

MINUTES
TAX INCREMENT FINANCE PROJECT REVIEW COMMITTEE
September 22, 2009

MEMBERS PRESENT: Ron Kroeger, Dennis Landguth, Gary Brown, Mary Duncan, Brenda Young

STAFF PRESENT: Marcia Elkins, Karen Bulman, Robert Ellis, Dale Tech, Jim Preston, Joel Landeen, Sharlene Mitchell

OTHERS PRESENT: Merlin Brenden, Curt Huus, Michael Towey

Call to Order

Kroeger called the meeting to order at 8:01 am

Approve Minutes

Landguth moved, Brown seconded and carried unanimously to approve the minutes of the May 27, 2009 meeting.

Tower Road TID #47 – Project Plan Revision (09TIF002)

Bulman presented the request to reallocate project funding for the Tower Road TID #47 noting there will be no increase to the total Tax Increment District project costs. Bulman continued that the applicant is requesting to reallocate \$250,000 from the Interest line item to the Tower Road line item.

In response to a question from Kroeger, Bulman indicated that the District was created in FY 2004 noting the five year project improvement deadline is November 4, 2009. Bulman presented the District boundary map noting that the main project costs were for the reconstruction of Tower Road.

In response to a question from Landguth, Huus indicated that the funding reallocation would address expenditures for electrical trenching, erosion controls, drainage improvements and approach development.

Discussion followed regarding the location of the additional improvements within the Tax Increment District boundaries. In response to a question from Elkins, Huus clarified the location of the improvements with regard to the District boundaries. In response to a request from Elkins, Towey identified the location of the drainage and electrical trenching improvements noting the process required to trench electrical service from Skyline Drive to the Tower Road right-of-way. Huus addressed the drainage channel improvements required to support the Tower Road drainage flows.

In response to a question from Elkins, Huus indicated that the developer will bond for the sidewalk improvements. Huus clarified that the reallocation request would remove the sidewalk installation project from the Project Plan.

In response to a question from Landguth, Huus indicated that the electrical service extension provides service beyond the development noting that the project completed an electrical grid loop.

In response to a question from Landguth, Huus identified the extent of the area supported by the existing detention pond. Huus indicated that the drainage expenditures developed drainage channels not the detention pond. Discussion followed regarding the development of the drainage channels to address the Tower Road drainage. Discussion followed regarding the location of the storm drainage improvements.

In response to a question from Elkins, Towey clarified the extent of the Fairmont Boulevard and Tower Road grading project, the location of the existing detention pond, and the location of the drainage channel improvements. Towey addressed the improvements to the detention pond to minimize the downstream impact of the increased drainage from the Tower Road area.

Brenden addressed the drainage elements contained in the original Project Plan noting that the summer storm events prompted the redesign of the drainage channels to better support the drainage runoff. In response to a question from Landguth, Huus indicated that the original drainage channel design was insufficient to handle the storm water runoff volumes experienced this summer noting that the channels were upgraded to compensate for the additional drainage. In response to a question from Landguth, Brenden indicated that the erosion control upgrades are within the District boundaries.

Elkins recommended that if the Committee wishes to approve the applicant's request, the additional costs could be funded from the Necessary and Convenient Costs line item. Elkins noted staff's concerned that a portion of the additional costs may have been incurred outside of the District boundary. Elkins indicated that expenditures for electrical trenching, erosion controls, drainage improvements and approaches within the district boundary are eligible expenditures if approved by the City Council. Elkins indicated that concerns have been expressed regarding the removal of the sidewalks from the project costs.

Kroeger suggested that the request be continued to allow the applicant time to provide a detailed breakdown of the project costs incurred within the District boundary. Elkins addressed the five year timeframe for completion of the approved projects noting that the five year timeframe for District #47 expires November 4, 2009. Elkins apologized noting that staff was under the impression that the reallocation was requested to fund increases in previously approved project costs. In response to a request by Elkins, Bulman reviewed the scheduling requirements to process the funding reallocation request prior to the five year deadline.

Discussion followed regarding forwarding the request to the Planning Commission without recommendation. Elkins indicated that the Committee guidelines require that a recommendation be forwarded to the Planning Commission. Brown recommended resolving the reallocation request to allow the Committee to provide a recommendation to the Planning Commission; Landguth concurred.

Landguth moved to require that the sidewalk installation project be completed under the Tax Increment District and to recommended that funding for the electrical trenching, erosion controls, drainage improvements and approach development expenditures incurred within the district boundary be reallocated from the Necessary and Convenient Costs line item with the stipulation that the developer provide a detailed breakdown of the expenditures prior to the presentation of the reallocation request to the Planning Commission. Brown seconded the motion.

Huus indicated that the accounting breakdown of expenditures would be provided immediately noting that there is insufficient funding remaining in the Project Plan to fund the new expenditures and the sidewalks. Huus requested that the applicant be allowed to bond for the sidewalk installation. Discussion followed regarding completing the sidewalk installation project by the November 4, 2009 deadline.

In response to a question from Landguth, Elkins addressed the inclusion of the sidewalks in the original plan, the current proposal to remove the sidewalks from the plan and the public concern voiced regarding the elimination of the sidewalks from the plan.

Discussion followed regarding the manner in which sidewalk improvements have been addressed under the bonding procedure. In response to a question from Brown, Brenden indicated that a bond would be provided to the City for completion of the sidewalks within two years. In response to a question, Brenden indicated providing the fully executed contract by the November 4, 2009 deadline would be possible.

The motion to require that the sidewalk installation project be completed under the Tax Increment District and to recommended that funding for the electrical trenching, erosion controls, drainage improvements and approach development expenditures incurred within the district boundary be reallocated from the Necessary and Convenient Costs line item with the stipulation that the developer provide a detailed breakdown of the expenditures prior to the presentation of the reallocation request to the Planning Commission carried unanimously.

Huus indicated that the project expenditure accounting would be provided to the Growth Management staff today.

Adjourn

There being no further business, Landguth moved, Brown seconded and carried unanimously to adjourn the meeting at 8:40 a.m.