



**AGENDA**  
**HOUSING AND REDEVELOPMENT AUTHORITY**  
**OF THE CITY OF WHITE BEAR LAKE, MINNESOTA**  
**TUESDAY, DECEMBER 13, 2022**  
**FOLLOWING THE REGULAR CITY COUNCIL MEETING**  
**IN THE COUNCIL CHAMBERS**

- 1. CALL TO ORDER AND ROLL CALL**
- 2. APPROVAL OF MINUTES**
  - A. Minutes of the HRA Meeting on January 11, 2022
- 3. ADOPT THE AGENDA**
- 4. RESOLUTION NOT WAIVING THE MONETARY LIMITS ON MUNICIPAL TORT LIABILITY**
- 5. RESOLUTION APPROVING THE DECERTIFICATION OF TAX INCREMENT FINANCING DISTRICT NO. 25**
- 6. ADJOURNMENT**



**MINUTES OF THE MEETING OF THE  
HOUSING AND REDEVELOPMENT AUTHORITY  
OF WHITE BEAR LAKE, MINNESOTA  
HELD ON TUESDAY, JANUARY 11, 2022**

2.A

**1. CALL TO ORDER AND ROLL CALL**

HRA Vice Chair Dan Jones convened the meeting of the Housing and Redevelopment Authority at 7:53 p.m. The Clerk took attendance for Members Heidi Hughes, Kevin Edberg, Steven Engstran, Dan Jones, and Bill Walsh.

**2. APPROVAL OF THE AGENDA**

It was moved by Member **Walsh** seconded by Member **Engstran** to approve the HRA Agenda as presented. Motion carried unanimously.

**3. MINUTES**

It was moved by Member **Engstran** seconded by Member **Walsh** to approve the Minutes of the December 14, 2021 HRA as presented. Motion carried unanimously.

**4. ELECTION OF CHAIR AND VICE CHAIR**

Councilmember Walsh nominated **Dan Jones as the Chair** of the HRA, noting his vast experience as Vice Chair. Councilmember Walsh nominated **Kevin Edberg as Vice Chair** of the HRA. Motion carried unanimously.

Member Edberg mentioned the City's Housing Study and the Housing Task Force, but said the City has been relatively perfunctory in the use of HRA authorities. He thought a useful goal of the HRA for the year would be to have a greater understanding of what roll strategically the HRA might play in City development and what capacities/tools does it provide that are not available to the City Council.

Councilmember Walsh inquired as the balance in the HRA. Ms. Kindsvater confirmed it was more than \$200,000, but referenced a need to follow up with Ehlers who was pulling together a TIF Management Plan for the City in an effort to identify what money is available and options for its use. Councilmember Walsh noted this as a good Work Session topic.

**5. ADJOURNMENT**

There being no further business before the HRA, Member **Walsh** moved, seconded by Member **Engstran** to adjourn the HRA Meeting at 7:57 p.m. Motion carried unanimously.

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Dan Jones, Chair

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Lindy Crawford, Executive Director



**City of White Bear Lake**  
Finance Department

# MEMORANDUM

**To:** Lindy Crawford, Executive Director  
**From:** Kerri Kindsvater, Finance Director  
**Date:** December 13, 2022  
**Subject:** **HRA Municipal Tort Liability**

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## SUMMARY

The HRA Board will consider adopting a resolution not to waive the statutory limits set by Minnesota Statutes.

## BACKGROUND INFORMATION

Minnesota Statute Section 466.04 caps municipal tort liability at a maximum of \$500,000 for any individual and \$1.5 million per occurrence in which the statutory tort limits apply. These limits apply whether the claim is against the covered entity, an individual officer or employee, or both.

Entities obtaining liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must decide whether or not to waive the statutory tort liability limits to the extent of the coverage purchased.

The HRA's insurance coverage through the LMCIT provides a standard limit of \$2 million per occurrence with annual aggregate amounts that limit the total amount of coverage for the year regardless of the number of claims for certain specific risks. A \$3 million aggregate limit applies to claims involving failure to supply utility services, data security breaches, and limited contamination issues.

The coverage limits provided through the LMCIT policy are higher than the statutory limits to recognize that some types of liability claims are not subject to the statutory tort caps and that contracts typically require more coverage than the statutory limit, with \$2 million being the common figure.

If the HRA chooses not to waive the statutory limits, the statutes limit liability at the amounts listed above, no more than \$500,000 per claimant and \$1.5 million per occurrence. The higher coverage limit of \$2 million only applies to those types of claims not covered by the statutory limit. Exceptions to the statutory tort caps are situations such as claims under federal civil rights laws, claims of tort liability that the city assumed by contract, claims for actions in another state, claims based on liquor sales, and claims challenging land use regulations.

If the HRA chooses to waive the statutory limits, any claimant could recover up to the \$2 million insurance policy coverage amount, or higher if the HRA purchases excess liability coverage. Waiving the statutory liability limits does not give the HRA better insurance protection it only grants a better benefit to the party making the liability claim against the HRA. Because the waiver increases the exposure to higher claim costs, the premium is higher for coverage if the statutory limits are waived.

LMCIT does offer excess liability insurance that provides umbrella coverage for instances where a HRA might need coverage greater than \$2 million. Example situations are: claims not limited by statutory tort caps, a loss or claim in one of the areas when there might not be enough aggregate limit to cover the HRA's full exposure if a second similar event occurs within the same year, contracts may require higher coverage limits, more than one political subdivision is covered by the one policy. The White Bear Lake HRA has not purchased excess liability insurance coverage in previous years since there have been no situations where any claims have exceeded the statutory limit during a year and the extra premium charge was not cost effective.

#### **RECOMMENDATION**

Staff recommends the HRA Board adopt the attached resolution not to waive the statutory limits set by the Minnesota Statutes. This decision remains consistent with prior years' coverages and provides statutory tort liability payment limit of \$500,000 to individual claimants and \$1,500,000 to all claimants for a single occurrence claim against the HRA.

#### **ATTACHMENTS**

Resolution

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION NOT WAIVING THE MONETARY LIMITS ON MUNICIPAL TORT LIABILITY  
FOR THE HOUSING AND REDEVELOPMENT AUTHORITY**

**WHEREAS**, Minnesota Statutes 466.04 caps municipal tort liability to a maximum of \$500,000 per claimant on any claim to which the statutory tort limits apply; and

**WHEREAS**, Minnesota Statutes 466.04 caps the municipal tort liability to a maximum of \$1,500,000 for the total claimants for a single occurrence to which the statutory tort limits apply.

**NOW, THEREFORE, BE IT RESOLVED**, by the Housing and Redevelopment Authority of the City of White Bear Lake that it does not waive the statutory liability limits for the Fiscal Year January 1, 2023 – December 31, 2023:

The foregoing resolution, offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_, was declared carried on the following vote:

Ayes:

Nays:

Passed:

\_\_\_\_\_  
Dan Jones, Chair

**ATTEST:**

\_\_\_\_\_  
Lindy Crawford, Executive Director



**City of White Bear Lake**  
Community Development Department

# MEMORANDUM

**To:** Lindy Crawford, Executive Director  
**From:** Tracy Shimek, Housing & Economic Development Coordinator  
 Jason Lindahl, Community Development Director  
**Date:** December 13, 2022  
**Subject:** Decertification of Tax Increment Financing District 25, Project Area C/Sterling Bank

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## SUMMARY

The Housing and Redevelopment Authority will consider adopting a resolution to decertify Tax Increment Financing (TIF) District 25, Project Area C/Sterling Bank.

## BACKGROUND INFORMATION

Under authority granted to municipalities and housing and redevelopment authorities in Minnesota Statute 469.001 et seq., the White Bear Lake City Council and Housing & Redevelopment Authority in and for the City of White Bear Lake Minnesota (HRA), approved the creation of TIF District 25 in April 1999. The TIF District encompassed the areas outlined in the attached map.

The District was established as a Redevelopment District for the purpose of acquiring parcels and providing necessary public improvements and site improvements to spur development that would not have been economically feasible without tax increment assistance by the HRA. According to an analysis by Ehlers, the market value within the district increased 274.78% from \$6,883,900 in 1999 to \$25,799,500 in 2022. Development facilitated through public infrastructure improvements, site acquisition, site preparation or financial support include:

- The Arbors (4800 Division Avenue)
- Oakridge Office Building (4801 Highway 61)
- White Bear Lake Professional Building (4886 Highway 61)
- CVS Pharmacy (4800 Highway 61)

TIF District 25 was established as a 25-year district with final TIF payments anticipated in 2025, however all district financial commitments have been met. Because all of the authorized obligations of the District have been met the city is therefore required to decertify the District as pursuant to Minnesota State Statute 469.1794 Subd.8, and return any excess TIF to Ramsey County for distribution to the appropriate taxing authorities.

**RECOMMENDATIONS**

Staff recommends the HRA Board adopt the attached resolution decertifying Tax Increment Financing District 25.

**ATTACHMENTS**

Resolution  
Map of TIF District 25

**RESOLUTION NO.**

**RESOLUTION APPROVING THE DECERTIFICATION OF TAX INCREMENT FINANCING DISTRICT  
NO. 25 OF THE CITY OF WHITE BEAR LAKE, MINNESOTA**

**WHEREAS**, on April 13, 1999, the Housing and Redevelopment Authority in and for the City of White Bear Lake, Minnesota (the HRA) created its Tax Increment Financing District No. 25, (the District) within its Redevelopment Project No. 1 (the Project);

**WHEREAS**, the tax increment obligation to which tax increment from the District have been pledged was paid in full;

**WHEREAS**, all other costs of the Project have been paid; and

**WHEREAS**, the HRA desires by this resolution to cause the decertification of the District after which all property taxes generated by property within the District will be distributed in the same manner as all other property taxes beginning 2023.

**NOW, THEREFORE, BE IT RESOLVED** by the Housing and Redevelopment Authority of the City of White Bear Lake, Minnesota, that the HRA's staff shall take such action as is necessary to cause the County Auditor of Ramsey County to decertify the District as a tax increment district and to no longer remit tax increment from the District to the HRA.

The foregoing resolution, offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_, was declared carried on the following vote:

Ayes:  
Nays:  
Passed:

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Dan Jones, Chair

**ATTEST:**

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Lindy Crawford, Executive Director



# Tax Increment Financing District 25

