

****NOTICE OF SPECIAL MEETING****

CITY OF GENOA

SPECIAL COMMITTEE OF THE WHOLE

FEBRUARY 18, 2020 AT 6 PM

CITY HALL COUNCIL CHAMBERS

SPECIAL MEETING AGENDA

I. CALL TO ORDER/ROLL CALL

II. OLD BUSINESS

III. NEW BUSINESS

**A) PRESENTATION AND DISCUSSION REGARDING 131 SOUTH
SYCAMORE STREET**

B) DISCUSS THE CREATION OF A TIF DISTRICT

IV. OTHER BUSINESS FOR FUTURE DISCUSSION

VII. MOTION TO ADJOURN

To respect the agenda and flow of the meeting, the Mayor may limit audience participation to 5 minutes per speaker and/or a total of 30 minutes for this portion of the agenda.

****NOTICE OF SPECIAL MEETING****

CITY OF GENOA

SPECIAL COMMITTEE OF THE WHOLE

MARCH 3, 2020

FOLLOWING THE CITY COUNCIL MEETING

CITY HALL COUNCIL CHAMBERS

SPECIAL MEETING AGENDA

- I. CALL TO ORDER/ROLL CALL**
- II. OLD BUSINESS**
- III. NEW BUSINESS**
 - A) DISCUSS THE CREATION OF A TIF DISTRICT**
- IV. OTHER BUSINESS FOR FUTURE DISCUSSION**
- VII. MOTION TO ADJOURN**

To respect the agenda and flow of the meeting, the Mayor may limit audience participation to 5 minutes per speaker and/or a total of 30 minutes for this portion of the agenda.

****NOTICE OF SPECIAL MEETING****

CITY OF GENOA

SPECIAL COMMITTEE OF THE WHOLE

NOVEMBER 2, 2020

FOLLOWING THE CITY COUNCIL MEETING

CITY HALL COUNCIL CHAMBERS

SPECIAL MEETING AGENDA

I. CALL TO ORDER/ROLL CALL

II. OLD BUSINESS

III. NEW BUSINESS

A) DISCUSSION AND PRESENTATION REGARDING TIF DISTRICTS

- **“TIF 101” PRESENTATION BY LEE BROWN, PRESIDENT OF TESKA ASSOCIATES**
- **DISCUSSION REGARDING TIF**

IV. OTHER BUSINESS FOR FUTURE DISCUSSION

VII. MOTION TO ADJOURN

To respect the agenda and flow of the meeting, the Mayor may limit audience participation to 5 minutes per speaker and/or a total of 30 minutes for this portion of the agenda.

CITY OF GENOA
City Hall
SPECIAL MEETING
Committee of the Whole Meeting Minutes
February 18, 2020
6:00 P.M.

Mayor Vicary called the Special Committee of the Whole meeting to order at 6:02 p.m. Roll call was taken. Aldermen Wesner, Carroll, Di Guido, Stevenson, Winter, Brust and Lang were present. Alderman Cravatta arrived at 6:30 p.m.

OLD BUSINESS – None

NEW BUSINESS

PRESENTATION AND DISCUSSION REGARDING 131 SOUTH SYCAMORE STREET:

Building Inspector, Dave Eggleston provided details of his assessment of the property located at 131 South Sycamore Street. His PowerPoint presentation included pictures of various code violations and general conditions of the home, including; the front porch hanging off of the house, broken windows, rotting wood, a leaning chimney and indicated that the structural integrity is compromised, no toilet in the bathroom, animal feces inside the home, various places around the house and in the basement where the foundation was cracked and separating, roof damage, ceilings bowing down and buckling floors from water damage, a car that was sunken into the ground with weeds and branches growing around it, along with various other infractions. He indicated that he could smell mold, there were combustibles around the furnace and there is asbestos in the house as well. Inspector Eggleston was asked about the likelihood of the paint containing lead. He responded that due to the age of the home, he believes it is very likely that the paint contains lead. It was asked if removing the lead paint was included in the bid or if it would be an additional expense. Staff responded that they would look into the lead abatement. Inspector Eggleston was asked if in his opinion, is the house repairable? He responded that he didn't want to say yes or no, but if more than 49% of the house were to be repaired, all of the plumbing, electrical, mechanical and energy would need to be brought up to the current code, which would be very costly.

The question of how much would it cost to secure the house was asked. Public Works Director, Rich Gentile responded approximately \$5,000. There was some discussion regarding securing the home, putting a lien on it and recouping the money when the house sells. Since the current order is to demolish the house, Attorney Slingerland would need to go back to court and ask the judge to change the order from demolition to repair. If the judge granted the change to a repair order and the City secured it, but it didn't sell, Attorney Slingerland would need to go back to court and change it back to a demolition order, if the City decided to go that route. Attorney Slingerland also indicated that the judge may not order the house to be demolished for only \$5,000 in liens.

Treasurer, Jan Tures explained that the \$30,000 for asbestos removal and demolition of the house has been budgeted from the CDAP account which is not comprised of tax dollar money. There is currently over \$200,000 in that account. Some Council members felt that the City should not take on the financial burden of demolishing the house and then not being able to recoup the expense. They also expressed that they believe contractors would be interested in purchasing the home and fixing it up at a reasonable cost to resell it. There was some discussion regarding the cost of fixing the foundation being costly, but there are companies that can lift structures up and put new foundations underneath.

If the house is demolished, the property owner has another property that the City would be able to lien, which would recoup more of the expenses. Other Council members expressed that the surrounding residents have shown up to several meetings voicing their concerns and that the City owes it to them to have the house torn down.

Attorney Slingerland was asked if there was a way the City could obtain the property due to abandonment by the property owner. He responded that the home would need to be vacant for at least 2 years and has to have a delinquent water bill. There is no delinquent water bill.

Due to the length of the previous subject, the discussion regarding a TIF district was tabled for another meeting.

Motion made by Alderman Stevenson to adjourn the Special Committee of the Whole meeting, seconded by Alderman Wesner. Voice vote was taken. All voted yes. Motion carried. Meeting was adjourned at 6:55 p.m.

CITY OF GENOA
City Hall
SPECIAL MEETING
Committee of the Whole Meeting Minutes
March 3, 2020
7:45 P.M.

In Mayor Vicary's absence, Mayor Pro Tem Stevenson called the Special Committee of the Whole meeting to order at 7:45 p.m. Roll call was taken. Aldermen Wesner, Carroll, Di Guido, Winter, Cravatta, Brust, Lang and Mayor Pro Tem Stevenson were present.

OLD BUSINESS – None

NEW BUSINESS

DISCUSSION REGARDING THE CREATION OF A TIF DISTRICT:

Administrative Director, Alyssa Seguss began the discussion by stating that Council was introduced to the concept of a TIF District in 2015. She indicated that an application has been submitted from Warehouse on Park and wanted to discuss TIF in greater length to provide a better understanding of what is entailed. She indicated that the proposed TIF District boundaries would be from approximately Sycamore Street to Madison Street and roughly a block back on each side of Route 72. The concept of a TIF is that the City would establish a TIF District. This would involve taking out a bond for the implementation of a TIF, as well as funding for the incentive requested by a developer/TIF project. Once the TIF is created, any additional property tax revenue generated above the base (property tax generated prior to the establishment of the District) by the properties within the district is the TIF increment, which will be used to pay for bonds and investment into the TIF District. A TIF project should increase property taxes for that given property, generating additional increment to help pay for the City's initial investment through a bond. The question was asked what would happen if the TIF project was not successful. Director Seguss indicated that there are 2 types of bonds, so it would depend on which bond the City took out. The first one is a general obligation bond, which is what pays for City Hall, so if the City were to take out a general obligation bond for a TIF project and the project failed, the City would be required to pay back the bond with money from its general fund. The second type of bond is a TIF bond, which has a higher interest rate, but would be lower risk for the City. After speaking with Bond Council, the understanding is that the City would not be required to pay back a TIF bond if the project failed and there would be no direct impact on the City. Director Seguss then indicated that she is seeking guidance from Council as to whether they are interested in creating a TIF District or not, as it is costly to continue this process for both the City and the owners of Warehouse on Park due to consulting fees, if ultimately the Council does not wish to establish a TIF District.

There was some discussion regarding the Enterprise Zone and it was determined that TIF would provide substantially higher financial incentives for the project in question.

Some Council members expressed that they would be more comfortable creating a TIF District if there was more than 1 interested party. Director Seguss indicated that although that would be ideal, the Warehouse on Park owners have expressed interest in moving forward with their project for quite some time and are not going to want to wait until there are more businesses interested in a TIF project, as the timeframe would be unknown. Securing two developers who are ready to move forward with their project, yet willing to wait for implementation of a TIF could be very difficult.

Administrative Director Seguss was asked what types of incentives were requested or offered to the Warehouse on Park owners and other previous interested parties. She responded that the City previously offered a City property that is located across from the old City Hall to a few developers, but the projects would only create increments to pay back the bond for the incentives requested, in addition to the donation of City property. There would be nothing additional to use toward public improvements.

Some Council members were concerned about the financial aspect of the project; future mortgage and taxes being approximately \$170,000 a year. The start-up funding for this project is extremely large, which is another concern. Director Seguss stated that a business pro forma has been submitted by the owners of Warehouse on Park with projected revenues, but it has not been reviewed by our Consultant yet; if the Council wishes to move forward, it will be reviewed and additional information will be presented. A Council member expressed that if someone approaches the City, takes the time to submit all the paperwork, meet the guidelines, timelines and deadlines of the TIF, it could be the marketing tool needed jump start the program, as notices will need to be posted, which could inspire other developers to apply for the TIF. Another suggestion was to reach out to the developers that were previously interested in a TIF project to see if they might still be interested.

Consensus amongst Council was to gather additional information regarding TIF to make a more informed decision at an upcoming meeting.

Alderman Di Guido indicated that previously, the City agreed to assist the Genoa Area of Commerce in submitting a grant for funding of a new website and to support other community events. He expressed that if the Chamber does not receive the grant, he feels that it would be a good sign of support if the City assisted in making up those funds. Finance Office Manager & Treasurer, Jan Tures indicated that the City is only able to sponsor events. The City can sponsor larger amounts for events, but funding a new website would not qualify as an event. Some Council members and staff expressed that with our current annual donation of \$1,500, plus the virtually free office space and use of City and Police staff for events, it is a fair amount of support. Other Council members felt that the Chamber does an excellent job of promoting Genoa and believe the City should provide additional financial support to assist in funding various events. Although a few Council members felt the current amount is sufficient, consensus amongst most Council members was to increase the annual amount of sponsorships for the Chamber to either \$3,000 or \$5,000.

Motion made by Alderman Wesner to adjourn the Special Committee of the Whole meeting, seconded by Alderman Di Guido. Voice vote was taken. All voted yes. Motion carried. Meeting was adjourned at 9:05 p.m.

CITY OF GENOA
City Hall
SPECIAL MEETING
Committee of the Whole Meeting Minutes
November 2, 2020
7:35 P.M.

Mayor Vicary called the Special Committee of the Whole meeting to order at 7:35 p.m. Roll call was taken. Aldermen Wesner, Di Guido, Stevenson, Brust and Lang were present. Aldermen Carroll and Winter were absent. Motion made by Alderman Wesner to allow Alderman Cravatta to attend the meeting remotely due to an illness related absence, seconded by Alderman Lang. Roll call vote was taken. Aldermen Wesner, Di Guido, Stevenson, Cravatta, Brust and Lang voted yes. Quorum present.

OLD BUSINESS – None

NEW BUSINESS

DISCUSSION AND PRESENTATION REGARDING TIF DISTRICTS: President of Teska Associates, Lee Brown presented Council with an explanation of what a Tax Increment Funding (TIF) District is, how it works, different pay options for incentives that are available and some of the risks associated with TIF. He indicated that some considerations when creating a TIF district would be the size of the district; where it should be located and the business's ability to generate enough property tax revenue to pay for its incentive, TIF costs and investment in the district. Mr. Brown indicated that 10% incentive is common in other communities and the Warehouse on Park's request is 35%. After a lengthy discussion that included various questions, concerns and scenarios, consensus amongst Council was that this project and its incentive request may be too much financial risk for the City based on the information provided by Mr. Brown and his evaluation of the project. Council also discussed the possibility of Warehouse on Park revising their plan and/or numbers to reduce the incentive percentage; ultimately reducing the financial risk of the City before they would consider the project or TIF again. It was decided that another meeting will be needed before making a determination to move forward with the TIF District.

Motion made by Alderman Lang to adjourn the Special Committee of the Whole meeting, seconded by Alderman Brust. Voice vote was taken. All voted yes. Motion carried. Meeting was adjourned at 9:05 p.m.