

**CITY OF MASCOUTAH
ECONOMIC DEVELOPMENT COMMISSION
#3 WEST MAIN STREET
MASCOUTAH, IL 62258**

The notes of the meeting of the Economic Development Commission of the City of Mascoutah, March 9, 2015.

Members present: Ken McQuiston, Mike Baker, Tony Sax, Donna Mae Schlueter

Staff present: Lisa Koerkenmeier

Others Present:

Discussion Items:

1. **Pre-Application Review for Economic Development Incentives** - Commissioners reviewed pre-applications requesting development incentives for the following two projects:
 - a. **Millikin LLC – Ace Hardware, 101 E. Main Street.** Koerkenmeier reviewed the developer's plans to renovate the former Mascoutah Hardware Building at 101 E. Main Street and construct a new 10,000 square foot warehouse and distribution facility at Market and E. Church Streets. Commissioners discussed incentives requested; rebating portion of TIF increment, pure TIF grant, rebating portion of City's sales tax, enterprise zone incentives, and assisting with utility relocations on site. The consensus of the Commission in regards to incentives for this project are as follows:
 - Attempt to fund maximum of 15% of total capital investment minus land acquisition, based upon major reinvestment in downtown and challenges of redeveloping an older property.
 - Enterprise Zone benefits should not be included in the incentive calculation.
 - The maximum 15% of the total capital investment should be comprised of rebating a portion of the TIF increment for the life of the TIF 2B District (mindful of school district pass-through and budget for other TIF 2B projects), a pure TIF grant (% of construction costs with a cap dollar amount not to exceed) and assistance with utility relocations.
 - The Commission also recommended possibly tiering the incentives over a period of time; particularly the distribution of the pure TIF grant.
 - b. **MBR IL, LLC – Domino's, Hayden Drive at I-64/IL RT 4.** Koerkenmeier reviewed the developer's plans to construct a 2,947 square foot, two-bay tenant commercial center. A Domino's with a pick-up window will occupy one bay. Commissioners discussed incentives requested; rebating portion of City's sales tax, rebating portion of Business District Tax, and enterprise zone incentives.

The consensus of the Commission in regards to incentives for this project are as follows:

- Enterprise Zone benefits should not be included in the incentive calculation.
 - One-half or 50% of the 1% Business District Tax should be reimbursed to the developer for the life of the Business District (19 years)
2. **Wrap-up – TIF 2B District Redevelopment Plan Amendment** - City Council approved the amended redevelopment plan for TIF 2B District at the February 2, 2015 meeting. Discussions regarding amending TIF 1 boundary, development incentives, utility extension, and annexation strategies for areas north, west and east of the corporate limits at Interstate 64/IL Route 4 are forthcoming.
 3. **Finalize TIF 2B Façade Improvement Grant Program** – The City Manager is requesting that the Council allocate \$50,000 of TIF 2B funds to initiate the façade grant program. If the funds remain in next year’s budget, grant applications will be made available May 1st.