



REQUEST FOR ACTION

**Tax Increment Financing (TIF): Investment, Growth,
and Community Impact (4:30 p.m. - 5:30 p.m.)**

MEETING DATE:

June 22, 2026

ORIGINATING DEPT:

City Administration

AGENDA SECTION:

Presentation Items

PRESENTER:

**Josh Johnsen and Ehler's
Consultants**

Report Narrative:

This study session provides an overview of Rochester's Tax Increment Financing (TIF) program and explores opportunities to strategically leverage TIF resources to support future redevelopment and community investment. The presentation begins with a review of TIF fundamentals, including how tax increment is generated, eligible and ineligible uses, district types, and the relationship between TIF districts and project areas. It also highlights the importance of reinvestment in strengthening the tax base, expanding housing options, supporting infrastructure, and catalyzing private development.

The presentation includes an update on Rochester's current TIF portfolio, including redevelopment, housing, and Destination Medical Center (DMC) districts. Council will review captured tax capacity trends, community benchmarking data, anticipated district decertification's, and the financial implications of returning increment to the tax rolls. The analysis also examines the long-term potential of maintaining certain districts for pooling purposes and the opportunities available through housing and DMC redevelopment districts.

Finally, the study session introduces several policy considerations intended to maximize the effectiveness of TIF as an economic development tool. Topics include administrative cost allocation, district pooling strategies, management of excess increment, and broader approaches for aligning development assistance with the City's strategic priorities. The discussion is intended to provide direction on future policy updates and establish a framework for utilizing TIF resources to advance housing, redevelopment, and long-term economic growth objectives.

Priorities & Foundational Principles:

Housing Access

Prepared By:

Joshua Johnsen

Attachments:

[Presentation - Tax Increment Financing Update](#)