



Budget, Finance & Economic Development

September 26, 2017

Summary and Motions

Chair Stinnett called the meeting to order at 1:03 p.m. Committee Members in attendance: Bledsoe, Moloney, Kay, Farmer, Evans, J. Brown, Lamb, Scutchfield and Mossotti. Smith and Plomin were present as non-voting.

I. Approval of June 27, 2017 Committee Summary

Motion by Scutchfield to approve the June 27, 2017 Budget, Finance & Economic Development Committee Summary. Seconded by Farmer. Motion passed without dissent.

II. Financials Update

Commissioner O'Mara gave a presentation of the FY18 July/August financials. He spoke about comparative unemployment rates and economic indicators.

Rusty Cook, Director of Revenue, gave a presentation of the July/August Top 4 revenue sources, Employee Withholding, Net Profit, Insurance and Franchise Fees.

Melissa Lueker, Director of Budgeting, presented the remaining revenues and cash flow variances for July and August. She stated that Personnel costs are currently right at budget. We are currently at \$2.8M to the positive but we're only 2 months into the fiscal year.

Moloney stated that he is requesting information on 10%, 7% and 5% cuts for this year because we need to prepare for next year and the unknown outcome of the pension situation. He asked Commissioner O'Mara if it would be safer to start making cuts now instead of waiting until next year when the budget comes out. Commissioner O'Mara responded that management is looking at a lot of uncertainty for the next fiscal year, starting in July of 2018. The impact is speculative right now. There is a special session that is rumored to happen before the end of the calendar year. That will give us more clarity as to what impact any pension reform, or any tax reform, might have on local government that starts next July 1. We are monitoring that. We are looking at what discretionary funds we have and discretionary spending we have. We have an approved budget to go forward with FY18 and the programs it supports. So we're looking at certainty rather than uncertainty before we make certain cuts. Moloney went on to say that 60% of our budget is Public Safety. Have we done a comparison on how much Public Safety costs in other cities' budgets, in cities our size? Could we get those numbers at the next meeting? Because at the pace we're going, we're going to have to bring in more jobs or we're going to have to raise taxes.

Bledsoe asked wasn't our revenue budget number close to 3.5% as the target number. O'Mara responded that total revenue increase is. Bledsoe said if we're at 3.1, and I know it's early, how do we monitor that? When do we get nervous about not meeting the revenue number? O'Mara said six months.

Lamb asked the CAO if we are tracking the number of retirees, if there is an uptick in retirements in the last couple of months. CAO Sally Hamilton said to her knowledge there has not been an uptick. When they talk to employees, they have encouraged them to wait until after they see what is going to happen. There isn't enough information out there to make a good decision. She's reviewing personnel every week, deciding whether vacancies are filled or not. She hasn't seen more retirements than normal about this time of year. Lamb asked what the city's current bond rating is. Commissioner O'Mara responded AA2.

Stinnett said if we were to make cuts or adjustments to find \$18 million, 70% of our expenses are personnel. The next is probably debt service which is \$10 - \$12 million. Next is the pension payment. So between those 3 things, you can't cut the pension payment or the debt service, so it really only leaves personnel or the small 3% of operating. Is that one way to look at it? O'Mara replied yes. We have to look at it holistically but you're correct. Our first payment has to go to bond holders, they get first dollar. We've promised it, that's what we have to do. Then we come to keeping the lights on and paying the payroll. Then you look at everything else. You have programmatic; you have capital and future debt. You have to look at all those pieces. Stinnett added that one thing he didn't bring up in those big expenses is the health care. The Council received a memo stating that it was going up less than 1% across the board. But are claims seem to be going higher than that and we're still subsidizing the health care expense. So what's the future of that in this budget? Are we still going to be able to subsidize it so the employee doesn't feel the full effect of the plan changes and are we looking at that as a possible option to have to recalculate? O'Mara stated that they look at that this time every year. Our budget starts July 1, rate tables start January 1. So there's a 6 month difference in the health insurance year and in our fiscal year. We are subsidizing at about \$3 million a year right now and that is embedded in the personnel budget that we adopted. But at this time next year, we'll have to look at the rate of growth in cost and how much that can be shared or whether more than 50/50 would have to go toward the employee or whether the employer can still share at a 50/50 pace. Stinnett said, correct me if I'm wrong, but 2 years ago, maybe 4 now, when we started subsidizing it was about \$1 million. O'Mara stated that was correct. Stinnett continued saying that it's now creeping back up to where it got us in this problem 4 years ago. The concern is: when do you draw the line in the sand. Is now the time at \$3 million? Because if rate tables change January 1, we have 3 or 4 months to try to not have that shock to employees, to lessen the shock over the next couple of years. O'Mara replied it's hard to have all those moving parts because we start to see a trend in claims and then they flatten out. Then they peak again and flatten out. It's not like we can say "there's a trend line here". One six months it may be claims in health insurance, another 6 months it may be in prescription drugs. We have a healthy amount of employees that take the H.S.A. The first half of the year, they're paying their deductible, the second half we're picking up the entire tab. We're trying to look at all of that. That's where we're fortunate in using health care consultants to help us look at those, who have an actuary that levels those things out, and we lean very heavily on their analysis and advice. Stinnett added that he brought it up because the nation's having a health care debate. But it wanted to bring it closer because at the end of this year, there's no individual health plans left in the state of Kentucky. That means if you're on an individual insurance, you're going to have to get on our group or other groups if you can. And that could be a big burden on our group and expenses and I know with the pension out there and now the health care is out there – just as important and critical, especially when our employees have to pay more when they go to the doctor. This is just something to be aware of and to know that that problem is coming too. We thought we could keep it down but it's the trend across the country.

Moloney asked the CAO if we have a lot of jobs out there, new jobs being put on hold or are there no positions out there right now, just when people retire the position comes up or are we telling the

directors that we're not hiring for a while. Hamilton said that we're not doing any reclasses. We have not done a hiring freeze. What we have said it that every position has to come through and she has been reviewing them with the director and commissioner of that particular department. We have been filling numerous positions, no new positions, just positions that have become vacant. She is also watching positions paid from funds other than General Fund. People are not asking unless they feel that they have to have the position. We are not to a point of a hiring freeze yet. We may be there after we see what's going to happen on this pension but right now we're holding it at a point where we can get out if we have to.

No further action or discussion of this item.

August 2017 MTD Actual Compared to Adopted Budget				
<u>Revenue Category</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Var</u>
OLT- Employee Withholding	21,560,104	21,181,762	378,342	1.8%
OLT - Net Profit	1,521,174	759,077	762,097	100.4%
Insurance	3,820,034	4,023,613	(203,579)	-5.1%
Franchise Fees	1,858,748	1,932,663	(73,915)	-3.8%
TOTALS	28,760,059	27,897,115	862,944	3.1%

August 2017 YTD Actual Compared to Adopted Budget				
<u>Revenue Category</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Var</u>
OLT- Employee Withholding	33,580,853	33,131,473	449,380	1.4%
OLT - Net Profit	2,150,556	1,404,897	745,659	53.1%
Insurance	7,508,030	7,718,866	(210,836)	-2.7%
Franchise Fees	4,186,830	4,255,382	(68,552)	-1.6%
TOTALS	47,426,269	46,510,618	915,651	2.0%

2018 Fiscal Year – Cash Flow Variance Expense (Actual to Budget)				
<i>For the two months ended August 31, 2017</i>				
	Actuals	Budget	Variance	% Var
<u>Expense</u>				
<i>Personnel</i>	29,686,386	29,878,587	192,200	0.6%
<i>Operating</i>	7,301,177	9,057,335	1,756,157	19.4%
<i>Insurance Expense</i>	946,198	946,198	0	0.0%
<i>Debt Service</i>	5,925,274	6,306,528	381,253	6.0%
<i>Partner Agencies</i>	3,402,198	3,823,147	420,950	11.0%
<i>Capital</i>	304,614	300,590	(4,024)	-1.3%
Total Expenses	\$47,565,848	\$50,312,385	\$2,746,536	4.0%
Transfers	\$814,879	\$339,753	(\$375,126)	
Change in Fund Balance	\$3,766,192	\$936,264	\$2,829,928	

2018 Fiscal year – Cash Flow Variance Revenue (Actual to Budget)

<i>For the two months ended August 31, 2017</i>				
	Actuals	Budget	Variance	% Var
<u>Revenue</u>				
<i>Payroll Withholding</i>	33,580,853	33,131,473	449,380	1.4%
<i>Net Profit</i>	2,150,556	1,404,897	745,658	53.1%
<i>Insurance</i>	7,508,030	7,718,866	(210,836)	-2.7%
<i>Franchise Fees</i>	4,186,830	4,255,382	(68,552)	-1.6%
<i>Other Licenses & Permits</i>	233,664	586,214	(352,550)	-48.9%
<i>Property Tax Accounts</i>	197,495	356,800	(159,305)	-44.6%
<i>Services</i>	3,862,585	3,447,015	415,571	12.1%
<i>Fines and Forfeitures</i>	24,250	39,869	(15,619)	-39.2%
<i>Intergovernmental Revenue</i>	23,682	38,213	(14,531)	-38.0%
<i>Property Sales</i>	52,150	33,333	18,817	56.4%
<i>Investment Income</i>	149,316	86,142	63,175	73.3%
<i>Other Income</i>	177,507	490,197	(312,690)	-63.8%
<i>Total Revenues</i>	\$52,146,919	\$51,588,402	\$558,517	1.1%

Comparison of Economic Indicators 2016/2017

Economic Indicators		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fayette County	2015	4.2%	4.2%	4.1%	3.6%	4.1%	4.2%	4.2%	3.6%	3.6%	3.5%	3.6%	3.8%
Unemployment Rate	2016	4.2%	4.3%	4.1%	3.3%	3.6%	3.9%	3.8%	3.3%	3.4%	3.3%	2.9%	3.1%
	2017	4.0%	3.8%	3.9%	3.6%	3.5%	4.4%	4.5%	N/A				
Quarterly Fayette County	2015	-	-	185,062	-	-	189,584	-	-	191,038	-	-	197,966
Employment	2016	-	-	188,039	-	-	192,063	-	-	194,300	-	-	196,500
	2017	-	-	192,000	-	-	N/A	-	-	N/A	-	-	N/A
Fayette County Permits Issued	2015	1,134	1,858	1,019	1,108	1,431	1,551	1,319	1,523	1,595	1,394	1,220	1,158
	2016	937	1,206	1,510	1,631	1,453	2,071	1,042	744	860	737	742	721
	2017	876	739	924	899	1,357	995	1,207	1,283	-	-	-	-
Fayette County New Business	2015	197	224	330	749	362	198	198	283	264	286	238	160
Business Licenses	2016	203	248	445	564	658	299	173	260	219	231	211	153
	2017	201	253	418	468	621	328	206	281	-	-	-	-
Home Sales (MSA)	2015	571	651	884	963	1,140	1,346	1,334	1,165	1,072	1,054	815	919
	2016	640	773	950	1,139	1,313	1,419	1,230	1,338	1,155	1,050	1,012	1,081
	2017	776	794	1,060	1,067	1,411	1,428	1,353	1,311	-	-	-	-
Fayette County	2015	33	20	36	24	18	43	18	41	12	43	41	26
Foreclosures	2016	22	36	25	27	31	21	26	40	14	31	31	16
	2017	27	17	16	19	16	17	20	22	-	-	-	-

N/A indicates information not available.

BLS Release Dates for Fayette Co. Quarterly Employment - 6 months after quarter end

FY18 Code Enforcement Nuisance Abatement/Lien Collections

<u>Month</u>	<u>Administrative Collection Fees</u>		<u>Miscellaneous</u>		<u>Penalty & Interest</u>		<u>Total Collections</u>	
	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2017</u>
July	225	225	499	253	12,638	15,545	13,362	16,023
August	1,050	1,125	1,144	802	35,892	10,163	38,086	12,090
<u>Totals</u>	1,275	1,350	1,643	1,055	48,530	25,708	51,448	28,113

III. Long-Time Resident Property Tax Assistance

CM James Brown introduced this item. This is referring to the potential displacement of residents that have lived in their home and community for years and with the reinvestment and redevelopment that is taking place in a lot of areas in downtown Lexington and throughout the city, the property values have caused the tax assessments to increase and potentially create a situation where displacement can occur.

Several months ago, this item was placed in committee and we're proposing to change the title to Resident Tax Option, RTO for short. The working group looking at this consists of Council Members, the Department of Law, the Department of Finance, Social Services, the Division of Planning, and David O'Neill, the local Property Valuation Administrator. The purpose of the program or the goal is to provide long-term homeowners residential tax assistance to prevent displacement in cases where property values have increased drastically in their neighborhoods. The program guidelines, when we first sat down and talked about this program and who it would impact, we're kind of modeling it after the LOOP Program in Philadelphia, modeling their qualification criteria. Applicants must be homeowners, at least have lived in the property 5 to 10 years and are of 80% median income. We're also looking at the rate of tax value increase. We are currently looking at 12% as the rate of income from a one year basis.

We had a discussion about property value. There are situations where people are property rich and income poor where they don't have a lot of disposable income but they have property that's worth a substantial amount. Part of that discussion is whether or not if you have a property that is worth a lot of money, should you qualify or be eligible for this program based on your income in relation to the value of your property.

When talking about application steps, the property owner would apply for the RTO Program. If the applicant meets the criteria they would be eligible for assistance for only the increased portion of the property tax bill. LFUCG would file a lien in order to recapture those funds when the property is sold in the future. We thought this component to the process was important because if you look at a property tax assessment, LFUCG is retaining the smallest portion of that amount. A lot of the property tax assessment goes to other entities. Another step is that you would have to apply to this program every year. You wouldn't be grandfathered into it year after year.

Another thing that we discussed was the Homestead Program with the PVA's Office and I think we were somewhere between if you could qualify for both programs. The Homestead, even though it's a completely different program, it still adds some property tax relief to some of our most vulnerable citizens.

The PVA has provided a lot of valuable data to the conversation and what he presented to the working group was 2 neighborhoods in Lexington that are currently vulnerable to possible displacement of the residents due to property value increases. His data is showing that there isn't a visible impact right now but as we, as a community, continue to focus on reinvestment and redevelopment in our inner city neighborhoods and our downtown communities, the potential for this to become a real concern is going to increase.

As a working group, we're going to continue to meet over the next several months and be prepared to report out to the Committee in early 2018.

Mossotti asked how much of an overlap is there between the Homestead Exemption and this program. Brown replied that he thinks it's going to possibly be a lot of overlap. The program in Philadelphia is either/or. I think whichever program you benefited from more or provided you more assistance was the

one they asked you to use the one that you got more benefit from. But we do see a potential overlap. The Homestead Program is tied to age. In some of these circumstances there are situations where there is a fixed income or someone's work status doesn't allow them to qualify for the Homestead but they could qualify for this program. Mossotti asked if Brown had any numbers. Brown replied no but he can come back with some numbers and see what the potential overlap may be.

Bledsoe asked to verify that the intent is to allow seniors but the program is not age specific. Brown responded no. That was a discussion that we had - Is the only population that we're looking at is the senior population to allow them to age in place. I think they have been identified as one of the most vulnerable portion of our population to displacement. But we thought that it was important to create a program that extends past age as the deciding criteria. Bledsoe continued saying that rent seems to drive up more of the displacement than property tax. She was curious how rent played in the conversations. Brown replied that she brought up a very important point that gets missed a lot of times when we talk about displacement. A lot of the population that is being displaced is the rental community because of the demand for those spaces. The way we're looking at this program, he doesn't think it will be a resource to the rental community. Hopefully if you give homeowners an opportunity to stay in place then maybe it will impact the market all the way around. The rental concerns are a challenge within themselves.

Stinnett asked if Brown was talking about just the property tax reduction on the city's 3 cents. Brown replied no, we're talking about the whole bill. But what we're looking at is just the portion of increase. The situations we're talking about are where it drastically goes up over 12% in a year. Stinnett said so we could do it on the whole bill then we would create a fund basically that would pay the difference. They still have to pay the tax. We can't abate the school's tax for them and all of that. David Barberie, Department of Law, added that the legal challenge is that you can't abate or reduce any of them. What's being contemplated is a loan program that they'd have to pay it back. That's why there's a lien being suggested. Unless the state passed a defensible statute, your hands are really tied as far as trying to reduce the amount they actually owe or alleviate them from paying it at all. So what was suggested is that we possibly pursue a loan program and, in order to protect the government's interest in it, our suggestion was if you do that, you probably want to put a lien on the property so that everyone is aware that we're entitled to whatever we've paid on that loan. Stinnett said another action could be to go to each entity and ask them if they'll participate. That's what they do on TIFs. That could be an opportunity to see if other entities want to help. Brown responded that we could explore that but in order to affect the state's portion it would have to be a state statute amendment to address that. Stinnett asked how we got the 12%. Is that what the PVA said was the average? Brown said yes, that was somewhere in the range that he suggested because from trends that are currently taking place in Lexington, that is kind of the threshold where we see the potential for displacement. In some areas, the rate of increase is less and in some areas it's more. We thought that was a good initial threshold to identify as a place for this program to kick in.

IV. Local Economic Development Incentives

Stinnett placed this in committee to explore options we have as a city to attract businesses or attract the growth of jobs or workforce. This is an open ended topic. If there are things that the Council wants to explore, we'll be glad to keep this in here and come back with some research. Through the research with Commerce Lexington and what Wes (Holbrook) worked on, the incentives of money and tax abatement really aren't the main factors that we found are bringing companies from one place to

another. There are several other factors that play into that that we have no control over such as workforce readiness. He introduced Wes Holbrook for the presentation.

Holbrook said that the incentives we maintain locally are the Jobs Fund which is overseen by the Economic Development Investment Board that maintains grant, forgivable loan and loan programs. The Economic Development Priorities Grant Program that's really been our Workforce Grant that was put into place in the last year. We also have our partnership programs between LFUCG and the state. That would be our Tax Increment Financing Program, Kentucky Business Investment which is payroll tax abatement and then occasionally there are other incentives offered by the State but we administer locally through Kevin's (Adkins) office and the Division of Grants.

The Jobs Fund was put into place in 2014 and the purpose of it is to serve as a local incentive for companies creating jobs in Lexington. We've had companies apply with one job. We've had companies apply with 100. We wanted to have an option for companies to really grow here. As mentioned earlier, it's grants, forgivable loans or loans. We've geared more with our grants to focusing on early stage companies, companies that are looking to relocate jobs here from outside of the county from another part of the state or outside of the state, or this will be if there's a larger incentive package with the state this will be a piece of it. Our forgivable loans and loan programs are available and that's generally gone to supporting local businesses that try and grow here. We have a program minimum average wage of \$17.43 per hour for applications so as long as the average wage is above that the application will qualify. About 6 or 7 months ago we had some guideline revisions because we noticed some overlap with some of the other programs. We wanted to make sure that we were focusing this where it needed to be and eliminate some of the overlap so we were not giving too much of a benefit for some of the companies that were out of scale with the jobs that were being provided.

This is what's essentially serving as a Workforce Development Grant program (the Economic Development Priorities Grant Program). These are grants to local non-profits providing economic development or workforce development training in Lexington and serving clients that are going to be finding jobs here. It's going to support newer expanding programming so it can't be somebody who comes and says some of their funding fell away and we want to maintain the same level of service. It has to be something new or expanded. Right now, we're in the middle of the pilot year so we'll be looking at outcomes as reporting comes in and the second funding cycle is going on now. Council approved \$300,000 in the FY 2018 budget for the second funding cycle.

Moving on to our partnership programs with the state, we have Tax Increment Financing. We have 5 active TIF projects. They are 21c, CenterPointe, the Red Mile redevelopment, The Summit and the Turfland project. We also have the Midland TIF but it's not yet active. The way that TIFs work is you have a baseline of tax revenue and the developer commits and has approved by the state a certain amount of public infrastructure so that can be transportation infrastructure, sewer infrastructure, etc. The state approves that amount and type and any additional taxes that are generated on payroll or property from the redevelopment go to pay for that infrastructure. Once the public infrastructure is paid for, typically that increment that goes back to the developer ceases and goes totally to the local government.

The other partnership program that we use regularly is Kentucky Business Investment. This is a program state wide that counties partner with the Cabinet for Economic Development. We and Louisville are fairly unique in that we only abate 1% of our payroll withholdings. It's thought that almost every other county in the state abates all of the payroll taxes. Even though we abate 1% of our payroll tax for the approved jobs, we still receive 1.25% of the payroll withholdings for those abated taxes.

The Other Incentives occasionally, and this is generally part of a really large scale relocation or retention project, the state will have large dollar, large scale grant programs that are distributed through the city and to the companies. We administer those funds but the state approves the use of those.

Stinnett added the other opportunities that we just talked about with CM Brown, you can abate property tax, which we've done in the past, and you can also abate payroll tax which we've done for a couple of the TIF projects as well for a certain number of years.

Kay commented that it would be helpful with we had data telling us how much we have allocated to these programs and the ones that actually return some, how much that's been. Kay has no idea how much we are actually spending to do these programs we you put them all together. We know at the state level we now provide more in incentive, more in tax abatement than we collect. If it's possible, for each of these programs, providing the actual data about what we allocate, what does that mean, are we getting something back or not. Holbrook replied that he would provide an overview. He said with the Jobs Fund we have 25 applications. We've approved 16 companies and we've incentivized about \$1.8 million. That's a mix of grants and loans. We're seeing about \$160,000 in payroll taxes from the jobs we've incentivized so far. We've also seen around \$45,000 in repaid principal and interest from our loan programs. That's about \$200,000 in benefit from the Jobs Fund thus far.

Moloney asked about the Kentucky Business Investment Program. You said that we do 1% and other cities do all of it. Is that because they have other incomes coming in to offset that? O'Mara responded that most local governments, counties have a limit of a 1% occupational license. So if they abate 1% their take home is zero during that period that the new business comes in. The business gets the 1% to reinvest and the city is hoping that that business will then bring income in future years after the abatement period. We have a combined city and county rate of 2.25. So we abate the 1% for them to invest and we're still making 1.25% on their payroll during their abatement period. Moloney asked do other cities have other incomes to pay for their police and fire. When you say the zero it out, our money, the 1.25, is going back in the General Fund to help pay for employees. O'Mara responded that other cities have the same revenue options that the City of Lexington has. Some smaller cities have a restaurant tax but other than that he isn't remembering any other options. Moloney asked if any other cities use payroll tax like we do. O'Mara said there are lots of cities that rely on the occupational tax just as we do.

Evans stated she agreed with Kay that she would like to see, as with the ESR program, who's applying, how much they're asking for, how much they were given. She's curious to know if the companies are using the grants or the forgivable loans more. She reiterated what Kay mentioned in that she would like to see what the \$17.43 really looks like and what are those salaries. We would be doing ourselves and the community a disservice if we didn't have more information because we need to make sure that whatever incentives we're providing, we're getting the most bang for our buck. She also asked for more data on the TIF projects, the benefits we've received from the companies. Stinnett said that we try to have an annual update on the Jobs Fund and from the Workforce Development, which is brand new. Elodie will give us an update as well. He said that we need an update on the TIFs because we haven't received one in quite some time.

Bledsoe said that she has been on the Jobs Fund and they have robust conversations that get detailed. She didn't know how much of that is able to be shared publicly and how much needs to stay in that for the proprietary information. She wanted to reassure that the questions are asked very strongly. She just didn't know how much of that could be transparent. Holbrook says they try to share as much as they can but even after they receive an application, because we communicate electronically, we have to go

through and redact a lot of information. Bledsoe followed that, certainly on the Workforce Grants, it's been followed very detailed. She hopes that by the time this comes back next year we can show a very strong background so that we continue to fund it.

Mossotti asked how long the Jobs Fund has been in existence. Holbrook stated since early 2014. Mossotti asked if we've had any major defaults. Holbrook said there have been a couple of companies where we've had to seek claw backs but the companies are paying those. That's been a very limited number.

Evans commented on sensitivity. While that's appreciated, information can be redacted and new reports can be created that could relieve that sensitivity. I don't want us to use that as the reason that we don't get more information. There are ways that we can create documents that would relieve the concerns of proprietary information.

Stinnett said that the big thing we've found that reasons why companies aren't necessarily coming to Lexington versus surrounding counties is land and it's the cost of land that we run into a lot. That's one of the biggest incentives we've found is: can we provide the land or subsidize the land? And that's going to be a big topic of conversation through the comp plan and beyond. Incentives are nice but what sells it is the land and workforce.

Stinnett asked Holbrook to return to the committee in January with the TIF update and an update on the Jobs Fund.

V. Items Referred to Committee

No further action or discussion of this item.

Motion by Mossotti to adjourn. Seconded by Kay. Motion passed without dissent.

The meeting adjourned at 2:21 p.m.

TG 10.5.17