



# MINUTES

## REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

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<b>Date and Time:</b>	November 9, 2016 4:00 PM	<b>Location:</b>	City/County Building City Conference Room 1515 Strongs Avenue Stevens Point, WI 54481
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**Present:** Chairperson Schlice, Alderperson Phillips, Commissioner Cooper, Commissioner Molski, Commissioner Gardner, and Commissioner Jahn.

**Also Present:** Mayor Wiza, Executive Director Ostrowski, Comptroller / Treasurer Ladick, Alderperson Dugan, Nate Fore, Markatie Mealy, Nick Riley, Bill Brench, Jillian Demus, Sydney Swan, Paul Orentas.

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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. Report of the August 16, 2016 Redevelopment Authority meeting.
5. Financial reports, claims, and statements from July, August, and September 2016.
6. Monitoring well transfer agreement with Ron Hanson LLC.
7. A loan with the Central Wisconsin Children’s Museum.
8. Authorizing the transfer of funds from the current Housing Trust Fund Baird account to the City of Stevens Point for reinvestment into a new account, using the City’s Comptroller/Treasurer as the broker.
9. Selection of consultant to perform housing study and approval of agreement for services.
10. Public Hearing – 2017 Redevelopment Authority budget.
11. Resolution – Adoption of 2017 Redevelopment Authority budget.
12. Update on the sale of land north of 1140 Main Street, Stevens Point, WI 54481.
13. Director’s Update (informational purposes only)
14. Adjourn.

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1. Roll call.

**Present:** Schlice, Phillips, Cooper, Molski, Gardner, Jahn.

**Excused:** Sawyer

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 registered to speak.

Discussion and possible action on the following:

4. Report of the August 16, 2016 Redevelopment Authority meeting.

**Motion by Commissioner Cooper to approve the report of August 16, 2016 Redevelopment Authority meeting; seconded by Commissioner Molski.**

**Motion carried 6-0.**

5. Financial reports, claims, and statements from July, August, and September 2016.

Executive Director Ostrowski briefly stated that the increase in the account balance for the Housing Trust Fund was due to recent receivables, otherwise there was no real activity.

**Motion by Commissioner Gardner to approve the financial reports, claims, and statements from July, August, and September 2016; seconded by Alderperson Phillips.**

**Motion carried 6-0.**

**Chairperson Schlice moved agenda items 10 and 11 up to this point in the agenda.**

10. Public Hearing – 2017 Redevelopment Authority budget.

**Chairperson Schlice declared the public hearing open.**

Alderperson Dugan asked for clarification on the Director’s salary in which only \$15,000 of the initial \$31,000 was outlined.

Chairperson Schlice explained that there was a budget problem that they were trying to balance, and earlier discussions with Mayor Wiza had led to the splitting the amount in half in order to balance the budget problem for the City within one year.

Alderperson Dugan commented that perhaps the remaining amount could be used to assist another property or two.

Mayor Wiza requested that the Redevelopment Authority consider and approve the compromise in regards to salary where they had split the difference. He asked that questions regarding exact amounts be deferred to Comptroller / Treasurer Ladick.

**Chairperson Schlice declared the public hearing closed.**

11. Resolution – Adoption of 2017 Redevelopment Authority budget.

Commissioner Molski commented that they were going in the right direction, even if it was only in steps.

**Motion by Commissioner Molski to approve the adoption of the 2017 Redevelopment Authority budget; seconded by Commissioner Jahn.**

**Roll Call:**

**Yeas: Schlice, Phillips, Cooper, Molski, Jahn**

**Nays: Gardner**

**Motion carried 5-1.**

6. Monitoring well transfer agreement with Ron Hanson LLC.

Chairperson Schlice declared that the agenda item had been postponed and that no action would be taken.

Executive Director Ostrowski quickly updated the commission stating that Sand Creek Consultants, representing Ron Hanson LLC, had sent a draft proposal of monitoring transfer well agreements for review, which in turn had been modified and returned. Once communication was received, the agenda item would be brought back.

7. A loan with the Central Wisconsin Children's Museum.

Executive Director Ostrowski briefly summarized previous discussion regarding the Central Wisconsin Children's Museum, noting most importantly that they had backed payments for the loan with Community First Bank through interest from the Housing Trust Funds, and that the Redevelopment Authority had looked into refinancing the existing portion of the remaining debt of \$395,000 with the addition of a line of credit for the remaining balance up to \$420,000. He explained that the loan would be set at 6% and over 20 years with a 10-year balloon, with the line of credit also being at 6% rate. He went on to explain the additional terms for the loan such as requiring an accountant to prepare financials annually, changing the covered party to the Redevelopment Authority instead of the CDA, and other minor changes outlined within the mortgage documents. He recommended approval with the condition that staff be allowed to make minor changes to the document and that the city attorney as well as the city comptroller/treasurer review it. The closing date, if approved, would be November 21<sup>st</sup>.

**Motion by Commissioner Gardner to approve the loan with the Central Wisconsin Children's Museum with the condition that staff be allowed to make minor augments to the wording of the paperwork; seconded by Commissioner Cooper.**

Commissioner Molski commented that they would receive more interest this way than what they would have had if the money would have stayed in the bank, to which there was a general consensus.

Executive Director Ostrowski asked whether they wanted a policy to cover them in the event that something else was recorded from the time of the title insurance to closing.

Commissioner Gardner asked whether someone would put a lean on it prior to the recording, to which Executive Director Ostrowski stated that he had simply put it out there for consideration as McDonald Title would check the morning of closing.

Commissioner Jahn stated that the gap endorsement was \$125, to which Commissioner Molski commented that the amount was worth it.

Commissioner Cooper, in his personal opinion, stated that the coverage was unnecessary due to McDonald Title checking it the morning of.

Commissioner Jahn agreed with Commissioner Cooper, but stated that gap endorsement wasn't needed until you needed it, and for the price was worth it.

Commissioner Molski added that even if they don't check it, they would still be held responsible if anything else came up due to them having coverage, to which Commissioner Jahn agreed that it was a small price to pay.

Executive Director Ostrowski stated that the dollar figures would shift in terms of the loan when regarding the principal loan and line of credit since they were picking up all closing costs which would then be rolled into the loan. Even so, the maximum loan would still not exceed \$420,000, clarifying that the Redevelopment Authority would not be paying for the gap endorsement.

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**Motion by Commissioner Jahn to amend the original motion to proceed with the Gap Endorsement on the title policy for the transaction with the Central Wisconsin Children's Museum; seconded by Commissioner Gardner.**

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**Roll Call on the Amendment:**

**Yeas: Schlice, Phillips, Cooper, Molski, Gardner, Jahn**

**Nays: None**

**Motion carried 6-0.**

**Roll Call on the Original Motion with the Amendment:**

**Yeas: Schlice, Phillips, Cooper, Molski, Gardner, Jahn**

**Nays: None**

**Motion carried 6-0.**

8. Authorizing the transfer of funds from the current Housing Trust Fund Baird account to the City of Stevens Point for reinvestment into a new account, using the City's Comptroller/Treasurer as the broker.

Executive Director Ostrowski briefly summarized previous discussions to get Community First Bank off the account, and look to transferring those funds to the city for investment into a separate account. He explained that they would most likely use the balance in the Housing Trust Fund account to initially pay the

Children’s Museum loan, then replenish the Housing Trust Fund account with the transferred Baird account funds. If moving forward, an agreement between the Redevelopment Authority and the City would have to be approved by both the Redevelopment Authority and the City Council for services outlined within the terms of agreement, in addition to being in conformance with proper auditing procedures.

Commissioner Gardner asked if there were any restrictions that would limit the use of the Housing Trust Fund.

Executive Director Ostrowski stated that he was not aware of any restrictions on the Housing Trust Fund dollars. He briefly explained that the intent was for it to be used for housing related matters as the program that was initially started was for zero interest loans for low to moderate income individuals. He noted that the program was subject to change as housing needs changed. He would be providing additional documents in a future meeting.

**Motion by Commissioner Cooper to approve authorize the transfer of funds from the current Housing Trust Fund Baird account to the City of Stevens Point for reinvestment into a new account, using the City’s Comptroller/Treasurer as the broker; seconded by Commissioner Gardner.**

**Roll Call:**

**Yeas: Schlice, Phillips, Cooper, Molski, Gardner, Jahn**

**Nays: None**

**Motion carried 6-0.**

9. Selection of consultant to perform housing study and approval of agreement for services.

Executive Director Ostrowski briefly explained that they had released an RFP for Housing Study related services, to which they had received four different proposals with prices ranging between \$31,900 to \$67,500. One of the firms, MSA, was recommended due to their below estimated price point, and the fact that they had already performed in-depth housing studies for similar communities in Wisconsin. He went over additional elements such as incorporating GIS within the study. He also noted that he had already worked with them in order to save time and that their contract proposal which had been approved by the city attorney was within their packets.

Commissioner Cooper asked whether student housing would be included in the study, to which Executive Director Ostrowski confirmed that it would cover student housing, young professional housing, single family, multifamily, and condos, also noting that the main concern was what type of housing was needed and where.

Chairperson Schlice commented that it would give them an idea of where to start working in terms of a long term plan.

Executive Director Ostrowski stated that the estimated time of completion would be between six to eight months, at which time a report would be delivered to the Redevelopment Authority. He agreed with Chairperson Schlice in that it would give them direction upon moving forward with what programs to create with the Housing Trust Fund dollars. He also explained that MSA would be recommending cohesive decision making packages that the Redevelopment Authority could be implement to create a bigger impact.

**Motion by Alderperson Phillips to approve the selection of MSA as the consultant to perform the housing study and approval of agreement for services; seconded by Commissioner Gardner.**

**Roll Call:**

**Yeas: Schlice, Phillips, Cooper, Molski, Gardner, Jahn**

**Nays: None**

**Motion carried 6-0.**

12. Update on the sale of land north of 1140 Main Street, Stevens Point, WI 54481.

Executive Director Ostrowski explained that he was previously directed to assist in the sale of land north of 1140 Main Street, with which there was a lease agreement with the Redevelopment Authority. He went on to explain that the land east of 1140 Main Street had recently gone into foreclosure and that the current owner, a bank, had an interested buyer. Due to the uncertainty of the property, he recommended to hold the sale of any land until they figured out what was going to be done with the building. He also noted that they shouldn't be holding onto small pieces of land and that they should either sell it all or keep it all.

**Motion by Commissioner Molski to hold the sale of any land until it is determined whether the current or future owner will want to purchase the land north of 1140 Main Street, Stevens Point, WI 54481; second by Alderperson Phillips.**

**Motion carried 6-0.**

13. Director's Update (informational purposes only)

Executive Director Ostrowski stated that there were no further updates.

14. Adjourn.

**Meeting adjourned at 4:20 PM.**

**Approved:**

\_\_\_\_\_  
John Schlice, Chairperson

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Date

**Attest:**

\_\_\_\_\_  
Michael Ostrowski, Executive Director

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Date