



**Wayzata City Council Workshop Meeting Agenda  
Wayzata City Hall Community Room, 600 Rice Street  
TUESDAY, SEPTEMBER 21, 2021**

**WORKSHOP TOPICS FOR DISCUSSION:**

1. Discussion of Tax Increment Financing (TIF) District #6 Uses of Funds and Other Revenue Sources (6:15-6:45 p.m.)



## City Council Workshop City Council Agenda Report

<b>MEETING DATE:</b> September 21, 2021	<b>WORKSHOP AGENDA ITEM:</b> 1
<b>TITLE:</b> Discussion of Tax Increment Financing (TIF) District #6 Uses of Funds and Other Revenue Sources (6:15-6:45 p.m.)	
<b>PREPARED BY:</b> Jeffrey Dahl, City Manager	
<b>REVIEWED BY:</b> N/A	

### **DISCUSSION OBJECTIVE:**

To receive additional information on TIF District #6 uses of funds and provide feedback on prioritization of projects.

### **BACKGROUND:**

On September 7<sup>th</sup>, the City Council received a status update on TIF #6 from Stacie Kvilvang on available future increment for the Panoway Boardwalk and Community Docks. Direction at that workshop was to further discuss further what other kinds of CIP-related projects the increment could fund “in-district” or through pooling.

Staff will be going over the attached spreadsheet that highlights other projects that could be funded through TIF #6. A few important takeaways:

- There aren't any other projects of significance, besides the Panoway Boardwalk and Community Docks, that are both within the district and could be constructed by the 2023 deadline for use of in-district funds.
- If the in-district funds are not used, they will be redistributed back to Hennepin County.
- There will be approximately \$4 mil of pooling funds (Ms. Kvilvang's presentation highlighted \$3.5 mil available, which already incorporated the Ferndale Sidewalk project) available for other CIP projects, of which, staff has identified \$1.5 mil worth of projects.
- There would be a total of approximately \$2.5 mil in pooling funds still available for the following City-wide priorities:
  1. Removal of Blight/Purchase of Land
  2. Affordable Housing
  3. Wayzata Boulevard Improvements
  4. Parking

Utilizing TIF to fund the identified projects will ultimately increase the City's net Capital Fund Balance by \$1.5 mil! As a result, less general fund dollars will be needed to be transferred to the City's CIP reducing the overall burden on Wayzata property tax payers.

Next steps will be for the City to adopt a resolution in support of the recent TIF legislation that allows the Boardwalk and Community Docks to be utilized as an “in-district” expense. This resolution must be passed prior to the commencement of the 2022 state legislative session.

Please note: Use of TIF can only be for capital expenditures. At the workshop, staff will provide an update on exploration of funding for operations.

### **ATTACHMENTS:**

1. TIF 6 Projects

**Significant Capital Projects Tied to Infrastructure near Downtown Wayzata 2021-2025\***

<u>CIP Projects</u>	<u>Year</u>	<u>In District</u>	<u>Out of District (Pooling)</u>	<u>Total Cost</u>
Ferndale Sidewalk	2023	\$ -	\$ 530,500.00	\$ 530,500.00
Railroad Crossing Enhancements	2021	\$ -	\$ 218,000.00	\$ 218,000.00
Wayfinding Signs---Study Update Construction	2024		\$ 313,800.00	\$ 313,800.00
Grove Lane Improvements	2022	\$ -	\$ 127,000.00	\$ 127,000.00
Parking Lot/Lake St Street Light Replacement	2025	\$ -	\$ 300,000.00	\$ 300,000.00
Boardwalk and Community Docks	2022	\$ 4,000,000.00	\$ -	\$ 4,000,000.00
<b>Total Estimated Cost of CIP Projects</b>		<b>\$ 4,000,000.00</b>	<b>\$ 1,489,300.00</b>	<b>\$ 5,489,300.00</b>

TIF Funding Available for CIP Projects	\$ 5,000,000.00	\$ 4,000,000.00	\$ 9,000,000.00
--	-----------------	-----------------	-----------------

Funds Available after CIP Projects	\$ 1,000,000.00	\$ 2,510,700.00	\$ 3,510,700.00
------------------------------------	-----------------	-----------------	-----------------

<u>Funds Remaining for Future Priorities:</u>	<u>Year</u>	<u>In District</u>	<u>Out of District (Pooling)</u>	<u>Total Cost</u>
Removal of Blight/Purchase of Land	?	?	?	?
Affordable Housing	?	?	?	?
Wayzata Boulevard Improvements	?	?	?	?
Expansion of Parking Capacity/Ramp	?	?	?	?
<b>Total Estimated Cost of Future Priorities</b>		<b>?</b>	<b>?</b>	<b>?</b>

TIF Funding Available for CIP Projects	\$ 1,000,000.00	\$ 2,510,700.00	\$ 3,510,700.00
--	-----------------	-----------------	-----------------

Funds Available after CIP Projects	?	?	?
------------------------------------	---	---	---