

City of Isanti
Economic Development Authority
Regular Meeting Minutes of
June 25, 2013
Isanti City Hall

1. Call To Order

The meeting was called to order by Chair Kuechle at 7:00 p.m.

a. Pledge of Allegiance

b. Roll Call

Members Present: Tara Hallberg, Larry Kuechle, Keith Dragisich, Dan Collison

Members Absent: Mayor George Wimmer (Excused)

Staff Present: Economic Development Director Sean Sullivan

c. Agenda Modifications

Motion by Hallberg, Second by Dragisich to adopt the Agenda as presented. Motion carried unanimously

2. Approve Minutes of April 23, 2013 Regular Economic Development Meeting

Motion by Collison, second by Hallberg to approve the minutes for April 23, 2013. Motion carried unanimously.

3. Isanti Industrial Complex Exempt Land Status

Sullivan presented the staff memo. Sullivan indicated that there were many changes in state laws that impacted economic development in the 2013 session. New guidelines were put in place that identified timeframes that cities can hold land for “economic development purposes”. The City of Isanti is allowed to hold land for a period of 15 years based on the new legislation. These deadlines are important as they have financial ramifications for the City of Isanti. After the time periods expires the property lose their exempt status and become taxable which will be a new liability for the City of Isanti. Sullivan highlighted the details pertaining to the acquisition and classification of the land in Isanti Centennial Complex. Sullivan indicated the original intent of the land acquisition as for expansion or operation of the wastewater treatment plant. A change in policy was made in early 2000’s that guided the use to industrial development and a TIF district was ultimately created. Based on these details the following deadlines for exempt status have been established and verified by the Isanti County Assessor’s Office.

<u>Tax ID Number</u>	<u>Date Exempt Status Ends</u>
16.125.0020	5/21/2017
16.124.0020	5/21/2017
16.128.0020	5/21/2017
16.115.0010	5/21/2017
16.093.0060	7/25/2027
16.090.0120 (Public Works)	Until Land Use Changes

No action was taken as this was an informational item.

4. Decertification of TIF District No. 8 – TIF Management Plan Update

Economic Development Director Sullivan presented the Staff Memo. Sullivan highlighted the success of TIF District No. 8 with special attention to the growth in tax base and jobs in the industrial park. TIF Districts have specific terms as to how long they may be in place. TIF District was decertified as identified in the TIF plan. There was a cash balance of \$76,596.80 remaining at the time of decertification. These funds will be redistributed to Isanti County, the School District and the City of Isanti. The City of Isanti will receive \$30,794.26 in the December settlement. These funds will be General Fund Revenue. Sullivan also explained that changes were made to the “knock down” rule for TIF District No. 9 which extended the statutory deadline to 12-31-2016. City Staff will have until that time frame to have qualifying activity occurs on parcels within that district. If qualifying activity does not occur parcels would be removed from the district until activity occurs. Sullivan indicated that the only active development agreement in TIF 9 was with Federated Coops and that there was a note. Sullivan also indicated that TIF District No. 11 had been created and that it was not currently in the TIF management plan. Due to the changes in TIF 9, TIF 8 and TIF 11 Sullivan recommended that the plan be updated to reflect these changes to help staff better maintain the districts.

Sullivan Also stated that the 2013 legislative session was very beneficial for economic development. Programs such as the Minnesota Investment Fund (30M) and the Minnesota Job creation fund (24M) were implemented. These programs have been very successful in the past and staff is optimistic that the City of Isanti and its business community can take advantage of it.

Chair Kuechle asked Economic Development Director Sullivan to define the boundaries of TIF District No. 8, 9, and 10.

Sullivan outlined the map provided at the meeting delineating TIF District No. 8 and 10 within Isanti Centennial Complex. Sullivan then described the boundaries of TIF 9 which encompassed parcels in historic downtown Isanti. Generally speaking the parcels are along Main Street and Dahlin Ave.

Motion by Dragisich, Second by Collison to get quote from Northland Securities to update TIF Management Plan and to recommend commencement of update if quote is \$500 or less. Motion carried unanimously.

5. Other Business / Updates

Economic Development Director Sullivan highlighted the Staff Memo.

- a. Business Prospects
- b. Cylinder Head Express Closing
- c. X Caliper Engineering RLF Approval
- d. GPS 45:93
- e. Isanti County
- f. Isanti Area Chamber of Commerce
- g. Financial Resource Summit – GPS 45:93 / ECRDC
- h. Economic Development Association of MN
- i. Mayor's Employer Celebration Day
- j. Farmers Market Street Dance Update
- k. 2013 Business Arrivals and Departures in Isanti

6. Adjournment

Motion Member Dragisich, second by Member Hallberg to adjourn at 7:30 pm. Motion carried unanimously.

Dated at Isanti, Minnesota, this 26th day of June 2013.

Respectively Submitted,

Sean M. Sullivan, Economic Development Director