

## Woodward Council Minutes

Apr 24, 2020 SS

Mayor Folkerts called the Apr 24, 2020 Special Session Council meeting to order at 6:30pm. The meeting will be held electronically per the Governor's Emergency Public Health declaration in response to the current COVID-19 situation. Roll Call: Present; Kirts, Gough, Bustad, Stone, Patel.

Motion Kirts, approve the agenda, 2nd Gough, MCU.

Mayor thanked the Council for support and guidance. Discussion with a Developer on the west side of town and relocating the ball fields. Developer has a Jun 1<sup>st</sup> 2020 deadline to purchase the property.

Motion Stone, to discuss entering into an agreement with D.A. Davidson for financing of the sewer lift station, 2<sup>nd</sup> Patel MCU. Mayor introduced Michael Maloney D.A. Davidson, Finance Consultant. Mayor mentioned that the developer would cover everything except a lift station. Different options were discussed for financing of the project. Mayor mentioned a USDA Loan at 1.75%, with a possible grant of 80/20 split up to 45 %. The time frame takes 8 to 10 months to be approved. This does not fit into timeline. Mayor asked Maloney about a loan GO bond which is tax dollars. This could be payed with TIF Dollars generated by the development.

Michael Maloney, clear about the sewer lift station usually think about sewer revenues. With a development we will use TIF revenues payed back with the GO property taxes. USDA transactions require interim financing. This could provide the funding until the USDA loan could be put in place. Mechanism GO bonding, proceed with this for a strong commitment to the project. In the past we financed Ironwood and ECO. With the TIF tax dollars they can come in slower so that you may use other monies to pay the loan until the TIF dollars start flowing in from the development. Mayor, there are two lift station proposals, \$452,672 for the development. The other is located to the southwest of the development for \$489,344. This will cover a larger area for future development. Patel asked about the GO bond capacity? Maloney, the bonding capacity as of Jun 1, 2020 for the City is 1 Million for GO Debt. The City has 2 million outstanding GO debt, bonding capacity 3 million total. The 2015-2017 ECO business park, and Ironwood had a break-even approach with TIF dollars with LMI set aside 10 to 20-year timeframe 34%. Bustad, asked about the pay off of the GO Storm Sewer? Maloney mentioned it would be payed off in 2023 that is approximately when the new dollars from the development would start coming in.

Folkerts, mentioned that the developer will decide mid-May on purchase of the property. He has just as much incentive to complete the project as the City, in order to get TIF dollars for payback from the investment. There will be a development agreement between the developer and the City on how TIF dollars will be reimbursed. Planning and Zoning will be meeting to get the new Zoning R5 in place for the lot sizes in the Development. The City is working on an agreement to include the ball diamonds as part of the plan. Folkerts is looking into a solution on relocation at this time. By signing the agreement with DA Davidson, it is not obligating financing at this time. Maloney, there is no cost to the City at this time, the City will pay once the City does the project. Patel asked about the cost? Maloney, if the City moves forward 2% of the lift station will be for administration. Stone mentioned that the developer will have more than 1 Mil in streets and dirt work, he will be pretty motivated to finish in

order to get a return on his investment. Kirts there is a gamble but the only way to pay down the water and sewer bills is to have new homes to help share in the costs. The estimate of the new homes is 15 million assessed value to add to tax dollars. Adding the lift station will be positive for the entire community, by relieving the existing sewer system for future expansion.

Motion Gough, approve Resolution 2020-08 A Resolution Approving the Engagement of D.A. Davidson & Co. as Underwriter/placement Agent for General Obligation Bonds, Series 2020 for the Sewer Lift Station, 2<sup>nd</sup> Kirts. Roll Call: Ayes; Stone, Gough, Kirts, Bustad. Nays: Patel.

Motion Kirts discuss Softball Fields, 2<sup>nd</sup> Patel, MCU. Folkerts one of the areas is to place it out on the W-G School practice field. The other location is managed by Hertz Farm Management, looking at purchasing a 5-acre property south of Locust. It gives the City 2 fields, 90 parking spots. Kirts likes this idea it would help with parking during football games all the ballfields are in the same area. If the group would entertain the offer, they might be willing to take a lower price, we need to add parking and other costs associated with the ballfields. Make offer contingent on sale of property to the developer.

Motion Bustad, make an offer with contingencies subject to the sale of the ball diamonds to the Development Property. The City will offer \$25,000 to Hertz Farm Management for 5 acres off of Locust Street, 2<sup>nd</sup> Stone. Roll Call: Ayes: Gough, Kirts, Patel, Bustad, Stone.

Motion Kirts, to discuss Planning & Zoning members, 2<sup>nd</sup> Patel, MCU. Mayor, 3 positions need to be filled.

Motion Bustad, approve Kelly Noland, Dawn Bryant and Kelsey Beasley on the Planning & Zoning Committee, 2<sup>nd</sup> Patel. Roll Call: Ayes; Kirts, Bustad, Patel, Stone, Gough.

Motion Gough, waive Council pay for the Special Session, 2<sup>nd</sup> Kirts, Roll call: Ayes; Bustad, Kirts, Patel, Gough, Stone.

Mayor Council Comments: Mayor Folkerts thanked everyone. The next Planning and Zoning meeting will be on Thursday Apr 30, 2020 at 6:00pm. Mayor will be asking for another special session.

Motion Stone, adjourn the Council meeting at 8:05pm, 2<sup>nd</sup> Kirts MCU.

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Christina Perkins, City Clerk Finance Officer

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Attest: Todd Folkerts, Mayor