
**Economic Development Authority Members:
Jeff Bartelt, Cliff Blaisdell, Mike Finley, Mark Novak**

MINUTES OF THE CITY ECONOMIC DEVELOPMENT AUTHORITY
CITY OF JANESVILLE, WASECA COUNTY, MINNESOTA

JANUARY 12, 2015

1. CALL TO ORDER

Mike Finley called the meeting to order at 5:00 p.m.

Members present: Mike Finley, Jeff Bartelt, Cliff Blaisdell.

Staff present: City Planner Brandon McCabe.

Members absent: Mark Novak

2. APPROVAL OF AGENDA

Motion made by Blaisdell to approve the agenda, second by Bartelt. Motion carried 3-0, Novak absent.

3. APPROVAL OF MINUTES

Motion made by Bartelt to approve the minutes of the EDA meeting held on Monday, December 15, 2014, second by Blaisdell. Motion carried 3-0, Novak absent.

4. PUBLIC HEARING

a. Housing Tax Abatement Policy

City Planner McCabe presented an overview of the Housing Tax Abatement Program. McCabe summarized by explaining that the program would stimulate, revitalize, and attract new home construction and new homeowners within Janesville City limits by abating the increase in taxes that have occurred as a result of the new construction. The abatement would only occur on the City portion of the property taxes.

Blaisdell asked why the full amount of taxes isn't being abated. McCabe stated that the City is abating what would not exist if construction did not occur. This is the argument made that is required by state law.

Blaisdell asked if what will be provided for marketing the program. McCabe stated that the website would be updated and a brochure would be mailed to surrounding

realtors, as well as informing local media. Finley recommended that City staff write the article that is promoted in the City paper. McCabe stated that if the media is not promoting the programs by article that paid promotion may be necessary.

McCabe stated that each building permit that is received, the property owner will submit an application for a tax abatement. The information will be sent to the county assessor to receive an estimate of tax abatement. A public hearing will be conducted and a final decision by City Council will be required prior to obtaining the tax abatement.

Finley stated that there are clauses that require the property owner to be current on taxes to receive the funding. Finley asked to make it clear in advertising that the abatement will work as a refund and payments are not made up-front.

Blaisdell asked to define a date that the rebate will be paid each year. McCabe stated that it will depend on when we receive the tax revenue from the county.

Finley asked to advertise a dollar amount that would equal the potential rebate available using both programs.

McCabe stated that he has received written support by Bill Adams for the Housing Tax Abatement program.

Santo stated that the County spoke very favorably about the program and felt a need to do something to attract housing.

Finley asked when the program could be available. McCabe stated that the program could be available for construction this year and next.

Blaisdell asked if this program is available for TIF. McCabe stated that the TIF would need to be decertified in order to abate the taxes. State law does not permit both. City Administrator Rogers stated that the assessments are being reduced already on the lots. Blaisdell asked if we could look further into the TIF district and what we can and cannot do.

The EDA has found the Tax Abatement Policy to be consistent with Minnesota Statute sections 469.1812 to 469.1815, which permits the City to grant tax abatements, because they (1) expect the benefits to the City of Janesville of the Housing Tax Abatement Program to at least equal the costs to the City of Janesville

and (2) finds that doing so is in the public interest because it will increase and preserve tax base.

Motion made by Blaisdell to recommend approval of the Housing Tax Abatement program to City Council during the January 12, 2015 Council meeting, second by Finley. Motion carried 3-0, Novak absent.

5. ADJOURNMENT

Motion made by Finley to adjourn the meeting at 5:19 p.m., second by Blaisdell. Motion carried 3-0, Novak absent.