

ECONOMIC DEVELOPMENT COMMITTEE

Meeting Summary

September 17, 2020

Attendance:

Doug Moormann, Chair
Nancy Spencer, Mayor
Traci Theis, City Council
Tom Moeller, City Manager
Lori Thompson, Assistant City Manager

The meeting was called to order at 1:00 PM.

1. **Train Station Lease Update.** This matter was referred back to committee by Mayor Spencer at the previous council meeting. Mr. Moeller updated the committee on the status of the lease negotiations with Mr. Redden for the proposed Butcher/Deli. He stated that Mr. Redden has responded with counter offers on several items:

- Five Year Lease with 3 additional/optional 5-year lease periods.
- Lease payments to begin 6 months after signing.
- Contingency that if the exterior improvements including the walk-in refrigeration unit and screening are not approved by the Madeira Historical Preservation Commission, the lease is void.
- Lease Payments to be 3% of gross sales for the first 5 years; 3.5% for the second 5 years; 4% for the third 5 years and 4.5% for the fourth 5 years.
- City to pay for electrical upgrades to accommodate additional energy needs for the business.
- Permission to remove the front counter and not be required to replace it if and when he leaves the building.

Mr. Moeller noted that he had proposed a 3% of gross sales in the first year or \$2,000/month whichever is greater. After discussion, the committee agreed to the length of the term of the lease as we are looking for a long term tenant for the building. The committee agreed that the City is more comfortable with the stability of a specific lease rate per month rather than a percentage of gross sales. Mr. Moeller will include this in the response back to Mr. Redden. Mr. Moeller also noted that the additional electric upgrades should not be costly and, as this is an improvement to the building, he would recommend the City agree to this provision. As well, the removal of the front counter was discussed. Mr. Moeller stated this was installed with one of the first restaurant tenants and was not part of the original building. He recommended agreeing to this provision. Mr. Moeller also recommended that the 6 month grace period for lease payments be modified to include a statement that once the business is operational, payment will begin at the beginning of the month. The committee agreed with this recommendation. Mr. Moeller will redraft the agreement and return it to Mr. Redden. If Mr. Redden agrees to the terms, a Resolution approving the lease can be considered at the September 28th council meeting.

2. **Downtown Redevelopment District Update.** Per the discussion at the previous committee meeting, Mr. Moeller and Ms. Thompson met with Dan Ferguson from the Hamilton County Development Company to obtain additional information on the process for creating a DRD in Madeira. They noted the following:

- Board of Directors Composition. No limitations/restrictions as to who can serve on the Board. City Council or CIC membership can serve on the Board.
- The City can specify the start date as to when the property tax revenue for the new value of the development can be initiated. It does not have to coincide with the date the legislation is approved.
- The City cannot use DRD revenue for property acquisition. Marketing and infrastructure work is the primary use for DRD funds.
- The City can have multiple DRDs encompassing up to 10 acres each. Each must have at least one approved Historic Structure to qualify.
- The Madeira Historic District may need state approval to qualify.
- Sullebarger Discussion. Beth Sullebarger was referred to us by Mr. Ferguson to help us determine whether any of the structures we have in the Business District would qualify under the definition of “historic” for the purposes of a DRD. Her initial reaction was to state that having the structure under the National Historic Trust would definitely qualify. We are currently looking into the standards with Ms. Sullebarger’s assistance. She will submit a proposal for her services if the City decides the need for her assistance.

The committee agreed to have staff continue its evaluation of the process and report at the next meeting.

3. **Designated Outdoor Refreshment Area.** Mr. Moormann noted there was still interest in creating a DORA once there were a sufficient number of appropriate businesses available. Mayor Spencer noted she would like this to be evaluated as there may be some positive and negative issues that need to be considered.

The meeting was adjourned at 1:40 PM.

Doug Moormann, Chair