

Council Meeting Minutes

June 22, 2023

The Tazewell Town Council met in special called work session at 6:30 p.m. in the Town Hall Council Chambers.

Present:

Absent:

Mayor Michael Hoops

Vice Mayor Glenn Catron

Councilmember Jonathan Hankins

Councilmember Zach Cline

Councilmember Emily Davis

Councilmember David Fox

Councilmember Joe Beasley

IEDA Member Susan Whittaker

IEDA Member Justin Takach

IEDA Member Cara Spivey

Staff present were: Town Manager, Todd Day; Clerk/Treasurer, Leeanne Regon.

BOWLING ALLEY

Manager Day stated that there were two separate DHCD teams in town today. They looked at the bowling alley, the bat house (town shop on Riverside Drive) and the train station. The bowling alley had an original intent of being demolished when we got it. Then there was a deed change and a person that was going to restore it and make it a bowling alley again. There are funding opportunities for the bowling alley. It has recently been bid out for demo. During the demo process, they are going to remove footers, concrete, asphalt, asbestos, and the entire structure. The bids came in low. They then discussed a planning grant, professional engineers, and asbestos removal. It was stated that the building belongs to the IEDA. There is a individual interested in the building. The Town would apply for the DHCD grant and we would work the project like we did the Sunnyside project.

A few years ago when someone was interested in redoing the bowling alley, we entered into a contract and they had to meet requirements of the contract or the contract would be void and we would take the building back. If we decide to enter into a contract with this new individual, they would be required to put some money (\$25,000) upfront so they have skin in the game. We would put that money in an LGIP and if they go dark and sit on the project, we keep that money. If they complete the project they get it back plus interest.

They would be required to clean up the lot and the surroundings. We would work with this person on grants available. We would be the applicant and they would do the work. It's the same concept as the Sunnyside project and if it fails it goes back to the IEDA. Mayor Hoops stated that he thought he understood that there was funding for asbestos removal now. It would be DHCD funding. Manager Day also stated that if we did this, it would put the property back on the tax roll. Councilmember Cline asked what was the purpose they were looking at for the building. Manager Day stated that he was not sure, there would have to be more conversations about that. Mayor Hoops asked how long we can hold off on our demo contract. It was answered possibly July 15th. Councilmember Cline stated that since council has already approved the demo, that the IEDA would have to walk it back then. Vice Mayor Catron asked what needs to happen between now and then. Manager Day stated if the person gets the building, it would be their responsibility for asbestos and the whole thing. Councilmember Davis stated that if we could go ahead and get funding for asbestos to be removed, why don't we do that and get it removed. IEDA Member Spivey asked if it had to be the Town that applies for the funding or is it the individual or is it the IEDA. Manager Day stated that the individual could apply and use the Town as they entity and get the money to remove the asbestos. Councilmember Fox commented that we should go ahead and get it started and get rid of it. Councilmember Cline asked if the IEDA would set benchmarks for the project and Manager Day stated yes they would.

SPORTS COMPLEX & SOCCER COMPLEX

Manager Day stated that in the last few weeks, he has spoken to several entities. He discussed the feasibility studies and said that they are all going to be different when there done. He is waiting on phone calls about the feasibility study. Councilmember Davis asked if the Chumara numbers don't add up, could we contact them and ask them to fix it because we've already paid for it. Manager Day said yes, he just needs to know which area we are questioning and he'll go back to them. He wants to fight for a project. He doesn't just want to sit here. He wants to do something.

He said for right now, lets just forget about the money. Look at what you would rather see. Fields for local use or a complex. With the complex we would not have our hands in it, we would just make the debt service payment. He is begging for direction. His recommendation is to forget about the money right now and let him fight for it to see how much we could get. You have to have skin in the game or your application will get put at the bottom. We all have to be on the same page. Your excitement will bleed over to other committees. Councilmember Fox asked if he had checked on another property, maybe the one beside the lake. Manager Day stated that the Lester Group already has a contract on that property right now. He stated that he can present one or both projects, whatever the board tells him to do.

Mayor Hoops discussed the feasibility study and documents from ESM. Councilmember Cline stated that as far as where they are now, he doesn't think they need another feasibility study. He does think they need to look at the documents from ESM, specifically the adjusted pro forma that has been given to them. He asked for some time to allow them to review the documents. IEDA Member Takach stated that the IEDA doesn't have access to the documents. Manager Day stated that it was on drop box. IEDA Member Takach stated that it is not in the folder he has access to. IEDA Member Spivey stated that she didn't get the invite for the meeting because she have to

back into drop box to get in it. Councilmember Cline stated without reviewing it, he doesn't know if it's a good idea or not.

Councilmember Beasley stated that ESM would pay us rent on the property and that can go to the debt service payments. With the rent and the increase in taxes from food sales and real estate tax he thinks it will be ok. At the end of the contract, its our building and its worth over \$20 million dollars. If we have to sell it at the end of the that we can, or we can lease it out again. Councilmember Cline asked what taxes would the pay and would we be exempting taxes. Councilmember Davis stated the lessee would be paying real estate taxes and she read the state code in reference to such. It would be a reduced rate but we would get real estate tax.

Manager Day stated that PPP was the preferred method but its not the only method we could do. He stated that he would get the documents and information back out there so everyone could look at it. Councilmember Cline discussed the feasibility study and the numbers. He is concerned about ESM not making enough money like the study says and we have to subsidize them. Manager Day stated that Rural Development states that this project qualifies for Rural Development subsidy. Councilmember Beasley stated that it says ESM is responsible for the payment. He stated that at one of these meetings he asked John Wack about that and he said yes, that's right. Manager Day stated that every business at some point has to take a chance. Councilmember Cline stated that this is public money and he doesn't feel comfortable using tax payer money to do this and it is depending on ESM success. Councilmember Beasley stated that they just talked about giving a building (bowling alley) to a private individual and this is the same thing. Councilmember Cline stated that he doesn't think they are ready to make a decision either way. Manager Day asked what direction they wanted to go in. He stated that they should look at the documents and then discuss it at the next meeting. Councilmember Fox stated that he would like to see that happen. Councilmember Cline said that they need to understand the business plan inside and out. Councilmember Hankins suggested that they review the documents together. Manager Day stated that they could do that, he could put it on power point and they could look at it together. Councilmember Cline stated that the documents need to be given to the IEDA too and let them do their homework, then come to council with a funding request. Manager Day asked if they would like to push it to the IEDA. Councilmember Cline said yes and he would like to work with them and meet with them. IEDA Member Takach said he would love to work with them on this. Manager Day stated that if there is ever information that they need, and they don't have it, that he is only a phone call away. Councilmember Cline stated that if council looks at it, and IEDA looks at it and they meet on it, that maybe they need to get an investment company to speak to them on this, someone who looks at plans for a living. Manager Day stated that we have would we VML VACO on stuff like investments before, we could do that. Councilmember Fox stated that he would like to see a pickleball court. Councilmember Davis stated that she would not be able to attend the next town meeting but she would like to participate by dialing in.

ADJOURNMENT

With no other business to discuss, Mayor Hoops adjourned the meeting.

Meeting adjourned at 7:37pm.