

ECONOMIC DEVELOPMENT COMMISSION MINUTES
November 12, 2013
TDS Automation – 1801 E. Bremer Ave. – Waverly, IA
7:00 a.m.

A. Call to Order:

1. Members Present: Dan Beenken, Chairperson
Deb Schroeder, Vice Chairperson
Brent Jones
Rose Meyer
Patsy Reed
Jere Vyverberg
Jim Willis
Shelley Wolf

Members Absent: Brad Roling

Others Present: Brent Matthias, Economic Development Executive Director
Connie Tolan, Economic Development Office Coordinator
Dan McKenzie, Waverly City Council Liaison
Curtis Atkins, Waverly Light and Power
Emily Neuendorf, Waverly Chamber Executive Director
Richard Dane, Waverly resident and developer
Duane Liddle, Waverly resident

2. Approval of Agenda:

Motion By: Willis

Seconded By: Vyverberg

Move that the agenda be approved as printed.

Yes: 8

No: 0

Absent: 1

3. Approval of Previous Minutes:

Motion By: Schroeder

Seconded By: Jones

Move that the minutes of the September 10, 2013 Economic Development Commission Meeting be approved.

Yes: 8

No: 0

Absent: 1

4. Communication Items:

Brent Matthias introduced a potential rental apartment project that will go before Waverly City Council for consideration of financial incentives on November 18th. Rich Dane, owner of the property and developer in partnership with Tom Sather of Silverstone Partners, Inc. of Madison, Wisconsin, was present to give an

overview of the project. Plans are to construct a 54-unit apartment complex at 1700 West Bremer Avenue. The structures presently on the property will be removed and two 3-story apartment buildings will be constructed on the land which is already properly zoned for this use. The apartments will consist of 14 one-bedroom, 26 two-bedroom and 14 four-bedroom units each with a balcony, washer and dryer in each unit and high end finishes. Financing will include Section 42 tax credit funding which consists of federal dollars funneled through the state and applied for in a competitive process with other projects throughout the state. These tax credits will only be awarded if there is participation by the City of Waverly as a public-private funded project. The developers are requesting support in the form of tax rebatement of \$55,000/year for 10 years, which approximates the incremental increase in taxes as a result of the development. Section 42 tax credits allow the developer to reduce their construction costs upfront and in return rent rates are reduced and capped for 30 years, thus allowing for affordable rent rates for the community. The Commission discussed the project and cited many benefits of the project and proposed location, which is within walkable distance to the library, day care, an elementary school, the middle school and the high school. These rental units can also supply workforce housing for those working in the community and could produce an estimated \$78,000 in utility revenue per year. The project will provide an increase in tax base and Section 42 projects are not eligible for the state tax rollback. The Commission expressed support for the project and unanimously recommended that the Waverly City Council approve the funding request.

Motion By: Willis

Seconded By: Jones

Recommend to the Waverly City Council that a financial incentive of tax rebatement in the amount \$55,000 per year for 10 years for Richard Dane's apartment project at 1700 West Bremer Avenue be approved.

Yes: 8

No: 0

Absent: 1

B. Regular Business:

1. Economic Development Annual Report

The Annual Report for Fiscal Year 2012-2013 was distributed. It is also available on the website. Direct any comments or suggestions to Brent.

2. Waverly Area Development Fund

Waverly Area Development Fund brochures were distributed. This revolving loan fund is available for gap financing for businesses locating or expanding in the Waverly Area. Current interest rate is 3% for a term of 10 years.

3. Quarterly Economic Indicators Report

The Economic Indicators Report for 3rd quarter 2013 was distributed and reviewed. Indicators are very strong with 14 of 15 indicators positive. The bank deposits and assets numbers come from the 8 banks chartered in Bremer County.

4. Business Park Update

Brent reported that the Waverly business park project is on hold due to the airport expansion project. Once that project moves forward, business park options will be brought to the Commission for a recommendation to Waverly City Council.

5. Business Updates from Economic Development Director

Brent has been working with Dick's Machine Shop in Tripoli on an expansion project. Dick's Machine Shop does powder coating for a number of manufacturers in Bremer County and has plans for an approximate \$500,000 expansion. Brent worked with the Bremer County Supervisors and the City of Tripoli on an incentive package for the project.

Brent reported on a 99-acre parcel of land available for sale on the SW corner of the intersection of Hwy 3 and Hwy 63 that has development potential.

6. Business Updates from Commission Members and Others

Jere Vyverberg reported that the Waverly Broadband Task Force is interviewing 3 groups for the broadband feasibility study and will make a selection this week.

Shelley Wolf shared that the Bremer County Supervisors are working on transitioning home health and supported community living. There is a potential for growth and expansion with that line of business. They also continue to discuss economic development needs.

Curtis Atkins reported that the Communications Utility is at the forefront for Waverly Light and Power at this time. Also, construction season is coming to a close and work is wrapping up on projects. Lastly, a communication will be going out to their customers soon about a small rate increase coming up.

Emily Neuendorf reported that the Chamber is working on some Downtown Master Plan initiatives for Waverly City Council. Also the CDBG downtown rental unit development project is coming along nicely with construction slated to start in April or May 2014.

Brent Jones is the Guest Council Member for the Waverly City Council this month.

Rose Meyer reported that good things are continuing to happen in Shell Rock.

Deb Schroeder reported that there are currently 13 housing units under construction in Eisenach Village valued at \$2.5 million. Bartels Lutheran Retirement Community also continues to have interest in what the County's plans are for home health.

Patsy Reed shared that the Retail Promotions Committee has a number of fun activities planned going into the holiday season and reminded the group that shopping local helps all of us. For every \$1.00 spent in a locally owned business 63¢ stays in the community; comparatively, for every \$1.00 spent in a big box store 4¢ stays in the community.

Dan McKenzie shared that the Waverly City Council will soon be entering budget discussions and one topic of discussion is how to best fund Economic Development, including discussions of public vs private models. He urged the Commission to bring suggestions forward in a timely manner and this topic will be placed on the agenda for discussion at the December commission meeting.

C. Old Business:

None

D. New Business:

None

E. Next Meeting Date:

The next meeting is scheduled for December 10, 2013, at 7:00 a.m. (location to be determined).

F. Adjournment:

Motion By: Willis

Seconded By: Schroeder

That the Economic Development Commission meeting be adjourned.

Yes: 8

No: 0

Absent: 1

A tour of the TDS Automation facility, led by Manufacturing Manager A.J. McKinney, followed the meeting.