



## Budget, Finance & Economic Development Committee

November 29, 2022

### Summary and Motions

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Committee Chair, Amanda Bledsoe called the meeting to order at 1:01 p.m. Vice Mayor Steve Kay and Council Members Chuck Ellinger, Richard Moloney, Preston Worley, Josh McCurn, Fred Brown, James Brown, Kathy Plomin, and Susan Lamb were present.

#### I. Approval of October 25, 2022 Committee Summary

A motion by Plomin, seconded by Ellinger, to approve the October 25, 2022, Budget Finance, and Economic Development Committee Summary, the motion passed without dissent.

#### II. Lexington Public Infrastructure Program

Chief Development Officer, Kevin Atkins presented on the Lexington Public Infrastructure Program. Atkins explained the program is intended for large and small developers to help fill the gap in community infrastructure needs. Council allocated \$3 million in FY23 to assist with privately funded infill and redevelopment projects within the Urban Services Boundary. Priority will be given to vacant, underutilized, and mixed-use properties as well as economic development opportunities that lead to long-term job creation. Infrastructure must serve the public and not be solely utilized by the private portion of the project.

Funding must go towards the public infrastructure portion of the project and construction costs. Funding is distributed as reimbursements for approved expenditures, no pre-funding will occur. Eligible expenses include sanitary sewer, public parking, public sidewalks, public transit multi-use trails, etc. Non-eligible expenses include private utility relocation, fiber or broadband, private parking only for development, street lights on private property, etc.

The Chief Development Officer and Commissioner of Environmental Quality and Public Works will manage the application process for the program. Following internal staff review, the application will be sent to the Economic Development Investment Board for review and approval. If approved by the Board, the project application will be sent to the Council for final approval.

Each awarded project will be required to enter an incentive/loan agreement with the following terms of agreement: 0 percent loan not to exceed 10 year period, \$500,000 maximum or 10 percent of total project, project must begin construction within 1 year of final funding approval, and receipts and proof of payment must be received before reimbursement. Incomplete projects will be subject to repayment and penalty. Loans will be secured with the highest lien position available. Annual projects updates are required until completion of the project.

Next steps include ordinance approval by Council, updates to the Economic Development Investment Board bylaws, program rollout, begin accepting applications, followed by providing annual updates on the program to Council.

A motion by McCurn, seconded by Ellinger, to approve of the proposed Lexington Public Infrastructure Program, the motion passed without dissent.

### **III. Tax District Workgroup Report Out**

This item was reported out at the November 29<sup>th</sup>, 2022 Work Session.

### **IV. Compensation Study Update**

This item was reported out at the November 29<sup>th</sup>, 2022 Work Session.

### **V. Adjournment**

A motion by Kathy Plomin to Adjourn at 2:37pm, seconded by Susan Lamb, the motion passed without dissent.