

Tax Increment Financing Committee – January 14, 2019

A Tax Increment Financing (TIF) Committee meeting of the City of Aledo met in Open Session in the Council Chambers of the City Hall building on January 14, 2019. ALD. CHAUSSE called the Committee meeting to order at 6:15 P.M. The roll was called, whereupon the following committee members answered present:

Aldermen MICHAEL CHAUSSE, BARRY COOPER, and CHRIS KOPP. Mayor CHRIS HAGLOCH. Alderman JAY DOHERTY was excused.

Also present ILA BERTRAND, Alderman, JIM HOLMES, Alderman, CHRIS SULLIVAN, Interim Administrator / Chief of Police, JUSTIN BLASER, Director of Public Works & Utilities, TODD THOMPSON, 353 Court, LLC, ERIK READER, 353 Court, LLC, and JAROD DALE, City Clerk.

The following was discussed:

Approval of Committee Minutes: Motion was made by ALD. COOPER and seconded by ALD. KOPP to approve the minutes of the TIF Committee held on 11/26/18. A Unanimous voice vote followed in agreement.

Old Business:

Discussion on a Proposal for Partnership with Economic Development Consultants – Status Update: CHIEF Sullivan reported 353 Court, LLC met with the Mayor and City Staff recently to discuss the needs of the City and the services provided by 353 Court. A tentative proposal was reviewed by City Staff and recommendations were made for additional items the staff desired to have enumerated in the proposal. They have submitted an updated proposal to support the economic development and downtown revitalization efforts of the City of Aledo. 353 Court has previously made presentations to the City Council and has been in discussions with City Staff since October of 2018. (A copy of 353 Court’s proposal is attached and apart of these minutes as Exhibit “A”.)

CHIEF reported on additional conversations he held with city officials in Havana, Il. and business owners. Communications were held with Havana Outdoor which is a business that moved to downtown Havana in 2016. The owner said 353 Court has been a tremendous boost for the City. 353 Court was described as helping small businesses survive and grow. Also, it was noted they were instrumental in bringing numerous new businesses into the downtown area, which was said is now approaching full occupancy.

CHIEF also spoke with Jess Hall who is the Assistant to the Mayor of Havana. He noted while new to the position in Havana for a short-time period, he did say he knows of at least eight (8) new businesses that 353 Court was instrumental in bringing into

town in the last two (2) years. Hall stated, “he feels the entire community is very positive about the company and about work they have done for Havana.”

CHIEF reported he also spoke with Cole McDaniel, the Treasurer for the City of Havana. He said, Havana has an agreement with 353 Court for \$112,500.00 a year to assist with economic development and downtown revitalization. It seemed like an enormous amount of money, at first, for a community of 3,400. But, now believes it has been money well spent. Prior to working with 353 Court, Havana had a full-time economic development director, who worked with 353 Court initially, but that individual recently had passed away. Havana now does economic development using existing City Staff on a committee type basis. Havana does not have an administrator or manager, and the Mayor is part-time and not at City Hall on a regular basis.

McDaniel said he believes there were approximately 20 vacant businesses in the approximately three-square-block downtown area in 2015. There are now two (2) vacant businesses. 353 Court was vital to the completion of 23 downtown projects and has attracted numerous new businesses into the community. He mentioned that they brought over \$400,000 in new investment dollars to the downtown and an additional \$450,000 from local contractors and developers.

CHIEF reported, most importantly Havana is in the beginning of the sunset period of its TIF District. Sales tax revenues and the property tax base are both rising in significant amounts, and that will be a huge benefit to the ongoing survival of Havana and of its economic development hopes.

The MAYOR and CHIEF traveled to Havana in January to survey the downtown area and to speak to business owners as well.

A presentation regarding an overview of services 353 Court, completed in other communities, was provided by Todd Thompson & Erik Reader. Other communities include the City of Pekin, Il. And City of Havana, Il. The scope of work was reviewed. Also, 353 Court will assess the market and provide a downtown survey & strategy. After completion of the strategy, 353 Court will cultivate the market with engagement and implementation. Their team will work directly with the City and its downtown community stakeholders.

The work will commence upon execution of the agreement and will continue on a monthly basis thereafter until December 31, 2019. Contract extension and annual renewal will be determined upon formal review.

The fees for the work performed in accordance to this downtown revitalization strategy agreement is approximately \$112,500; amount includes travel and expenses related to

time and labor costs. Twelve (12) equal installments of \$9,375 are to be paid on the 1st of each month.

Fees in subsequent years shall be:

January 1, 2020 – December 31, 2020 = \$112,500

January 1, 2021 – December 31, 2021 = \$56,250

January 1, 2022 – December 31, 2022 = \$56,250

Motion was made by ALD. CHAUSSE and seconded by ALD. COOPER to move the City of Aledo Downtown Revitalization Strategy Proposal submitted by 353 Court, LLC to the City Council to be held on January 22, 2019. A Roll call vote was recorded as follows:

YES: Chausse, Cooper, and Kopp. NO: None. Motion carried. 3 yeas, 0 nays.

New Business:

Discussion on a Proposal for Tax Increment Financing (TIF) Consulting Services: City Staff is still review in a potential replacement of Ehlers & Associates. Staff has been in contact with Jacob & Klein as a potential option. There services to be reviewed.

Discussion on the Sale of Lots(s) Nine (9) and Ten (10) of Progress Park, 2nd Addition: MAYOR Hagloch reported he has been in discussion with Liqui-Grow of Joy, Illinois. The company is requesting to purchase the lots from the City and plans to relocate to Aledo. Part of discussions for a redevelopment agreement to include signage and provide gravel to the area estimated at \$18.00/ton.

It was reported the property to be advertised and will continue to work the city attorney on a draft redevelopment agreement at a later date.

ALD. Chausse reported a TIF Application to be submitted by Teri Zigenhorn and the Committee will have a chance to review at a later date.

ALD. Chausse suggested a conversation be addressed again with the Maid Rite franchise and Button Building. MAYOR Hagloch to make those contacts and report back at a later date.

ADJOURNMENT: There being no further business, motion was made by ALDERMAN KOPP and seconded by ALDERMAN COOPER that the meeting be adjourned. Unanimous voice vote followed in agreement. Meeting was adjourned at 7:32 P.M.

Jarod Dale, City Clerk