

2019 CITY OF LEXINGTON TAX INCREMENT DISTRICT JOINT REVIEW BOARD MEETING**MARCH 23, 2020****6:45 P.M.**

The 2019 City of Lexington Tax Increment District Joint Review Board meeting was called to order at 6:45 P.M. by Mayor Johansen in the City Council Chambers at Lexington City Hall.

1. Roll Call: Roll call was taken to find the following physically present: Mayor Johansen, Alderman Stover, Alderwoman Wilson, Alderman Richard, Alderman Franklin and Alderman Colclasure with Alderman Schrieber attending remotely. Members of the public were Paul Deters with Luke Smucker attending remotely.

2. Review effectiveness and stats of Lexington Tax Increment District:

Alderman Stover led this discussion: The budgeted amount for last year ending April 30, 2020 was \$715,000. We were at \$688,000 at the end of January and expect to hit the budgeted number. The EAV and Tax increment have both dropped slightly from last year. This is the first decrease since 2012 and it was due to the adjustment of the multiplier in the assessment. The TIF District has been a big success for Lexington and has allowed us to install a sewer system and build a new water plant. The TIF funds cover the majority of the loan payments for both projects. The Sewer Project will be paid off before the end of the TIF District and there will be enough funds to pay off the Water Plant Project at the end of the TIF District.

This year TIF funding has allowed us to bring several new businesses to town such as: Lavender & Lily, Envy Fitness and Lexington Social. The City has rebate, loan and grant programs, and has added a rent share program for this year. The new program pays a portion of the rent for a new business's first year, The business pays back a percentage of gross sales above a set amount if they have immediate success. Businesses that remain part of the rebate program are: Breakthrough Beverage, The Public Hall, Thrift Avenue, Subway and BC Investments' townhouses. Businesses taking advantage of the loan program are Lexington Social, Envy Fitness, Wildwood Brewing, Cristo's, Kelley's, DaT Bar, and Colleen Morency. Angela Labertew of Lavender & Lily was the first business to take part in the rent share program.

We continue to share agreements with the School District and the Fire Department. These agreements return TIF funds above \$650,000 to the taxing bodies at their current rate. The share agreement with the School District has temporarily been suspended to help fund the road needed to bring Casey's Lexington. This agreement will be reviewed again after completion of the road.

Mayor Johansen agrees with Alderman Stover that we are seeing our money come back to us with these programs and they are working out well.

Alderman Stover reminded everyone that without the TIF we could not be as competitive as we are in bringing in new businesses and maintaining the ones we have. At the end of the TIF we could be looking at a whole new world.

3. Other business: None

4. Adjournment: Alderman Colclasure made the motion and it was seconded by Alderman Stover to adjourn the meeting at 6:50 P.M. Motion carried unanimously by voice vote.

Respectfully submitted,

Pati Pease
City Clerk

Approved: April 27, 2020