

Committee-of-the-Whole Minutes

Tuesday, September 4, 2012

- PRESENT:** Mayor Don Welvaert (*Chair*)
Alderman Rick Meredith (*Ward 2*)
Alderman Scott Raes (*Ward 3*)
Alderman Ted Ronk (*Ward 4*)
Alderman Lori Turner (*Ward 5*)
Alderman Kevin Schoonmaker (*Ward 6*)
Alderman Sean Liddell (*Ward 7*)
Alderman Stephanie Acri (*Alderman At-Large*)
- ABSENT:** Alderman John Knaack (*Ward 1*)
- STAFF:** Lew Steinbrecher, City Administrator
Maureen Riggs, City Attorney
Tracy Koranda, City Clerk
Ray Forsythe, Planning & Development Director
Alison Fleming, Human Resources Manager
Laura Duran, Parks Recreation Director
Nate Scott, IT Manager
Bryon Lear, Library Coordinator
Kim Hankins, Interim Public Safety Director
Scott Hinton, City Engineer
Jeff Anderson, City Planner
Pat Burke, Economic Development Manager
Terri Smith, SSA Coordinator
Rebecca Gall, Historic Preservation Specialist
- OTHERS:** Members of the Moline Historic Preservation Commission
Members of the Press

Mayor Welvaert called the meeting to order at 6:30 p.m. in Council Chambers.

Presentation

Patrick Burke, Economic Development Manager, presented a proposal for a property tax rebate for older single-family, owner-occupied homes.

Questions on the Agenda

Alderman Acri requested that item #1 on the City Council agenda be removed from the Consent Agenda.

Mayor Welvaert indicated that item #7, Request from DP Moline, LLC for a Development and Economic Incentive Agreement for the redevelopment of the former Menards, will be removed from the agenda as changes have occurred since the time that the agenda was prepared.

Agenda Items

1. **Request to Subordinate A Forgivable Loan Issued Through the Neighborhood Business District Façade Program.** Patrick Burke, Economic Development Manager, explained that in 2008, Virginia and Alfredo Castro participated in the façade program. They conducted an extensive remodel of El Mariachi's (1317-1319 15th Street) that included new windows and an awning. The Castro's are attempting to refinance the debt on the building. First Midwest's loan policy requires a first lien position and is requesting that the City subordinate its position. The City is due to release its mortgage in October 2013. A motion was made by Alderman Ronk to approve. Seconded by Alderman Schoonmaker. Motion passed unanimously.
2. **Request from Salem Lutheran Church for a Licensing Agreement to install on street parking on City right-of-way at 1724 15th Street.** Scott Hinton, City Engineer, stated that the City has been contacted by Salem Lutheran Church regarding the possible installation of on street parking along 15th Street at 1724 15th Street. The applicant would like to install angled on street parking as shown on the attached diagram. While a good portion of the parking spots will be on private property, the parking will extend 6 feet out into 15th Street right of way. A motion was made by Alderman Raes to approve. Seconded by Alderman Turner. Motion passed unanimously.
3. **Consideration of a Proposing Ordinance to Establish a Special Service Area in the Olde Towne Commercial District.** Pam Owens, Main Street Program Coordinator, indicated that a Special Service Area ("SSA") is proposed for the Olde Towne neighborhood to be used as an economic development tool. The Olde Towne Special Service Area District would roughly cover 7th Street from 12th to 19th Avenues, and 18th Avenue from 7th to 10th Streets. Created by state statute and City ordinance, the SSA will levy an additional real estate property tax levy to fund additional services beyond municipal services in the Olde Towne commercial core. Examples of services include: public way maintenance, beautification, landscaping, advertising/marketing, business/recruitment, parking, and safety. A set dollar amount will be levied to approximately produce a rate of 75 cents per \$100 of equalized assessed value. A motion was made by Alderman Turner to approve. Seconded by Alderman Meredith. Motion passed unanimously.
4. **Setting the Time & Date of the Public Hearing for the proposed 41st Street Redevelopment Project Area and Tax Increment Finance District.** Ray Forsythe, Planning & Development Director, stated that the public hearing for the 41st Street Redevelopment Project Area has been scheduled for Tuesday, October 23, 2012, at 6:45 p.m. in the Moline City Council Chambers. This item also appeared on the September 4, 2012, Council Agenda. A motion was made by Alderman Meredith to approve. Seconded by Alderman Ronk. Motion passed unanimously.
5. **Setting the Time & Date of the Public Hearing for the proposed Route 6/150 Redevelopment Project Area and Tax Increment Finance District.** Ray Forsythe, Planning & Development Director, indicated that the public hearing for the Route 6/150 Redevelopment Project Area has been scheduled for Tuesday, October 23, 2012, at 6:45 p.m. in the Moline City Council Chambers. This item also appeared on the September 4, 2012, Council Agenda. A motion was made by Alderman Ronk to approve. Seconded by Alderman Meredith. Motion passed unanimously.
6. **Setting the Time & Date of the Public Hearing for the proposed SouthPark Mall Redevelopment Project Area and Tax Increment Finance District.** Ray Forsythe, Planning & Development Director, explained that the public hearing for the SouthPark Mall Redevelopment Project Area has been scheduled for Tuesday, October 23, 2012, at 6:45 p.m. in the Moline City Council Chambers. This item also appeared on the September 4, 2012, Council Agenda. A motion was made by Alderman Turner to approve. Seconded by Alderman Meredith. Motion passed unanimously.

Informational

Lew Steinbrecher, City Administrator, gave an overview of the City Council Goals Progress Report.

The meeting adjourned at 7:07 p.m.

Respectfully submitted, Tracy A. Koranda, City Clerk

CITY OF MOLINE SINGLE FAMILY HISTORIC HOME TAX REBATE

The City Council enacted a Historic Preservation Ordinance in 1991 to strengthen the economy of the city by stabilizing and improving property values in historic neighborhoods, to foster civic pride and promote the aesthetics of the community. The Historic Preservation Commission has determined that an appropriate means by which to encourage the rehabilitation of older owner occupied homes is for the City to rebate 100% of the City's portion of the property's annual property tax bill over a period of five years following a \$20,000 or more rehabilitation.

PROGRAM GUIDELINES:

Owner-occupied single family homes may qualify for the tax rebate program providing they are fifty years or older.

For those homeowners who are interested in pursuing landmark status, the Commission will assist them in adhering to Secretary of the Interior's Standards for Rehabilitation to ensure compatibility in form, mass, materials and scale. As per city ordinance, any exterior work to a locally landmarked property requiring a building permit must be reviewed by the City's Historic Preservation Commission.

The homeowner must invest a minimum of \$20,000 into improving the home to be considered for the rebate. Building materials for both interior and exterior work qualify. In order for labor expenses to qualify, the project must be completed by a licensed third party professional and the labor expense must not exceed 75% of the total project cost. Mechanical items such as a new furnace, air-conditioner, hot water heater, washer, dryer and kitchen appliances are excluded from consideration.

Before work on the project begins, the homeowner will need to receive pre-approval from the Moline Historic Preservation Commission. The Commission's recommendation would then be forwarded to the City Council for final approval or denial before work could begin. Upon completion, a final inspection will be conducted by staff or a designated Commission member to ensure the project was completed according to the application.

Qualifying Tax Credit Amount

Upon completion of a project, the City will rebate 100% of the city's portion of the property tax which is approximately 22% of the homeowner's property tax bill, for the next consecutive five years to a maximum total amount of \$5,000.

Length of Program

This five year pilot program will expire December 31, 2017. Homeowners must submit applications to the city's Planning & Development Department prior to June 1, 2017. All work must be completed by December 31, 2017. Each qualified project would be eligible for one rebate during the pilot program.

Property Tax Rebate Termination

Any such property tax rebate shall be terminated should the applicant cease to reside at the subject property. In such an event, the final property tax rebate payment due from the City only would apply to the last full calendar year in which the applicant resided in the subject property.

Program Rebate Examples

The potential rebate for a home with a market value of \$94,000 would be approximately \$618 per year.
The potential rebate for a home with a market value of \$99,000 would be approximately \$654 per year.
The potential rebate for a home with a market value of \$134,000 would be approximately \$879 per year.
In order to receive the \$1,000 maximum rebate per year, the market value of the home would have to be \$153,000 or greater.