

City of Darien
Minutes of the Administrative/Finance Committee
September 3, 2019

The Meeting was called to order by Chairwoman/Aldерwoman Sullivan at 6:00 pm. Committee member Aldermen Schauer was present. Mayor Marchese, Treasurer Coren, Accounting Manager Julie Saenz and City Administrator Vana were also present. Members from the public attending: Jim Savio from the city's audit firm-Sikich

Presentation - Draft FYE 19 Annual Financial Report

Jim Savio of Sikich presented the draft Annual Financial Report for the Year Ended April 30, 2019. The final report will be presented to the City Council October 7, 2019.

Economic Development Agreement – Carriage Greens Country Club

Staff advised that at the August 5, 2019, City Council meeting the Council approved a motion for staff to negotiate a formal economic development agreement with Carriage Greens within the general terms identified by staff. Staff advised the agreement has been negotiated and is acceptable to Carriage Greens. And provided a summary of the agreement including:

- City to provide an economic development incentive to Carriage Greens in the amount of \$366,000 as part of a 10 year agreement. The incentive will be used for items specifically listed in the agreement.
- The incentive will be paid back to the City from increased revenues generated from virtual golf revenue sharing, sales, amusement, food and beverage and video gaming taxes
- City will place a lien on the property for the \$366,000. The lien will be removed when Carriage Greens generates additional revenue of \$366,000 to the City over the 10 year period. If Carriage Greens does not generate an additional \$366,000 in revenues to the City prior to the end of the agreement they will be responsible to pay back the difference.
- City will have access to conduct unlimited special events at Carriage Greens Monday to Thursday and Friday to Sunday with permission from Carriage Greens.
- The financial incentive will be used for items shown in the attached packet. Items related to building and grounds will require final approval from the City prior to beginning the work. The maintenance equipment, kitchen equipment, and virtual golf will not need approval prior to purchasing.
- Carriage Greens will invest a minimum of \$180,000 of its own money into building and grounds improvements over the next 2 years. (includes \$80,000 recently spent on parking lot improvements)
- The virtual golf would be covered by the City's 3% amusement tax. In addition to that tax, the City will receive a portion of the gross receipts from revenue generated from the virtual golf to help offset the financial incentive provided to Carriage Greens. This sharing will begin after the virtual golf has

been in operation for one year. So, Carriage Greens will keep all of the virtual golf revenue the first year.

The committee unanimously recommended approval of the agreement.

Minutes – August 5, 2019

The Committee unanimously approved the minutes.

Adjournment - The meeting adjourned at 6:59 pm.

Approved:

Mary Sullivan, Chairwoman _____

Eric Gustafson, Member _____

Ted Schauer, Member _____