01/32												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,255,498	13	2032	02/01/33												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,321,172	13.5	2033	08/01/33												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,385,557	14	2033	02/01/34												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,448,660	14.5	2034	08/01/34												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,510,565	15	2034	02/01/35												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,571,237	15.5	2035	08/01/35												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,630,719	16	2035	02/01/36												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,689,035	16.5	2036	08/01/36												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,746,207	17	2036	02/01/37												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,802,259	17.5	2037	08/01/37												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,857,211	18	2037	02/01/38												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,911,066	18.5	2038	08/01/38												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	2,963,904	19	2038	02/01/39												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,015,687	19.5	2039	08/01/39												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,066,455	20	2039	02/01/40												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,116,227	20.5	2040	08/01/40												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,165,023	21	2040	02/01/41												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,212,862	21.5	2041	08/01/41												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,259,763	22	2041	02/01/42												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,305,745	22.5	2042	08/01/42												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,350,825	23	2042	02/01/43												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,395,021	23.5	2043	08/01/43												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,438,351	24	2043	02/01/44												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,480,830	24.5	2044	08/01/44												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,522,477	25	2044	02/01/45												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,563,308	25.5	2045	08/01/45												
100%	243,750	(9,193)	-	234,558	113.109%	265,306	132,653	(478)	(13,218)	118,958	3,603,338	26	2045	02/01/46												
Total												6,897,947	(24,833)	(687,311)	6,185,803											
Total												4,018,174	(14,465)	(400,371)	3,603,338											

Appendix E

Minnesota Business Assistance Form
(Minnesota Department of Employment and Economic Development)

A Minnesota Business Assistance Form (MBAF) should be used to report and/or update each calendar year's activity by April 1 of the following year.

Please see the Minnesota Department of Employment and Economic Development (DEED) website at <http://www.deed.state.mn.us/Community/subsidies/MBAFForm.htm> for information and forms.

Appendix F

Redevelopment Qualifications for the District

To be added to prior to the public hearing

Appendix G

Findings Including But/For Qualifications

To be added to prior to the public hearing

But-For Analysis	
Current Market Value	735,400
New Market Value - Estimate	19,500,000
Difference	18,764,600
Present Value of Tax Increment	3,978,066
Difference	14,786,534
Value Likely to Occur Without TIF is Less Than:	14,786,534

LAUDERDALE COUNCIL ACTION FORM

Action Requested

Consent _____
Public Hearing _____
Discussion X
Action X
Resolution _____
Work Session _____

Meeting Date January 9, 2018

ITEM NUMBER Memorandum of Understanding
Between City & AFSCME

STAFF INITIAL _____
APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Staff has been in the process of setting up a Health Care Savings Plan (HCSP) with the Minnesota State Retirement System (MSRS). Language regarding the HCSP in the personnel policy and the union contract needs to be specific and the language in both also needs to match. Staff has been working on complying with the regulatory language required by MSRS. The final step is the attached Memorandum of Understanding (MoU) between the City and AFSCME for the 2016-2017 union contract and the 2018-2020 union contract.

These changes are retroactive to January 1, 2016.

OPTIONS:

- 1) Approve as presented.
- 2) Do not approve as presented.
- 3) Do something else.

STAFF RECOMMENDATION:

Motion to approve the Memorandum of Understanding between the City of Lauderdale and AFSCME, COUNCIL 5, AFL-CIO as presented, retroactive to January 1, 2016.

MEMORANDUM of UNDERSTANDING

between

City of Lauderdale

and

AFSCME, COUNCIL 5, AFL-CIO

This Memorandum of Understanding is entered into this 9th day of January, 2018. The parties to this agreement are the City of Lauderdale and AFSCME, Council 5, AFL-CIO.

Background:

The City of Lauderdale and the American Federation of State, County and Municipal Employees– Council 5 (hereinafter AFSCME) have joined efforts to modify the current Insurance language for the 2016-2017 and the 2018-2020 contract years. This Memorandum of Understanding (MoU) is intended to modify the terms and conditions of employment that are necessary to implement new Insurance language as agreed to by identified parties.

Whereas: the parties wish to amend the provision of the AFSCME Master Agreement

Now therefore, the parties hereto agree to the following amendments:

2016-2017 Contract

Article 15: Paragraph 5

Should the employee’s insurance selections total less than the Employer’s maximum contribution, the employee may contribute the unused compensation in a deferred compensation plan or health savings accounts.

Article 19: Section D

Employees shall contribute four (4) days of sick leave annually to a health care savings plan after the probationary period has been satisfactory completed.

2018-2020 Contract

Article 15: Paragraph 6

Should the employee’s insurance selections total less than the Employer’s maximum contribution, the employee may contribute the unused compensation in a deferred compensation plan or health savings accounts.

Article 19: Section E

Employees shall contribute four (4) days of sick leave annually to a health care savings plan after the probationary period has been satisfactory completed.

The parties agree to this MoU. The parties acknowledge that in the spirit of this MoU, additional issues may arise and are committed to working together to resolve them.

This agreement is effective January 9, 2018 and will remain in effect to the duration of the 2018-2020 collective bargaining agreement.

43 **For the Union:**

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46 _____ Date _____

47 Crystal Kreklow

48 AFSCME Council 5 Field Representative

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50 _____ Date _____

51 Jim Bownik

52 AFSCME Local 2725 Negotiations Representative

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55 **For the Employer:**

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57 _____ Date _____

58 Mary Gaasch

59 City of Lauderdale Mayor

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61 _____ Date _____

62 Heather Butkowski

63 City of Lauderdale Administrator

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LAUDERDALE COUNCIL ACTION FORM

Action Requested

Consent _____
Public Hearing _____
Discussion X
Action X
Resolution _____
Work Session _____

Meeting Date January 9, 2018

ITEM NUMBER Committee Assignments

STAFF INITIAL *JH*

APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The Council determines committee assignments and makes other designations at the first meeting of the year. The following document has the committee assignments and designations from last year. Staff carried over the assignments from 2017 to 2018 and will make changes based on the outcome of the discussion. Denise Hawkinson requested to remain as a liaison to the University of Minnesota Neighborhood Group.

OPTIONS:

STAFF RECOMMENDATION:

Motion to adopt committee assignments and designations as discussed.

**CITY OF LAUDERDALE
2018 APPOINTMENTS**

	2017	2018
Acting Mayor	Dains	Dains
Bank Signatories	Gaasch Dains Butkowski	Gaasch Dains Butkowski
Building Official: Residential	David Hinrichs	David Hinrichs
Building Official: Commercial	Duane Grace	Duane Grace
Comprehensive Plan	Council: Dolphin Staff: Bownik & Butkowski	Council: Dolphin Staff: Butkowski
Data Practices Officer	Butkowski	Butkowski
Data Practices Compliance Officer	City Attorney	City Attorney
LMC	Council: Grove Staff: Butkowski	Council: Grove Staff: Butkowski
Metro Cities	Council: Gaasch Staff: Butkowski	Council: Gaasch Staff: Butkowski
MWMO	Gaasch Alt: Dains	Gaasch Alt: Dains
NSCC	Council: Dains Alt: Dolphin	Council: Dains Alt: Dolphin
CIC	Dog Park: Gaasch Day in the Park: Dolphin Fun Run: Moffatt Halloween: Grove	Dog Park: Gaasch Day in the Park: Dolphin Fun Run: Moffatt Halloween: Grove
Police Liaison	Council: Gaasch Staff: Butkowski	Council: Gaasch Staff: Butkowski
RCLLG	Council: Grove Alt: Dolphin	Council: Grove Alt: Dolphin

St. Paul Regional Water Service	Dains	Dains
SRA	Council: Dolphin Alt: Butkowski	Council: Dolphin Alt: Butkowski
U of M Neighbors Group	Council: Hawkinson Staff: Butkowski	Hawkinson Staff: Butkowski
Zoning Admin.	Bownik	Bownik
City Engineer	Stantec	Stantec
City Civil Attorney	Kennedy & Graven	Kennedy & Graven
City Pros. Attorney	Hughes & Joseph	Joseph Law
Official Newspaper	Lillie Suburban Newspapers, Inc.	Lillie Suburban Newspapers, Inc.

NOTE: Any councilor may attend LMC, Metro Cities, or RCLLG Meetings.

Committees & Commissions

Acting Mayor: The council member that will act as the mayor pro tem in the mayor's absence.

League of Minnesota Cities (LMC): As a LMC member city, the City receives many services, the two most important being training and representation at the Capitol. The City also purchases insurance through the League's Insurance Trust. There are many different types of LMC meetings and trainings happening year round. All council members are able to get involved. The duty of the LMC appointee is to vote on the City's behalf at the annual meeting, if present.

Metro Cities: Metro Cities represents the interests of member cities in the seven county metropolitan area, primarily representing cities before the Metropolitan Council and at the Capitol. The primary duty of the appointee is to vote on the City's behalf at the annual meeting.

Mississippi Water Management Organization (MWMO): The City is one member of a joint powers board that manages and monitors the storm water quality in the Middle Mississippi Watershed area. The MWMO covers the southwest part of the city (south of Larpenteur Avenue and west of Eustis Street).

North Suburban Cable Commission (NSCC): The City is one of nine northern suburbs that jointly administer cable franchise agreements with Comcast and CenturyLink. The commission also oversees the operation of the local access stations and the institutional network. The board meets the first Thursday evening of each month at the cable commission office in Roseville.

Community Involvement Committee (CIC): CIC members organize community events and celebrations. The committee meets on an irregular schedule.

Police Liaison: The police liaison meets with the St. Anthony Police Chief as needed.

Ramsey County League of Local Governments (RCLLG): Ramsey County cities, school districts, and special districts meet monthly to network and learn through common issues. Meetings are held in the evening on the third Thursday of the month at alternating locations in Ramsey County. Each meeting is organized around a topic or trainer.

Suburban Rate Authority (SRA): The Suburban Rate Authority consists of metro communities in a joint powers arrangement that collectively work together to represent municipal interests in dealings with public utility providers like Xcel Energy and CenterPoint Energy. The group also provides a voice for rate payers when the Public Utilities Commission and utility providers negotiate rate increases and service changes. The committee meets quarterly (third Wednesday) at member city locations.

December 4, 2017

Heather Butkowski
City Administrator
City of Lauderdale
1891 Walnut Street
Lauderdale, MN 55113

Dear Ms. Butkowski:

Thank you for the opportunity to bid on public notice publication services for the City of Lauderdale. Lillie Suburban Newspapers has been serving the needs of the Lauderdale area for 43 years, and is pleased to provide ongoing coverage of city government and school issues and community events.

Lillie Suburban Newspapers is the oldest weekly newspaper company in the St. Paul area. It was founded in 1938 by the late T. R. Lillie. His grandsons, Jeffery Enright and Ted H. Lillie, are continuing the family tradition of publishing award-winning community newspapers in the St. Paul suburbs.

It is our sincere desire to provide the best possible local news coverage in the Lauderdale area. Our experienced news staff provides readers with a well-balanced, lively and informative product each week. We realize that Lauderdale area residents look to the *Roseville Review* as one of their primary sources of information about city activities and meetings, and we will continue to publish the city's press releases and photos.

The *Roseville Review* is the official legal designation for Little Canada, Maplewood and the Roseville Area School District.

3 P.M. Thursday is the deadline each week for submitting public notices to our office. Public notices should be directed to Kitty Sundberg, Lillie Suburban Newspapers, 2515 E. Seventh Ave., North St. Paul, MN 55109. Our fax number is 651/777-8288. Notices may also be sent via e-mail to:

legals@lillienews.com

Legal publication rates for minutes, advertisements for bids and other notices are as follows:

\$5.75 per column inch for a one-time publication
\$5.25 per column inch for each additional publication

Thank you for considering the *Roseville Review* as the official legal newspaper for the City of Lauderdale for 2018. If you have any further questions, don't hesitate to call us.

Sincerely,

/s/ Jeffery Enright

Jeffery Enright
Publisher

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent _____
Public Hearing _____
Discussion _____
Action _____
Resolution _____X_____
Additional Items _____X_____

Meeting Date January 9, 2018

ITEM NUMBER Interfund Loan Resolution

STAFF INITIAL 

APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The following resolution allows the City to transfer money from the 414 Development Fund to a new tax increment financing (TIF) fund being created in connection with the purchase of the Chinese Church. The transferred funds will cover the administrative costs of setting up the TIF District in advance of receiving the proceeds from the bond sale.

OPTIONS:

STAFF RECOMMENDATION:

Motion to adopt Resolution 010918E—A Resolution Authorizing Internal Loan for Advance of Certain Costs in Connection with Tax Increment Financing District No. 1-2.

RESOLUTION 010918E

**CITY OF LAUDERDALE
COUNTY OF RAMSEY
STATE OF MINNESOTA**

**RESOLUTION AUTHORIZING INTERNAL LOAN FOR ADVANCE OF
CERTAIN COSTS IN CONNECTION WITH TAX INCREMENT FINANCING
DISTRICT NO. 1-2**

BE IT RESOLVED by the City Council of the City of Lauderdale, Minnesota (the "City") as follows:

Section 1. Background.

1.01. The City intends to establish Tax Increment Financing District No. 1-2 (the "TIF District") within Development District No. 1 within the City, pursuant to Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the "TIF Act").

1.02. The City may incur certain costs related to the TIF District, which costs may be financed on a temporary basis from available City funds.

1.03. Under Section 469.178, subdivision 7 of the TIF Act, the City is authorized to advance or loan money from any fund from which such advances may be legally made in order to finance expenditures that are eligible to be paid with tax increments under the TIF Act.

1.04. The City has determined to pay for certain administrative costs related to the proposed TIF District (the "Qualified Costs"), which costs may be financed on a temporary basis from City funds available for such purposes.

1.05. Under Section 469.178, subdivision 7 of the TIF Act, the City is authorized to advance or loan money from the City's general fund or any other fund from which such advances may be legally authorized in order to finance the Qualified Costs.

1.06. The City will loan funds from its Development Fund (Fund 414), or any other fund designated by the City, to finance the Qualified Costs (the "Interfund Loan") in accordance with the terms of this resolution.

Section 2. Interfund Loan Authorized.

2.01. The City hereby authorizes the advance of up to \$100,000 from the Development Fund (Fund 414) or so much thereof as may be paid as Qualified Costs. The City shall reimburse itself for such advances together with interest at the rate stated below. Interest accrues on the principal amount from the date of each advance. The maximum rate of interest permitted to be charged is limited to the greater of the rates specified under Minnesota Statutes, Section 270C.40 and Section 549.09 as of the date the loan or advance is authorized, unless the written agreement states that the maximum interest rate will fluctuate as the interest rates specified under Minnesota Statutes, Section 270C.40 or Section 549.09 are from time to time adjusted. The interest rate shall be 4.0% and will not fluctuate.

2.02. Principal and interest (the "Payments") on the Interfund Loan shall be paid semiannually on each February 1 and August 1 (each a "Payment Date"), commencing on the first Payment Date on which the City has Available Tax Increment (defined below), or on any other dates determined by the City Administrator of the City, through the date of last receipt of tax increment from the TIF District.

2.03. Payments on this Interfund Loan are payable solely from "Available Tax Increment," which shall mean, on each Payment Date, tax increment available after other obligations have been paid, or as determined by the City Administrator of the City, generated in the preceding six (6) months with respect to the property within the TIF District and remitted to the City by Ramsey County, Minnesota, all in accordance with the TIF Act. Payments on this Interfund Loan may be subordinated to any outstanding or future bonds or notes issued by the City and secured in whole or in part with Available Tax Increment. The Interfund Loan shall be paid prior to any pay-as-you-go notes or contracts secured in whole or in part with Available Tax Increment, and any other outstanding or future interfund loans secured in whole or in part with Available Tax Increment.

2.04. The principal sum and all accrued interest payable under this Interfund Loan are prepayable in whole or in part at any time by the City without premium or penalty. No partial prepayment shall affect the amount or timing of any other regular payment otherwise required to be made under this Interfund Loan.

2.05. This Interfund Loan is evidence of an internal borrowing by the City in accordance with Section 469.178, subdivision 7 of the TIF Act, and is a limited obligation payable solely from Available Tax Increment pledged to the payment hereof under this resolution. This Interfund Loan and the interest hereon shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota nor any political subdivision thereof shall be obligated to pay the principal of or interest on this Interfund Loan or other costs incident hereto except out of Available Tax Increment, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on this Interfund Loan or other costs incident hereto. The City shall have no obligation to pay any principal amount of the Interfund Loan or accrued interest thereon, which may remain unpaid after the final Payment Date.

2.06. The City may at any time make a determination to forgive the outstanding principal amount and accrued interest on the Interfund Loan to the extent permissible under law.

2.07. The City may from time to time amend the terms of this resolution to the extent permitted by law, including without limitation amendment to the payment schedule and the interest rate; provided, however, that the interest rate may not be increased above the maximum specified in Section 469.178, subdivision 7 of the TIF Act.

Section 3. Effective Date. This resolution is effective upon approval.

Adopted by the City Council of the City of Lauderdale, Minnesota, this 9th day of January, 2018.

Mary Gaasch, Mayor

ATTEST:

Heather Butkowski, City Clerk-Administrator