

TIF Committee Minutes and Report to Council
3:00 p.m., June 5, 2017

Roll Call: Phyllis Truitt
 Alan Shoemaker
 Drew Hoel

ACTION ITEMS

- Financial Statements. Hoel discussed the preliminary May financial statements and noted that this is the first month of the fiscal year.
- Delinquency Report. Hoel discussed the end of May delinquency report. Committee members discussed the status of collection actions concerning the Boutilier and Puckett delinquencies.

DISCUSSION AND UPDATES

- Downtown Restaurant. Hoel reported that work is well underway on the Joe's Pizza project. They have requested a couple of minor layout changes, which Hoel has approved, and the tuckpointing of the exterior is nearly complete. Committee members will plan to conduct a project walk-through at the next TIF meeting.
- Community Building HVAC. Hoel updated committee members on the status of the repairs to the HVAC system at the Community Building. The new Trane-appointed controls contractor continues to address system programming deficiencies, and the system seems to be operating properly. The replacement cooling coil is scheduled for delivery this week (not the 10 weeks we were originally told) and it should be installed very shortly. Training for our staff will follow completion of the controls software, which has now been upgraded to include the required graphics-based operator level interface. The final step will be the addition of glycol (anti-freeze) to the cooling system as a "belts & suspenders" approach to address freeze protection. This should be the only element of the current repairs that comes at any cost to the city.
- Douglas County Museum. Committee members discussed the status of outstanding TIF loans to the Douglas County Museum. The City made two loans to the Douglas County Museum - \$88,000 for HVAC replacement in June, 2008, and \$88,950 for a new roof in August, 2010. Both loans were structured in the same manner – each year that they continued to operate as a museum, 10% of the principal is forgiven, such that there is no repayment if they remain in operation for 10 years. Since they passed their referendum in April, the Museum will apparently become an entity of the County government, and they are in the process of arranging for the transfer of their assets to the County. We have not been approached about our mortgages, but presumably will be. Our loans to them prohibit transfer of their property to a third party. Committee members discussed options for the loans, including a possible assignment to the County, but recommended a release of the remaining 1 year and 3 years, respectively, since the only intent of the ten year term was to ensure continued operation as a museum, which now seems more secure than ever.

- North Central Avenue. Hoel reported that he has solicited proposals for the demolition and asbestos abatement for the former Winans and Reynolds properties on North Central Avenue. The proposals are due on Friday, June 23rd, so they should be available for council consideration at the June 26th meeting.
- Cronus Chemicals. Hoel reported that CEO Erzin Atac was in town for a meeting with local officials and site landowners a couple of weeks ago. Atac provided a status update on the project development milestones and overall projected timeline. The project is still very viable but not yet finalized.
- Sale Street Boutique. Committee members discussed the status of our attempts to enforce the redevelopment agreement and Jeremy Tengwall's recent activities.

Meeting adjourned at 4:25 p.m.