

***MINUTES***  
***SPECIAL CITY COMMISSION MEETING***  
***TUESDAY, AUGUST 25, 2009***  
***5:00 P.M.***

The Special City Commission Meeting of the City Commission was held at 5:00 p.m. in the City Commission Room. Mayor Bob Strawn and Commissioners Bruce Snead, James E. Sherow, Loren J. Pepperd, and Jayme Morris-Hardeman were present. Also present were the City Manager Ron R. Fehr, Assistant City Manager Jason Hilgers, Assistant City Manager Lauren Palmer, City Attorney Bill Frost, City Clerk Gary S. Fees, 2 staff, and approximately 7 interested citizens.

**PLEDGE OF ALLEGIANCE**

Mayor Strawn led the Commission in the Pledge of Allegiance.

Mayor Strawn informed the public of the special ceremony and ribbon cutting held earlier today at the Manhattan Regional Airport to celebrate the inaugural flight for American Eagle and thanked those involved in making this event happen.

**SPECIAL MEETING AGENDA**

**ORDINANCE NO. 6778 – LEVY – TRANSIENT GUEST TAX**

Bernie Hayen, Director of Finance, presented the item.

Commissioner Snead moved to approved Ordinance No. 6778 authorizing the levy of a six percent (6%) transient guest tax upon the gross receipts derived from or paid by transient guests for sleeping accommodations. Commissioner Sherow seconded the motion. On a roll call vote, motion carried 4-1, with Commissioner Pepperd voting against the motion.

**ORDINANCE NO. 6779 – EMINENT DOMAIN – US 24 AND MCCALL ROAD INTERSECTION IMPROVEMENTS (ST0907)**

Dale Houdeshell, Director of Public Works, presented the item and responded to questions from the Commission.

Bill Frost, City Attorney, provided clarification on the item and the legal process that will be followed for the item.

## SPECIAL MEETING AGENDA (CONTINUED)

### ORDINANCE NO. 6779 – EMINENT DOMAIN – US 24 AND MCCALL ROAD INTERSECTION IMPROVEMENTS (ST0907) (CONTINUED)

Dale Houdeshell, Director of Public Works, responded to questions from the Commission regarding timeline for the project.

After discussion, Commissioner Sherow moved to approved Ordinance No. 6779 authorizing the acquisition of the required properties by condemnation for the US-24 (East Poyntz) and McCall Road (ST0907) Intersection Improvement Project utilizing ARRA Funds. Commissioner Snead seconded the motion. On a roll call vote, motion carried 5-0.

## WORK SESSION

### Economic Development Process Review

Lyle Butler, President, Manhattan Area Chamber of Commerce, introduced the item.

John Pagen, Manhattan Area Chamber of Commerce, provided background information on the economic development initiatives and current economic development model used to consider applications. He then provided additional factors to consider in the development of a new economic development model and strategies in developing an alternative funding criteria model. He then answered questions from the Commission.

Don Wissman, Co-Chair, Economic Development Task Force, provided the Commission with his experience as being the Chair for the 2002 Economic Development Task Force and stated the significance of the return on investment with the economic development initiatives. He said a fundamental consideration has been whether incentives should target higher paying companies that might not produce high number of jobs and planned to provide a model for the Commissioners to better make an objective evaluation of the companies seeking economic development funds. He then responded to questions from the Commission.

Brice Ebert, 1410 Poyntz Avenue, voiced concerns with economic development as Manhattan has a high cost of living combined with low income levels. He stated with the rental inspection program moving forward and utility increases occurring, it will be difficult to provide affordable housing and for Manhattan to be prosperous.

Lyle Butler, President, Manhattan Area Chamber of Commerce, responded to questions from the Commission regarding other economic models to look at and expressed the challenge associated with land costs in our region for economic development activity.

**WORK SESSION (CONTINUED)**

**Economic Development Process Review (CONTINUED)**

Ron Fehr, City Manager, responded to questions from the Commission and stated that the City has used its financial adviser when evaluating prospective companies seeking economic development funds.

Lyle Butler, President, Manhattan Area Chamber of Commerce, and Don Wissman, Co-Chair, Economic Development Task Force, responded to additional questions and received direction from the Commission. They informed the Commission that the feedback received was very important as they develop the Task Force Committee and would be providing additional information as they proceed forward.

Ron Fehr, City Manager, responded to questions from the Commission and provided clarification on when the item would be brought back to the Commission for their review.

**ADJOURNMENT**

The City Commission meeting adjourned at 7:42 p.m.

A handwritten signature in blue ink, appearing to read "Gary S. Fees", is written over a horizontal line.

Gary S. Fees, MMC, City Clerk