

1. Call to Order. A special meeting of the Council of the City of Rogers was called to order on Monday, October 29, 2007 at 7:30 p.m. at Rogers Activity Center, 21080 – 141st. Street, Rogers, MN 55374.

Council present: Mayor Paul Przybilla, Scott Adams, Jason Grimm and Steve Rauenhorst. Staff present: Jim Willis, Administrator; John Seifert, Public Works; and Lisa Wieland, Finance Director. Also present were Sid Inman and Dave Callister of Ehlers & Associates.

2. General Business. Administrator Willis stated that the purpose of the meeting was to have the Council receive a report prepared by Ehlers & Associates reviewing the status of Tax Increment Financing Districts #1 and #13 and to discuss possible modifications and potential new obligations to TIF#1. Copies of these reports were previously distributed to the Council. Willis noted that Ehlers was directed the Council to review each of the city's TIF districts and report on their findings to the Council. Additional reports on other TIF districts will be forthcoming.

Mr. Inman reviewed both TIF #1 and #13, noting that the Council had previously indicated its desire to terminate the district as soon as practicable. Inman noted that the bond counsel at Briggs and Morgan said the district should not be decertified until existing bonded debt from the district was retired. Inman stated that the Council could achieve their objective by transferring funds from TIF#1 to TIF #13 to pay the debt service and return to Hennepin County the tax increments collected in TIF #13, thus achieving their objective in returning District #13 taxable values to the tax rolls. The Council discussed this suggestion and directed that the staff return to the Council with a formal recommendation as soon as practicable to implement this action.

The Council reviewed with Inman and staff the issue of the payment of fiscal disparities from the tax base of the city vs. from within TIF #1. The City Council has the option, on a one-time basis, to change this to have fiscal disparities collected from within the district. Inman reviewed the impacts of such a decision, including benefits and potential pitfalls. Inman noted that based upon their calculations changing the fiscal disparities election would increase the total property tax yield to the City's would be about \$430,000. The Council discussed this issue and asked if the current fiscal disparities election was normal for most tax increment districts; Inman said it was not. He also stated that if the Council wanted to make a change in the election effective with 2008 tax collections, Hennepin County would need that information prior to November 26. Council concluded that they wanted staff to return to the next meeting with a recommendation that the City change the fiscal disparities election from A to B, thus freeing additional funds to assist the city in reducing some of its inter-fund borrowing.

Finance Director Wieland reviewed potential uses of tax increment funds from TIF #1 to assist with a number of projects, noting that cash flow projections prepared by Ehlers indicated that by 2012 approximately \$3,750,000 would be available. The spreadsheet she prepared indicated projects that would exceed the funds available, and requested the Council to determine how they wanted the funds used. The Council indicated they favored using the funds for transportation related projects, some of which have been constructed or are in the planning process, as well as several other projects previously undertaken and for which definitive financing has not been determined. They directed the staff to prepare a report with recommendations for prioritizing the projects for Council consideration at the first meeting in December.

3. Adjournment. The meeting was adjourned at 8:45 p.m.
Respectfully submitted, Jim Willis, Interim City Administrator