

**FINANCE COMMITTEE
APRIL 13, 2015 AT 6:39 P.M.
FORMER MID-STATION TECHNICAL COLLEGE – 933 MICHIGAN AVENUE**

PRESENT: Ald. R. Stroik, O’Meara, Phillips and Patton

EXCUSED: Ald. Slowinski

ALSO

PRESENT: Mayor Wescott; C/T Ladick; City Attorney Beveridge; Clerk Moe; Directors Lemke, Ostrowski, Schrader, Schatschneider; Ald. Wiza, Trzebiatowski, Moore, M. Stroik, Doxtator, Walther; Fire Chief Finn; Interim Police Chief Skibba; Deputy C/T Freeberg; Steve Shepro; Nate Enwald; Larry Lee; Gene Kemmeter; Mykayla Hilgart; Mary McComb; Mary Kneebone; Shaun Morrow; Garrett Ryan; Denise Mrozek; Armin Nebel; Sheldon Schroeder; Joe Mapes; Cathy Dugan; Barb Jacob; Reid Rocheleau

ITEM #1 – 4TH QUARTER ROOM TAX REPORT.

C/T Ladick stated the Arts Endowment is now in the positive, after a few years in the negative. He thanked Director Schrader for his work on turning that around.

Motion made by Ald. Phillips, seconded by Ald. O’Meara, to approve the 4th quarter room tax report and place it on file.

Ayes: All

Nays: None

Motion carried.

ITEM #2 – PROPOSAL FROM EHLERS INC. TO AMEND THE PROJECT PLANS FOR TIF DISTRICTS 5, 6, AND 7.

C/T Ladick stated the basic concept is that we have several TIF Districts that are very strong and are generating positive increments, even surplus increments, and then we have the struggling downtown TIF District (#6). We want to use some of that excess increment from some of the stronger districts to support the downtown TIF (#6). This would require us to engage some professional services in order to complete the work and we would also have to convene the Joint Review Board to get approval from the other taxing jurisdictions. The proposal to do this is \$21,000. They also quoted amending the project plan for TIF #6, but with the cost of \$8,500, it was decided it was not worth doing so at this time. He recommended that we proceed with engaging Ehlers to amend the project plans for TIF Districts 5 and 7.

Ald. R. Stroik stated that if TIF 5 and 7 are doing well, we could retire them early and return that money to the taxpayers thus putting money back into other coffers sooner, or we can elect to support TIF 6. He would like an explanation as to why it is better to do this versus retiring them early and returning the money to the taxpayers. He questioned why not let TIF 6 show where it is and let 5 & 7 be successful.

C/T Ladick answered that one of the biggest issues is that TIF 6 is supported by the property tax levy by about \$650,000 of property tax dollars from the citizens of Stevens Point, so this would help pick up some of that burden. The other reason why we would like to strengthen TIF 6 is because there are still opportunities in that District, very specifically with the Lullabye site, but we need to shore up the TIF District to an extent to strengthen it in order to move forward.

Ald. R. Stroik stated if the TIF is still negative at the end of the TIF period, that goes into the property tax assessment so any shortfall gets picked up by the citizens.

C/T Ladick replied that the citizens are already picking up the difference in TIF 6. At the end of 2014, we will be looking at a total of about \$3.3 million that we have advanced from the general fund to TIF 6, which is all taxpayer dollars.

Ald. R. Stroik questioned if you take money out of 5 & 7, that then limits the future improvements that might happen in those TIF's because once you transfer that money out, it may not be available should an improvement in one of those TIF's come up.

C/T Ladick replied what we are seeing right now is prospects of both of the TIF's are actually improving. One of the positive things about TIF 5 (north side) is that all of our developer's agreements have caps on them and the largest of those will be hitting that cap this year making more increment available than in previous years. We are starting to see some positive trends for both TIF's. If we go through the process, it gives us the option to transfer that money. If, in the future, we would say that we have an exciting project in TIF 5 that we want to pursue, we can always make the decision to transfer a little less from TIF 5 to TIF 6 so that we can do another project.

Ald. Trzebiatowski questioned when the developers agreement was done for TIF 7, back in 2007 or 2008, one of the big guarantees to the developer was the return of all the excess tax money, how is this going to affect that pay down plan. He questioned if this is something we can even do.

C/T Ladick replied that we would be in full compliance with that agreement. He also stated that agreement also included a commitment to us as far as job guarantees, so if they do not make those numbers, that would make extra increment that would be available as well.

Ald. Moore stated that we are only allowed so many amendments per TIF District and questioned if all of these TIF's still have amendments left and if so, how many.

Director Ostrowski replied that the amendments apply towards boundary amendments, so if we were to add or take out property, that is where the amendments would count. We can amend the project plan as many times as we want.

Reid Rocheleau spoke against the plan and stated we should let TIF 6 fail and that this decision should be up to the new Council.

Ald. Phillips stated he is in favor of this because it will lessen the tax burden on the City taxpayers.

Motion made by Ald. O'Meara, seconded by Ald. Phillips, to accept the proposal from Ehlers for \$21,000 to provide professional services associated with amending TIF's 5 and 7.

Ayes: Ald. Patton, O'Meara, and Phillips Nays: Ald. R. Stroik Motion carried.

ITEM #3 – APPROVAL OF PAYMENT OF CLAIMS.

Motion made by Ald. Phillips, seconded by Ald. Patton to approve the payment of claims in the amount of \$406,437.97.

The claims were discussed.

Ayes: All Nays: None Motion carried.

ITEM #4 – ADJOURN INTO CLOSED SESSION (APPROXIMATELY 7:00 P.M.) 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) AND WISCONSIN STATUTES 19.85(1)(G) (CONFERRING WITH LEGAL COUNSEL FOR THE GOVERNMENTAL BODY WHO IS RENDERING ORAL OR WRITTEN ADVICE CONCERNING STRATEGY TO BE ADOPTED BY THE BODY WITH RESPECT TO LITIGATION IN WHICH IT IS LIKELY TO BECOME INVOLVED) A. DISCUSSION ON NEGOTIATING THE POTENTIAL SALE/LEASE OF 933 MICHIGAN AVENUE (FORMER MID-STATE TECHNICAL COLLEGE) WITH THE UNIVERSITY OF WISCONSIN – STEVENS POINT. B. CONSIDERATION OF CLAIM FOR EXCESSIVE ASSESSMENT BY ASSOCIATED BANK.

Motion made by Ald. Phillips, seconded by Ald. Patton, to adjourn into closed session at 6:58 P.M.

Roll Call: Ayes: Ald. Patton, O’Meara, Phillips and R. Stroik Nays: None
Motion carried.

ITEM #5 – RECONVENE INTO OPEN SESSION (APPROXIMATELY 7:20 P.M.) FOR POSSIBLE ACTION ON THE ABOVE REFERENCED CLOSED SESSION ITEM.

Motion made by Ald. Phillips, seconded by Ald. O’Meara to reconvene into open session at 7:33 P.M.

Roll Call: Ayes: Ald. Patton, O’Meara, Phillips and R. Stroik Nays: None
Motion carried.

Motion made by Ald. Phillips, seconded by Ald. O’Meara, to deny the claim for excessive assessment by Associated Bank.

Ayes: All Nays: None Motion carried.

Adjournment at 7:34 P.M.