

Staff Report

FUNDING FOR REINVESTMENT DISTRICT TASKS

August 24, 2021

BACKGROUND:

As staff attempts to finalize the application for the Reinvestment District Incentive Program, unbudgeted funds were, and will continue, to be needed in order proceed. For example:

- 1) Decision Innovation Solutions LLC was paid \$22,225 to perform the required economic analysis that allowed the City to receive preliminary approval for a \$10,000,000 Reinvestment District State incentive.
- 2) RDG was paid \$22,000 to develop the concept plan for the Indoor Aquatics Center.
- 3) Confluence was paid \$19,671 to develop the concept plan for the Downtown Plaza.
- 4) Staff will have to rehire Decision Innovation Solutions LLC to perform a similar economic analysis based on the final project plans submitted to the State for the Reinvestment District incentive.
- 5) Staff indicated that we would contract with Stecker Harmsen (construction estimators) to obtain more up to date construction estimates for the Indoor Aquatics Center before the bond issue amount is set.
- 6) A consulting firm will need to be hired to perform a Phase I Environmental Assessment of the IDOT site.
- 7) An appraiser may need to be retained should a second appraisal of the IDOT site be needed.
- 8) Other tasks may arise that are unknown at this time.

STAFF COMMENTS:

Many tasks remain to be done to complete the Reinvestment District application and move ahead with the various projects. In order to accomplish these tasks, funding must be identified. Because all these expenses are associated with redevelopment of our

Downtown, the City Manager has asked the Finance Department to create new expenditure accounts in the Hotel/Motel Fund to pay for these tasks. While not budgeted, the work will be paid out of the available balance in this fund which has been accumulating monies for economic development purposes. **This item is for the City Council's information only. No action is required at this time if the City Council concurs with this financing strategy.**