



MINUTES

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

Date and Time:	March 17, 2015 4:00 PM	Location:	City Conference Room 1515 Strongs Avenue Stevens Point, WI 54481
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Present: Chairperson Schlice, Alderperson Phillips, Commissioner Molski, Commissioner Gardner, and Commissioner Dugan.

Excused: Commissioner Adamski and Commissioner Sawyer.

Also Present: Executive Director Ostrowski, Mayor Gary Wescott, City Attorney Beveridge, Mary McComb, Mary Ann Laszewski, and Garrett Ryan.

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1. Roll call.
 2. Persons who wish to address the Board on specific agenda items other than a "Public Hearing" must register their request at this time. Those who wish to address the Board during a "Public Hearing" are not required to identify themselves until the "Public Hearing" is declared open by the Chairperson.
 3. Public comment for pre-registered individuals for matters appearing on the agenda.
- Discussion and possible action on the following:
4. Approval of the minutes from the January 13, 2015 Redevelopment Authority meeting.
 5. Approval of financial reports, claims, and statements from December 2014, end of year 2014, and January 2015.
 6. Amendment No. 2 – Great Lakes Educational Loan Services, Inc. - Sublease and Developer's Agreement – 1101 Centerpoint Drive, Stevens Point, WI 54481.
 7. Amendment No.2 - AECOM Agreement for Environmental Services – Remedial Action Services – Former Lullabye Furniture Site, 1017 Third Street, Stevens Point, WI 54481.
 8. Modification of Redevelopment Authority Bylaws.
 9. Adjourn into closed session pursuant to Wisconsin Statutes 19.85(1)(e) (deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session) for the purposes of:
 - a. Negotiating the terms of a development agreement for 1017 Third Street.
 - b. An option to purchase real estate.
 10. Reconvene into open session for possible action on the above.
 11. Use of Housing Trust Fund dollars.

12. Executive Director's update (This item is for information purposes only; no formal action will be taken.
 - a. Update on Edgewater Manor property condition assessment.
 - b. Update on Central Wisconsin Economic Development Loan Fund.
 - c. Comprehensive Plan and redevelopment projects.

13. Adjourn.

1. Roll call.

Present: Schlice, Phillips, Molski, Gardner, Dugan

2. Persons who wish to address the Board on specific agenda items other than a "Public Hearing" must register their request at this time. Those who wish to address the Board during a "Public Hearing" are not required to identify themselves until the "Public Hearing" is declared open by the Chairperson.
3. Public comment for pre-registered individuals for matters appearing on the agenda.

No one wished to speak on any agenda items.

Discussion and possible action on the following:

4. Approval of the minutes from the January 13, 2015 Redevelopment Authority meeting.

Motion by Commissioner Molski to approve the minutes of the January 13, 2015 Redevelopment Authority meeting; seconded by Commissioner Gardner. Motion carried 5-0.

5. Approval of financial reports, claims, and statements from December 2014, end of year 2014, and January 2015.

Executive Director Ostrowski stated the reports have been included in the packet. The net 2014 profit/loss shows just over \$92,000 as profit for the year, but that amount did not include any major repairs or have any debt service associated with it.

Commissioner Dugan asked what the building repairs included in the statement were, to which Executive Director Ostrowski explained they are the standard building repairs, unit upgrades, etc.

Motion by Commissioner Gardner to approve the financial reports, claims, and statements from December 2014, end of year 2014, and January 2015; seconded by Alderperson Phillips. Motion carried 5-0.

6. Amendment No. 2 – Great Lakes Educational Loan Services, Inc. - Sublease and Developer's Agreement – 1101 Centerpoint Drive, Stevens Point, WI 54481.

Executive Director Ostrowski stated this agreement was approved by Common Council last night. Great Lakes is asking to extend the boundary of the property beyond the property wall. We have added a 20 foot extension to the boundary around the building excluding the public walk areas. Also, we identified in the agreement the Redevelopment Authority instead of the CDA.

Motion by Commissioner Molski to approve Amendment No. 2 – Great Lakes Education Loan Services, Inc. - Sublease and Developer's Agreement – 1101 Centerpoint Drive, Stevens Point, WI 54481; seconded by Commissioner Gardner.

Roll Call: Yeas – Schlice, Phillips, Molski, Gardner, Dugan
Nays – None

Motion carried 5-0.

7. Amendment No.2 - AECOM Agreement for Environmental Services – Remedial Action Services – Former Lullabye Furniture Site, 1017 Third Street, Stevens Point, WI 54481.

Executive Director Ostrowski stated this is a no cost amendment. The work on the Lullabye property is near completion in terms of the original scope. AECOM has removed some soil from the southwest corner of the site which had lead contamination, and on the north eastern corner of the site that had some PCE contamination. These removals came in under budget, as the quantity of soil removed was less than estimated. However, Dun-Rite Dry Cleaners has been doing some investigation to determine their extent of contamination. During the course of their investigation, they tested some areas on the Lullabye site to see if the plume extended that far to the west. The test results did indicate some additional contaminated areas on the Lullabye site. With this being the case, we are not able to continue with the Voluntary Party Liability Exemption (VPLE) process until we determine the extent, and potential source, of this newly found contamination. Under this amended agreement, AECOM would go out and do some additional testing to better define the limits of the contamination.

Aldersperson Phillips asked if they had gone into the Guzman Building for any borings, to which Executive Director Ostrowski stated they have done indoor air sampling.

Motion by Aldersperson Phillips to approve the Amendment No.2 - AECOM Agreement for Environmental Services – Remedial Action Services – Former Lullabye Furniture Site, 1017 Third Street, Stevens Point, WI 54481; seconded by Commissioner Dugan.

Commissioner Gardner asked if this testing does not show it is part of the other plume, would we be required to clean it up before the deadline. Executive Director Ostrowski answered it depends on who is responsible. One concern with this is the contract with the state and the EPA with the grant money expires by September 30, and if not spent it is lost. So we have to determine who is responsible. If it is not part of Dunrite, then we may have to complete the cleanup and AECOM would come back for another amendment.

Roll Call: Yeas – Schlice, Phillips, Molski, Gardner, Dugan

Nays – None

Motion carried 5-0.

8. Modification of Redevelopment Authority Bylaws.

Executive Director Ostrowski made corrections as requested and also changed the Motions under Article 3, Section 7 Voting shall be recorded as a voice vote and shall be recorded as yeas or nays.

Commissioner Schlice suggested using aye instead of yeas.

Motion by Commissioner Gardner to approve the modification of the Redevelopment Authority Bylaws, including the amendment to aye, instead of yeas; seconded by Commissioner Molski.

Roll Call: Yeas – Schlice, Phillips, Molski, Gardner, Dugan

Nays – None

Motion carried 5-0.

9. Adjourn into closed session pursuant to Wisconsin Statutes 19.85(1)(e) (deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session) for the purposes of:
 - a. Negotiating the terms of a development agreement for 1017 Third Street.
 - b. An option to purchase real estate.

Motion by Commissioner Molski to enter into closed session, seconded by Alderperson Phillips.

Roll Call: Yeas – Schlice, Phillips, Molski, Gardner, Dugan

Nays – None

Motion carried 5-0.

10. Reconvene into open session for possible action on the above.

Motion by Commissioner Gardner to return to open session; seconded by Commissioner Molski.

Roll Call: Yeas – Schlice, Phillips, Molski, Gardner, Dugan

Nays – None

Motion carried 5-0.

Commissioner Schlice explained it has been determined that no action is needed at this time.

11. Use of Housing Trust Fund dollars.

Executive Director Ostrowski explained last year the Board had put a halt on using any Housing Trust Fund dollars until we had determined what was being done with Edgewater Manor. Habitat for Humanity was going to put in a bid on a foreclosure, which had a Habitat loan, a City loan, and a Redevelopment Authority loan. The intent was that if they were the successful bidder, they would cover their loan, the City loan, and the Redevelopment Authority loan, as long as they could use the funds for another family. They were not successful in that bid; however the successful bidder did pay more than what was owed on the property and we should be receiving those funds back. Habitat is asking if they could use those funds for another family project. This is before you to determine if you would allow those funds to be used on another project with Habitat.

Commissioner Gardner asked for clarification to which Executive Director Ostrowski stated we had put a hold on any additional loans made out of the Housing Trust Fund because we didn't know the extent of the repairs that are going to be needed at Edgewater Manor. The Housing Trust Funds are the only other income source the Redevelopment Authority has available.

Commissioner Schlice asked what the timing on the report for Edgewater is, to which Mr. Ostrowski stated it is 60 days after we executed the contract with the consultant.

Commissioner Gardner asked how much is in the Housing Trust Funds now, and how much is Habitat asking for. Executive Director Ostrowski stated they are asking for \$12,000 and our current balance is just over \$100,000. The balance of Edgewater Manor's checking account is just over \$140,000.

Commissioner Molski asked if we should be waiting to see what Edgewater Manor will be costing us prior to authorizing funds to others. Alderperson Phillips stated, should we stop everything just because of Edgewater?

Commissioner Schlice asked if the project for Habitat would still continue if they do not receive those funds. Executive Director Ostrowski stated as far as he knows the project will still proceed.

Commissioner Molski added since we took on the responsibility of keeping Edgewater Manor, we have to make sure we have the money to do what needs to be done to that property.

Motion by Commissioner Molski to deny the request to use of Housing Trust Fund dollars for any additional loans; seconded by Commissioner Dugan.

Roll Call: Yeas – Schlice, Phillips, Molski, Gardner, Dugan

Nays – None

Motion carried 5-0.

12. Executive Director’s update (This item is for information purposes only; no formal action will be taken.

- a. Update on Edgewater Manor property condition assessment.
- b. Update on Central Wisconsin Economic Development Loan Fund.
- c. Comprehensive Plan and redevelopment projects.

Executive Director Ostrowski explained we have recently signed the property assessment contract with AGL and they have 60 days to deliver a draft report. They would then make a presentation before the Redevelopment Authority. The vacancy rate is still about 30%. Now is the prime leasing season, so we should see a better predictor of occupancy in June and July.

Executive Director Ostrowski gave an update on the status of the Central Wisconsin Economic Development Loan (CWED) Fund and the status with the Department of Administration. He stated there are still questions on whether there can be any local control and if there are federal requirements on the loans that we make, as it was thought that the funds would be defederalized. He indicated that he would provide more information at a later date.

Executive Director Ostrowski said in previous meetings we discussed possible projects that the Redevelopment Authority could potentially be taking on. Enclosed in the packet is a map of potential redevelopment areas that came from the Comprehensive Plan from 2006. Alderperson Phillips feels there is a potential redevelopment area with the 17 acres purchased in 2000 east of Johnson Towing and does not want that area turned into just a park, but feels there is room for development for condos or homes. Commissioner Gardner suggested having individual homes rehabilitated on a case-by-case, block-by-block basis. Commissioner Dugan supported the rehabilitation suggestion. Commissioner Schlice brought up an old program that worked well of supplying the paint if a person wanted to paint their home. Additional conversations will take place at a future meeting.

13. Adjourn

Meeting adjourned at 5:19 PM.

Approved:

John Schlice, Chairperson

Date

Attest:

Michael Ostrowski, Executive Director

Date