WAYZATA CITY COUNCIL
WORKSHOP MEETING MINUTES
March 4, 2025

4:30 p.m. Update of Local Board of Appeal Process and 2025 Property Value Assessments by Hennepin County

Mayor Mullin called the meeting to order at 4:30 p.m. Council Members present in-person in the community room at City Hall offices: MacDonald, Parkhill, Plechash, and Sorensen. Also present: City Manager Jeff Dahl, Deputy City Manager Aurora Yager, and Public Works Director/City Engineer Mike Kelly.

Josh Hoogland, County Assessor and Michael Smerdon, Appraiser from Hennepin County, provided a summary of the 2025 property assessments in preparation for this year's Local Board of Appeal and Equalization hearing scheduled for April 17th. Discussion included the book of sales report and more information was provided about the County's role in the valuation process.

County staff provided specific examples of this year's valuations, highlighted the process, and provided additional background on the market and region dynamics. Mayor Mullin asked for additional information regarding commercial values in all of Hennepin County. Mr. Hoogland indicated that he would follow up with Mr. Dahl with that information.

5:30 p.m. Presentation of Tax Increment Financing (TIF) Basics and Review of the Updated TIF Cash Flow Study

Mr. Dahl introduced this topic and added that given TIF was a very complicated and evolving topic, it was best practice to have frequent information sessions, especially to a new Council and HRA. The objective of the meeting was to inform about the basics of TIF and then provide a better understanding of the City's current status of its TIF Districts by going through the updated TIF Cash Flow.

TIF 101 Presentation

Jason Aarsvold with Ehlers presented the basics of how TIF works, eligible uses of TIF funds, and a review of Wayzata's existing TIF districts.

Discussion of Updated TIF Cash Flow

Bonnie Schwieger from Abdo presented the updated cash flow projections for the City's active TIF districts, which included updated forecasts of revenues and expenditures/obligations.

Ms. Schweiger indicated that as the two districts are still at the newer end of their lifespan, many expenditures were obligated on the front end, and redevelopment continues to reoccur, the cash flow projections can change significantly from year to year. That is why is important to update the projections each year and proceed with making conservative and thoughtful future obligations for these districts.

The Council and the HRA discussed the current status of the districts and there was consensus that the presentation was very informative, the HRA should discuss any preference on the future use of TIF for affordable housing purposes—especially preserving the existing stock, and the Council directed staff to take TIF pooling opportunities into account when updating the City's draft CIP as a part of the 2026 budget process.

The workshop meeting was adjourned at 6:40 p.m.

Kathy A. Leervig

Respectfully submitted,

Kathy Leervig, City Clerk