

After due call and notice thereof, a City Council Workshop was duly held at Avon City Hall on the 18th day of February 2016 at 4:30 p.m.

THE FOLLOWING MEMBERS WERE PRESENT:

Hugh Knox – Mayor, Jeff Manthe, Jeff Meyer, Julie Jarnot, Jesse Springer, Councilors
Jim Thares - City Clerk-Administrator

Pledge of Allegiance

Open Meetings Law – Mike Couri, City Attorney

Mike Couri provided information about the Open Meetings Law. It is generally a requirement to post meetings of three or more Council members to avoid violating the Open Meetings Law. Council members must also be careful to avoid engaging in a serial meeting where discussions on various city business issues are conducted in a sequential/serial pattern with the aim of arriving at a decision. The use of e-mail in this manner is especially fraught with the possible risk of violations as it is evidentiary in nature through the email records. If staff engages in similar decision leading/soliciting discussions with multiple Council members it can risk becoming a serial meeting as well. It is best if staff suggest that the items of concern be discussed at a posted meeting instead of engaging in this type of dialogue. The penalties for violations of open meeting laws are \$13,000 for Council members. If there are three or more violations, Council members are removed from the office of Councilor.

All City committees that involve making a recommendation are also subject to the Open Meetings Statutes. Committees that are simply gathering information about a topic are not subject to the Open Meetings Law requirements. Emergency meetings can be held on short notice. These typically involve natural disasters. Financial issues do not constitute an emergency. Interviews of candidates for a position that are held separately by various Council members are also considered a serial meeting and may be a violation of the Open Meetings Law. All meeting must be posted 3 days in advance of the meeting.

Motion by Councilor Manthe to hold discussion on items 5 A, B and C at the regular Council meeting on March 7, 2016. Second by Councilor Springer. Motion passed unanimously.

Review of Tax Increment Financing Request – 20-Unit Apartment Development in Avon Estates

Jason Murray, David Drown Associates (DDA) provided an overview of the request by Avon Multi-Family, LLC and the comparison to the previously approved Harold Jesh 16-unit market rate apartment development which was unable to attract investors. The approximately \$1,930,000 investment would yield \$653,000 in increment. The increment would increase to \$909,600 with an expected phase II addition featuring 10 more units. The developer is requesting \$300,000 in increment to pay for eligible site costs and SAC-WAC fees. The revenue note is proposed to be paid out over 20 years at 3.0 percent interest. The City would retain the first \$11,000 of increment annually allowing a total of \$220,000 to be captured for land cost reimbursements. A second development phase would result in more increment being captured by the City for land costs. It was noted that the proposed rents were taken from the Market Demand Study completed in 2013. It shows a need for 53 market rate units. Council members indicated that they would like to obtain and review more information before the March 7 meeting. **Motion by Councilor Meyer to require the project's pro-forma financial statements to be available in City Hall for review by Council members prior to the meeting and**

to also have the Market Demand Study be emailed to Council members as soon as possible. Second by Councilor Jarnot. Motion passed unanimously. City Clerk-Administrator Thares indicated that the Market Study could be sent out via email on Friday (2-19-2016).

Street Infrastructure-Maintenance and Finances Review, Jason Murray, DDA, Casey Jansky, Public Works Director and Randy Jenniges, S.E.H., City Engineer

Jason Murray reviewed the bond debt service schedule. It indicates the debt service payments are slowly beginning to fall. The total debt service in 2016 is still over \$1,041,000. It drops by over \$100,000 in 2017 due to the bond refunding completed in May 2014. The interest changes that resulted from the bond refunding continues to carry through the payments over the next 20 years saving a total of \$600,000 in interest costs. The challenge for 2017 is the annual debt service amount that needs to be covered through the property tax levy will rise by \$77,000 to \$321,000. The expiration of JOBZ will help as these parcels will add at least \$200,000 in additional tax capacity to the City.

Randy Jenniges reviewed the street conditions survey and the street projects information. He believes the next project would total between \$500,000 to \$700,000. This would mean an approximate annual bond payment amount of \$40,000 to \$50,000. Council Member Meyer asked if it would be possible to sealcoat any streets in 2016? Casey indicated that he was already looking at some possible sealcoating in 2016. More research will be done in this regard and brought back to Council for discussion and possible action. Randy said that generally for a City the size of Avon, it is wise to budget \$20,000 per year for sealcoating or \$40,000 every two years. Sealcoating extends the life of a street by five or six years. The next street reconstruction project will likely include 1st Street Southeast, Blattner Drive and the Suncrest neighborhood. It was originally anticipated that this fairly large project would be done in 2017 or 2018. The drainage and identified storm sewer fixes needed in the southeast portion of the community would be accomplished at the time of the street improvements. The City Assessment Policy should be reviewed or updated as well prior to undertaking a large street project.

Adjournment

Motion by Councilor Meyer to adjourn at 6:37 p.m. Second by Councilor Jarnot. Motion passed unanimously.

Respectfully Submitted
Jim Thares, City Clerk-Administrator