

MINUTES  
ECONOMIC DEVELOPMENT COMMITTEE  
NOVEMBER 1, 2017

The Economic Development Committee met on November 1, 2017, at 5:30 p.m. in the Council Chambers at City Hall.

Present: Chairman Colwell, Alderman Connor, Alderman Jenkins, Alderman Braun, Mayor White  
Also Present: Bobby Miller, developer for 400 Plaza Dr.

Chairman Colwell called the meeting to order.

Chairman Colwell stated that Developer Bobby Miller has advised them that he will be attending the meeting to discuss the 400 Plaza Dr. Building Incentive, however; he will late.

**BOWL and ARROW FAÇADE APPLICATION**

Mayor White stated that the Bowl and Arrow facility located on Truitt has submitted an application for the Façade program to replace the sidewalk for the entrance of their facility. The cost to the City would be \$664.00. The consensus of the committee was to send the request to the City Council for approval of the Façade application at a cost of \$664.00.

**FLEXISNAKE FAÇADE APPLICATION**

Mayor White reported that Flexisnake would like to submit an application for the Façade program for the installation of a new sign for their business and some landscaping. Mayor White stated that landscaping is not included as part of the façade program, therefore would not be part of the application. They would like to proceed with the sign portions that is included in the façade program. Mayor White stated that he does not have the cost for the sign. The city's policy is 50% of the cost up to \$5,000.00. Mayor White recommended that this be placed on the city agenda for approval, subject to Submitting the application and the costs. Chairman Colwell stated that this business has made a good improvement to the block and would agree to sending it to council for approval. The consensus of the committee was to send the application to council subject to receiving all the necessary documentation.

**CITY-OWNED PROPERTY ON ASH STREET**

Mayor White explained that the property the city owns is located behind Cedar House, abuts the Flexisnake property. He said that Flexisnake is interested in this property and the owner of Cedar House, Wally Zilch has also voice some interest. The cost that the city has in the property is approximately \$51,000.00. Flexisnake would want the property to expand and Wally Zilch expressed interest only to protect his boundaries. Mayor explained the process the city would have to follow since the property is in the TIF District.

Alderman Connor stated that she is aware that Flexisnake is growing. Chairman Colwell stated that he felt the expansion of a business would be good use of the property.

**BACON BUILDING**

Mayor White stated that he has received a proposal for the Bacon Building, from James Searle. Chairman Colwell Stated he went through the building and he stated that the inside of the building is in horrible condition.

The Mayor gave some background information regarding how the city's has started the process to take possession of the building. Estimated time frame for taking possession of the building is January, 2018. The Mayor stated that he, chairman Colwell and Rachael Parker met with Mr. Searle. He stated that in the proposal Mr. Searle would like incentives of approximately \$842,000.00. A discussion ensued regarding the proposal and the current condition of the building. The Mayor recommended that we begin some discussions with Mr. Searle. He also recommended that we have the city engineer give the city an estimated cost to make the building water tight.

### **721 THIRD DEMOLITION**

Mayor gave an update. There have been four interested parties that have received the specification for demolition. He stated that bids are due November 15, 2017. He stated that a Economic Development Committee meeting will be called for November 16, 2017 at 4:30 p.m. to review any bids that are received.

### **ALCO BUILDING INCENTIVE**

Mayor White stated that Irvin Latta owns the building and they have a prospective buyer that would place a dollar tree store in half of the building and the other half they do not have a tenant as of this time. He said Bobby Miller was in the audience. Just before the last economic development committee meeting the city received a proposal and the committee was advised that a proposal was received and it would be placed on the next economic development meeting. The request was for \$260,000 for deficiencies and \$115,000 developer return for an approximate cost of \$375,000. Zoning has been looked at and any zoning concerns have been grandfathered. The Mayor advised the committee that city has provided incentives twice for this property. He explained that the TIF is based on property tax and that TIF expires in 2020. He explained the return on our investment would be more sale tax. The projected sales tax would be approximately \$13,000 annually. Potentially an additional tenant could generate and additional \$7,000.00 making the city's revenue from sales tax to be \$20,000. He explained there would be non-financial return on our investment, such as; Fill a vacant building, and Shopper opportunity.

The Mayor stated that the city could possibly consider a \$100,000.00 grant up front and then go from there.

Bobby Miller addressed the committee. He stated he is a developer for the Dollar Tree Stores. Economically the numbers do not work based on the information he has. He stated that he will look at shifting some of the scope of the work. He talked about a lease agreement and other areas of concern. Alderman Colwell questioned about making a 10 year commitment. Bobby Miller stated this would be a 10 year lease. Bobby Miller stated that he needs a little more incentive from the City and shifting some of the expenses in order to have this project proceed.

The Mayor gave some perspective on what the city would have to gain should this development proceed. The Mayor stated that the developer has the right to ask for additional incentives.

Chairman Colwell stated that the purpose of the TIF is to stimulate business and to offer incentives.

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Chairman Colwell asked what additional incentive would the committee consider.

Alderman Connor asked if the property owner would give any concessions. Bobby Miller explained how he is working with the property owner.

After some discussion, Chairman Colwell stated that the city should consider increasing the city's incentive from \$100,000.00 to \$150,000.00. He also discussed the expiration date of the TIF. Alderman Connor stated she would consider \$150,000. Mayor stated that the committee would consider \$150,000 incentive. Bobby Miller stated that he would talk to the property owner and try to shift some expenses and work towards a December closing date.

There being no further business the meeting adjourned at 7:00 p.m.

Respectfully,

Alderman Colwell  
Chairman