

Mr. Pine advised that if repair costs exceed \$300,000, Chuck's will pay the difference; if the repair costs are lower, they do not expect to receive the additional funds. He noted that in addition to the restaurant, which will serve breakfast, lunch and dinner, there will be a banquet facility, full bar, catering, and a pick up location at the rear of the building; there will be no drive-thru window.

Alderman McIvor requested the amount in the agreement state not-to-exceed \$300,000, and if the property is sold within five years, the grant be repaid to the City. Administrator Vana added that interest rates will be established and the percentage added to the collateral. Mr. Pine had no problem with the recommendations.

Repairs and improvements to the exterior and interior of the building will be done concurrently. A September/October opening date is anticipated.

Direction was given to Staff to work on the agreement for action at the July 16, 2012 City Council Meeting.

4. **CAPITAL IMPROVEMENTS PLAN**

The draft Capital Improvements Plan for fiscal years ending 04/30/13 to 04/30/15 was reviewed. Alderman Avci felt it was a good plan with a positive approach but would like the guidelines under Section 2.3 to be better defined and be consistent with the City's goals.

Treasurer Coren noted that everything in the plan was subject to change; he found it to be a first step that establishes a three-month operating minimum reserve in the General Fund, and a minimum reserve of \$500,000 in the Capital Projects Fund. It forces project discussions to take place during Goal Setting versus during budget review and establishes parameters for the budget.

Alderman Beilke inquired if the incentive to Chuck's will be paid out of the \$500,000. Administrator Vana advised it could be, but that is not the intention. If desired an Economic Development line item can be established. Treasurer Coren spoke of reserves. Administrator Vana noted that expansion items can be considered only after core projects are funded. Alderman Marchese agreed that core projects are the number one priority. Treasurer Coren explained why it is acceptable if the minimum reserves go below the minimum from time to time. Administrator Vana spoke of the City's excellent cash flow position.

The Committee-of-the-Whole Meeting adjourned at 7:10 P.M.

Mayor

City Clerk

ld

All supporting documentation and report originals of these minutes are on file in the Office of the City Clerk under File Number 06-18-12 Committee-of-the-Whole.