



## City of Rock Falls Finance / Insurance Committee Meeting Minutes

**Date:** 12-17-2018

**Time Meeting Started:**

**Time Meeting Ended**

| Members                       |   | Also Attended          |   |
|-------------------------------|---|------------------------|---|
| Alderman Kuhlemier – Chairman | p | Mayor Wescott          | p |
| Alderman Kleckler             | p | Administrator Blackert | p |
|                               |   | Clerk Arduini          | p |

| Topic                                                                                                               | Discussion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Plan of Action                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| 1. Call to Order @ 5:30p.m. – Chairman Kuhlemier                                                                    | The meeting was called to order at 5:30pm                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Meeting begins at 5:30                                                                                                 |
| 2. Approve Minutes of the October 23rd, 2018 meeting                                                                | The minutes were reviewed by the committee.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Minutes approved                                                                                                       |
| 3. New Business:<br>a. Resolution 2015-722 payback for inter-fund loan discussion.                                  | City Administrator Blackert asked for the Committee's direction on the payback of the \$290,000 loan from the Electric Department that was used to purchase the Hallman property. The Resolution that was passed in 2015 states that the loan is to be paid back when sold, or December 2018. There was discussion about breaking it into 4 annual payments. The committee discussed that the resolution has set the interest rate at 1% which is much lower than what we would be able to borrow for purchases anywhere else currently.                                                                                                                                                                                                                                                                                                                                         | The committee would like a resolution drafted that allows the payment in three years from now, or when the land sells. |
| b. Approval of the Redevelopment agreement with Zesty Meatloaf LLC for lots 1, 2, and 3 of the Reliant Subdivision. | Administrator Blackert explained that at the Industrial Development Committee meeting, the sales agreement with Zesty Meatloaf LLC was approved. The selling price was fixed at \$500,000. The land will be subdivided into two parcels (Hotel, Retail). The subdivision needs to be done by March and the hotel development of the My Place Hotel on or before March 31, 2020. The selling price is \$400,000 for the hotel property, and \$100,000 for the retail property. The City has the option to purchase back the retail property after 5 years. There is a property tax rebate incentive in which Zesty Meatloaf LLC will receive 85% of the property tax collected every year up to a maximum of \$1.0M for the hotel property. The same 85% incentive is on the retail parcel up to \$700,000. The agreement goes with the land, not with the redevelopment company. | The committee recommends the agreement to Council for approval.                                                        |
| c. Review and discuss Tourism Grant (TAP Grant) submittal options for RB&W District Park.                           | Administrator Blackert would like to submit a Tourism Attraction Grant in January. The grant will give a 50% match up to \$400,000. There was much discussion about funds that will be available from the TIF sale of property, and the Tourism fund. There was much discussion about parking around the riverfront area.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | The committee recommends moving forward with a \$400,000 grant application.                                            |
| 4. Municipal Investment Reports                                                                                     | The committee reviewed the reports for October and November. Interest earned in October was \$27,388.44, and \$29,627.86 in November for a total of \$57,016.30.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | The reports were accepted.                                                                                             |
| 5. Committee Member Items                                                                                           | There was discussion about the very small strip of land that will still be owned by the City on the south side of the RB&W District.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Adm. Blackert will speak to Mr. McCormick and Mr. Harkness concerning the property.                                    |
| 6. Adjournment                                                                                                      | With nothing else for the good of the committee, the meeting was adjourned at 6:27pm                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Meeting ends at 6:27pm                                                                                                 |

Committee Chairman