

**Development and Planning Committee Minutes and Report to Council**  
**3:00 p.m., March 4, 2019**

Roll Call:       Tim Hoey  
                  Scott Day  
                  Alan Shoemaker  
                  Mayor Dan Kleiss  
                  Drew Hoel  
                  Alta Long

**OLD BUSINESS**

- Hoel and Long reviewed the end of February delinquency report and the draw status of the one outstanding TIF grant for Kenny & Angela Hogue.
- FY2019 Budget Projects. Hoel and Long updated committee members on the status of current development projects, including the I-57/US 36 intersection in support of development on the Moore Property. Hoel indicated that he hopes to have the final redevelopment agreement available for City Council ratification at the next council meeting.

**NEW BUSINESS**

- Potential Development Projects
  - Hoel discussed the status of the Daylight Donuts redevelopment. The owner, Austin Apgar, indicated that the project is nearing commencement of construction, likely in early April. He has requested a modification to the loan assumption agreement for the property. He anticipates a larger investment than originally thought for the casual dining restaurant planned for the property, and would like that to satisfy the conditions for loan forgiveness. Committee members indicated a willingness to support those terms, and Hoel will work with Apgar to finalize the proposal for submittal to the full council.
  - Mayor Kleiss and Hoel reported recent interest in the former North Ward property for a planned residential development. Committee members discussed the nature and character of the development, and indicated their consent to a new request for proposals. The City is required to invite competing proposals.
  - Hoel followed-up on the discussion at the last meeting concerning interest in the property at the southeast quadrant of I-57/US 36. The potential developers have requested an intersection similar to the one being proposed on the west side of I-57. Hoel obtained an engineering proposal from Francis Associates in the amount of \$5,000 to complete preliminary concept and budget development. Committee members recommended approval of the proposal to the full council.
  - Flesor's Candy Kitchen experienced cost overruns of approximately \$3,700 for the soda fountain repair and installation. A prior TIF grant of \$15,000 for the project has already been awarded, and committee members declined to recommend additional funding for the cost overruns.

- Cash Flow Projection. Long reviewed the cash flow projections for all three TIF districts. It was noted that TIF I and the Amishland TIF both have a positive cash balance, but TIF I will likely be negative as soon as the I-57/US 36 improvements commence. The Barker/Prairie Street TIF remains negative, but is still projected to pay for itself before its termination in 2035.
- FY2020 Budget Draft. Long reviewed the staff draft of the FY2020 Budget. The following specific items were pointed out:
  - Property tax revenues are down almost \$300,000 from budget, due primarily to the reduced assessed valuation of the mall property. That revenue projection has been reduced accordingly for the upcoming budget.
  - Public Works Improvements remains high as a “carry-over” for the I-57/US 36 improvements.
  - Building Rehabilitation remains at the same amount to complete the Cast Iron Pub/Irma Lou’s Kitchen project.
  - Interest Subsidies are reduced by \$400,000 to reflect that the current owners of the mall property have not, and are not anticipated to, assume the obligations of the redevelopment agreement.
  - No expenses are expected in the Amishland TIF area.
  - Hoel reported that floodplain remapping of the Tucker subdivision areas appears to be completed, and engineering expenses in support of that effort should be completed soon.
- Long presented concept drawings for a replacement sign at City Hall. Committee members were open to the ideas and suggested that staff could finalize plans and present them for implementation.

Meeting adjourned at 4:20 p.m.