

## **PLANNING COMMISSION MINUTES - CITY OF INVER GROVE HEIGHTS**

Tuesday, December 3, 2013 – 7:00 p.m.  
City Hall Chambers - 8150 Barbara Avenue

Chair Hark called the Planning Commission meeting to order at 7:00 p.m.

Commissioners Present: Paul Hark  
Pat Simon  
Tony Scales  
Bill Klein  
Annette Maggi  
Harold Gooch  
Armando Lissarrague

Commissioners Absent: Victoria Elsmore (excused)  
Dennis Wippermann (excused)

Others Present: Tom Link, Community Development Director  
Kristi Smith, Finance Director

### **APPROVAL OF MINUTES**

The minutes from the November 19, 2013 Planning Commission meeting were approved as submitted.

### **CITY OF INVER GROVE HEIGHTS**

#### **Reading of Notice**

There was no public hearing notice.

#### **Presentation of Request**

Tom Link, Community Development Director, explained the request as detailed in the report. He advised that the Planning Commission is being asked to consider whether the proposed modifications to TIF District 2-1 are consistent with the Comprehensive Plan and they have no responsibility to address financial aspects of the plan. He advised that TIF District 2-1 is located on the southeast corner of Robert Street and Mendota Road and is designated as Regional Commercial and zoned B-3, General Business. The property is fully developed and consists of the Southridge Shopping Center and the Home Depot store. The proposed modification would extend the TIF District for up to four years. Since this modification would not change the Comprehensive Plan designation, the zoning classification, or the existing use, staff recommends that the modification to TIF District 2-1 be found consistent with the Comprehensive Plan.

#### **Opening of Public Hearing**

Jessica Cook, representing the City's financial consultant, Ehlers & Associates, 3060 Center Pointe Drive, Roseville, summarized the request. She advised that TIF Districts are created to facilitate development when it will not happen solely within the private sector. When modifying a TIF district, there is a statutory process that must take place which includes a finding on the part of the City Council that the TIF district is in conformance with the plans of the City as a whole; the City Council relies on a review by the Planning Commission in order to do so. Ms. Cook explained that in 1986 there was some development on the subject property that was a barrier to new development. The City, therefore, established a 25 year TIF district to facilitate the development that has now occurred on the property. The taxes attributable to the new development (Home Depot and the Southridge Shopping Center) were captured in the tax increment district and sent to

the City to be used to pay for the development related costs. In the mid-1990's there were some changes made by the City Council to this TIF district to allow increments from the district to be spent on the water treatment plant and the community center. Bonds were issued by the City for those projects. In 2001-2003 the legislature made changes to the tax rates which significantly reduced the amount of increment that was being generated by the district. The City, however, was relying on increment to pay back those bonds and, because of the legislative change, the increment has a shortfall. One of the remedies that the State legislature provided for was to allow the City to extend the term of the TIF district, thereby capturing up to four additional years of increment.

Commissioner Klein noted that additional increment was used when Southview Boulevard was improved.

Chair Hark asked if there were any circumstances under which the extension would be less than four years.

Ms. Cook replied if the tax increment was more than anticipated and the bonds were then paid off in less than four years.

Chair Hark asked if the finance director had any comments to add.

Kristi Smith, Finance Director, advised she did not, but was available for questions.

Chair Hark reminded Commissioners that their focus was consistency with the Comprehensive Plan.

Chair Hark closed the public hearing.

#### **Planning Commission Discussion**

Commissioner Klein asked if the four year extension would be enough to pay off the bonds.

Ms. Smith replied according to the projections from Ehlers & Associates it would.

#### **Planning Commission Recommendation**

Motion by Commissioner Gooch, second by Commissioner Klein, to find the modification to TIF District 2-1 to be consistent with the Comprehensive Plan.

Motion carried (7/0). This item goes to the City Council on December 9, 2013.

#### **OTHER BUSINESS**

Commissioner Klein invited people to attend the Holiday on Main Street events taking place on December 14 at the Veterans Memorial Community Center.

Mr. Link advised that the December 17<sup>th</sup> Planning Commission meeting has been cancelled.

The meeting was adjourned by unanimous vote at 7:17 p.m.

Respectfully submitted,

Kim Fox  
Recording Secretary