



Budget, Finance & Economic Development Committee

June 25, 2024

Partial Summary and Motions

Chair James Brown called the meeting to order at 1:05 p.m. Vice Mayor Dan Wu, and Committee Members Chuck Ellinger, Hannah LeGris, Liz Sheehan, Preston Worley, Fred Brown, Jennifer Reynolds, and Kathy Plomin were in attendance. Council Member Whitney Baxter was absent. Council Members Tayna Fogle, Shayla Lynch, and Dave Sevigny were also present as non-voting members.

I. Public Infrastructure Program Update

Craig Bencz, Administrative Officer Senior from the Office of Economic Development, presented on the Public Infrastructure Program Update. The Public Infrastructure Program was created by ordinance (51-2017) in 2017 and amended by ordinance (141-2022) in 2022. The purpose of the program is to provide qualified projects with local funding for public infrastructure improvements through interest-free loans with terms not to exceed ten years in length in order to promote employment growth and increase development within the Urban Service Boundary.

Council allocated \$3 million in FY23 to fund the program; all of which has been allocated pending Council approval. \$2 million in additional funding was approved by Council for FY25. The maximum loan amount is the lesser of \$500,000 or 10% of project cost. Program funds are only for hard construction costs and are provided on a reimbursement basis.

Eligible expenses consist of projects like: sanitary sewer, stormwater, public parking, public transit improvements, sidewalks, and multi-use trails. Ineligible expenses are: private utility relocations, street lights on private property, fiber/broadband, and parking that only serves a development. Applications for the program are submitted to the Chief Development Officer, reviewed by staff for recommendation to the Economic Development Investment Board (EDIB), reviewed by the EDIB for recommendation to Council, and then Council reviews and gives final approval. Applicants must provide documentation for project funding, ability to begin construction within one year, compatibility with City plans, and long-term job creation.

Proposed amendments to the ordinance include: emphasizing funding projects located within infill and redevelopment areas, clarifying public infrastructure benefits for multiple users, maintaining \$500,000 funding limit per application, clarifying publicly accessible infrastructure, adding language for "infrastructure improvements that improve system capacity and provide a public benefit", and allow for waiving of limits and conditions in the case of exceptional projects that will result in significant public benefits. There was discussion pertaining to a scoring rubric/matrix for applications especially with demand for the program increasing.

A motion by Sheehan to amend the draft ordinance, Section 1 – B, to add "or increase housing" after "spur economic development", seconded by Ellinger, the motion passed with a 5 - 3 vote. Dissenting members were F. Brown, Reynolds, and Plomin.

A motion by Worley to advance to the full Council the draft ordinance as amended and to report out early at the July 2nd, 2024, Work Session, seconded by Ellinger, the motion passed without dissent.