

**CITY OF WATERLOO PLAN COMMISSION
WATERLOO MUNICIPAL BUILDING - COUNCIL CHAMBER
PUBLIC HEARING MINUTES
June 28, 2011**

- 1. CALL PUBLIC HEARING TO ORDER AND ROLL CALL.** Clerk\Treasurer Hansen in the Mayor's absence called the public hearing to order at 7:00 p.m. Members present: Lichtenheld, Seidl by telephone, Butzine and Sievert. Absent – Lannoy, Thompson and Crosby. Others present: Tom Bussan, Greg Bowers, Mary Hotmar, Tom Hotmar, Larry Waldo, Linda Norton, Kay Radloff, Bill Dovi, Laura Cotting, Connie Schiestl, Dawn Gunderson of Ehler's & Associates, Mr. & Mrs. James Matheson, Amber Gerber of the Courier, Errin Welty and Clerk/Treasurer Hansen.

PUBLIC HEARING: The Plan Commission received public comment on proposed amendments to Tax Incremental District # 1. Additionally, the Plan Commission received public comment on the proposed creation of Tax Incremental District #2.

Public Comments: Dawn Gunderson provided background on the creation of District #2. She said project costs were lowered to \$1.5 million dollars from what was published. She reviewed the boundaries saying they contained complete contiguous parcels. She said the district would be classified as a rehabilitation district. She described the plan and an estimated budget focused on developer incentives. She said the ratio of developer incentive per the adopted municipal policy would hold municipal participation at a ratio of roughly 3:1. She also outlined various other public infrastructure improvements. She noted that this process was crafted to share revenue from existing district #1 to support the project costs of district #2. She said the projects would be cash financed and reviewed a spreadsheet as to how that would occur with the district closing in 2027.

Hansen provided a history of tax incremental finance in Waterloo. Gunderson continued by reviewing the proposed amendment to district #1. She said the primary reason to amend district #1 was to allow for the sharing of revenue from district #1 to district #2.

Hansen read an emailed comment from Waterloo resident Mike Kent (see attached). Sievert asked if an estimate existed of what would have gone to the school district. Gunderson said the base level would stay with the taxing jurisdictions, answering that the school would have an estimated \$58,000 in tax revenue at the closing of the district. Sievert asked for historical data on the district #2. Hansen gave two examples, neither in the district #2 -- the Van Holten river side property and the former Burger King property. Gunderson noted that two maps need to be updated in stating that the boundaries of District #1 were not changed. Kay Radloff asked how the money would be spent. Hansen said programs would be outlined and traditional demolition and rebuild projects would be considered. Hansen said leveraging private investment would be key. Sievert said the Economic Development position could help take a pro-active step on this. Lichtenheld said the staffing would focus on getting projects going. Laura Cotting said a job description and a measure of success document existed. Kay Radloff said Cambridge was an example of a community doing improvements and now the businesses are empty. She said 95% of Waterloo shops out of town, including the City. She asked how businesses are being encouraged to succeed. Errin Welty described a Pop up Store Front concept. She added that building awareness and marketing would be important. Sievert said the primary purpose of expanding tax incremental financing was to improve Waterloo as a whole and not just for greater tax revenue. Radloff followed-up by asking, how is this going to improve the City, or increase downtown shopping? Hansen replied by saying that the goal was to put tools in place so the private sector can step in and operate in an efficient manner. Hansen said he didn't have the answer but said a variety of business models existed citing the pharmacy, Bill Collins' consulting services business and Homer Braden's financial services business. Hansen said we need a broad range of tools to welcome Waterloo businesses and outside businesses. Waldo highlighted parking as a concern for any developer. Sievert referenced signage as a possible remedy. Lichtenheld said it is a long process involving the changing of attitudes that it can take twenty years or more. He said Cambridge was very successful, but relied on one central entity and suffered when it went away. He said the lesson was to stay pro-active.

Butzine said the economic times were very tough. Linda Norton asked if the historical district designation was meaningful as part of this process? Hansen mentioned Bill Collins as a case where someone sought federal tax

credits for historic preservation. He said there are no historic regulations to follow. Lichtenheld followed up by saying that if you want the federal tax credits you must abide by the regulations. There was a show of hands of district #2 property owners. Replying to a question from Mary Hotmar, Hansen described the properties the Council recently had authorized to acquire. Lichtenheld said the funding for the acquisition was 100% federal dollars. Radloff asked when the curb & gutter would be fixed. Hansen said he would like to engage DOT to bring them back to town. Lichtenheld said it would be an 80% state, 20% local funding ratio if the state would be involved in a STH 19 reconstruction project. Radloff said the streets shouldn't look like they do. She said push the button with the DOT.

2. **PUBLIC HEARING ADJOURNED. Motion:** Moved by Butzine, seconded by Sievert to adjourn the public hearing. The public hearing was closed at 7:45 p.m.

Attest:

Morton Hansen
Clerk/Treasurer