

Urban Renewal Authority Meeting

January 6, 2022

Called to order at 10:00 a.m.

Present: Katy Ames (President), Rob Graham (Vice President), Ken Dugas, Ryan Whitehead, Chet Halverson

Not Present:

Non-Committee members present: Mike Scholl, Charles Bloom, Mark Christensen, Sam Crowley

Minutes from last meeting approved: The minutes from the December 2, 2021 meeting were approved.

Audience Business: none

Old Business: none

New Business:

- a) **Basics of Tax Increment Calculation, Mike Scholl Ayres and Associates:** Mark Christensen introduced Mike Scholl and explained that he would be making a presentation about how the tax increment has been calculated. Mr. Scholl detailed each step in the process. The first step establishing the tax base by standard of the project area. Step two is creating the project profile, which is valued by the projected stream of income (as opposed to construction) and does not include infrastructure costs. Step three is establishing the income through dividing by the market cap rate to determine value; hotels are valued differently than other businesses, factoring in the occupancy rate and daily rate. Step four is subtracting the base to get the projected income. Mr. Christensen emphasized the conservative calculation process.

Ms. Brown asked for questions from the Board. Mr. Dugas commented that using conservative estimates in the process is great practice but asked if the City would be collecting more from the TIF than they would otherwise due to conservative estimates and if additional revenue would be placed in a general fund. Mr. Scholl answered that, depending on the obligation, there is an option to pay it down more quickly. Additionally, the Board can look at the project area and make additions. The Wyoming State Statutes state that the Board can amend the plan and look at different projects in the area. The Board can also allocate funds to different projects within the project area.

Ms. Brown asked for other questions. Mr. Scholl emphasized that clear communication and transparency between the Board and developers is essential to knowing what increment can be generated with the project. Ms. Brown asked for public comment. None.

Other Business: Mr. Christensen let the Board know that staff is still working on the blight study and plans to contact property owners. He also updated the Board on the application for the Hitching Post; the engineering plan review may take more time. The applicant will submit the

engineering plan review in February and staff is working on the development agreement. Ms. Brown asked for questions from the Board. None.

Mr. Dugas made a motion to adjourn. Mr. Whitehead seconded. All in favor. Meeting adjourned at 10:29 a.m.

Minutes respectfully submitted:

Sam Crowley, Planner I, Planning & Development Department