

PERRY CITY REDEVELOPMENT AGENCY MEETING
PERRY CITY OFFICES
MAY 7, 2015

8:25 PM

OFFICIALS PRESENT: Board Chair Karen Cronin presided and conducted the meeting.
Jana Nelson, Esther Montgomery, Todd Christensen, Peter Gerlach

OFFICIALS EXCUSED: Brady Lewis

CITY STAFF PRESENT: Greg Westfall, City Administrator
Shanna Johnson, Chief Deputy Secretary
Malone Molgard, City Attorney

OTHERS PRESENT:

ITEM 1: CALL TO ORDER

Board Chair Karen Cronin called the meeting to order.

ITEM 2: TENTATIVE BUDGET FOR RDA FOR FY2015-2016

A. PRESENTATION BY SHANNA JOHNSON

Shanna Johnson explained that the Perry City Redevelopment Agency (RDA) receives tax increment for the Pointe Perry and 1100 South Development areas. She said that this tax increment is based on the value of the property after it is developed as compared to the value prior to development. She said the idea behind this tax increment was that it would be used as an incentive for development. There is a development agreement with the area developers and if they met the obligations of the agreement, they could use this tax increment to put back area for improvements and for further development.

Ms. Johnson advised that currently the 1100 South area does not have any tax increment to report on at this time.

She stated that there is tax increment for the Pointe Perry area, but the developer had not met the obligations of the development agreement in the past so they did not qualify for the tax incentives, and still does not qualify as recently the land was acquired in a foreclosure sale and Perry City gained ownership of the land.

Shanna reviewed the tentative budget for Fiscal Year 2015-2016 (FY2016). She explained that the \$56,505 in tax increment was received FY2014. It is projected that \$48,667 will be received in FY2015, and that \$43,001 will be received in FY2016. She said in previous years the tax increment was contributed to fund balance and that is what is planned for the current fiscal year.

Shanna stated that in the future we plan to meet with the taxing entities to amend inter-local agreements and allow the tax increment to be used to make the City whole (on assessments not paid by the developer and covered by the City).

Council Member Montgomery asked who the interlocal agreements are with. Shanna explained that the inter-local agreements are set with the County, the School District, and Perry City. Some of the entities have signed on for the same amount of increment each year, while others have a schedule that ratchets down each year. She stated it is unfortunate that there has been a lack of development in the area, as the majority of time associated with the inter-local agreement has passed and the development area has not collected the amount of tax increment that was originally projected. She said even still the development has received some tax incentives and the property value has increased more than in other commercial areas within the City.

B. DISCUSSION

No discussion took place.

C. MOTION/ACTION REGARDING ADOPTION OF TENTATIVE BUDGET

MOTION: Board Member Christensen made a motion to approve a Tentative RDA Budget for FY2015-2016. Board Member Montgomery seconded the motion.

ROLL CALL: Board Member Gerlach, Yes Board Member Montgomery, Yes
Board Member Nelson, Yes Board Member Christensen, Yes

Motion Approved. 4 Yes, 0 No.

ITEM 3: ADJOURNMENT

A. MOTION TO ADJOURN

MOTION: Board Member Christensen moved to adjourn. All Board Members were in favor.

Motion Approved.

The meeting adjourned at 8:31 PM.

Susan Obay, Board Secretary

Karen Cronin, Board Chairman

Shanna Johnson, Chief Deputy Secretary