

**BOARD OF MAYOR AND COMMISSIONERS
SPECIAL CALLED WORK SESSION**

May 23, 2018

5:30 p.m. to 6:30 p.m.

MINUTES

Members Present: Jonathan Elmore, Mayor
Brian Fisher, Mayor Pro Tem
Adela Yelton, Commissioner
Lionel Laratte, Commissioner
Lisa Shortell, Commissioner

Staff Present: Ken Turner, Interim City Manager/Finance Director
Gina Hill, City Clerk
Keri Stevens, City Planner
Lynn Thomas, Police Chief

Item No. 1 Meeting Called to Order

Item No. 2 Adoption of Agenda
Commissioner Laratte moves to adopt. Commissioner Yelton seconds.
All ayes.

Item No. 3 **Discussion of Trammell Crow Development Agreement**
Maple Multi-Family Land SE, LP (known as Trammell Crow Residential) submitted a Zoning Application proposing CBD-PD (Commercial Business District Planned Development) for a mixed-use development on College Avenue. As part of the CBD-PD approval, a written development agreement is required to govern the development of the property and other negotiated items. The developer has committed to building a road behind their building between Hillyer and Maple Streets and giving it to the City. The attached exhibit highlights improvements that Trammell Crow has proposed executing on the City-Owned four (4) acres. This offer is part of the negotiation process that could potentially be written into a development agreement.

Mayor Elmore explains that Trammell Crow (TC) would like to build a road between their development and the railroad tracks for public use as well as make improvements on the City-owned four acres, including grading, pulling up the concrete and seeding/strawing. He adds that he supports the project at this point. He feels it will bring new residents into the City who will help support local businesses. Commissioner Laratte says he consulted others in the real estate field. He feels that financially the deal makes sense and he would like to see development on the site.

He also noted that he learned that more density would contribute to diversity in income. While it's not perfect, he currently supports the project. Commissioner had questions surrounding tax abatement and any variances TC requests that deviate from zoning and the Downtown Master Plan (DMP). She wonders if the project would happen without tax abatement. She also requests that TC have a fiscal impact study done for the project. She feels, in its current state, the City would be giving up more than it would gain from approving this project. Commissioner Shortell shares that the size of the TC project bothers her. She also brings up that if developers have to build so many units on a lot to make it financially beneficial, then perhaps the land prices and zoning are not compatible. The Commissioner is also concerned about setting a precedent with size, density, and also accepting payment in other forms (i.e. the improvements on the City-owned four acres). Mayor Pro Tem Fisher supports the project. While not a perfect project, he says it gives us the road connection on the back of the property, more retail, residents and tax revenue. He adds it's better than what is currently there and is the highest and best use for that location. Justin Adams from Trammell Crow gives a presentation about the project and goes over any updates to the plan. He adds that TC has worked very hard to collaborate and find a way for everyone to be happy. Commissioner Yelton asked if they had ever been asked to do a fiscal impact analysis. Mr. Adams said he believes they had done one before.

Item No. 4

Public Comment

One resident commented that density alone does not support business, there needs to be pedestrian traffic. She also feels the project does not comply with the City's DMP. Another resident voiced concern that the City would consider a tax abatement for a building that did not conform to our DMP and she requested lower density. Dave Deiters, chair of the Downtown Development Authority (DDA) says the DDA has no formal position but that, as a resident, he feels the positives outweigh the negatives. He added that it was not unusual for a developer to offer to make improvements in a different area of the downtown if they are seeking a tax abatement. When one resident asked about the amount of taxes the City would be foregoing through tax abatement, Interim City Manager said his rough estimate was \$1.5 million over a 10-year period. Mayor Pro Tem Fisher said he calculated would still gain over \$81,000 in the first year the project was completed even with tax abatement. More residents had concerns about the size, density, and pedestrian-friendliness of the building, as well as fears of veering from the DMP and tax abatement. The DMP should be seen as a somewhat flexible guide, according to one resident, who added the residents need help in contributing to the tax base of the City and this development could do that. In response to one audience member's question, the TC representatives said the apartments would run approximately between \$1.70 to \$1.80 per square foot and the smallest units would be in the low 600s square feet and they also pointed out some parking options for the retail spaces. The last speaker said there are formulas that can be

used to calculate how many units are needed to support a thriving downtown and the City should think about that.

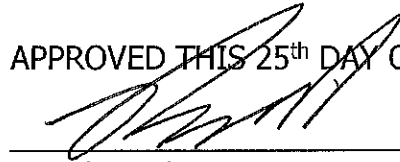
Next Steps: Commissioner Yelton requests that Trammell Crow pay a third party to conduct a fiscal impact analysis. Mayor Pro Tem Fisher suggests putting together a draft development agreement for others, including the Planning and Zoning Board (PZB), to weigh in on. More public meetings may occur before that.

Item No. 5

Adjournment

Commissioner Shortell moves to adjourn. Mayor Pro Tem Fisher seconds. All ayes.

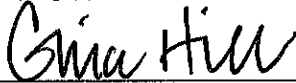
APPROVED THIS 25th DAY OF JUNE 2018



Jonathan Elmore, Mayor

Brian Fisher, Mayor Pro-Tem

ATTEST:



Gina Hill, City Clerk