



MEMORANDUM

DATE: November 28, 2022
TO: Honorable Mayor and City Councilmembers
 Dave Perrault, City Administrator
FROM: Gayle Bauman, Finance Director
SUBJECT: Resolution 2022-052 Decertifying TIF Renewal and Renovation District 1-4,
 Presbyterian Homes

Budgeted Amount:	Actual Amount:	Funding Source:
N/A	N/A	N/A

Council Should Consider

Motion(s) to approve, table or deny the following:

- Resolution 2022-052 Decertifying Tax Increment Financing Renewal and Renovation District No. 1-4, Presbyterian Homes.
- Retain available cash for Pooling for Renewal and Renovation

All items need a simple majority for action unless otherwise noted.

Background

TIF District 1-4 (Pres Homes) is a renewal and renovation district that was created in 2010. On August 1, 2022, the last payment was made on the TIF Note to Presbyterian Homes, therefore the City is required to decertify the TIF district per statute (no outstanding obligations of the District). The District is being decertified seven (7) years in advance of its legal term due to the aforementioned.

The City has three (3) options available to them for the anticipated cash balance as previously discussed by the City Council at its November 21st work session. At that work session, Council directed Staff to proceed with Option #2. Option #2 allows the City to use approximately \$393,000 for acquisition of blighted property or to make public infrastructure improvements that are needed to spur or in conjunction with redevelopment activities. The City could also develop a program where residential properties could utilize these funds as long as they met the criteria established in TIF law.

Budget Impact

The tax base for the City will be increased by the net capacity captured by the TIF District for taxes payable in 2023. This amounted to \$367,689 for 2022.

Attachments

- A. Resolution 2022-052 Decertifying Tax Increment Financing Renewal and Renovation District No. 1-4, Presbyterian Homes