

MINUTES

PLANNING & DEVELOPMENT COMMITTEE

MAY 20, 2024

Members in Attendance:

Alan Swank, Chair
Solveig Spjeldnes, Member
Jessica Thomas, Member
Michael Wood, Member

Administrators and/or Other Elected Officials:

President Crowl
Mayor Patterson
Law Director Eliason
Auditor Hecht

Items Discussed:

- Woodsedge TIF at University Estates (public infrastructure project)
-Swank – the Tax Increment Financing (TIF) process for this housing project started in 2020, wherein the developer would be responsible for putting in the infrastructure and, through the TIF, would be reimbursed for that cost – the pandemic brought things to a halt and only last year did the developer approach the Council again about moving forward with this housing development, only to find that infrastructure and building costs had skyrocketed to the point that the developers would not be able to recoup their investment due to the cost of the public infrastructure, and the project was, again, put on the back burner – the City is now considering building the public infrastructure to allow the developer to move forward with this already designed housing project, housing the City so badly needs (\$200,000-\$300,000) two and three bedroom accessible townhouses – as the project is built out, the dollars would come back to the City through an amended TIF agreement – the City would pay for this infrastructure as follows: \$ 700,000 from the Street Fund, \$675,000 from the Water Fund, and \$625,000 from the Sewer Fund – this change will require two ordinances: 1) to be given first reading during tonight's regular session authorizing the Service-Safety Director to bid the project, appropriate the funds, and to authorize the expenditure of up to \$2 million, and 2) amend the original TIF agreement – the Service-Safety Director shall not award a contract for the installation of the infrastructure until City Council has adopted an amended TIF agreement – this TIF legislation will not be rushed as the Council would like significant public input, as well as that of the Affordable Housing Commission
- Spjeldnes – is aware there are citizens eagerly awaiting this housing project – this seems like a good solution given the complications due to costs, however, she expressed some concern with what happens if the City builds the infrastructure, and the housing development does not move forward

-Swank – the Service-Safety Director would like to see three things in place, of which the developers have agreed to the first two without any issues at all: 1) a substantial life insurance policy on both developers to address the point of the City recouping its money; 2) addressing the City's right of first refusal for purchase of the land; and 3) there will be discussion of scheduled service fee payments from the developers – understands this is a new concept where the City becomes the TIF recipient as opposed to a private developer

-Thomas – asked about the developer's anticipated timeline, start to finish

-Swank – they are ready to proceed once the TIF amendment has been approved, and it will be built on a rolling basis

-Thomas – asked, since the developer is no longer paying the cost of the infrastructure whether that will lower the cost of the housing to make it more affordable

-Swank – this will be negotiated

-Clodfelter – asked about the number of housing units

-Mayor – potentially 42 units – noting the timeline of completion is based on sales – revenue from the first set of townhouses will fund the next, and so on through completion – duration is unknown – the cost of the public infrastructure in 2018 was approximately \$750,000, and today it is \$2.1 million – if the developer was charged with building the infrastructure and building the houses there is no way those homes could be sold for \$240,000

-Wood – expressed concern about the guarantees for completion by the development – doesn't understand why the City is bankrolling private development

-Swank – if we don't put in the infrastructure the land will stay vacant and will not address the housing needs of the City

-Wood – asked about guarantees that these will be affordable

-Swank – the housing price point of \$240,000 with an annual 3% escalator clause was approved by City ordinance in 2021 – need to remember this is currently unimproved property– if all these units are sold, the Athens City Schools will benefit by receiving \$126,000 in property taxes every year

-Mayor – TIF revenue will increase as these units develop – from undeveloped parcels worth \$6,000 to a \$240,000 unit – 70% of that valuation increase will come directly to the City of Athens through the amended TIF, and will be returned to the Streets, Water, and Sewer Funds

-Thomas – asked whether the 5-year owner-occupied restriction could be extended to 10-years to avoid having them turn into rental units

-Mayor – suggested an HOA could be created, stating the housing could not be used for rental purposes

-Spjeldnes – asked about leeway for design tweaking of the universal design

-Swank – that could be amended

RECORD OF PROCEEDINGS

Minutes of ATHENS CITY COUNCIL (Pub. Hrg.)

Meeting

BARRETT BROTHERS - DAYTON, OHIO

Form 6101

Held MAY 20, 2024

**ATHENS CITY COUNCIL: PUBLIC HEARING, MONDAY, MAY 20, 2024,
7:00 P.M. – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
FUNDS (2nd hearing).**

Council Members in Attendance: Clodfelter, McCarey, Spjeldnes, Swank, Thomas, and Wood.

Also Present: President Crawl, Mayor Patterson, Law Director Eliason, and Auditor Hecht.

Attendance by the Public: (see attached list)

President Crawl opened the second of two Public Hearings to discuss the Community Development Block Grant (CDBG) Programs. Based on both citizens' input and local officials' assessment of the City's needs, the City of Athens is proposing to undertake the following activity for program year 2024: West Side Sidewalks.

Spjeldnes, as Council Member representing the City's west side, and having served on the Pedestrian Accessibility Task Force, is pleased with the project choice. There is great interest in improving our sidewalks.

Clodfelter continues to advocate for sidewalks and is delighted this funding source will continue the City's sidewalk repair efforts.

Hearing no questions or comments from the public, the hearing was adjourned at approximately 7:05 p.m.



Sam Crawl
President of Council

ATTEST:



Clerk of Council

ATTENDANCE SHEET
PUBLIC HEARING

Community Development Block Grant, second hearing

Monday, May 20, 2024

7:00 p.m.

NAME:

- | | |
|---------------------------|-----------|
| 1. <u>Mary Abel</u> | 16. _____ |
| 2. <u>Michael</u> | 17. _____ |
| 3. <u>ERIC ROSAND</u> | 18. _____ |
| 4. <u>Caroline Wade</u> | 19. _____ |
| 5. <u>Catherine Blyth</u> | 20. _____ |
| 6. <u>Paul Hillard</u> | 21. _____ |
| 7. <u>Lucy Schaefer</u> | 22. _____ |
| 8. <u>Caleb Boggess</u> | 23. _____ |
| 9. <u>Crissa Cummings</u> | 24. _____ |
| 10. <u>Brianna A.</u> | 25. _____ |
| 11. _____ | 26. _____ |
| 12. _____ | 27. _____ |
| 13. _____ | 28. _____ |
| 14. _____ | 29. _____ |
| 15. _____ | 30. _____ |