

MEDINA CITY COUNCIL SPECIAL MEETING MINUTES OF JUNE 22, 2004

The City Council of Medina, Minnesota met in special session on June 22, 2004 at 6:32 p.m. at Medina City Hall. Mayor Phil Zietlow presided.

Members present: Lane, Zietlow, Smith, Brinkman

Members absent: Workman

Also present: City Administrator Chad Adams, City Attorney Ron Batty, and City Planner Josh Doty

Uptown Hamel Public Improvements and Financing

Adams provided an overview of the project and progress to date including: Tax Increment Financing (TIF) District approval, ordering feasibility reports for public improvements, open houses to include the public in discussion, potential upcoming development applications, a map showing Phase I and future Uptown Hamel public improvements, a TIF analysis prepared by Ehlers & Associates, and the purpose of work session discussion.

Batty discussed special assessments and options for the Council. Batty's discussion included public improvements being a standard Minnesota Statute 429 project, demonstrating benefit through an appraisal, assessing by road frontage of area or total area, what items to assess and how much (i.e. roads, storm sewer, etc.), deferring assessments, and what triggers assessments (i.e. development, sale, date, etc.). Council discussion followed.

Lane stated that benefited property owners should pay assessments for public improvements that improve their property. He suggested that payment terms for special assessments could be tied to sale or development of a property.

Discussion of an appraiser being hired to determine benefited properties.

Smith moved, Lane seconded to hire an appraiser for less than \$10,000. Unanimous approval.

Batty provided an overview of how special assessments and Tax Increment Financing (TIF) could work together. He stated that some, all or none of TIF can be used to pay for special assessments. He explained how increment could be spread, that only certain properties could be paid off, none of properties, or all of properties.

Zietlow suggested charging 50% of assessments now and City could get more lenient later (pay for more) if increment is sufficient. He asked if this is possible. Batty responded yes, and stated that the opposite could not occur (i.e. pay back assessments more than 50% now and reduce to 50% or less later). Adams asked Zietlow for clarification on the TIF increment, assuming his example to include 100% of the revenue increment being captured and all used to pay 50% of the assessments, thus leaving the remaining 50% of assessments to be paid for by property owner. Zietlow confirmed.

Lane suggested the property owner should be responsible for requesting deferred assessments, and that City not be involved in setting dates.

Brinkman raised the discussion of determining how many properties in Uptown Hamel will be benefited by public improvements. Discussion followed.

Zietlow stated that all of storm water improvements should be assessed to everyone in Uptown Hamel, not just those in the TIF District.

Discussion was held on implementing a storm water utility tax.

Smith clarified suggestions to date to include capturing 100% of revenue increment to be used to pay 50% of assessments (but can be changed in future), storm water to be assessed to all in Uptown Hamel zoning district, roads to be assessed to those only in TIF district (by parcel or acres not determined), and to defer assessments until property owner asks for. Mayor and councilors concurred. Council asked staff to provide more detail on the exact number of parcels, and total acreage in the TIF district and Uptown Hamel Zoning district.

Batty requested direction on whether to proceed with the scheduled public hearing process. September 21st was suggested as the targeted date.

Uptown Hamel Wall Signage

Doty provided an overview of the wall signage issues pertaining to the Uptown Hamel existing and new ordinance, particularly in reference to Farmers State Bank of Hamel.

Lane asked about elevation and size. Doty explained the approved signage is 242 square feet, and new ordinance allows 100 square feet.

Zietlow stated there is not much the Council can do because they have already approved the sign as presented to Council.

Shorty Dorweiler explained that the size of the sign occurred in response to Planning Commission and Council comments requesting more prominence in the sign.

Lane and Smith encouraged the bank and future sign projects to conform aesthetically.

Upcoming Meetings

Smith moved, Brinkman seconded to reschedule July 6 regular Council meeting to Wednesday, July 7 at 7:30 p.m. Unanimous approval. Lane moved, Brinkman seconded to schedule a 2005 budget work session for Wednesday, July 28 at 6:30 p.m. Unanimous approval.

Adjournment

Brinkman moved, Smith seconded to adjourn. Unanimous approval. The Special Council meeting was adjourned at 8:25 p.m.

Phil Zietlow, Mayor

Attest:

Chad M. Adams, City Administrator