SPECIAL CITY COMMISSION MEETING MINUTES

April 30, 2012 4:00p.m.

4:00 P.M. CALL TO ORDER

A public hearing to consider the Dick Edwards TIF project. Commissioner Sands moved, seconded by Commissioner Aska to reconvene the public hearing on the Dick Edwards TIF District. Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: none. Motion carried.. Ken Shortman asked if the TIF is necessary at the expense of the taxpayers. Mr. Shortman states that if taxes get higher he will need to turn his home keys in. Mr. Shortman stated that he will need to shop in other communities to save money because of the sales tax. Mayor Landes stated that this project does not result in City or County tax increases. Commissioner Johnson stated that he fought these types of projects in the past, but this is a good project; Commissioner Johnson stated that concerns about annexation are completely separate from this decision; Mr. Edwards is going to be spending a lot of his own money, and that is a good thing. Mr. Shortman stated that he feels this is a highly apathetic community. Finance Director Beatty stated that the full faith and credit of the City will not be on the line for these bonds. Alan Rothlesberger stated that this would be a good project for the City. Ben Kitchens stated that EDC approval of this item was unanimous. Gerald Gerloff stated that this is a good project, and the City is not just giving away dollars. Planning & Zoning Administrator Yearout stated that the collected funds will be used for infrastructure improvements, and not simply a tax break. Mayor Landes closed the public hearing.
City Attorney Logan provided updated information t the Commission. Financial Advisor White stated that the City needs to determine the amount of incentive necessary to make the development happen without over incentivizing. Theron Froggate stated that while the current operation makes $20 million in gross sales, taxable sales are only $11 million. Mr. Froggate stated that sales could be higher than projected which would pay the bonds off early, or a percentage over the payment could be collected by the City and County. City Attorney Logan stated that the development agreement would allow for a 10% cushion for the projected cost numbers. Mr. Edwards stated that if the project does not work here, then he could move to Manhattan where the sales tax is lower. Commissioner Johnson stated that he does not believe it is the government's place to fine tune Mr. Edward's business. City Attorney Logan stated that provided the conversation, she would work on an agreement that can be considered for the May 1, 2012 City Commission meeting.

ADJOURNMENT

Commissioner Sands moved, seconded by Commissioner Aska to adjourn at 5:15 p.m. Ayes: Aska, Johnson, Landes, Sands, Taylor. Nays: none. Motion carried.

APPROVED AND ACCEPTED THIS 15th DAY OF MAY AS THE OFFICIAL COPY OF THE JUNCTION CITY COMMISSION MINUTES FOR April 30, 2012.

Tyler Ficken, City Clerk

Pat Landes, Mayor