



MAYOR & COUNCIL COMMUNICATION

DATE: October 7, 2014

CONSENT

ITEM # 11

AGENDA ITEM: Calling for a Public Hearing for the Redevelopment Plan Proposed by the EDA

SUBMITTED BY: Beckie Gumatz, Deputy Clerk

THROUGH: Dean Zuleger, City Administrator

REVIEWED BY: Adam Bell, City Clerk/Assistant City Administrator
Tammy Omdal, Northland Securities

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item City Administrator
- Report/Presentation.....City Administrator
- Questions from Council to Staff Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion Mayor & City Council
- Action on Motion..... Mayor Facilitates

POLICY RECOMMENDER: Lake Elmo EDA

FISCAL IMPACT: None

SUMMARY AND ACTION REQUESTED: The City Council is respectfully requested to approve Resolution No. 2014-79, calling a public hearing on the proposed adoption of the Downtown Redevelopment Project and a Redevelopment Plan therefor proposed by the Economic Development Authority of the City of Lake Elmo, Minnesota. As part of its Consent Agenda, no formal motion is needed. If Council wishes to remove this item for discussion, the following motion for approval is recommended:

“Move to approve Resolution No. 2014-79, Calling Public Hearing on the Proposed Adoption of the Downtown Redevelopment Project and a Redevelopment Plan Therefor Proposed by the Economic Development Authority of the City of Lake Elmo, Minnesota.”

LEGISLATIVE HISTORY: At its meeting on August 21, 2014, the Lake Elmo Economic Development Authority (EDA) passed a Resolution recommending the City Council to call for a

public hearing on the proposed adoption of the Downtown Redevelopment Project and a Redevelopment Plan therefor proposed by the Economic Development Authority of the City of Lake Elmo, Minnesota.

Following the City Council calling for a public hearing, the EDA will hold a meeting on October 16, 2014, at which it will call for a public hearing for an Economic Development District. It is anticipated that the Planning Commission will discuss the proposed Redevelopment Plan at its meeting on November 10, 2014. Following the Planning Commission discussion, it is anticipated that Council will hold the public hearing and take up the proposed Redevelopment Plan at its meeting on November 18, 2014. The EDA will hold a meeting following adoption of the Redevelopment Plan by Council at which point it will pass a resolution approving the Redevelopment Plan. The EDA will also be holding a public hearing to adopt the Economic Development District.

BACKGROUND INFORMATION:

The City Council and EDA have discussed the concept of the use of tax increment financing (TIF) to assist with paying for project costs related to the redevelopment of the downtown area. The TIF authority that exists in Minnesota Statutes 469.174 through 469.174 (the "TIF Act") must be used in conjunction with the underlying development and redevelopment powers that exist in the statutes. When the City Council adopted the enabling resolution for establishing the EDA, the Council granted the full complement of development powers that exist for an EDA. These powers include the powers granted to housing and redevelopment authorities (HRAs). The EDA's development powers allow the EDA to pursue economic development objectives, such as the redevelopment of the downtown area.

To allow the EDA to exercise many of the powers of an HRA, it is recommended the City Council and the EDA consider the establishment of Redevelopment Project No. 1 (pursuant to Minnesota Statutes 469.001 to 469.047). To establish the Redevelopment Project, the City Council and the EDA will need to adopt a Redevelopment Plan which provides an outline for the Redevelopment Area. A proposed Redevelopment Plan for Redevelopment Project No. 1 was reviewed by the EDA at its meeting on August 21, 2014 and is attached.

Before adopting the Redevelopment Plan, the EDA shall request a written opinion of the Planning Commission and the Planning Commission shall submit its written opinion within 30 days of the request. The City Council must approve or disapprove the Redevelopment Plan within 30 days after holding a public hearing on the Redevelopment Project.

Following approval of the Redevelopment Project, the EDA will hold a hearing on the establishment of an Economic Development District. The EDA must find that an Economic Development District is proper and desirable to establish and develop within the City. No action is required of the City Council for the establishment of the Economic Development District by the EDA.

RECOMMENDATION: As part of its Consent Agenda, no formal motion is needed. If Council wishes to remove this item for discussion, the following motion for approval is recommended:

“Move to approve Resolution No. 2014-79, Calling Public Hearing on the Proposed Adoption of the Downtown Redevelopment Project and a Redevelopment Plan Therefor Proposed by the Economic Development Authority of the City of Lake Elmo, Minnesota.”

ATTACHMENTS:

1. Resolution No. 2014-79
2. Notice of Public Hearing
3. Proposed “Redevelopment Plan for Downtown Redevelopment Project”
4. EDA Resolution No. 2014-002