

**MINUTES OF SPECIAL SESSION
HIGHLAND CITY COUNCIL
MONDAY, APRIL 23, 2018**

Mayor Michaelis called the Regular Session to order at 6:00pm. Council members Schwarz, Bellm and Nicolaides were present. Councilman Frey was absent. Others in attendance were City Manager Mark Latham, City Attorney Michael McGinley, Economic & Business Recruitment Coordinator Hubbard, Deputy City Clerk Hediger, City Clerk Bellm, and one citizen.

PUBLIC FORUM

Citizens' Requests and Comments:

No requests or comments made.

Requests of Council:

No requests or comments made.

Staff Reports:

No requests or comments made.

NEW BUSINESS

Bill #18-55/ORDINANCE Approving and Authorizing Execution of a Redevelopment Agreement with Engelmann Enterprises, LLC and Other Actions Related Thereto – Councilman Schwarz made a motion to approve Bill #18-55/Ordinance #2847 approving and authorizing execution of a redevelopment agreement with Engelmann Enterprises, LLC and other actions related thereto as attached; seconded by Councilwoman Bellm. City Manager Latham reported the agreement before the council is with Sean Engelmann, the new owner of what used to be Joiner Sheet Metal & Roofing. Shaun Voegele introduced me to Sean and asked if we would like to have a business move to Highland, provided they find the right location. The first location did not work. He has a contract on the old Cabinet Gallery building and this would need to purchase the city-owned property located behind it, which was the former bus terminal, and looking at the purchase of the old car wash property, owned by Rick Ammann. Estimated total economic incentives would be \$96,300. TIF is estimate based upon property assessments at over \$12,300 over ten years. In this, the City would convey the old bus property ownership over to him. This business currently employees thirty-two full-time employees. The majority are union contract members. They do about \$80 million business a year. Last year, their fuel expense was \$278,000. Job incentives amount to \$64,000 for the thirty-two employees. The first payout would be thirty days following their move in date. The second installment of \$20,000 would be January 1, 2019, and \$24,000 on January 1, 2020.

Mr. Engelmann asked if he hired more employees, would the amount increase. City Manager Latham replied no. Only if you added to the scope of your business. Mayor Michaelis noted if in a few years, you add a considerable addition to the structure, then you could apply for additional incentives.

City Manager Latham summarized one item on the agenda if for the TIF funding and the other is for re-development. Business development incentive amounts to \$64,000, TIF incentive of \$12,300 and \$20,000 for the conveying of the lot, equates to a total of \$96,300 in incentives. Mr. Engelmann noted that on Page 4 of the agreement, it states that if he should sell, it would require written approval by the City. He asked how long that would be in effect. City Attorney Michael McGinley explained it would be for as long as the agreement is in effect. Therefore, if, within the next ten years, should you decide to sell the business or property, you would need to notify the City. It gives the city the opportunity to continue or discontinue the terms of the agreement. Roll Call Vote: Schwarz, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-56/ORDINANCE Approving and Authorizing Execution of an Agreement Between City and Engelmann Enterprises, LLC for Tax Increment Finance Proceeds, Conveyance of City-Owned Real Property, and Other Actions Related Thereto – Councilwoman Bellm made a motion to approve Bill #18-56/Ordinance #2848 approving and authorizing execution of an agreement between City and Engelmann Enterprises, LLC for tax increment finance proceeds, conveyance of city-owned real property, and other actions related thereto as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Councilman Schwarz made a motion to adjourn; seconded by Councilwoman Bellm. All council members voted aye, none nay. Motion carried and meeting adjourned at 6:10pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk