



Memo

TO: Community Redevelopment Authority
FROM: Joe Peplitsch, City Manager
DATE: Friday, September 14, 2012
RE: 9-17-12 Meeting Agenda

Agenda Items for September 17, 2012:

- Jeffery Road—Clay Nitsch is contemplating the purchase and development of Lot 3, Wightman Addition into a used car dealership. This property is directly south of the Lextron facility along Highway 283, and last used as a mobile home court. The property does fall within the boundaries of Redevelopment Area #1.

Access to the property is currently an unimproved public roadway (Jeffery Road). Clay is asking if the CDA would be interested in assisting his project by improving the public roadway. There are several issues to consider, and I will go into more detail during the meeting.

- Orthman Project—the next step in moving the Orthman redevelopment contract forward is making a recommendation to the City Council. There are a few remaining details that need to be amended by our legal counsel; however, the contract is in a substantially complete form. Site preparation and infrastructure installation are currently progressing. I recommend approval of the resolution, ahead of a City Council public hearing on the contract scheduled for September 25, 2012.
- Development Agreement—Stan and Stephanie Vodehnal would like to construct a commercial building directly east of the Comfort Inn on an approximately one acre lot owned by the CDA. In lieu of a full blow redevelopment contract, a development agreement is being proposed that would have the CDA convey the property to the developer and provide for the paving of access aprons from Heartland Drive to serve the project. In return for the assistance, the developer will construct a facility with an assessed value in excess of \$200,000.

The CDA and City would retain the ability to pledge and capture the excess taxes generated by the project following completion. Since the project proposal includes the conveyance of property, a 30 day notice to the City Council on CDA intent to enter into such agreement is required; this can be accomplished by resolution.

- Land Acquisition—there is currently a proposed project pending that would like to develop a 7,000 to 10,000 SF facility on one of the existing vacant lots within the Greater Lexington Addition. We have discussed the acquisition of the remaining Greater Lexington lots for several years; as the needed resources are currently available, I would like the CDA to consider purchasing the lots with City Council approval. I will go into more detail during the meeting.

If you have any questions regarding the agenda items, please give me a call 308-324-2341, or email jpepp@cityoflex.com.