

**Development and Planning Committee Minutes and Report to Council**  
**4:00 p.m., March 13, 2018**

Roll Call:     Tim Hoey  
                  Scott Day  
                  Alan Shoemaker  
                  Drew Hoel  
                  Alta Long  
                  Brian Moody

**DISCUSSION ITEMS**

- FY2019 Budget. Hoel and Long reviewed the prepared draft budget for the Building & Electrical inspection, Economic Development, and TIF Funds. Specific comments, by department, were as follows:
  - Building & Electrical Inspection.
    - Permit fee revenues were decreased from \$10,000 to \$7,500 to reflect past trends.
    - Salaries were decreased in order to remove the part-time allowance for former inspector Steve Hettinger who assisted during the transition.
    - Communications/Telephone was decreased from \$1,000 to \$700, as we are no longer providing a cell phone to Mr. Hettinger.
    - Computer Support is increased to \$2,500 for the new permit software.
    - Travel, Training, & Education is increased from \$1,500 to \$2,000 in order to provide additional continued training for Mike Salmon.
  - Economic Development. This department in the General Fund is for the rebate of sales taxes to Tuscola Home Center, which is provided a 10-year rebate at a declining percentage. The amount has been decreased from \$32,000 to \$20,000 to reflect actual experience and the reduced percentage for the remaining 3 years of the rebate.
  - TIF I.
    - Property tax revenues are increased to reflect recent trends.
    - Professional Services is decreased from \$61,200 to \$50,000, but includes possible design fees for the I-57 interchange.
    - The Vocational Technology Grant to Tuscola School District has been completed, and so removed from the budget.
    - Property Acquisition/Prep is budgeted at \$250,000 for possible improvements to the properties adjacent to the Community Building.
    - Building Rehabilitation has been decreased from \$430,000 to \$250,000. Downtown TIF grants are reflected in this line.
    - Public Works Improvements is budgeted at \$1,795,734. This reflects the estimated cost of the I-57 interchange improvements, although there are no agreements or concrete plans in place, yet, to construct this interchange.

- Amishland TIF. Property taxes are reduced to reflect a recent appeal and reduction of the assessment. There are no planned expenditures in the fund. Future revenues will be used to repay the remaining balance of the road improvements until fully reimbursed.
- Barker/Prairie St. TIF. Property tax revenues are increased to reflect recent trends at additional home construction. Property Acquisition/Site Prep is similarly increased to reflect the ongoing rebate of a portion of those revenues to the developer. Professional Services remains at \$5,000 in the hopes of finally completing the floodplain remapping submittals.
- Long reviewed a cash flow projection she had completed for all three TIF's. The Amishland TIF should repay the remaining balance of the road improvements in the upcoming fiscal year. TIF I should also return to positive cash in the upcoming fiscal year, unless we complete the I-57 interchange project, in which case TIF I will likely remain negative until FY2021. Barker/Prairie St. TIF will remain negative for several years but is still on track to repay its expenses by the termination of that TIF in 2035.
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- Long presented concept drawings for a replacement sign at City Hall and for a replacement for the welcome sign near Taco Bell. Long will also show the concept drawings to the other committee to gather input.

Meeting adjourned at 5:05 p.m.