

MINUTES
TAX INCREMENT FINANCE PROJECT REVIEW COMMITTEE
March 29, 2017

MEMBERS PRESENT: Steve Laurenti, David Janek, David Hillard and Lloyd LaCroix for George Ferebee

MEMBERS ABSENT: Ron Buskerud, Steve Rolinger and Jerry Wright

OTHERS PRESENT: Patsy Horton, Jeanne Nicholson, Carla Cushman, Pauline Sumption, Sarah Hanzel, Karen Bulman, Ted Johnson and Joy McCracken

Called to Order

LaCroix called the meeting to order at 7:02 a.m.

Approve Minutes

Motion by Laurenti, seconded by Hillard and carried unanimously to approve the minutes of the February 14, 2017 meeting.

Village on Monroe (17TIF002) – Creation of a Tax Increment District and a Project Plan

Horton advised that the request is to create a tax increment district for an affordable housing project at the southeast quadrant of the Dilger Avenue and Monroe Street intersection. She explained that the committee needs to determine if the proposal meets the criteria regarding blight and if the application meets the intent of the Tax Increment Finance Policy. Horton reviewed the checklist, state law, property valuations, proposed public improvements, master plan, site photographs, amortization schedule, projected revenues and tax valuations.

McCracken stated that the project will provide five affordable units. She added that the proposed development has been received very well and that two applicants are interested in purchasing units. She noted that there will be a homeowners association and covenants.

In response to a question from Laurenti, McCracken explained that the reason for the tax increment district for the land acquisition is to lower the cost to the homeowners. She added that the cost without the tax increment district will be approximately \$104,000 for a unit and with the district, the cost will be lower.

Laurenti inquired as to how the City will know that the savings generated by the tax increment district will be passed on to the purchasers. McCracken responded that the documentation would be forwarded to the City after the units have been purchased.

Laurenti commented that he supports the affordable housing project but was unsure about using a tax increment district for the land acquisition.

In response to a question from Janek, Horton reviewed other tax increment districts that funds were used for land acquisition.

In response to a question from Hillard, McCracken explained that the tax increment district funds would reduce the costs approximately 10% and the cost to the homeowner would be approximately \$93,000.

Hillard expressed his support for the tax increment district noting that the area needs improvements because of the blighted conditions.

Laurenti stated that the point that he is trying to make is that a tax increment district has not been created for the sole purpose of land acquisition. Horton commented that she was not aware that land acquisition was the sole purpose for any of the tax increment districts.

Horton reminded the Committee that they can approve the creation of the tax increment district and direct staff to prepare the project plan as submitted, approve the creation of the tax increment district and direct staff to prepare the project plan with changes or deny the creation of the tax increment district. She added that if the application is denied, the applicant can submit an appeal to the Planning Commission.

LaCroix expressed his opinion that the proposed project is good for this area of the City and for the community as a whole. He added that he supports the request.

Hillard moved to recommend approval of the creation of a tax increment district and a project plan. The motion was seconded by LaCroix and failed with Hillard and LaCroix voting yes and Laurenti and Janek voting no. (2 to 2)

There being no further business to come before the committee, Janek moved, Hillard seconded and motion carried unanimously to adjourn the meeting at 7:29 a.m.