



Minutes

City Council Work Session

Community Plaza, 25 West Charles Street, Oelwein

July 27, 2020 - 6:30 PM

Present: DeVore, Fisk, Cantrell, Weber, Stewart, Seeders

Also Present: Mulfinger

Discussions

1. Discussion on Hy-Vee Tax Increment Financing

Rob Wadle from Hy-Vee discussed the need for a TIF and presented a letter. Rob said the new store will have gas and a pharmacy. The new Dollar Fresh will be the largest so far in Iowa. The store will be open in September. Several other amenities will be provided at the store.

Economic Development Details:

- Current assessed building parcel value: \$729,860 (purchase price \$455,000).
- Surrounding two parcels, total 7.84 acres, currently assessed \$149,040 (purchase price \$140,000).
- Projected final building and site improvements are estimated over \$2,000,000.
- Total assessed value estimated at \$2,300,000.
- Job creation projection: 5 Full-time, 35 part-time employees

Mulfinger said that while a 15-year TIF is possible, sticking to a 10-year 90 percent TIF will be consistent within the city.

Weber stated that providing this incentive shows commitment to bringing new business to Oelwein.

Seeders talked about how excited the community is for the new store.

Council felt that providing more consistency to a TIF program would help the city now and into the future.

2. Discussion on ICE Manufacturing Tax Increment Financing

Jeff Ingles discussed the new expansion of ICE Manufacturing and what their business builds.

Purchasing the property \$822,000

- Building Remodel \$140,000
- Mfg. Machinery & Equipment 691,000
- Other Machinery & Equipment \$60,000
- Computers, Software and furniture \$50,000
- Research and Development \$300,000

Total 2,063,000

Fisk noted that the community needs good paying jobs with benefits and is glad to see new jobs.

Mulfinger informed council that this is a great expansion for Oelwein and will help with local jobs.

Council discussed that the 10 year 90 percent TIF would be most beneficial for this business.

Adjournment

Dylan Mulfinger, City Administrator