

*Mayor*  
Patricia Smith

*Council President*  
Mark Clark

*Councilors*  
Stanley Dirks

Timothy Clark

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**MEETING OF THE  
WOOD VILLAGE URBAN RENEWAL AGENCY BUDGET COMMITTEE  
APRIL 28, 2011  
MINUTES**

**PRESENT:** Mayor Smith, Council President Mark Clark, Councilors Tim Clark and Stanley Dirks, Urban Renewal Agency Members Craig Howard and David Ulmer, Budget Committee Members Marilee Thome, Beverly Stone, and Betty Gerla, City Administrator Peterson, Public Works Director Jones, Finance Director Minter, and interested parties.

**ABSENT:** Urban Renewal Agency Member Jerry Hinton, Budget Committee Members Donald Robertson, and Judy Burcham-Howard

**SMITH CALLED THE MEETING TO ORDER AT 8:15PM**

**ELECTION OF OFFICERS**

Upon motion by Tim Clark, seconded by Dirks and passing 9-0, Mark Clark was appointed Chair of the Urban Renewal Agency Budget Committee.

Upon motion by Dirks, seconded by Tim Clark and passing 9-0, Stone was appointed Secretary of the Urban Renewal Agency Budget Committee.

**BUDGET MESSAGE PRESENTATION**

Peterson presented an overview of the Urban Renewal Agency Budget Committee. Peterson explained that the Urban Renewal Agency Budget Committee is comprised of the seven Agency Board members, and seven appointed citizens. Actions of the Budget Committee must have at least eight affirmative votes. Peterson stated that the Urban Renewal Agency is statutorily driven and does not have the same powers as local governments.

Peterson explained that the Urban Renewal Agency Budget Committee authorizes the total maximum expenditures and determines the amount to be collected from the division of the tax which can be up to 100% of the division. Peterson stated that tax revenue can only be collected to pay back debt. The agency must incur debt in order to levy funds.

Peterson stated that the district works by setting a frozen property tax base, and the assessed value increase or increment can then be levied by the district. The plan for Wood Village allows the agency to have a maximum indebtedness of \$11,750,000. The Urban Renewal Board induces development to increase the property values which will pay back the debt of the agency.

Peterson explained that the inducements that the agency can do are limited to the Urban Renewal Plan. The plan for Wood Village is fairly broad and includes projects for transportation, redevelopment assistance, economic development assistance, housing assistance, public facilities, and environmental and sustainability projects.

Peterson stated that the projects for fiscal year 2011-12 are based on the plan, and include development programs such as building facade renovation grants, business technical assistance grants, establishing a business recruitment and marketing program, land acquisition assistance, job creation assistance, and responding to other opportunities if they arise. Peterson explained that \$15,000 is the beginning fund balance from last year's loan. That loan will allow the agency to levy 100% of the increment which will put the total resources at \$34,270.

Peterson explained that other items in the budget include personal services, materials and services, and debt service. Peterson stated that the Urban Renewal Agency Budget Committee can at any time after a 31 day notice borrow money up \$11 million if a project comes up. Peterson explained that the goal of most agencies in their early years is to build incentives to induce development. Larger programs and incentives are typically added or expanded later.

Mark Clark asked if there were any questions regarding the budget. Howard asked if the Committee could actually see what the funds were spent on this current fiscal year. Minter stated that the funds were spent on personnel costs for two employees. That cost included the wages and benefits. Howard asked if there were any outcomes or projects accomplished with the use of those funds. Minter stated that an informational flyer was developed and mailed to property owners within the district. Howard stated that he thought the agency would be a self-financing agency and not a burden on the City. Howard stated that it seems like the agency has become an extension of the City government, and the decisions about the future projects are coming from the City and not the board. Howard stated that in his perspective, the plan has become a way to create a larger tax base for the benefit of the City for employee salaries.

Howard stated that the agency has been eating itself up in debt, and he never thought that would be the case. Howard explained that he understands that the agency has to spend money in order to receive the tax revenue, but he does not know what the money was spent on. A flyer may have been sent out, but no one on the board was involved with that project, or even approved that project. Craig stated that now there is a project list, but there is no mention of the actual hard products that will be produced.

Peterson stated that the proposed projects for this year came from the urban renewal plan, and the plan was adopted by the board. Howard stated that the plan is broad and does not specify which projects would be done when, and that decision should be done by the board. It should be

up to the board on how to spend the available money, not the City Administrator. Howard stated that money was loaned to the Agency and spent by the Agency, but there does not seem to be any growth in the district. Mark Clark stated that if the agency does not borrow any money, then the agency cannot levy any taxes. Mark Clark asked do you have incentives in place before there are developers interested in the district, or do you put incentives in place when developers come in. Ulmer asked if there has been any interest from developers about the district, and how do we find those people. Mark Clark stated that the City shares in an Economic Development Director, and recruiting new businesses is part of his job.

Howard asked how the items on this year's budget plan will attract new businesses, and why those items were selected from the plan. Peterson stated that those items were identified to be accomplished early in the agency's existence. Tim Clark stated that he thought that items would be brought to the board via a recommendation from staff, and that Peterson is their staff person to the agency. Howard stated that he disagrees with that approach. Ulmer stated that this agency is still new and being molded. Howard stated that it is not new at all. It is no longer the first year of the agency, and it is not going to be about continuously spending money and generating reports and documents and never creating a single job in the community. Howard asked if the informational flyer that was developed actually generated a single job. Howard stated that creating the flyer generated a job within the City, but probably not anywhere else, so it did not do anything for the agency.

Dirks stated that it seems that the board has gotten off track, and the purpose of the meeting tonight is to approve the budget, and there is no point in discussing a plan if there is no budget. Dirks stated that he suggests scheduling an Urban Renewal Board meeting to discuss the plan for next year. Tim Clark agreed. Howard stated that the budget has items appropriated and he does not want to approve them. Gerla stated that the budget is the bottom line, and the agency board can direct the specific projects. Mark Clark stated that he understands Howards point, but stated that it is time to move on and see if there are any other viewpoints.

Ulmer stated that it would be good to have an Urban Renewal Board meeting to discuss a work plan. The board agreed.

#### **APPROVE BUDGET**

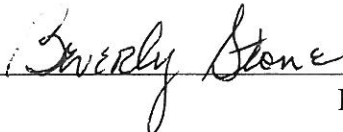
Upon motion by Howard, seconded by Dirks and passing 9-0, the FY 2011-12 Budget was approved and recommended it be forwarded to the Urban Renewal Agency for adoption.

#### **APPROVE THE TAX LEVY**

Upon motion by Dirks, seconded by Smith and passing 9-0, the levying of 100% of available funds was approved.

**ADJOURN**

With no further business coming before the Urban Renewal Budget Committee, and upon motion by Tim Clark, seconded by Dirks and passing 9-0, the Urban Renewal Budget Committee adjourned at 9:15pm.

  
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Beverly Stone  
Secretary

6/23/2011  
Date

ATTEST:

  
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Greg Dirks  
City Recorder