

MINUTES Tuesday, January 21, 2014

Land Use Committee 4:36 PM

Carnegie Town Hall

235 West 10th Street

Members Present: Council Member Kermit L. Staggers, Council Member Kenny Anderson Jr., Council Member Dean Karsky, Council Member Rex Roling

Members Absent: None

Staff Present: Denise D. Tucker, CMC, Assistant City Clerk; Jim David, Legislative/Operations Manager

Guests: Council Members Sue Aguilar, Jim Entenman, Michelle Erpenbach, and Greg Jamison

1. Call To Order

Committee Chair Rex Roling called the meeting to order at 4:36 p.m.

2. Approval of Minutes

A. Tuesday, November 19, 2013

A motion was made by Dean Karsky and seconded by Kenny Anderson Jr. to approve the minutes of Tuesday, November 19, 2013.

Roling called for a voice vote. All members voted yes.

Motion Passed.

3. Discussion

A. Prairie Meadows Subdivision Annexation Update by Jeff Schmitt, Chief Planning & Zoning Official

Jeff Schmitt, Chief Planning and Zoning Official, led the presentation. He provided a brief background on Prairie Meadows, which has approximately 75 properties and was formed in the 1960s. The subdivision has a sanitary sewer district, which the City of Sioux Falls is currently working on. Prairie Meadows received a grant to help with the \$1.3 million needed to bring the sanitary sewer district up to code. The water distribution system, storm water system and streets in the subdivision also need improvements. It would cost approximately \$3.5 million to bring Prairie Meadows up to City standards. Schmitt said they are looking at solutions to help them. Discussion followed.

Council Member Dean Karsky said there are two options for annexation: forced or voluntary. He asked if the City was waiting for a voluntary annexation request from the residents of Prairie Meadows. Schmitt said they would prefer for that to happen. He explained the cost issues that would arise from a forced annexation. Discussion followed.

Council Member Kenny Anderson Jr. said the people of Prairie Meadows are looking for some type of proposal regarding their payments for an annexation. He questioned if there were any financing options. Tracy Turbak, Director

of Finance, offered insight into various alternatives. Discussion followed.

Schmitt said they have an estimated improvement cost of \$25,000 per lot, for the residents. Merlyn Tieszen, representing Prairie Meadows, said he was hoping to find out some financial information, and a plan, to take back to the other residents of the subdivision. Discussion followed. Roling asked Tieszen his thoughts on how the residents would vote regarding being annexed. Tieszen said he thought the majority would vote for it. Discussion followed.

Council Member Jim Entenman offered his opinion on how to determine a repayment plan for an annexation. Discussion followed. Council Member Kermit L. Stagers emphasized that whatever happens, it needs to be affordable for the residents. Roling suggested that representatives from the Finance and Planning departments meet with residents of Prairie Meadows and develop a plan, which can be presented to the Land Use Committee at their February meeting. He explained some financial criteria that he would like to have met. Roling also asked City staff to take a look at ordinances to see if any changes will need to be made to have the proposed plan implemented. Discussion followed.

A motion was made by Dean Karsky and seconded by Kenny Anderson Jr. to give direction to Planning to put together an offer based on a maximum of 20 year financing, including interest rates, to the Prairie Meadows subdivision. It would be all inclusive, of the complete process, making the subdivision look like the rest of the City.

Roling called for a voice vote. Kenny Anderson Jr., Dean Karsky and Rex Roling voted yes. Kermit L. Stagers voted no.

Motion Passed.

TIF Ordinance Implementation Update by Darrin Smith, Director of B. Community Development and Public Parking; and Brent O'Neil, Economic Development Manager

Darrin Smith, Director of Community Development, spoke about the implementation of the new Tax Incremental Financing ordinance. He presented an overview of the ordinance and of the TIF process. Smith discussed and reviewed the new TIF application. Stagers questioned some of the costs associated with the TIF application. Discussion followed.

Anderson Jr. asked about the South Dakota Codified Law rule, which discusses what TIFs can be used for. He mentioned a TIF, which included a facade easement. Anderson Jr. said he doesn't like using TIF money for projects that the City already has funding for. He said he would like to speak about it further with Smith and his department.

Roling mentioned some safeguards that should be made regarding money associated with TIFs. Discussion followed. Anderson Jr. asked about a section on the application, regarding listing information of the project ownership structure, principle owners and officers. Discussion followed.

Council Member Greg Jamison discussed a proposed amendment for the ordinance. He said the amendment is about open government. The application would "identify all persons and entities that have an interest in the project and/or in the entity applying for the tax increment financial district." The amendment would also require the applicant to update the disclosure within 30 days, if there are any changes. Discussion followed.

Jamison also presented the following portions of the Omaha City Charter: Section 8.05. Interest in City Contracts Prohibited. "No elected official or any officer or employee of the city shall have a financial interest, direct or

indirect, in any city contract. Any willful violation of this section shall constitute malfeasance and shall be punishable by forfeiture of office or position. Any violation of this section with the knowledge of the person or corporation contracting with the city shall render the contract voidable by the Mayor or Council." TIF Guidelines/Applications. "An employee of the City of Omaha cannot invest, participate or take a personal interest in a redevelopment project that is funded through TIF." (Line 8, Pg.6) Discussion followed.

A motion was made by Kenny Anderson Jr. and seconded by Dean Karsky to forward the amendment to the City Council for further discussion.

Rolfing called for a voice vote. All members present voted yes.

Motion Passed.

4. Open Discussion

Anderson Jr. inquired if they should discuss the portion of the Omaha City Charter, which was handed out by Jamison. Karsky said the portion regarding elected officials wasn't a part of the TIF discussion. He suggested forwarding it on to the Charter Revision Commission. Staggers mentioned the TIF guidelines/application that was listed on the handout.

5. Adjournment

Rolfing adjourned the meeting at 6:06 p.m.

Denise D. Tucker, CMC

Assistant City
Clerk