

FINANCE AND ADMINISTRATION

MINUTES

April 24, 2006

Minutes of a regular meeting of the Finance and Administration Committee of the City of O’Fallon, held in the Mayor’s Conference Room, City Hall, 255 S. Lincoln, O’Fallon, Illinois on April 24, 2006. CALL TO ORDER: Time: 5:30 p.m.

ROLL CALL: MEMBERS Medford - X Reckamp - X
West - X Drolet - X
Grogan - X

STAFF LIAISON: Dean Rich, Pam Funk, Walter Denton, Alderman Albrecht, True, Henry and Schmitt

Approval of the minutes from March 27, 2006

Item 1 Sister City Proposal

Alderman True reported that the City has sent in its registration and he will be attending a State Convention of Sister Cities in Springfield this week. He is working to get a list of available sister cities and will report back next month.

Item 2 Economic Development Assistance - Subaru

Mr. John Hanna has requested economic assistance under the City’s Policies Providing Development Funding Assistance. He has experienced a 34% increase in cost on this project in the past eight months and has just broken ground. The Director of Finance reviewed his cost increases, the history of the City’s 14 previous agreements and recommended a \$150,000, 50/50, 10 year agreement. Alderman Reckamp did not agree with the proposal and did not want to give Subaru an incentive. Alderman Medford made a motion to give Subaru the proposed agreement, second by Grogan, 4 yes, 1 no.

Item 3 Hotel/Motel Room Tax Ordinance Revision

The city was notified it has reached home rule status and wishes to revise its Hotel/Motel Room Tax to a Home Rule designation and increase the rate from 3% to 5%. Under the non-home rule ordinance use of these funds were limited to advertising. The

