

## Minutes of the

### REGULAR MEETING OF THE COMMUNITY DEVELOPMENT COMMITTEE

Monday, April 5, 2021

**Committee Members Present: Atlas-Ingebretson, Chamblis, Cummings, Johnson, Lee, Lilligren, Lindstrom, Vento, Wulff**

**Committee Members Absent: Muse**

**Committee Members Excused:**

#### CALL TO ORDER

A quorum being present, Committee Chair Lilligren called the regular meeting of the Council's Community Development Committee to order at 4:00 p.m. on Monday, April 5, 2021.

#### APPROVAL OF MINUTES

It was moved by Vento, seconded by Wulff to approve the minutes of the March 15, 2019 regular meeting of the Community Development Committee. Motion carried.

[click here to view the April 5, 2021 Community Development Committee video](#)

#### BUSINESS

**2021-57 JT:** 2021 Budget Amendment – 1st Quarter

Finance Director Heather Agesen-Huebner presented the business item to the Community Development Committee.

It was moved by Johnson, seconded by Chamblis, that the Metropolitan Council authorizes the 2021 Unified Budget as amended. **Motion carried.**

Council member asked about the funding reserves and Ms. Agesen-Huebner explained the ongoing basis of the interest earnings, and the nature of the one-time funding which is brought before the Committee.

**2021-67 JT:** City of Savage 2040 Comprehensive Plan and Comprehensive Sewer Plan, Review File 22423-1

Senior Planner Raya Esmaili presented the business item to the Community Development Committee.

It was moved by Wulff, seconded by Cummings, that the Metropolitan Council adopt the attached Advisory Comments and Review Record and take the following actions:

#### Recommendations of the Community Development Committee

1. Authorize the City of Savage to place its 2040 Comprehensive Plan into effect
2. Advise the City to:
  - a. When available, provide to the Council the dates that each of the Watersheds approved the LWMP, and the date the City adopted



the final Local Water Management Plan. Council staff also request that the City provide the Council with a copy of the final adopted Local Water Management Plan that will be included in the final Plan document that the City adopts.

- b. Implement the advisory comments in the Review Record for Transportation, Land Use, and Water Supply.

**Motion carried.**

The Community Development Committee recommended approval of the proposed action without questions or discussion.

**2021-82** Project Change for Stonehouse Square Contamination Cleanup Grant (SG-12848)  
Senior Project Administrator Josiah Waderich presented the business item to the Community Development Committee.

It was moved by Chamblis, seconded by Atlas-Ingebretson, that the Community Development Committee:

1. Approve the project change as detailed in this report for the Stonehouse Square grant as detailed in this report (SG-12848) awarded to the City of Minneapolis; and
2. Authorize the Community Development Director to execute the amendment reflecting the changes on behalf of the Council.

**Motion carried.**

Council members requested input on how to get more higher bedroom units evenly distributed among the different AMI and discussed their appreciation for entities like Common Bonds. A correlation between net tax capacity and value was examined. Mr. Waderich explained how changes drive the classified base on tax rates.

**2021-83** Project Change for Malcolm Yards Housing Contamination Cleanup Grant (SG-13993)  
Senior Project Administrator Josiah Waderich presented the business item to the Community Development Committee.

It was moved by Johnson, seconded by Vento, that the Community Development Committee:

1. Approve the project change as detailed in this report for the Malcolm Yards Housing grant (SG-13993) awarded to the City of Minneapolis; and
2. Authorize the Community Development Director to execute the amendment reflecting the changes on behalf of the Council.

**Motion carried.**

The Community Development Committee recommended approval of the proposed action without questions or discussion.

## INFORMATION

### 1. Tax-Base Sharing in the Metropolitan Area for Taxes Payable in 2021

Planning Analyst Debra Detrick presented the information item to the Community Development Committee, with an overview of the program and present results for taxes payable in 2021. [Fiscal Disparities: Tax-base sharing in the metro area](#) on the Council's website provides further information, with updated summary data and links to resources. Notable new publications include [Minnesota's Fiscal Disparities Programs](#) and [How Could You Do This? 50 Years of Property-Tax-base Sharing in Minnesota](#) covering the remarkable history of the program.

Taxing jurisdictions in the metropolitan area share part of the growth in commercial-industrial tax base through a tax-base sharing program known as the Fiscal Disparities Program. The Minnesota Legislature created the program in 1971 with the support of the Metropolitan Council. Tax-base sharing started in 1975. The size of the seven-county area the program covers and the amount of commercial-industrial tax base shared make it unique. This program continues to attract interest.

Tax-base sharing supports goals of the Metropolitan Council. It improves equity by reducing large differences in tax base wealth among communities. It supports cost-effective regional wastewater treatment and transportation services by reducing competition for tax base. It encourages land uses that protect the environment and increase livability but raise little or no revenue, such as regional parks, open space, and low-income housing. It promotes a regional approach to planning and development. The program shared \$500 million in tax base for taxes payable in 2021 and \$697 million in tax revenue.

A total of 179 communities participate in tax-base sharing. Each year, the Council and the Minnesota Department of Revenue determine eligibility for communities to participate in the program, as required by statute.

Council members expressed their appreciation for the report and acknowledge the complexity of this type of program, local challenges and questioned why it is not used more across the country.

Ms. Detrick responded receiving a lot of interest in the program, and an appetite for change, and gave an example of New Jersey's Meadowland program. The controversy remains locally regarding the Fiscal Disparities program and the tax base sharing.

Council members commented on the changes that have occurred over the 50 years of the program including the availability of data, the vital benefits for small city budgets bordering a larger community, and strong participation over the years.

## ADJOURNMENT

Business completed, the meeting adjourned at 5:15 p.m.

Michele Wenner  
Recording Secretary