

Report of the Community Development Authority of the City of Stevens Point

Wednesday, April 17, 2013, 12:00 PM  
City Conference Room  
1515 Strongs Avenue, Stevens Point, WI 54481

PRESENT: Chairperson Halverson, Alderperson Stroik, Commission Hansen, Commissioner Molski, Commissioner Cooper, and Commissioner Onstad.

ABSENT: Commissioner Adamski.

ALSO PRESENT: Executive Director Michael Ostrowski, Kris Pethick, Tom Macak, Patt Cornwell, and Andrew Beveridge.

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1. Roll call.

Discussion and possible action on the following:

2. Report of the March 5, 2013 meeting.
3. Allowing \$12,000.00 of loan funds, as a result of a foreclosure at 276 2<sup>nd</sup> Street North, to be held and rolled over to a new family at this location.
4. Update on the CenterPoint MarketPlace redevelopment project.
5. Approval of joint municipal agreement of the City of Stevens Point and Community Development Authority of the City of Stevens Point for Edgewater Manor, and acceptance of funds in the amount of \$1,521,500.00 to be used for the purpose of completing the CenterPoint MarketPlace redevelopment project.
6. Approval of contracts with AECOM for the purpose of environmental assessment and remediation activities on the former CenterPoint MarketPlace site.
7. Acceptance of the recommendation by the Plan Commission on April 1, 2013 and the approval of the Historic Preservation / Design Review Commission decision on April 3, 2013 for the construction of municipal parking lot 16 and the extension of Strongs Avenue.
8. Authorization to bid out the construction of municipal parking lot 16 and the extension of Strongs Avenue.
9. Authorization for the Chairperson and Executive Director of the Community Development Authority of the City of Stevens Point to approve/execute contracts and payments relating to the activities to carry out the CenterPoint MarketPlace redevelopment project.
10. Adjourn.

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1. Roll call.

**Present: Halverson, Stroik, Hansen, Molski, Cooper, and Onstad.**

**Not Present: Adamski.**

2. Report of the March 5, 2013 meeting.

**Motion by Commissioner Cooper to approve the report; seconded by Commissioner Hansen.  
Motion carried 6-0.**

3. Allowing \$12,000.00 of loan funds, as a result of a foreclosure at 276 2<sup>nd</sup> Street North, to be held and rolled over to a new family at this location.

Director Ostrowski stated that this is a request from Habitat for Humanity to hold over \$12,000 worth of loan funds for a new family at this location. The previous tenant was subject to foreclosure.

Mr. Macak, Habitat for Humanity said there is about \$80,000 in liens on the property. He said his main purpose is to see if they CDA is willing to roll over the funds, as CAP is doing, and second, if the CDA is willing to do so, the bid at the sheriff's sale will need to be enough to cover the loans on the property. He indicated that Habitat for Humanity does hold a right of first refusal on the property.

Commissioner Hansen asked if the tax liens will be paid off on the property. Chairperson Halverson said they would need to be satisfied.

Chairperson Halverson said that if the right of first refusal is not recognized by the Sheriff, then in his opinion he would not like to see the funds rolled over, because we will get the funds back sooner. Mr. Macak said there is the possibility that the CDA may get no funds back because Habitat only needs to bid enough to cover CAP's and Habitat's mortgage. The next bidder would only need to come in at one dollar over that bid.

Mr. Macak said Habitat is willing to cover all three loans with their bid.

Kris Pethick said this is an agreement that the CDA would hold the \$12,000 worth of funds for the new family.

Aldersperson Stroik clarified that the CDA has paid out the \$12,000, and that Habitat is trying to get it back through this bid process. Habitat is just looking for us to hold it for the next family. Mr. Macak said that is correct.

Commissioner Cooper asked if the \$80,000 in liens fall after the judgment of the mortgages. Mr. Macak indicated yes.

Commissioner Hansen said as long as the bid includes the property taxes, then we are ok.

**Motion by Commissioner Hansen to authorize the holding of \$12,000 for a new family at this location, as long as the bid is at least \$47,000; seconded by Commissioner Molski.**

Commissioner Hansen asked if there will be a title search prior to the foreclosure. Mr. Macak said one was done six or eight months ago. Commissioner Hansen said he would like to see one done again, or a letter report.

**Motion carried 6-0.**

4. Update on the CenterPoint MarketPlace redevelopment project.

Director Ostrowski gave an update on the CenterPoint MarketPlace redevelopment project regarding all of the costs that have been incurred and the timeline for phase 2 of the project. The

next steps in the process would be the outstanding environmental issues and the parking lot construction. Director Ostrowski said that AECOM had estimated that there are about \$575,000 of additional environmental costs; \$150,000 on former Dun-Rite, and \$425,000 on the former Normington and current MSTC site. Total environmental costs would be about \$720,000. The parking lot construction would be about \$800,000. The total estimated costs remaining on the project are about \$1.7 million. The City has borrowed the funds and is willing to appropriate the funds, which will be discussed in the next agenda item. It is not the full \$1.7 million, but rather \$1,521,500, as the CDA has received a brownfields grant from WEDC in the amount of \$178,500 for the project. Within AECOM's estimate, they have provided contracts to start dealing with the environmental concerns at all three locations, and those have been provided to you.

5. Approval of joint municipal agreement of the City of Stevens Point and Community Development Authority of the City of Stevens Point for Edgewater Manor, and acceptance of funds in the amount of \$1,521,500.00 to be used for the purpose of completing the CenterPoint MarketPlace redevelopment project.

Director Ostrowski said any surplus would go back to pay off the loan.

Commissioner Molski asked why it mentions Edgewater Manor. Chairperson Halverson said the Common Council was concerned about the selling of Edgewater Manor and what this agreement will do is that as part of the acceptance of funds, the Common Council must consent to the sale of Edgewater Manor.

Commission Hansen said that there will be no funds going towards Edgewater Manor, Chairperson Halverson said no funds will go to Edgewater Manor.

Director Ostrowski outlined the Edgewater RFP process.

Commissioner Hansen asked how close the \$1.5 million will get us to completing the project. Director Ostrowski said this should complete the project.

Director Ostrowski stated that most of the project will be completed this year, but there will be some ongoing operational costs and decommission costs relating to the environmental.

Commission Hansen stated that we should keep enough funds to cover these costs.

**Motion by Commissioner Hansen to accept the funds and approve the agreement; seconded by Commissioner Onstad.**

**Roll call:**

- **Ayes – Halverson, Stroik, Hansen, Molski, Cooper, Onstad.**
- **Nays – None.**

**Motion carried 6-0.**

6. Approval of contracts with AECOM for the purpose of environmental assessment and remediation activities on the former CenterPoint MarketPlace site.

Director Ostrowski said the contract that was provided in the packet has been amended to include the public bidding process. The removal of the slab and soil will require us to bid out, and AECOM will need to draft those documents.

There are other contracts for the Normington component and the MSTC component. These are the contracts to carry out the activities that have been outlined in AECOM's estimate.

Aldersperson Stroik asked if they are requesting \$40,000 to remove the slab. Director Ostrowski said no, they will have to bid out that component. This contract is for additional testing to determine the actual extent of the contamination. This will determine how much soil will need to be excavated.

Aldersperson Stroik asked what the comfort level was that they will be able to complete the project and not come back for more money. Are we fairly certain that this \$700,000 will cover it. Director Ostrowski said they have already done the initial testing. This will be doing additional testing to determine the extent of the plume.

Aldersperson Stroik asked if the CenterPoint MarketPlace was still operating today, would this be an issue. Chairman Halverson said it was not known that the contamination levels were there, expected, but not confirmed. It was likely not going to be a viable shopping center due to market forces.

Chairperson Halverson said we could have gone through the condemnation process which would have driven down the acquisition price, but it would have taken 3-4 years, and at that point what do we have.

**Motion by Commissioner Cooper to approve the environmental contracts with AECOM; seconded by Aldersperson Stroik.**

**Roll call:**

- **Ayes – Halverson, Stroik, Hansen, Molski, Cooper, Onstad.**
- **Nays – None.**

**Motion carried 6-0.**

7. Acceptance of the recommendation by the Plan Commission on April 1, 2013 and the approval of the Historic Preservation / Design Review Commission decision on April 3, 2013 for the construction of municipal parking lot 16 and the extension of Strongs Avenue.

Director Ostrowski said that the Plan Commission recommended approval of concept plan two with the ability to make modifications as we work with property owners.

Aldersperson Stroik asked how this parking lot will affect future development of the former Dunham's property. Is this going to drive up the sale price. Director Ostrowski said we have released two separate RFPs, one for the former Dunham's building and the other for the property to the east. This is very similar to what we are doing with Edgewater.

Aldersperson Stroik said that this will be a municipal lot and not tied to the building. Director Ostrowski said that it is anticipated to be a public parking lot, but if in a proposal the respondent requires some stalls, we will need to discuss that request at such time.

Director Ostrowski said this lot should help reduce some of the congestion in the Shopko parking lot.

**Motion by Commissioner Hansen to accept the recommendation; seconded by Commissioner Onstad.**

**Roll call:**

- **Ayes – Halverson, Stroik, Hansen, Molski, Cooper, Onstad.**
- **Nays – None.**

**Motion carried 6-0.**

8. Authorization to bid out the construction of municipal parking lot 16 and the extension of Strongs Avenue.

**Motion by Alderperson Stroik to authorize the bidding out of the construction of the parking lot and the extension of Strongs Avenue; seconded by Commissioner Molski.**

**Roll call:**

- **Ayes – Halverson, Stroik, Hansen, Molski, Cooper, Onstad.**
- **Nays – None.**

**Motion carried 6-0.**

9. Authorization for the Chairperson and Executive Director of the Community Development Authority of the City of Stevens Point to approve/execute contracts and payments relating to the activities to carry out the CenterPoint MarketPlace redevelopment project.

Director Ostrowski stated that as we move towards finalizing this project, there will need to be several contracts and agreements approved on a regular basis. Contracts that can be brought back to the Board will, but when timelines need to be met, mainly due to environmental concerns, these contracts will need to be executed to keep the project moving and reduce costs. Director Ostrowski stated that they would only sign contracts under the estimates that have been provided.

Alderperson Stroik said this is within the \$1.5 million. Director Ostrowski said that is correct.

Chairperson Halverson said that if there is a positive change order that significantly exceeds the signed contracts, we would bring that back to the Board for approval.

Director Ostrowski said that the main approvals that we would do are for additional environmental contracts to carry out the items outlined in AECOM’s estimates. These are what we would be approving, but not above the authorized funds.

**Motion by Alderperson Stroik to authorize the Chairperson and Executive Director of the CDA to approve/execute contracts and payments relating to the activities to carry out the CenterPoint MarketPlace redevelopment project; seconded by Commissioner Cooper.**

**Roll call:**

- **Ayes – Halverson, Stroik, Hansen, Molski, Cooper, Onstad.**
- **Nays – None.**

**Motion carried 6-0.**

10. Adjourn.

**Meeting adjourned at 12:47 PM.**

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Chairperson

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Date

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Secretary

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Date