

**MINUTES
CITY OF ORMOND BEACH
CITY COMMISSION
BUILDING IMPROVEMENT GRANT WORKSHOP**

February 3, 2015

5:30 p.m.

City Commission Conference Room

I. Call to Order

Mayor Ed Kelley called the meeting to order at 5:30 p.m.

Present were Mayor Ed Kelley, Commissioners James Stowers, Troy Kent, and Bill Partington, City Manager Joyce Shanahan, Assistant City Manager and Public Works Director Ted MacLeod, City Attorney Randy Hayes, Finance Director Kelly McGuire, and Planning Director Ric Goss.

II. Building Improvement Grant

Overview

Ms. Joyce Shanahan, City Manager, stated that staff wanted to discuss the future of the Building Improvement Grant Program with the Commission, noting that no changes were planned for the current year and if any recommendations were adopted it would be for the next project year with discussion during the upcoming budget workshops. She noted that some Commission members had asked her questions about how much Tax Increment Financing (TIF) had been received. She explained that the city received a little over \$1 million in TIF each year; \$582,000 of which came from the county, \$85,000 from the hospital district, and the city contributed \$350,000. She stated that there were also some interest earnings and grant monies. She stated that the current year budget for TIF was about \$2.3 million, which included \$900,000 in grant funds from the state for the medians, of which about \$1 million was TIF. She noted that the prior year fund balance was about \$409,000.

Mr. Ric Goss, Planning Director, stated that he wanted to briefly review the history of the Building Improvement Grant Program and the amendments that were made to the program in 2011. He displayed a table, included in the agenda packet, which recapped the types of applications approved in the program. He stated that about \$1.7 million in grant funds had been paid through the program over the past ten years. He stated that the total amount invested in the improvements was about \$8.2 million, noting that the total did not include interior improvements. He explained that for every public dollar provided about eight dollars was leveraged in private investment.

Mr. Goss stated that in 2011 staff brought some suggested changes to the program to the Commission, which were all approved. He stated that those changes included changing the program name, moving away from building and site improvements to just building improvements, eliminating vacant lots as eligible properties, eliminating national corporations from being eligible recipients, enabling shared parking for downtown, changing the bid requirement from two to three bids, allowing for tax exempt properties to be eligible, extending the permit from 45 to 60 days, and allowing energy retrofitting to be eligible for the grant. He noted that the grant

amount stayed the same with a maximum of \$50,000 and it was a matching grant allocation. He further noted that there was no minimum grant amount.

Mr. Goss stated that staff always held a pre-application meeting with the prospective applicant. He explained that staff liked to be able to go over the eligibility requirements and permitted uses. He noted that they had moved away from a lot of the maintenance type activities prior to 2011, such as painting, as they felt that should be the responsibility of the property owner to maintain the property. He stated that the applicant was also required to submit a scope of work to staff.

Mr. Goss explained that once that was received it was electronically sent to Ormond Beach Main Street ("Main Street") and then the applicant met with Main Street to discuss their concept. He noted that at that time there were no plans or formally submitted application. He explained that once Main Street finished their review, the applicant would file their application with the city and include any recommendations from the design sub-committee. He noted that the application was also forwarded to Main Street prior to the city performing their final review and checklist. He noted that when the applicant was at Main Street their proposal would pass through the design committee and then go to the Main Street Board, who acted upon it and provided a recommendation to city staff. He stated that upon receipt of that, the City Commission would be asked to act on the application proposal.

Mr. Goss noted that the same process would be followed for any grant application regardless of project cost. He referred to a list, included in the agenda packet, of Capital Improvement Program (CIP) and first year capital budget projects recommended for expenditure. He noted that he would discuss the projects funded for fiscal year 2014-2015, which totaled \$1,120,000.

Stormwater Improvements

Mr. Goss noted as an example that the 2014-15 stormwater project, which had two phases, was budgeted for \$400,000. He further noted that no additional stormwater projects were designed as they did not know yet how they would be funded.

Ms. Shanahan stated that the stormwater project referenced was an innovative project with the St. John's River Water Management District (SJRWMD) to have a stormwater storage basin offsite so that it would not take up the valuable real estate in the city's downtown. She noted that there was a piece of property earmarked for it.

Mr. Goss stated that the stormwater idea came from the 2007 Downtown Plan. He stated that it was archaic to attempt to provide stormwater on every parcel. He explained that it was a good idea in suburban or rural areas but did not work in a downtown setting. He stated that the idea was to design projects that would be public improvements and handle all of the water from maximum development on every parcel, so that drainage would not have to be provided on site for retention or treatment. He noted that the total cost of that project would be around \$22 million for the entire planned 20-year project, but noted that all of it did not have to be done.

Mayor Kelley asked if that \$22 million project was submitted to SJRWMD.

Mr. Goss stated that it was, but there was not a total cost estimate at the time of submission. He explained that the plan submitted to SJRWMD was for the conceptual permit.

Mayor Kelley stated that it would use the city's \$1 million in TIF allocation every year for 22 years.

Mr. Goss explained that as each year passed better technology and improvements were utilized. He stated that some of the projects could be combined and noted that he did not believe that they all had to be completed.

Mayor Kelley stated that he thought that SJRWMD would revise some of the requirements anyway.

Mr. Goss clarified that they did not for downtown. He explained that the only way they could do that would be through a conceptual permit for a downtown area wide study, which the city applied for. He noted that water retention and treatment still had to be provided for.

Ms. Shanahan stated that the project Mr. Goss was speaking about was a future project and that the city reviewed capital improvement projects often, noting that the city may not have funding for them. She noted that the projects were prioritized by the highest level of need first. She further noted that eligibility for grant funding always existed, as well. She stated that the city received \$1 million from SJRWMD for reuse water. She explained that there was also a stormwater fee and all of the funds did not have to come from the Community Redevelopment Agency (CRA) District.

Mayor Kelley asked if a stormwater issue would only come about if a building footprint was increased; whereby, Mr. Goss stated that it would if it was over 1,000 square feet.

Mayor Kelley stated that the city would not provide any funds for a vacant lot to be built upon.

Mr. Goss explained that he was not specifically speaking about the Building Improvement Grant Program and was just speaking about stormwater improvements.

Mayor Kelley stated that he thought that Mr. Goss was stating that the \$22 million was coming from the downtown area funding.

Ms. Shanahan stated that the \$22 million was the total amount of the project, but it did not have to all come from CRA funding.

Mr. Goss noted that the \$22 million was an estimated value of all the improvements that Zev Cohen & Associates identified.

Mayor Kelley stated that if that was already approved he would like to have a clearer understanding of it.

Ms. Shanahan stated that \$22 million had not yet been approved. She stated that there was a master plan and those projects would be put into the CIP each year to be reviewed separately.

Mayor Kelley stated that he could not believe that there would be \$22 million worth of value put into the entire downtown.

Ms. Shanahan stated that staff could provide that estimate. She noted that it was not the focus of the workshop being presented.

Mayor Kelley stated that the focus to him was the amount of available funding and how it could be dispersed to improve the CRA district.

Ms. Shanahan stated that the particular stormwater project referenced for the current year and the next year was for the immediate downtown area. She explained that there were 50 basins throughout the downtown area.

Mr. Goss noted that no other projects were currently funded other than phase one and two.

Mayor Kelley asked if the future improvements proposed would be able to be revisited; whereby, Mr. Goss stated that they would come back during budget planning.

Ms. Shanahan noted that anything referenced in fiscal year 2015-2016 and beyond had to be approved by the City Commission still. She explained that the only ones currently funded were for the fiscal year 2014-2015 projects.

Project Funding

Mr. Goss noted that the transit related improvements referenced on the chart were related to the bus stops in the downtown area based on the multimodal plan that was adopted a few years prior in order to receive the transportation concurrency exception area throughout State Road 44. He stated that the \$85,000 budgeted for land acquisitions/redevelopment was not enough money to perform any major redevelopment projects. He stated that \$300,000 was funded for building improvement grants for the current year. He explained that at a maximum grant amount of \$50,000 that amount could fund six grants.

Mr. Goss noted that the total amount for projects over the next five fiscal years would be approximately \$5,338,000, of which only \$894,750 would be funded by the Transportation Planning Organization (TPO) and the rest would be funded by TIF. He noted that did not include any major improvements to stormwater or redevelopment plans.

Ms. Shanahan noted that these projects were constantly changing.

Funding Flexibility

Mayor Kelley stated that he hoped there would be some flexibility with the funding as there had been discussion over the last couple of years about redeveloping certain areas. He noted that he would rather put \$1 million towards redeveloping large undeveloped areas and gave an example of a proposed development at the old Food Lion site which would also encompass nearby sites that were underdeveloped.

He noted that he wanted flexibility to utilize the funding. He explained that to him the CRA should be about enhancing and improving development to create a larger tax base.

Mr. Goss stated that the proposed development Mayor Kelley referenced could have a drainage project as proposed in the drainage plan which would include the shopping center and be located on the golf course property underground, which could be secured with an easement. He noted that all of that property could be developed to the maximum.

Mayor Kelley noted that some serious consideration had been given to developing that plan. He stated that all types of proposals and ideas were out there and he hoped that the city was not too restrictive that they did not have the funding to take care of some large projects.

Ms. Shanahan noted that there was some flexibility, but that a lot of the funds were spent. She explained that there had been a nearly \$4 million fund balance in years past but those funds were utilized for downtown undergrounding of utilities. She stated that staff wanted to look cautiously into the future. She noted that the tennis center building project was moved back every year. She stated that whatever the priority was the project schedule could be adjusted to accommodate it, but she noted that there were limited funds available.

Proposed Program Amendments

Mayor Kelley requested to hear the meat of what amendments were being proposed for the program by staff.

Mr. Goss explained that currently there was a \$50,000 maximum grant award amount for the Building Improvement Grant Program. He stated that the proposal was to reduce it to a \$25,000 maximum grant award. He noted that staff was also proposing that the total number of grants be reduced from a maximum of six to a maximum of four. He stated that the existing process for processing the grants would remain the same. He stated that currently there was no minimum private investment amount. He stated that staff would propose a \$5,000 minimum private investment amount. He explained that it took as much time, effort and paperwork to process a \$1,500 as a \$50,000 grant. He further explained that most times the smaller grants were for things like awnings, which could be completed through private investments. He noted that the grant award would still be a match to those funds privately invested, up to the proposed maximum.

Ms. Shanahan asked how many grants had been issued for amounts under \$5,000.

Mr. Goss stated that there were probably three or four. He stated that Main Street met in December to discuss the program. He stated that their suggestion was to keep the \$50,000 grant award maximum but to look at a one-third project cost up to \$50,000. He noted that Main Street had introduced criteria for a scoring sheet that they used internally with the design committee.

Ms. Shanahan noted that there may be some Sunshine Law implications with Main Street performing their own scoring.

Mr. Randy Hayes, City Attorney, stated that he would like to get more information from Mr. Goss and speak internally about the score sheet.

Mayor Kelley stated that he did not personally like the score sheet as he thought it was too subjective. He noted that he had some other thoughts on the combination of their suggestions.

Commissioner Kent stated that in his opinion the score sheet was complicating matters. He noted that he was confused and did not like feeling that way. He stated that he was comfortable with the recommendations to raise the private investment minimum to \$5,000 and to maintain the existing process. He noted that staff also proposed reducing the maximum grant amount to \$25,000 and reducing the total number of grants to four. He further noted that would amount to \$100,000 but the program would be funded for \$300,000. He asked what the other \$200,000 would be for.

Mr. Goss stated that his recommendation would be to look at a \$100,000 allocation for the program for future years beginning in the next budget year.

Commissioner Kent asked why; whereby, Ms. Shanahan stated that it would be so that those funds were available for other needs.

Mayor Kelley stated that those funds would be available for big picture items instead of for things like awnings and painting.

Commissioner Kent noted that the program had gotten away from maintenance such as painting; whereby, Mr. Goss confirmed that.

Commissioner Kent stated that the program had been wildly successful. He noted the return on the dollar mentioned earlier in the presentation. He stated that he understood the desire to rein the program back to \$100,000 but wondered if the city would be shooting themselves in the foot by doing so. He stated that he was very much leaning toward keeping the \$50,000 maximum grant award and the maximum number of grants at six. He explained that when he read the materials he received on Thursday night, he wondered why it was confusing him.

Mr. Goss stated that previously a lot of money used to be carried over for those funds. He noted that he did not know of any community that gave a \$50,000 façade building improvement grant in Volusia County. He stated that it was a very rich program which the city could afford at the time of its inception. He explained that now that those carried over funds were spent, the city was basically spending what it received and had no reserve.

Commissioner Kent stated that he looked at what Mr. Bill Jones and Mr. Dwight Selby had done in the downtown area and what had happened to the Granada Plaza. He stated that he wanted that to happen to A1A also. He stated that he wondered if this was the right decision.

Mr. Goss stated that there were quite a few properties that needed major development and that \$50,000 would not come close to doing it.

Commissioner Kent stated that he realized that and he explained that was never what the program was about.

Mr. Goss stated that the only way to get to those properties was to find money to fund something like that to help.

Commissioner Kent asked if Mr. Goss was suggesting that the city would pick a couple of developments to pump huge amounts of money into, essentially picking favorites. He stated that he hated that idea even more.

Ms. Shanahan replied that she did not think that was what Mr. Goss was saying. She stated that staff was saying that there was a limited number of dollars going forward and so they were 'ringing the bell' to let the Commission know that they were spending just about everything that they took in. She noted that if for example someone decided to redevelop the Food Lion there would be no funds in the CRA to assist them in doing so.

Commissioner Kent suggested using the \$50,000 grant; whereby, Ms. Shanahan stated that would not come close to the amount needed.

Commissioner Kent stated that it was not his job and it was not the taxpayers' job to take care of that. He stated that it was the job of the person wanting to develop the site. He noted that it was not his parents' or anyone's parents' job as taxpayers to come up with \$1 million for that project. He stated that it was outrageous.

Ms. Shanahan stated that she did not disagree with Commissioner Kent. She noted that there may be a time when a large facility wanted to come in and the Commission may want to put some real dollars on the table. She explained that the city was not positioned to do so and that was what they were trying to convey.

Commissioner Kent stated that he thought that there was a master plan and that was being done. He stated that ten years ago the corridor downtown looked drastically different than it does now. He noted that Mr. Bill Jones won Man of the Year and the downtown area was improving tremendously. He stated that he was somewhat uncomfortable with the idea of giving \$1 million to a certain developer to help them in their endeavors. He noted that he was not naïve, but there was a point where he had to say "enough."

Mayor Kelley stated that if \$25,000 was invested into a building it would not increase the tax base much. He stated that if \$1 million was put into a project that would increase the tax base by \$20-40 million, an impact would be made that would lower everyone's taxes, provide jobs, and facilitate economic development. He noted that he was just using \$1 million as an example number. He stated that it was better to put \$1 million into a \$40 million project than to put \$5 million into storefronts, which would not increase the revenue or taxes. He stated that the idea of the CRA was to increase property values so that surrounding developments would raise their tax value.

Mayor Kelley noted that there were three other projects right now that could use a lot of help that would transform three sections. He stated that if they saw the concept they would ask how they could make it work. He stated that he was in favor of keeping the \$50,000 maximum award but making it a one-fourth project cost match

instead of one-third as proposed by Main Street. He stated that in every year but 2006 and 2009, in the ten year statement provided, there was at least a four to one return on investment. He gave the example of someone with a \$200,000 project receiving a \$50,000 grant. He stated that he thought that would satisfy some of Commissioner Kent's concerns. He noted that he thought the city spent a lot of little dabs of money on the area downtown, which he noted helped, but he wondered how many more of those were out there.

Commissioner Stowers stated that in 2007 grants leveraged nearly ten times what was paid for building site improvements. He stated that he looked at leveraging TIF dollars the way the CRA intended when reviewing building improvement grants. He stated that he was also in favor of keeping \$300,000 in funding for the program. He noted that he did not like the idea of those funds being put into a special pot as he felt that there were a lot of individuals waiting for them to do that so that they could assert their pressures to try and get at that money. He stated that he wanted the private development community to come up with a great project, put the numbers together and come to the city and let them know that they were going to spend ten times what they were asking the city for and would not be leaving town. He stated that if that was done he would know that the developer was legitimate and was not someone looking to steal \$1 million because it was allocated and someone would get it. He stated that he liked the building improvement grant process because some sweat equity had to be put into it.

Commissioner Stowers noted that he liked the program the way it was, and further noted that he understood the \$5,000 private investment amount was proposed because of staff time, but he would argue that the applicant had to spend the same amount of time as well on the application process. He explained that if he was a small business owner who wanted to do a \$2,000 project in the downtown it would be evident that he did not have \$4,000 to spend and was putting in the \$2,000 because he needed the match. He noted that he wanted a downtown that could be competitive for small business owners. He stated that he thought that the city wanted a continued unique experience in the downtown that was not the same as an outlet supercenter. He explained that he liked the minimums and the small types of improvements as they were being performed by the very people who were committed to the city.

Mayor Kelley asked Commissioner Stowers to clarify his comments as it sounded like he both did and did not support aspects of the proposed amendments. He stated that it sounded like Commissioner Stowers wanted someone to come ask for a 10 to 1 or 20 to 1 match if the city *did not* have the funds available but also did not want someone to come ask if the city *had* the funds available.

Commissioner Stowers stated that anyone who was sophisticated enough to know CRAs knew that a TIF development agreement or tax abatement agreement could be put together. He noted that there was a litany of agreements that could be put together over the term of a development project of that scale. He clarified that he was very concerned about a scenario where there were land sale issues, if the city purchased property and any developer asked for it to be marked down because they had costs causing the city to lose on the front end. He noted that he was conscientious and cautious of going down a road where the city got hamstrung. He further noted that his concern was the city purchasing property.

Mayor Kelley stated that he did not believe anyone had suggested doing that.

Commissioner Stowers noted that they had not, but he thought that was a natural progression.

Mayor Kelley stated that history did not reflect that, noting that there had been \$4 million in the past in the fund and the money sat there for years.

Ms. Shanahan stated that she was hearing that the Commission was more comfortable with the economic development program that Economic Development Director Joe Mannarino facilitated where there were not funds set; but if a need arose, the city could evaluate it and make budget amendments to fund it.

Commissioner Partington stated that after he first read the proposal he wondered why they would change the program. He noted that the program had been fantastically successful and was held up as a model for how a CRA should work. He asked why in the world it would be changed. He suggested leaving it exactly as it was. He noted that he did not know how Main Street's committee came up with their recommendation. He further noted that they were a private group and could use their own score sheet if it assisted them and he would not dictate that.

Mayor Kelley asked Commissioner Partington if he was still comfortable with the 50/50 matching grant; whereby, Commissioner Partington stated that he was.

Commissioner Partington stated that he thought there was \$1 million set aside in the economic development fund; whereby, Ms. Shanahan stated that it was already spent.

Commissioner Partington suggested that if some great project came along that the city could not pass up, then the city could bite the bullet and find money to make it happen, even if that involved suspending building improvement grants for a few years because they believed in that project so much. He stated that it was a dangerous road to go down with any developer though, as they could do so and a couple of years later they would be bankrupt and any promises made would never happen. He noted that he liked Commissioner Stowers' idea of the developer bringing them a proposal first and having the Commission able to verify it and decide from there.

Mayor Kelley stated that the city had some properties in the downtown which needed redevelopment. He stated that there would always be a request for funds from the city since they were available. He noted that he wanted to look at the big picture and stated that if the city spent \$300,000 just for the Building Improvement Grant Program there would not be funds left over for other projects. He suggested that staff recommend limiting the Building Improvement Grant Program to \$100,000 for that reason.

Ms. Shanahan stated that staff knew that as they went forward almost all of the money would be spent each year. She noted that the hope was that as the economy improved there would be more money to spend in the future. She stated that staff wanted to tell the Commission that their funding was limited now and that CRA funds should typically be spent, noting that the county could ask for CRA funds back after five years if they were not spent. She noted that those funds had to be earmarked.

She stated that the money coming in was being spent and she wanted to advise the Commission of that because in the future they may have to make some decisions regarding it. She noted that staff believed this was an area that could be pared down but further noted that it did not have to be.

Mayor Kelley noted that Commissioner Kent, Commissioner Stowers, and Commissioner Partington all wanted to keep the program the same. He further noted that he was the only one who seemed to want the private investment amount to be raised to a 3 to 1 or 4 to 1 match. He suggested that a \$2,500 grant to match \$2,500 for awnings could probably have been taken care of entirely by the property owner and did not really improve anything. He asked if Commissioner Boehm's email could be referenced, since he was not in attendance.

Mr. Hayes stated that it could be.

Mayor Kelley stated that Commissioner Boehm's thoughts were along the same lines as Commissioner Stowers, Commissioner Kent, and Commissioner Partington.

Ms. Shanahan noted that she heard what the Commission was saying.

Mayor Kelley clarified that those were the thoughts of three members of the Commission and not his own.

Commissioner Kent noted that it was the thoughts of four members, based on the contents of Commissioner Boehm's email.

Ms. Shanahan clarified that she heard what the majority was saying.

Mayor Kelley stated that he wanted to have the funds to redevelop and make a real synergy of downtown that was more forward thinking.

Commissioner Stowers noted that he did not know who Mayor Kelley had spoken to but he had not heard anything about the projects that he had referenced. He suggested that he and some others may feel in the dark.

Mayor Kelley stated he had talked to three groups about wanting to revitalize the downtown, as well as talking about the Food Lion property.

Commissioner Stowers clarified that he did not want his thoughts on this particular issue to give the impression that he was not supportive of development as he was and would like to see it. He noted that he would be happy to speak to anyone about it and explore those options. He noted that his hesitation was having a separate pot of money earmarked for that. He stated that he looked at the proposed reduction of funding for the Building Improvement Grant Program from \$300,000 to \$100,000 as essentially an extra \$200,000 to be distributed somewhere else, which he thought would inevitably be for property acquisition.

Mayor Kelley stated that one of the projects discussed with one of the groups he spoke to was a Whole Foods type grocery store in the downtown area, which would require some activity. He noted that he could make no commitments to anyone, but he was willing to listen and do as much as he could to see if it could conceivably work and let them come back with a proposal. He mentioned several other potential

projects. He again reiterated that providing lower cost matching grants did not increase property values. He stated that he did not want to be short-sighted in not having the funds available to make big decisions.

Commissioner Kent stated that he appreciated Mayor Kelley's comments and Mayor Kelley's efforts in the community, noting that he had a lot of business connections. He noted that he would be remiss if he did not share that Commissioner Stowers took all of the words out of his mouth with his last comment. He stated that he, too, was sitting there thinking that he did not know about any of the projects Mayor Kelley was referencing. He noted that he understood that the Commission could not talk due to the Sunshine Law about any business related to the city that they were currently in *or could possibly* be in outside of a publicly advertised meeting. He explained that was called "doing business in the sunshine," and they were all very cognizant of that.

Commissioner Kent stated that he could not make changes that would have such an effect unless he knew information. He stated that the only way to do that would be for the groups Mayor Kelley was referencing to come publicly and present to the Commission, which he thought they may not wish to do, or come and talk to each of them individually in confidence and not relay their individual conversations with each other. He stated that he would have a better picture then of what they would possibly be looking at.

Commissioner Kent noted that he did not mean any disrespect to staff but when he read the information for this workshop when he received it the previous Thursday evening he felt like he was taking "crazy pills." He asked why there was a disconnection with staff. He noted that he originally felt like there was a disconnection with the Commission but noted that maybe it was just with him. He explained that the city was working hard to make the corridor look better. He noted that a few months ago an agenda item was brought to them at a Commission meeting about putting a trailer on Granada Boulevard for four years. He wondered why staff would ever allow that individual to come before the City Commission and why staff would recommend that. He stated that he felt better this evening that other members of the Commission shared his concerns about the item before them.

Commissioner Kent noted that this program had been working, and he could justify it to his constituents. He explained that a few had challenged him suggesting they could open a business and be given \$50,000 to do so. He further explained that when they realized that they would have to put up \$50,000, as well and meet certain criteria, and that the tax money was going to Volusia County and was taken from that area, it changed the whole perception. He noted that he would have a difficult time explaining himself with changes he did not understand for businesses he knew nothing about.

Mayor Kelley stated that when he first read the proposed changes he thought he missed a meeting where the Commission had directed staff to do this. He stated that he also wondered what caused this to happen.

Ms. Shanahan reiterated that staff was "ringing the bell" that the funds were limited and that as development increased they would have to look at the ways they wanted to spend those funds. She stated that it was her job to provide options. She noted

that this was just a workshop to gauge interest and thoughts from the Commission. She stated that she heard loud and clear that it was a crazy idea.

Commissioner Stowers stated that his thought was that multi-year TIF reimbursement agreements could handle a larger project. He stated that his takeaway from tonight was that the stormwater basins discussed could be an effective tool for larger projects. He noted that he could easily see a scenario where a developer put a couple properties together and stated that they wanted their sub-basin to be the next one in the pipeline, noting that the developer would have to do the stormwater anyway. He stated that if the stormwater project was \$700,000, it was a good amount of money for the developer to realize in savings. He stated that he thought that could be just as fast of a way to address incentives for a large scale project.

Ms. Shanahan explained that sometimes when developers came to the city they spoke to her in confidence and she was not permitted by state law to divulge the information until they were ready to proceed. She noted that they mostly spoke to Economic Development Director Joe Mannarino. She stated that she heard those things from time to time but sometimes nothing became of it.

Mayor Kelley stated that he did not discuss anything with the Commissioners outside of a public meeting. He stated that if he was asked if the Commission would approve a proposal he told them that he does not know. He stated that he was open to looking at things without closing the door to start with.

Commissioner Partington stated that he agreed with that. He noted that when the developers came to Ms. Shanahan they probably had not spoken to the rest of the Commission, except maybe to Mayor Kelley. He stated that they were asking Ms. Shanahan to "show me the money," and he stated that she should respond in kind and follow Commissioner Stowers' suggestion of a multi-year TIF reimbursement agreement.

Ms. Shanahan stated that several projects were not willing to put the money on the table.

Mayor Kelley stated that the ones he had spoken to extensively were willing to put up money and stay in the community.

III. Adjournment

The meeting was adjourned at 6:28 p.m.

Transcribed by: Colby Cilento