

**MINUTES OF SPECIAL SESSION
HIGHLAND CITY COUNCIL
MONDAY, MARCH 4, 2019**

Mayor Michaelis called the Special Session to order, at 6:30pm, to receive comments on the proposed amendment of Business District A. Council members Schwarz, Bellm and Nicolaides were present. Councilman Frey was absent. Others in attendance were City Manager Mark Latham, City Attorney Michael McGinley, Directors Conrad, Gillespie, Imming, Korte, Rosen and Slover; EMS/Fire Chief Wilson, Building & Zoning Administrator Speraneo, Economic & Business Recruitment Coordinator Hubbard, Deputy City Clerk Hediger, City Clerk Bellm, Keith Moran, of Moran Economic Development, 5 citizens and one member of the news media.

PUBLIC HEARING

Mayor Michaelis asked anyone in attendance who may wish to speak, to stand up, so he could swear them in.

Keith Moran, of Moran Economic Development, stated the intent of this public hearing is to receive any comments and answer any questions pertaining to the amendment of Business Development District A, which is a sales tax based program. This uses sales tax dollars to make improvements within the districts that raise the funds. This has been in place since July 1, 2018 and has been collected by the city. Money is used for downtown redevelopment, infrastructure improvements and public safety. Recently, the city annexed thirteen acres on northwest side of town, along route 40 and Frank Watson Parkway. This amendment includes that area into Business District A.

By consolidating into one Business District, it to allows funds to be used within the two areas that are being combined. Additional tax, from the Business District, is not added to cars, boats, prescriptions or medical related items, or food products. The can of corn purchased from grocery store is not impacted; however, alcohol and shoes would be additional taxed. This business district conforms with the city's comprehensive plan. These districts have been in place for some time now in the surrounding area. Highland's has been in place since July 2018.

When asked by Mayor Michaelis if any citizen wanted to speak on this matter, a citizen stated, our main concern, out by the KC Hall, is how is this going to affect us as homeowners. Mr. Moran stated it has not affect you as a homeowner. You have already been making purchases at the stores, since July 2018. The funds get used for various improvements around the community. A lot of times, it is difficult to know where these tax dollars are going, but with this you see it. In this case, you know that the money is going to go to stormwater collection improvements, downtown streetscape activities, and public safety facility construction and improvements. A citizen asked does this have anything to do with zoning of property. Mr. Moran replied no. One citizen stated, at zoning meeting, we were told we might as well

get used to idea of commercial in this area, because there is going to be a lot of commercial in that area. So, we wanted to know if this affected this.

David Michael expressed concern about District A consolidating with District B. Is that because just 68% are blighted. Will this be taking money from A to give to B? Mr. Moran responded it is not taking any money necessarily. It takes the goals initiated in District B and incorporates into District A. Mr. Michael asked will it strive to put money back into the area that was District B. There is a feeling that this is taking funds and moving them out to Northtown versus keeping funds raised in downtown for improvements in downtown area. City Manager Latham reported a portion of funds collected is being used to replace the culvert under the railroad tracks, which is taking forty-some parcels out of the floodplain and to use funds towards the parking area downtown. Mr. Michael stated we like the idea that funds raised in one district stays in the district. Please take into account the area south of the railroad track when making budgetary decisions. I would like to believe that this area will remain a priority.

One resident stated we live on Lincoln Lane. We are concerned about the area because of the traffic. They speed through our little street. We are having water and flooding issues. We are getting very concerned about our properties. There are drainage issues with all the construction going on. Public Works Director Joe Gillespie reported we plan to wrap up grading and seeding as soon as construction ends at the end of March. There is not a lot of fall between Lincoln and Zbinden; it is a low lying area. Another resident reported there are several vacant properties and owners are not taking care of the properties. I appreciate the street department coming out and cleaning out the ditches, but these property owners need to take care of their properties. Chief Brian Wilson asked how many houses do you think are vacant. One resident stated there are two empty lots. Another added there is one vacant home at the end of the street. Chief Wilson stated we will get address from you after the meeting and make a visit tomorrow. Building & Zoning has a spreadsheet of different addresses and locations around town that / are vacant, unoccupied, or in the foreclosure process, which we to try to keep the property maintained. Unfortunately, inspectors have to keep the list with them. As they do their daily duties they try to check on them. It is like herding cats. Mayor Michaelis added it is not just in one area. There are a number of these properties around town. The ones with banks foreclosing are sometimes difficult to maintain. I am glad you shared that information with us. Chief Wilson added there are a lot of legal hoops to enforcing the maintenance on these properties. A resident stated they are trying to commercial the two corner lots. If they put a business there, we are going to have more issues with drainage. We are very concerned about this.

Mr. Moran reported the ordinance for this amendment will be before the council for approval at the next meeting.

Councilwoman Bellm made a motion to adjourn; seconded by Councilman Schwarz. Motion carried and public hearing adjourned at 6:55pm.

Joseph R. Michaelis, Mayor

Barbara Bellm, City Clerk