

Minutes of the May 25, 2001  
Tax Increment Financing Committee Meeting

Members Present: Stuart Wevik, Jim Preston, Marcia Elkins, Tamara Pier, Dan Dryden, Pam Lang, Alan Hanks

Others Present: Hani Shafai

**Item 1) Preliminary Proposal - Jolly Lane Drainage Improvements**

Elkins presented the project overview.

Shafai provided additional details on the proposed drainage improvements noting that the proposed improvements would benefit both the Children's Home Facility and the surrounding residential development.

Discussion followed regarding whether the proposed Tax Increment Financing District meets the requirements of the Guidelines. After extensive discussion there was general agreement that the proposal meets the mandatory criteria as well as Criteria #2 – The project will eliminate an actual or potential hazard to the public and #4 – The project will bring new or expanded employment opportunities.

**Hanks moved to recommend approval of the proposed Tax Increment District for the Jolly Lane Drainage Improvements based on the criteria that the project supports infill development and the proceeds will be used for public improvements with the stipulation that the applicant will be responsible for obtaining funding and will only be reimbursed to the degree that the City receives tax increment revenues in this district. Dryden seconded the motion. The motion carried with a 6 to 1 vote with Lang opposed.**

**Item 2) Preliminary Proposal – Downtown Parking Improvements**

Elkins presented the project overview.

Discussion followed regarding the speculative nature of the district, the fact that no large projects creating a substantial increment were identified and the fact that no specific project was proposed.

Shafai suggested that there might be a potential for funding a project in conjunction with a private commercial development. Additional discussion followed on the opportunities that might exist; however, significant concerns with the speculative nature of the proposed district were expressed. Hanks expressed an interest in reviewing any specific public – private partnership proposals that developers might bring forward.

**Preston moved to table the project. The motion to table was seconded by Hanks. The motion carried with a 6 to 1 vote with Pier opposed.**

**Item 3) Preliminary Proposal – East Anamosa Street Improvements**

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Elkins presented the project overview.

Discussion followed regarding the speculative nature of the district; however, committee members indicated interest in pursuing the project to fund the extension of East Anamosa Street from LaCrosse to East North Street if a large construction project were to develop and generate adequate revenue to support the necessary road and utility improvements.

**Motion by Hanks to continue the request until such time as a development proposal is submitted for review. The motion was seconded by Pier and approved unanimously.**

**Item 4) Deadwood Avenue Water and Sewer Improvements.**

Elkins reviewed the potential project and possible improvements that might create an increment to fund water and sewer improvements. She noted that a large area north of the Interstate right-of-way would need to be annexed before a district was created.

Discussion followed.

**Motion by Hanks with second by Pier to table the project until such time as development occurs in the area. Motion carried unanimously.**

Motion by Preston with second by Dryden to adjourn the meeting. Motion carried unanimously.

MINUTES  
TAX INCREMENT FINANCE COMMITTEE  
August 8, 2001

Members Present: Bob DeMersseman, Mel Dreyer, Marcia Elkins, Alan Hanks, Tamara Pier, Jim Preston, Bob Wall, Stuart Wevik

Others Present: Adam Altman, Dan Bjerke, Karen Bulman, Jerry Munson, Sharlene Mitchell

**Call to Order**

Elkins called the meeting to order at 11:30 a.m. noting that the Mayor had requested the Committee's review and direction on the following three projects.

**Red Rocks Tax Increment District**

Elkins indicated that the purpose of the proposed Red Rocks Tax Increment District would be to facilitate the development of additional water system improvements in the Red Rocks area, including a water storage facility and a water main extension from the Carriage Hills area. Elkins suggested that future signalization needs along Sheridan Lake Road could be incorporated into the project as well. Discussion followed regarding area drainage issues.

Elkins presented the estimated cost projections for the water storage facility noting that the water main extension costs were not available at this time.

In response to DeMersseman, Elkins indicated that further direction from the Committee regarding the scope of the project was required in order for staff to identify the qualifying tax increment guideline criteria. Noting the extent of existing development in the area, Elkins clarified that this would be a City funded project. Discussion followed regarding the application of the "blighted area" criteria for this project, available funding resources for the water reservoir, and revenue sources to be utilized for loan repayment.

Elkins clarified that the Committee needs to determine if this project should be pursued and if so what elements should be incorporated in order for staff to formulate a detailed proposal. Discussion followed regarding the appropriateness of utilizing tax increment financing for infrastructure development in this area and identification of alternative funding sources.

Bjerke reviewed the development timetable for the water reservoir noting the Carriage Hills area fire safety issues. Discussion followed regarding water service issues in the Carriage Hills area.

Discussion continued regarding establishment of the district boundaries and approaching the Carriage Hills property owners regarding the project.

**Hanks moved to recommend approval of the establishment of the Red Rocks Tax Increment District project boundaries based on the area required for the development of the following infrastructure: water transmission lines, ground water storage tank and drainage improvements. Dreyer seconded the motion.**

Bjerke briefly addressed the additional infrastructure required to provide water service to the Countryside Subdivision.

In response to Preston, Elkins clarified the sources utilized in the development of the Tax Increment Development Guidelines. Discussion continued regarding clarification of the

"blighted" criteria. Elkins briefly commented on the concerns with ground water protection and failure of individual septic systems in the Countryside South subdivision. Discussion followed regarding the infrastructure expansion requirements needed to address the water and septic issues in Countryside South.

**The motion to recommend approval of the establishment of the Red Rocks Tax Increment District project boundaries based on the area required for the development of the following infrastructure: water transmission lines, ground water storage tank and drainage improvements carried with Dreyer voting no.** Munson indicated that he did not support the motion and requested that staff also address alternative revenue sources to fund the project.

**Mall Drive Tax Increment District**

Elkins presented the project overview for development of an arterial roadway (Mall Drive) from LaCrosse Street to Elk Vale Road, extension of sewer mains in the area from the LaCrosse Street pump station and extension of water and sewer improvements in the area. Elkins indicated that the City would be required to identify the project funding source and guarantee the payment of costs associated with the infrastructure expansion.

Hanks commented on the discussions with the area landowners regarding funding of the infrastructure improvements through private sources. Elkins briefly reviewed the estimated costs for sewer installation and the elements of the Department of Transportation road swap proposal. Elkins reviewed the various funding sources that could be combined to fund this project.

Bjerke recommended that the City fund the installation of the main transmission lines only noting that the additional infrastructure needs would be privately funded as the area develops. Discussion followed regarding infrastructure improvements that would promote area development and the philosophy of taxing the City versus the individual developer for the development.

Hanks encouraged the installation of water and sewer lines in the Mall Drive development. Munson encouraged utilization of the Department of Transportation funding to develop those areas that would generate income to the City that would assist in supporting the increased road maintenance costs that would result from the road swap. Discussion followed regarding the impact of retail development on City sales tax revenues.

Discussion followed regarding the City guaranteeing the project costs, participation of area property owners in the Tax Increment District, extension of Cambell Street north under Interstate 90, and structuring the Tax Increment Project Plan to allow flexibility in the phasing of infrastructure improvements in accordance with area development.

Elkins requested that the Finance Office identify the available funding sources for the Mall Drive project. Dreyer indicated that he would have interested developers contact staff regarding financing of the Tax Increment District.

**Dreyer moved, Hanks seconded and carried with DeMersseman abstaining to direct staff to prepare a phased Tax Increment Project Plan encompassing that area from LaCrosse Street east to Elk Vale Road and from Interstate 90 north to Seger Drive including Mall**

**Drive addressing all road, water and sewer improvements for the Committee to review in two weeks.**

**Deadwood Avenue North Tax Increment District**

Elkins reviewed the Tax Increment District to facilitate the development of the area north of Interstate 90 from Deadwood Avenue east to the hogback. Elkins indicated that the majority of the properties within the district boundaries lie outside of the City corporate limits and could not be incorporated into the district until annexed. Elkins suggested that the Committee forward a recommendation of annexation to the City Council.

Dreyer voiced support for the Tax Increment District noting the level of development interest in this area and the need for infrastructure to support both the existing and future businesses. Bjerke indicated that water capacities in the area are sufficient with the exception of the northeast area of the Emme property. Discussion followed regarding extension of utilities north under the interstate.

**DeMersseman moved, Dreyer seconded and carried unanimously to forward a recommendation to the City Council for annexation of that area north of Interstate 90 from Deadwood Avenue east to the hogback.**

**Adjourn**

There being no further business the meeting was adjourned at 12:43 p.m.