


REQUEST FOR COUNCIL ACTION

Date: **1/07/2019**
Item No.: **9.h**

Department Approval

City Manager Approval



Item Description: Adopt a Resolution Calling for a Public Hearing to Consider a Modification to the Development Program for Development District No. 1 and the Proposed Establishment of Tax Increment Financing (TIF) District No. 21 – Colder Products Company and Adoption on the Tax Increment Financing Plan

BACKGROUND

On May 7, 2018 the Roseville Economic Development Authority (REDA) received a presentation from Colder Products Company (CPC) outlining plans for a new headquarters location at 2814 Cleveland Ave N. The EDA passed a resolution committing support for the creation of a Tax Increment Financing (TIF) District and other financial assistance as requested from CPC.

The first step in the TIF schedule is to set a public hearing to consider a redevelopment TIF District for development at 2814 Cleveland Avenue for February 25, 2019. As part of this request, the public hearing must also be scheduled to consider modifying the Development Program that has been outlined for Development District 1 in addition to the actual establishment of Tax Increment Financing District No. 21 - CPC Redevelopment.

STAFF RECOMMENDATION

Adopt a resolution calling for a Public Hearing on the proposed modification to the Development Program for Development District No. 1 and the proposed establishment of TIF District No. 21 - CPC Redevelopment.

REQUESTED EDA ACTION

Adopt a resolution calling for a Public Hearing on the proposed modification to the Development Program for Development District No. 1 and the proposed establishment of TIF District No. 21 - CPC Redevelopment

Prepared by: Jeanne Kelsey, Housing and Economic Development Program Manager, 651-792-7086

Attachments: A: Adopted Resolution EDA No.20 Support of TIF
B: Resolution Setting a Public Hearing

**EXTRACT OF MINUTES OF MEETING OF THE
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

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Pursuant to due call and notice thereof, a special meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (the “EDA”) was duly held on the 7th day of May, 2018, at 6:00 p.m.

The following members were present: McGehee, Willmus, Laliberte, Etten, and Roe

and the following were absent: None

Commissioner Willmus introduced the following resolution and moved its adoption:

Resolution No. 20

RESOLUTION EXPRESSING SUPPORT FOR THE CREATION OF A REDEVELOPMENT TAX INCREMENT FINANCING DISTRICT AND EXPLORATION OF OTHER FINANCIAL ASSISTANCE REQUESTED IN CONNECTION WITH THE PROPOSED COLDER PRODUCTS COMPANY (CPC) NEW HEADQUARTERS AT 2814 CLEVELAND AVENUE

WHEREAS pursuant to Minnesota Statutes, Sections 469.174 to 469.1794 (the “TIF Act”) and Sections 469.090 to 469.1081 (the “EDA Act”), the Roseville Economic Development Authority (“EDA”) is authorized to create and administer tax increment financing districts within the City of Roseville (the “City”); and

WHEREAS the EDA is further authorized to identify and utilize other funds for the purpose of assisting redevelopment; and

WHEREAS Colder Products Co. (the “Redeveloper”) has requested tax increment financing assistance in connection with Redeveloper’s proposed redevelopment of an existing industrial facility located at 2814 Cleveland Avenue in the City (the “Property”), in order to construct an approximately 150,000 square-foot office, research & design, and manufacturing building on the Property to serve as Redeveloper’s headquarters (the “Facility”); and

WHEREAS the EDA supports the creation of a redevelopment tax increment financing district in connection with the Facility, and is willing to explore tax increment and other financial assistance in a principal amount not to exceed \$2,000,000 (subject to a pro forma analysis by the EDA’s municipal advisor), to finance a portion of the extraordinary redevelopment costs of the Facility;

WHEREAS the EDA supports the use of Hazardous Substance Subdistrict (HSS) tax increment

from Hazardous Substance Subdistrict No. 17A to finance all or a portion of the costs of the environmental clean-up of the Property, in a principal amount of up to \$1,000,000;

NOW THEREFORE BE IT RESOLVED THAT, subject to (i) further verification of Redeveloper's need for financial assistance and (ii) execution of a preliminary development agreement that provides for the negotiation of a definitive redevelopment contract addressing (among other things) the terms under which the Redeveloper will construct the Facility on the Property, the conditions under which the EDA will provide financial assistance, and the potential sources of such financial assistance, the EDA agrees to explore the creation of a redevelopment tax increment financing district and to identify additional funds to finance up to \$3,000,000 of the extraordinary costs of the Facility in compliance with the TIF Act and the EDA Act.

Adopted by the Board of the Authority this 7th day of May, 2018.

Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and special meeting thereof on May 7, 2018.

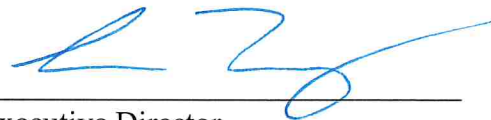
I further certify that Commissioner Willmus introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner Etten, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

McGehee, Willmus, Laliberte, Etten, and Roe

and the following voted against the same: None

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 7th day of May, 2018



Executive Director
Roseville Economic Development Authority

**EXTRACT OF MINUTES OF MEETING
OF THE
CITY COUNCIL OF THE CITY OF ROSEVILLE**

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Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Roseville, County of Ramsey, Minnesota was duly held on the 7th day of January, 2019, at 6:00 p.m.

The following members were present: _____ and Mayor _____ .

and the following were absent: _____ .

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION No.

RESOLUTION CALLING FOR A PUBLIC HEARING BY THE CITY COUNCIL ON THE PROPOSED ADOPTION OF A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1 AND THE PROPOSED ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 21 – COLDER PRODUCTS COMPANY THEREIN AND THE ADOPTION OF THE TAX INCREMENT FINANCING PLAN THEREFOR.

WHEREAS, Colder Products Company (the "Redeveloper") has requested tax increment assistance from the City of Roseville, Minnesota (the "City") and the Roseville Economic Development Authority (the "EDA") to finance certain costs in connection with the redevelopment of 2814 Cleveland Avenue, Roseville MN by the Redeveloper (the "Project").

NOW, THEREFORE, BE IT RESOLVED, by the City Council (the "Council") of the City, as follows:

Section 1. Public Hearing. This Council shall meet on February 25, 2019, at approximately 6:00 P.M., to hold a public hearing on the proposed adoption of a Modification to the Development Program for Development District No. 1, the proposed establishment of Tax Increment Financing District No. 1-21 – Colder Products, (a redevelopment district), and the proposed adoption of a Tax Increment Financing Plan therefor, and the approval of a business subsidy, all pursuant to and in accordance with Minnesota Statutes, Sections 469.090 to 469.1082 , and Sections 469.174 to 469.1794, inclusive, as amended, and Minnesota Statutes, Sections 116J.993 through 116J.995 in an effort to encourage the development and redevelopment of certain designated areas within the City; and

Section 2. Notice of Public Hearing, Filing of Program and Plan. City staff is authorized and directed to work with Ehlers to prepare a Modification to the Development Program for

47 Development District No. 1 and a Tax Increment Financing Plan for Tax Increment Financing
48 District No. 1-21 – Colder Products and to forward documents to the appropriate taxing
49 jurisdictions including Ramsey County and Independent School District No. 623. The Housing
50 and Economic Development Program Manager is authorized and directed to cause notice of the
51 hearing, together with an appropriate map as required by law, to be published at least once in the
52 official newspaper of the City not later than 10, nor more than 30, days prior to February 25,
53 2019, and to place a copy of the Program and Plan on file in the Housing and Economic
54 Development Program Manager’s office at City Hall and to make such copy available for
55 inspection by the public.

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58 The motion for the adoption of the foregoing resolution was duly seconded by Member

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60 and upon a vote being taken thereon, the following voted in favor thereof: ,
61 and Mayor .

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63 and the following voted against the same:

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65 WHEREUPON said resolution was declared duly passed and adopted.

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STATE OF MINNESOTA)
) SS
COUNTY OF RAMSEY)

I, the undersigned, being the duly qualified City Manager of the City of Roseville, County of Ramsey, State of Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of said City Council held on the 7th day of January, 2019 with the original thereof on file in my office.

WITNESS MY HAND officially as such City Manager this 7th day of January, 2019.

SEAL

Patrick Trudgeon, City Manager