

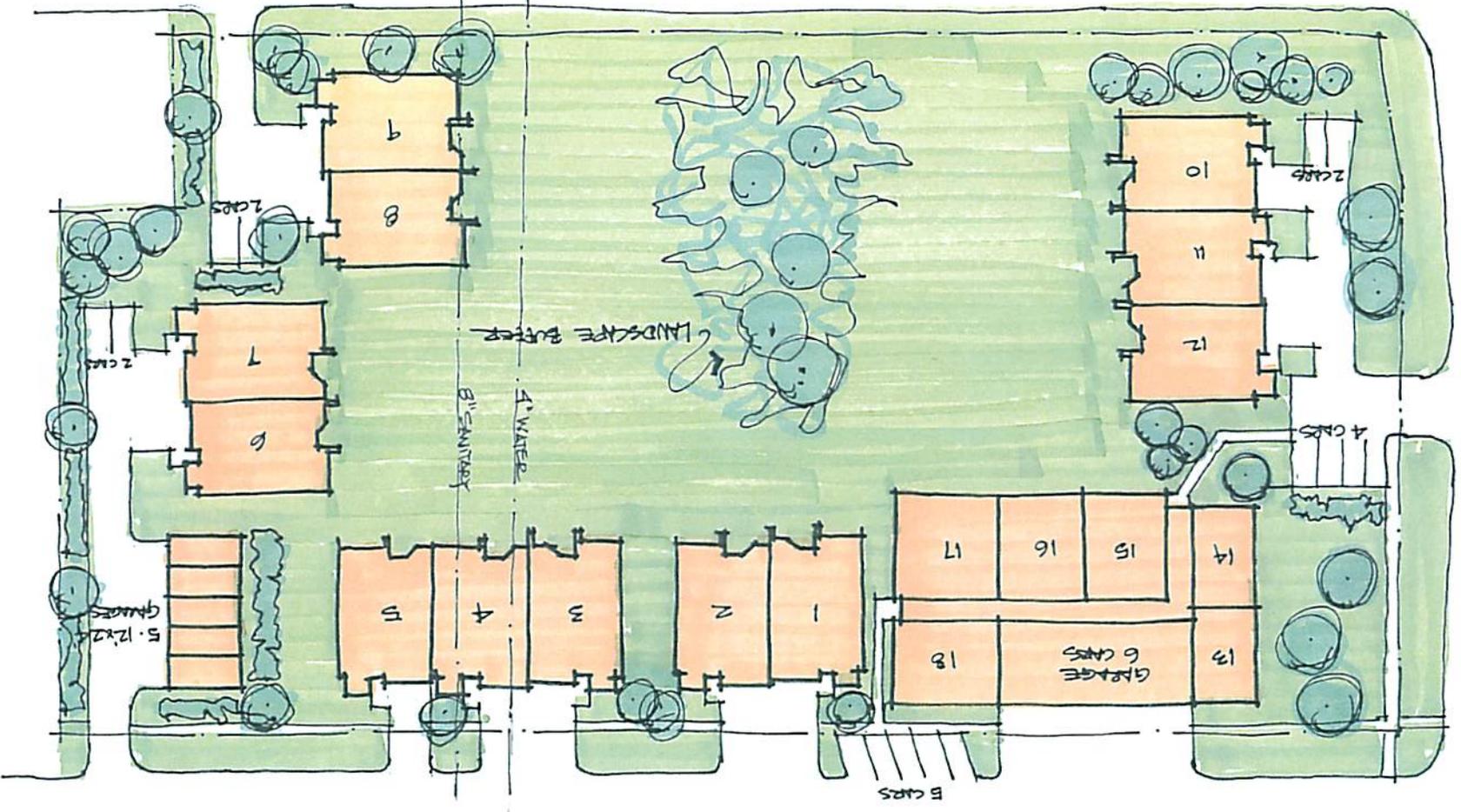
CITY COUNCIL OF THE CITY OF CLEAR LAKE
WORKSHOP MEETING AGENDA
MONDAY, NOVEMBER 7, 2011
COUNCIL CHAMBERS – CITY HALL
6:00 P.M.

1. Call to Order by Mayor Nelson P. Crabb.
2. Approval of the Agenda.
3. Lincoln School Redevelopment Project:
 - Introduction by Scott Flory, City Administrator.
 - Review of proposal by Tom Greene and Gary Veeder, Owners and Andy Meyer, Architect, Bergland & Cram.
 - Discussion by City Council.
4. Request from Ken Emerson, “Emerson’s-by-the-Lake” (308 Main Avenue)
 - Introduction by Scott Flory, City Administrator.
 - Review of request, Ken Emerson, Owner.
 - Discussion by City Council.
5. Other Business:
6. Motion to adjourn.

SCALE: 1" = 40' • BERGLAND + CHAM ARCHITECTS • 9.22.11

NORTH

LINCOLN SCHOOL PLAN



Lakefront Business District and Downtown Retail Recruitment Program

This program is formally titled the "Lakefront Business District and Downtown Retail Recruitment Program". The goal of the program is to make loans and grants of public money to promote and stimulate local economic development, in particular retail, in the "Lakefront Business District" and "Downtown Clear Lake", the boundaries of which shall be as defined by the Urban Renewal Plans previously adopted by the City Council.

The program coincides with the business development strategies outlined in the Downtown Clear Lake Redevelopment Plan and the Lakefront Commercial Districts Redevelopment Plan and is designed to encourage private sector investments that will ultimately improve the retail mix and general economy of both Districts, as well as demonstrate City-wide commitment to an overall healthy Community.

Retail Recruitment Incentives

The Retail Recruitment incentives include: grants for improvements; rent or lease subsidies; property tax rebate payments; and/or other related start-up costs to be determined on a "case-by-case" basis.

The initiative offers eligible businesses a "business improvement" allowance. Grants may be determined based upon length of occupancy and sales generated. The allowance is a one-time only grant to be used for capital improvements to the property. The following staged payout of grant funds will apply:

- Payout 50% of grant provided when business opens and occupies space;
- Payout 25% of grant funds when business has operated and occupies space for 1 year; and
- Payout 25% of grant funds when business has operated and occupies space for 18 months.

Eligible businesses may qualify for a "rent or lease subsidy" or "property tax rebate". An eligible business may receive this grant or rebate on a semi-annual basis for a period not to exceed 5 years.

The City will consider other related and necessary start-up costs, including, but not limited to waiver of building and sign permit fees.

Eligible Types of Businesses

The program is primarily targeted to either new retailers or retail businesses new to Clear Lake. However, existing retailers or businesses wishing to expand the footprint of their building by at least 50% may also be eligible for the "expanded" portion of their business. Businesses should be "catalyst" types of businesses acting as a draw for the district(s).

For profit, sales and property tax paying retail or service businesses. There must be a public benefit to the District, such as the provision of goods and services currently not available, new jobs, retention of jobs, blight elimination, etc. Targeted retail prospects include: men's clothing; shoes & accessories store; infant's and children's wear; music and book stores;

decorative items; linens, house wares/home necessities; sporting goods; office supplies; dry cleaner, and computer software/Internet support.

Restaurants, which feature access to the Lake.

The applicant may own the real estate in which the business is located. Alternatively, the applicant must have a fully executed lease, term not less than five years.

Ineligible Types of Businesses

Included but are not necessarily limited to all non-profit agencies and entities, schools, day care centers, check cashing agencies and banks, nightclubs, bars, liquor stores, convenience stores, restaurants*, and real estate agencies. The City of Clear Lake may decide on a case-by-case basis to exclude other business activities, which it believes do not benefit the health, safety, and welfare of the community and/or do not meet the objectives of this program

* An exception will be made for restaurants as described under "Eligible Types of Businesses".

Eligibility Criteria:

Eligibility for funding will be determined based on

1. Job Creation
2. Private Investment
3. Square Footage of the Retail Space
4. Ability to Attract Other Retailers
5. Hours of Operation
6. Uniqueness
7. Expressiveness of Storefront Façade
8. Multiple Floor Occupancy

Duration of Program

The duration of the program shall coincide with the duration of the Urban Renewal Plans for the Lakefront Business District and Downtown Clear Lake.

Program Funding

The program shall be funded by Tax Increment Financing.

SAMPLE AGREEMENT

ECONOMIC DEVELOPMENT AGREEMENT

This Economic Development Agreement is entered into this 7th day of December 2009, by and between Lake Meat, Cheese & Spices (the "Business") and the City of Clear Lake, Iowa (the "City"), a municipal corporation duly organized and validly existing under the Constitution of the State of Iowa;

WHEREAS, the Business has completed the purchase of property and has undertaken a retail business project at 407 Main Avenue in Clear Lake and;

WHEREAS, the Business previously requested financial assistance from the City related to the cost of improving the property located at 407 Main Avenue; and

WHEREAS, the City is willing to provide such assistance provided that certain conditions, as set forth in this Agreement are met; and

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives, and other financial assistance to or for the benefit of private persons; and

WHEREAS, consistent with the City's Retail Recruitment Incentive Program, adopted by Resolution of the Clear Lake City Council in January of 2008, the City wishes to encourage and support retail development within the Community, in order to support creation and retention of employment opportunities and expand the city's sales and property tax bases;

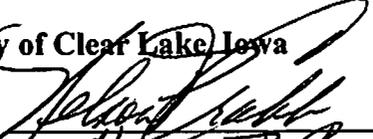
NOW THEREFORE, the parties, in exchange for the promises herein contained, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

1. Business has completed the purchase of the property located at 407 Main Avenue and has undertaken the establishment of a retail business, at the same location, to be operated as Lake Meat, Cheese, & Spices.
2. Business agrees to employ a workforce sufficient to operate such a retail store in Clear Lake, consisting of full-time and part-time employees.
3. Business agrees to operate at 407 Main Avenue for a period of not less than 5 years, commencing not later than December 1, 2009.
4. In consideration for the Business's agreement to locate and operate at 407 Main Avenue in downtown Clear Lake, the City agrees to provide economic development incentives payments to the business in accordance with this Agreement.
5. The City's Economic Development Incentive to the Business shall

6. be in the form of partial property tax rebate payments by the City, for five (5) fiscal years of the City, beginning with the fiscal year that starts on July 1, 2010. The rebate payments will consist of 50% of the property taxes paid by the Business and will be made in equal amounts on June 1 and December 1 of each fiscal year over the 5-year period, with the first rebate payment on December 1, 2010. For purposes of this agreement, the rebate payments shall not exceed \$500 per each of the ten (10) semi-annual payments.
7. The Business agrees and acknowledges that the Economic Development Incentive payments identified herein are being made by the City to the Business for the Business's agreement to purchase and operate a retail store and employ an associated workforce at 407 Main Avenue. The Business agrees that if it defaults or otherwise fails to satisfy the terms of this Agreement for any given incentive year(s), or portions thereof, it shall be obligated to reimburse the City to the extent of such default. The City may cure a default by the Business by any means available by law.
8. This Agreement embodies the entire agreement between the parties and supersedes any written or oral agreement and may be amended or supplemented only by an instrument in writing executed by the parties hereto.
9. If any term or provision of this Agreement is held to be invalid or unenforceable, to any extent, the remainder of this Agreement shall continue to be fully valid and enforceable.
10. Notwithstanding any clause or provision of this Agreement to the contrary, in no event shall the City or the Business be liable to each other for punitive, special, consequential, or indirect damages of any type and regardless of whether such damages are claimed under contract, tort, or any other theory of law.
11. The Business agrees to submit documentation to the satisfaction of the City, by no later than May 1 and November 1 of each year during this Agreement, beginning on November 1, 2010, demonstrating the payment of property taxes the Business has made with respect to the property at 407 Main Avenue.
12. The Agreement may not be amended or assigned by either party without the express permission of the other party.
13. This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed and construed in accordance with the laws of the State of Iowa, with venue in Cerro Gordo County, Iowa.

In Witness Whereof, the City and the Business have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the date first written above.

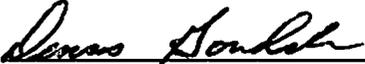
City of Clear Lake, Iowa

By: 

Printed: NEKSON T. CRAMER

Title: MAYOR

Lake Meat, Cheese & Spices

By: 

Printed: DENNIS Goodale

Title: OWNER