

CITY OF UNION
Economic Development Committee
August 14, 2018

Members in attendance:

Jeremy Ramage, Commissioner
James Collett (via phone)
Steve Harper
Jeff Bowman
Kevin Costello, Boone County Planning Commission
David Plummer, City Administrator
Melissa Hinkle, Communications and Operations Director

Also in attendance:

Larry Solomon, Mayor
Bryan Miller, Commissioner
Alex Reynolds, Citizen
Chad Dickerson, Huff Realty
Ken Holliday, Huff Realty

Meeting was called to order at 6:09 p.m. by Commissioner Jeremy Ramage.

Public Comment: Alex Reynolds introduced himself to the group. He is a resident of the Union area and was interested in learning more about government and city administration. He is a junior at Ryle High School, and has been visiting the office and meetings to learn more about how cities work and local government functions.

Guest Speakers: Commissioner Ramage introduced Mr. Ken Holliday and Mr. Chad Dickerson of the Huff Realty Group, Commercial Division. Mr. Holliday and Mr. Dickerson represent the Jim Grammas property, located near the intersection of Mt. Zion and US 42 on the Northwest Side. This approximately 28-acre plot is the first plot to be listed for potential sale as part of the proposed Union Town Center development.

Mr. Holliday advised that they have a listing contract with the Grammas interests, but the property is still available and no sales contract has been executed. Huff is in preliminary conversations with developers regarding the property, but no formal contract negotiations have been held with any party. Holliday noted that the group has been working on formal marketing materials for the property and are working with Mr. Paul Grammas, the owner of an approximate 6-acre parcel across the street from the listed property about a potential listing with Huff.

Mr. Holliday advised that the next steps to development will involve a potential developer sitting down with City representatives to see what ideas for development of

the property the city has in mind and what restrictions, guidelines and other zoning issues may be of importance as development proceeds forward. These discussions will help a developer decide as to whether it is feasible to pursue forward with a property, based on what is both economically feasible and sustainable long-term in the development.

Mr. Holliday suggested that the EDC work together to develop a list of businesses that are not located in Union, but that have expressed an interest in locating in Union, particularly those businesses looking for office space. Office rental space is appealing when working on a multi-use development for developers to consider. Mr. Holliday also stressed that continuity and control are appealing to developers, as they do not want to invest heavily in a property, and then have that property be located to something that may be less desirable, such as a trailer park.

Mr. Holliday emphasized that while they will try to keep the city informed as much as possible, sometimes developers keep their interest on the "QT" prior to contract lock in, and they would have the responsibility to keep those negotiations confidential. He emphasized, even in a case like this, there would still be the option for the developer to "leave" the project, or for the city to discourage a project if the proposal is not good for the city long term.

Mr. Holliday noted that developers are really looking for walkability, and that is a key consideration in purchasing a property. He considers this factor to be key for any development in the future, and this should be an area of emphasis for the city. He also indicated that density of population is needed to sustain a development, and that potentially some living units may be needed in the Town Center for long-term success.

When asked, Mr. Holliday confirmed that the property is being listed for \$200,000 per acre. This equates to about \$4.4 million in total for the property listing. He indicated that the owner is not interested in parceling the property and would prefer to sell as a complete lot at this time.

Commissioner Ramage asked if there is a penalty or a timeline for non-development by a potential purchaser. Mr. Holliday reminded the committee that this is private property sold by a private individual to a private developer, and it is nearly impossible to put any restriction on such use. He did say there are individuals who purchase property to hold on "speculation" and there is nothing in zoning or code that prevents this type of sale. He did note that they are working with developers who are interested in building active development, and are not as interested in carrying a property, but developing it for quicker return on investment. With the property price, he feels that it is likely the property will be developed quickly by a potential purchaser.

Mayor Solomon asked when the marketing materials would be ready. Holliday said in a couple of weeks. Solomon asked that those materials be shared with city staff prior to public disclosure to ensure accuracy of all items included.

RFP Results: Commissioner Ramage indicated that there had not been much feedback regarding the RFP. He did note that one group received the proposal after the submission deadline due to an inaccurate address, and that group was still interested in proposing to the city, but that nothing had been received as of this date.

Ramage suggested that the EDC pursue the suggestion of developing a list of businesses/business entities that are interested in locating to Union, and that such a list has already been started by City staff. A few requests for space or locations have been noted by staffers and City Administrator Plummer has been compiling the list. In addition, city staff has been creating a list of those suggested business ideas received by citizens, to see if they can be matched to existing businesses for relocation or branches in Union.

Ramage also reported on a meeting with representatives from Pizutti, who developed the original town center plan. Ramage, Plummer, Solomon and others met with Mr. Ken Russell and his associate, as part of a one-day consultation session sponsored by the Boone County Planning Commission. Pizutti was going to return to their offices to consider the comments, and provide an updated report of suggestions. This report has not been received yet from Pizutti, but is expected before the next meeting.

Mr. Costello gave a brief report regarding the upcoming construction projects in the area, particularly focused on the road construction at the Mt. Zion and Richwood Interchanges, the US 42 and Weaver Road Jug Handle, and other smaller projects in the area. He noted that in the next two years more than 2,000 orange traffic barrels will be in the Union area due to these projects, and while it would be inconvenient during the transition, these projects would significantly improve traffic flow throughout Boone County.

Wednesday, September at 6 p.m. was set for the next meeting date.

The Meeting was formally adjourned at 6:53 pm by Commissioner Ramage