

3. That \$450,000 in necessary and convenient costs be included in the Project Costs with the understanding that a funding source for these funds has not been identified at this time;
4. That the district meet the criteria for an "economic development district; and,
3. That staff identify the supporting criteria for the district carried with Green voting no.

Park Meadows (05TIF003)

Elkins provided a brief review of the proposed district noting the location, proposed boundaries and projected project costs. Elkins indicated that this is a developer funded proposal noting that the amortization has been projected at 8% interest. Elkins called attention to the City owned property that will be reclaimed in conjunction with the project noting briefly the existing blighted conditions. Elkins indicated that total project costs are reflected at \$655,000 with a projected payoff date of 2024.

Letner provided an aerial photograph of the proposed district noting that the project is comprised of three individual projects: reclamation of the City property, installation of a storm sewer along Creek Drive and completion of the construction of E St Charles Street from its current terminus east to Creek Drive.

Jablonski indicated that the City has agreed to allow the City site to be reclaimed noting that it is currently utilized as a snow dump location. He indicated that the work to be performed would include hauling in of top soil, grading and seeding the site, removal of the illegally dumped materials and fencing of the site. Jablonski indicated that the City will retain use of the site after the reclamation.

In response to a question from Preston, Letner identified the properties proposed to be included in the district boundaries. In response to a question from Elkins, Sperlich identified the location of the proposed storm sewer noting that the improvements would be limited to the Letner and Quest properties. Elkins addressed the state requirements regarding the allowable maximum values that can be incorporated into tax increment districts and recommended that those properties not benefiting from the proposed district improvements be removed from the district boundaries.

In response to Waugh, Letner indicated that his current development plans impact only the south half of the site noting that the property deed does not identify any setback restrictions along St. Patrick Street.

In response to a question from Preston, Letner indicated that the reclamation of the City property and completion of E. St. Charles Street will not occur without the tax increment financing. Letner indicated that the drainage would be retained on-site instead of building the storm sewer.

Elkins recommended verifying the floodway location with regard to the City property noting that fencing is not permitting in floodway.

In response to a question, Elkins indicated that the completion of E. St. Charles Street would be a requirement of platting. Sperlich indicated that the property's current zoning and platting will permit the proposed development to occur without requiring the completion of E. St. Charles Street. Sperlich indicated that the completion of E. St. Charles Street will improve the area road

network and fire and police services to the area. In response to a question, Letner indicated that the district would be developer funded with reimbursement coming from the district.

In response to a question from Dryden, Elkins indicated that this would qualify as an economic development district.

In response to a question from Elkins, Jablonski indicated that the site is currently utilized as a snow dump site noting that there is a problem with illegal dumping. Jablonski indicated that the Public Works Department is looking for alternative snow dump sites but at this time the Public Works Department does not want to relinquish control of the site. Jablonski indicated that the proposed fencing should assist in minimizing the illegal dumping activity.

Cole indicated that should the Public Works Department be willing to relinquish the site, the site would provide an access point onto the bike path. He indicated that as the area is expanded in accordance with the recommendations of the East Greenway Master Plan the site would provide a nice area park.

Preston voiced support for the proposed district noting the it would provide commercial development, completion of the road network, reclamation of the City property and storm sewer installation.

Elkins recommended that the Committee review the proposed project costs to determine if they meet the exceptional costs criteria.

Sperlich again noted that development of the site does not require any of the proposed improvements to be completed. He indicated that the project addresses improvements not necessarily associated with a commercial development project. Sperlich suggested that the project costs are exceptional as they are off-site improvements and are not required in order to develop the property.

Discussion followed regarding the storm water improvements, the transient population that utilizes the City property, the project costs that could be considered as exceptional costs and the platting requirements associated with completion of E. St. Charles Street.

In response to a question from Jablonski, Elkins indicated that the Committee does have the authority to revise the project costs. Discussion followed regarding the road development project. Sperlich emphasized that construction of the road will complete an important road connection at no cost to the City.

Elkins addressed the manner in which the road development costs were funded with the Kohls project noting that the Qwest portion of the costs could be included in the district with Lenter funding his portion of the costs privately.

Waugh concurred with Sperlich in that the completion of E. St. Charles Street would provide an important and needed road connection. Vore addressed the assessment process that could be utilized to complete construction of E. St. Charles Street.

Dryden moved to recommend approval of the Tax Increment District to include the oversize costs for the storm sewer improvements, reclamation of the City property, all E. St. Charles Street improvements, all engineering and design fees and contingency fees. Waugh seconded the motion.

Green expressed his legal opinion that the project does not meet the State statute definition of "blighted" and therefore he would not support the request. In response to a question from Letner, Green indicated that the area blight is a minor code enforcement issue and noted the conditions that would support a determination of blight.

Preston moved a substitute motion to recommend approval of the developer funded Tax Increment District to include the oversize costs for the storm sewer improvements, reclamation of the City property, one-half of the E. St. Charles Street improvements costs, all engineering and design fees, and contingency fees. Chapman seconded the motion.

Discussion followed regarding current street assessment costs. Sperlich indicated that the developer will fund the project costs and will receive reimbursement through the tax district. Sperlich indicated that he did not feel the proposed costs would set a precedent as these are expenditures that would not be required based on the current status of the property. Discussion followed regarding the determination of what would be an oversize costs with regard to the storm sewer project.

The substitute motion to recommend approval of the developer funded Tax Increment District to include the oversize costs for the storm sewer improvements, reclamation of the City property, one-half of the E. St. Charles Street improvements costs, all engineering and design fees and contingency fees carried unanimously.

The main motion as amended to recommend approval of the developer funded Tax Increment District to include the oversize costs for the storm sewer improvements, reclamation of the City property, one-half of the East St. Charles Street improvements costs, all engineering and design fees, and contingency fees carried with Green and Fast Wolf voting no.

Minutes

Chapman moved, Waugh seconded and carried unanimously to approve the minutes of the February 23, 2005 meeting.

Adjourn

There being no further business the meeting was adjourned at 12:45 p.m.