

# AGENDA ITEM REPORT

**DATE OF MEETING:**

December 12, 2016

**ITEM:**

Ordinance Authorizing the Reimbursement of TIF Funds to the Gateway Exposition Center for completed Capital Improvements to Facilities (HVAC Replacement).

**STRATEGIC PLAN GOAL:**

Goal #4: "*Strong & Diverse Economy*", and Goal #7: "*Financial Stewardship & Sustainability*"

**BACKGROUND:**

Gateway Center is requesting the City reimburse funds rebated to the City in the amount of \$150,125 for capital improvements. The specific improvements completed include work that completes the replacement of the HVAC units for the building that comprised the reason for the City supporting the reimbursement of the funds to the Gateway Center in 2012. Gateway Center rebated back a total of \$169,992.48 to the City in 2016 and the granting of this request for reimbursement would leave a balance of funds in the amount of \$19,992.48.

This item was discussed at the November 14, 2016 City Council meeting where questions arose regarding the process of granting these reimbursement requests. The Council asked staff to research this issue and bring the findings back along with the request for final determination of granting the request. The research into this issue reflected that these awards were historically handled as reimbursements based on requests made after the work was complete. Upon examining minutes from past meetings it is noted that granting of the request is at the discretion of the Council but that generally the award would be for work completed related to capital improvements (see attached past meeting minutes). In fact the replacement of the HVAC system was the specific project referenced when researching the issue. Given these facts staff is recommending the request for reimbursement be granted by the City Council. However, it shall be formally noted in the record that any future awards shall be requested prior to the work commencing. Failure to observe this requirement in the future will result in a negative recommendation from staff regarding these requests.

**RECOMMENDATION:**

Should the City Council be of the opinion that the request for TIF funds for HVAC replacement for the Gateway Center is consistent with past awards to the Gateway Center then the City Manager recommends approval of the ordinance authorizing \$150,125 in TIF funds to Gateway Center.

**ITEM SUBMITTED BY:**

Mitchell E. Bair, AICP, City Manager

**ATTACHMENTS:**

November 14, 2016 Memo  
TIF Request Application  
Past Meeting Minutes  
Ordinance