



**WORK SESSION OF THE GREENBELT CITY COUNCIL held Monday, November 28, 2005**, for the purpose of meeting Mr. Ketterman and receiving a briefing on TIF financing.

Mayor Davis called the meeting to order at 7:30 p.m. It was held in the Library of the Municipal Building.

*PRESENT WERE:* Councilmembers Leta M. Mach and Rodney M. Roberts and Mayor Judith F. Davis. Konrad Herling was ill, and Edward Putens was delayed in returning home from travel.

*STAFF PRESENT WERE:* Michael P. McLaughlin, City Manager; Robert A. Manzi, City Solicitor; Celia W. Craze, Director, and Ethan Bindernagel, Planner, Planning & Community Development; and Kathleen Gallagher, City Clerk.

*ALSO PRESENT WERE:* Sam Ketterman, Davenport and Company, LLC; and Thomas X. White, Greenbelt News Review. Resident Bill Orleans came in at about 7:45 p.m.

Mr. McLaughlin said that Council had asked to meet Mr. Ketterman and learn a little more about his background and about the prevalence of Tax Increment Financing districts (TIFs) as funding mechanisms.

Mr. Ketterman briefly addressed his own background and experience, as well as that of his company. He said they have worked with many municipalities and counties, as well as with WSSC and M-NCPPC.

He said in recent years, the use of bonds has been declining, primarily because they have fallen out of favor with the public because of the need to raise taxes to pay off the debt. At the same time, TIFs have become more common for financing redevelopment. He said something on the order of 15-18 have been done in Maryland, ranging from less than \$1 million to \$50-60 million. Mayor Davis asked what local municipalities had used them, and he cited Laurel, Annapolis, and Frederick. There was further discussion of the types of projects that had been partially funded this way.

Mayor Davis asked about risks, and Mr. Ketterman said the biggest needs were to undertake safeguards to be sure the developer would not renege on any of its promises and to undertake all the due diligence needed to produce all the legal documentation. Ms. Craze mentioned several of the precautions being taken in this instance. Mr. Ketterman said they often encourage clients to create Special Taxing Districts (STDs) as well, since they provide a layer of security under the TIF in case of shortfall in the TIF revenues.

Following a couple of informational announcements, the meeting was adjourned at 7:50 p.m.

*Respectfully submitted,*

*Kathleen Gallagher  
City Clerk*