



MINUTES

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

Date and Time:	January 31, 2017 4:00 PM	Location:	City/County Building City Conference Room 1515 Strongs Avenue Stevens Point, WI 54481
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Present: Chairperson Schlice, Commissioner Cooper, Commissioner Kundinger, Commissioner Sawyer, Commissioner Gardner, and Commissioner Jahn.

Also Present: Executive Director Ostrowski.

Index

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. Election of Redevelopment Authority officers – Vice Chairperson.
 5. Minutes and actions of the November 9, 2016 Redevelopment Authority meeting.
 6. Financial reports, claims, and statements from October and November 2016.
 7. Recommendation of the Plan Commission (January 3, 2017 meeting) relating to the following items:
 - a. Lease/license Redevelopment Authority of the City of Stevens Point property directly east of 1205-09 Second Street, to James E & Patricia A Laabs to be used to construct an exterior stairwell for second floor apartment uses at 1205-09 Second Street (Parcel ID’s 2408-32-2015-06 & 2408-32-2015-07).
 - b. Request from Wisconsin Public Service for utility easements to service Cobblestone Hotel, which is located at 1117 Centerpoint Drive. Such easements are along Strongs Avenue and municipal parking lots #15 and #16, which is property owned by the City of Stevens Point and the Redevelopment Authority of the City of Stevens Point.
 8. Lease/license Redevelopment Authority of the City of Stevens Point property directly east of 1205-09 Second Street, to James E & Patricia A Laabs to be used to construct an exterior stairwell for second floor apartment uses at 1205-09 Second Street (Parcel ID’s 2408-32-2015-06 & 2408-32-2015-07).
 9. Request from Wisconsin Public Service for utility easements to service Cobblestone Hotel, which is located at 1117 Centerpoint Drive. Such easements are along municipal parking lots #15 and #16, which is property owned by the Redevelopment Authority of the City of Stevens Point.
 10. Change order/increase in funding for additional services relating to the housing study with MSA Professionals.
 11. Director’s Update (informational purposes only)

12. Adjourn.

1. Roll call.

Present: Schlice, Cooper, Kunding, Gardner.

Excused: Phillips

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. Election of Redevelopment Authority officers – Vice Chairperson.

Executive Director Ostrowski reported that Ms. Molski had requested not to serve any further on the Redevelopment Authority which called the need to elect a new Vice Chairperson. He also stated the need to identify an annual meeting within the bylaws in which they could elect or re-elect officer positions. Since there was a vacancy, he explained, the vice-chairperson would have to elect someone to fill the position. He would also be bringing a change of the bylaws at a future meeting in order to establish an annual meeting date.

Commissioner Jahn and Commissioner Sawyer arrived at 4:03PM.

Commissioner Gardner inquired on whether anyone had approached Commissioner Phillips to see if he would be willing to be Vice Chairperson, to which Chairperson Schlice suggested they move forward with electing him.

Motion by Commissioner Gardner to elect Alderperson Phillips as the Vice Chairperson for the Redevelopment Authority; seconded by Commissioner Cooper.

Motion carried 6-0.

5. Minutes and actions of the November 9, 2016 Redevelopment Authority meeting.

Chairperson Schlice welcomed Commissioner Eric Kunding, the new board member, to the Redevelopment Authority.

Commissioner Kunding gave a brief background about himself.

Motion by Commissioner Gardner to approve the minutes and actions of the November 9, 2016 Redevelopment Authority meeting; seconded by Commissioner Jahn.

Motion carried 6-0.

6. Financial reports, claims, and statements from October and November 2016.

Executive Director Ostrowski stated that there would be a large decrease in the Housing Trust Fund, noting that they had closed on the loan for the Children’s Museum. Community First Bank had also sent a letter indicating that the loan had been paid, and therefore they were able to get them off the Baird account. They would be following through with the paperwork with Baird and hoped to have the funds transferred shortly to a new city account.

Motion by Commissioner Cooper to approve the financial reports, claims, and statements from October and November 2016; seconded by Commissioner Gardner.

Motion carried 6-0.

7. Recommendation of the Plan Commission (January 3, 2017 meeting) relating to the following items:
 - a. Lease/license Redevelopment Authority of the City of Stevens Point property directly east of 1205-09 Second Street, to James E & Patricia A Laabs to be used to construct an exterior stairwell for second floor apartment uses at 1205-09 Second Street (Parcel ID's 2408-32-2015-06 & 2408-32-2015-07).
 - b. Request from Wisconsin Public Service for utility easements to service Cobblestone Hotel, which is located at 1117 Centerpoint Drive. Such easements are along Strongs Avenue and municipal parking lots #15 and #16, which is property owned by the City of Stevens Point and the Redevelopment Authority of the City of Stevens Point.

Executive Director Ostrowski explained that Plan Commission had provided a positive recommendation on both items and he was just looking to place it on file, noting that agenda items 8 and 9 dealt with it specifically.

Motion by Commissioner Gardner to acknowledge the recommendation of the Plan Commission and place it on file; seconded it by Chairperson Schlice.

Motion carried 6-0.

8. Lease/license Redevelopment Authority of the City of Stevens Point property directly east of 1205-09 Second Street, to James E & Patricia A Laabs to be used to construct an exterior stairwell for second floor apartment uses at 1205-09 Second Street (Parcel ID's 2408-32-2015-06 & 2408-32-2015-07).

Executive Director Ostrowski stated that the property owner was requesting to construct a stairwell that would partially be on Redevelopment Authority property. He explained that the property was just east of the downtown square, and that the proposed stairwell was going to be on the back portion of the building. Since they were doing apartments on the second floor, they needed an emergency exit. Their initial thoughts, he explained, was to keep the stairway as it was, but after conversations with the state, they found that the existing stairwell did not meet building code requirements. In order to meet the new code, two options were presented. One option would be to have a switchback staircase, but that would require it to come onto Redevelopment Authority property by six feet. The second option would be to have the stairwell wrap around the building, thus keeping it on the property, but it would also require additional approval from the adjacent property owner since it was within 10 feet of the neighboring building. He noted concern about the stairwell placement between buildings in case of a fire. While the space would be tight if going with first option, he didn't foresee it impacting any of the parking spaces on the Redevelopment Authority property.

Chairperson Schlice asked if they were placing the apartments on the east side of the building.

Executive Director Ostrowski clarified that the apartments would be going in on the north side of the building. In addition, they also had a facade improvement grant to completely restore the exterior façade of the building. As a mixed use building, he felt it was a good project for downtown.

Chairperson Schlice commented that there had been residential spaces on that side for years.

Executive Director Ostrowski added that they had seen a lot of conversion of vacant space into residential units on the second floors of buildings downtown.

Commissioner Gardner asked how the wrap around stairwell would interfere with the small white structure on the back end of the building, to which Executive Director Ostrowski stated that the stairwell would empty out onto the same landing in front of the small structure.

Commissioner Gardner commented on the width required for the stairwell, to which Executive Director Ostrowski confirmed that the stairwell would run into a portion of the small building were it to be a tighter turn back.

Commissioner Gardner asked on the function of the small white building, to which Executive Director Ostrowski stated that it went into the basement.

Commissioner Gardner stated for clarification that it was a basement access that could not be removed. Aesthetically, he stated, it would be best to wrap the stairwell between the alleyways. However, it could also be dangerous in certain weather conditions.

Motion by Commissioner Cooper to lease/license Redevelopment Authority of the City of Stevens Point property directly east of 1205-09 Second Street, to James E & Patricia A Laabs to be used to construct an exterior stairwell for second floor apartment uses at 1205-09 Second Street (Parcel ID's 2408-32-2015-06 & 2408-32-2015-07); seconded by Commissioner Gardner.

Roll Call:

Yeas: Schlice, Cooper, Kunding, Sawyer, Gardner, Jahn

Nays: None

Motion carried 6-0.

9. Request from Wisconsin Public Service for utility easements to service Cobblestone Hotel, which is located at 1117 Centerpoint Drive. Such easements are along municipal parking lots #15 and #16, which is property owned by the Redevelopment Authority of the City of Stevens Point.

Executive Director Ostrowski explained that they had been going back and forth with WPS on an easement in regards to getting Cobblestone Hotel electricity and gas. Originally, he explained, they were going to get service from the north end of the property across Centerpoint Drive, but they had run into a very large storm sewer that made it challenging to go under or over it. That being the case, they now needed to come from the south where there was an existing box behind Guu's on Main. That area contained two portions of Redevelopment Authority property: a portion under the transformer box and a portion of the new pedestrian walkway between Great Lakes and Cobblestone Hotel. An additional area was also owned by the city, but they had already approved the easement agreement with WPS. He went on to review and summarize each item under the agreement, noting that there had been no changes on some of them. Notably, item number six spoke about it being a nonexclusive easement agreement. Charter, he explained, did have some fiber communications running through that area, so they would most likely have to bring back the document in a subsequent month to add Charter to the easement. Unfortunately, it had been a little too late to include them in this one. Item number ten also indicated a rather large change. He further explained that in the past they had indicated with Charter and AT&T that when they ran their fiber, if the easement was impacted and their utilities had to be relocated within the first 10 years of granting occupancy of that area, the RA would pay for the cost to relocate them. After the 10 year period, they would be on the hook for those costs, not the RA. While they had agreed to those conditions, WPS had not, adding that if they wanted those conditions, Cobblestone Hotel would have to reimburse those costs to the RA. He added that he didn't see Strongs Avenue going away for a long time, nor the area where the transformer box sits, or the area between the hotel and Great Lakes. While there was potential for certain developments to occur in that area that could necessitate the movement of the easement, it was unlikely. Currently, they were planning for a patio seating area with landscaping for Great Lakes within that area. Lastly, he stated it

was up to the board to consider whether they were comfortable moving forward or if they wanted him to ask Cobblestone Hotel if they would pay for the relocation of the easement if needed. He noted that it wasn't a huge risk and Cobblestone was a good development for the downtown area that needed power and gas. He left it to the board to decide whether they wanted to see them get reimbursed for those costs if the easement needed to be moved for any reason.

Commissioner Jahn asked what the costs would be, to which Executive Director Ostrowski stated that the costs would be dependent on where it would have to be relocated and routed, noting that the proposed location was most likely the best route. He further explained that they were initially looking at running the easement up along the pedestrian walkway, but that there was a higher potential that the area would be redeveloped in the future. Since this route was on the outskirts of Strongs Avenue under a sidewalk and a landscaped patio area, he didn't see there being a high risk in needing to relocate the easement.

Commissioner Jahn stated that they would eventually pick up the cost.

Executive Director Ostrowski clarified that the RA would pick up the cost in perpetuity. If they wanted someone to pick up the cost, they would have to negotiate a separate agreement or document with the user of the utilities.

Commissioner Gardner asked how Great Lakes got their service, to which Executive Director Ostrowski stated that he believed their service came off Third Street.

Commissioner Gardner asked why they could not come off in that direction if Great Lakes already was. He also expressed concern in sandwiching a patio area between two buildings, a dumpster, and a transformer, citing that they could potentially be creating an avenue for late night issues as the location was blocked from public view.

Executive Director Ostrowski explained that the patio seating was for Great Lakes, noting that they had wanted a concrete patio area since first going into the building. The side door by the proposed area is an access for their breakroom, and there were existing picnic tables in the grass area.

Commissioner Kunding asked if the area would be enclosed.

Executive Director Ostrowski explained that the dumpster corral would be enclosed with a brick façade which would then be surrounded by large cedar type trees. The patio area would be north of that with the transformer box also being surrounded by cedar type trees.

Commissioner Gardner asked why the transformer box was on the north end of the route rather than the south end by the dumpster, to which Executive Director Ostrowski explained that their electrical access for the building occurred there.

Commissioner Jahn asked if the patio area had been set in stone or if they could go back to Great Lakes, noting Commissioner Gardner's concern for potential late night issues.

Executive Director Ostrowski stated that they simply have wanted it.

Commissioner Jahn suggested that the patio area could be secured with a black powder coated iron fence, similar to other restaurant patio areas.

Commissioner Gardner asked who owned the sidewalk in that area.

Executive Director Ostrowski explained that it was a public sidewalk, noting that there was one on the west side of the patio area and one on the east side. He also reminded the committee that it was Redevelopment Authority property, but that Great Lakes leased from them.

Commissioner Gardner asked who the dumpster belonged to.

Executive Director Ostrowski explained that it would be a shared dumpster corral with Cobblestone Hotel and Great Lakes. He clarified that they were not currently approving the patio, and that it would be coming back for review.

Commissioner Sawyer asked if Cobblestone Hotel and Great Lakes had any say in the placement, and if they had already approved it.

Executive Director Ostrowski stated that Cobblestone Hotel needed power, so they were agreeable to it, and that Great Lakes did not need to approve it. He added that the city had already approved the easement area for their location of the property, and this easement agreement was between the Redevelopment Authority and WPS.

Commissioner Gardner asked what end of the building the Cobblestone restaurant was going in, to which Executive Director Ostrowski stated that the restaurant would be on the northwest corner of the building.

Commissioner Gardner asked why the dumpster was not on the northwest corner of the building near the restaurant.

Executive Director Ostrowski explained that it would end up being right outside the restaurant outside patio area. He noted that they had tried to pull the dumpster back as much as possible in order to hide it from Centerpoint Drive.

Commissioner Gardner expressed hesitation in placing the patio between walls, a dumpster, and a transformer.

Executive Director Ostrowski explained that there was a limited area for it, and that Great Lakes just wanted a break area for their employees, again noting the existing picnic tables in the grass area. He reiterated that they were not approving the patio, and any patio installation would have to come back before the board for approval since it was Redevelopment Authority property. The agreement put forward would only be with WPS for the easement area.

Commissioner Sawyer asked if it was part of the agreement with Cobblestone Hotel, noting that there would be some sort of interaction with the easement if they wanted to build a patio off the south end of the building.

Executive Director Ostrowski stated that it would not impact the easement, citing section three of the agreement. He explained that the language for the patio was already contained within the agreement, meaning that they would not have to go back to WPS to get their approval, but that Great Lakes would have to come back before the board for approval of the patio area.

Commissioner Sawyer stated for clarification that in the off chance that Great Lakes wanted to build an improvement to the property that required the relocating of the easement, they would have to come back before the board for approval at which point there would be negotiations with Great Lakes for moving the WPS equipment.

Executive Director Ostrowski added that there was a very slim chance that they would have to relocate the easement.

Commissioner Gardner asked if they had considered not having those sidewalks be public.

Executive Director Ostrowski explained that one of their thoughts was to create a visual corridor to the Main Street buildings with the general intent in keeping it open to see how it may interact with the Lullabye property.

Commissioner Gardner encouraged talks with the Police Department, Cobblestone Hotel, and Great Lakes in regards to what they felt about security.

Executive Director Ostrowski added that there had not been any issues with the current or past history of the existing green space, noting that it may be an area that people could easily congregate to.

Commissioner Gardner stated his comments didn't mean he was against it, just that it raised some flags for concern.

Executive Director Ostrowski reiterated that the approval would only be for the easement between the Redevelopment Authority and WPS. He asked that the City Attorney and staff be allowed to make minor modifications.

Motion by Commissioner Sawyer to approve the request from Wisconsin Public Service for utility easements to service Cobblestone Hotel, which is located at 1117 Centerpoint Drive. Such easements are along municipal parking lots #15 and #16, which is property owned by the Redevelopment Authority of the City of Stevens Point. The Executive Director and City Attorney shall have the right to make minor modifications to the documents; seconded by Commissioner Gardner

Roll Call:

Yeas: Schlice, Cooper, Kunding, Sawyer, Gardner, Jahn

Nays: None

Motion carried 6-0.

10. Change order/increase in funding for additional services relating to the housing study with MSA Professionals.

Executive Director Ostrowski explained that MSA Professionals had been contracted to do a housing study for the city. Most recently, they had put out a survey and so far received over 1,200 responses. They had also been on site to do individual stakeholder interviews with bankers, realtors, and a number of different groups that may have an impact on the housing market, such as CAP Services. One of the groups they were not able to target, he explained, were students. There had been a lot of comments about student housing so they wanted to contact the students directly and meet with the SGA (Student Government Association), as well as conduct individual student interviews. He further explained that the additional day to do this was not a part of the current agreement, and adding the extra day would add an additional \$1,000 in expenses. He noted that it would be worth it given that the students were a large segment of the population and it would be nice to get some input straight from them rather than just having them answer survey questions. He recommended that the Redevelopment Authority grant approval for the original change order for \$1,000, in addition to allowing a total spending of up to \$3,000 in services if certain items come up during the study process that may be worth pursuing. Additional services would have to be approved by him and the chairperson. The intent would be to have the study completed by June or July of 2017.

Commissioner Sawyer asked what SGA was, to which Executive Director Ostrowski stated that it was the Student Government Association.

Chairperson Schlice recommended everyone take the survey issued by MSA.

Commissioner Gardner asked for clarification in total cost, to which Executive Director Ostrowski confirmed it would be an additional \$2,000 on top of the initial \$1,000 for a total of \$3,000.

Commissioner Jahn stated that it was reasonable.

Motion by Commissioner Cooper to approve the change order/increase in funding (up to \$3,000) for additional services relating to the housing study with MSA Professionals; seconded by Commissioner Sawyer

Roll Call:

Yeas: Schlice, Cooper, Kunding, Sawyer, Gardner, Jahn

Nays: None

Motion carried 6-0.

11. Director's Update (informational purposes only)

Executive Director Ostrowski briefly announced that they had closed on the loan for the Children's Museum and had so far received on time monthly payments from them. He continued on with the Central Wisconsin Economic Development Fund. He explained that the CWED Fund had previously been the city's revolving loan fund program for business startups, high-risk loans, GAP financing, additions, and capital equipment purchases. In 2008 they had grouped a number of local municipalities within the Wood, Portage, and Marathon Counties into a large regional revolving loan fund program that gave them access to a very large pool of assets. At that time, he explained, it was thought that it would be easy to defederalize the funds since it meant that they had to adhere to certain HUD guidelines in terms of income wage requirements and recording requirements. He noted that there had been a struggle to defederalize those funds as a result of a number of issues with how the agreements had been written between HUD and the state. Most recently, the state and regional revolving loan fund entities had announced that those agreements had been modified and all of the funds had been defederalized. He further explained that local units of government, such as the Redevelopment Authority, used to approve loans up to a certain amount, but that the CWED board had moved to approve that all loans go before the board so there was a consistency with loans throughout the region. He explained that they had run into different loan problems as a result of issuing loans with 0% to very low interest. To keep the funds sustainable and alive, they would have to keep at a minimum 4% or 5% interest. That being said, CWED still wanted recommendations from local boards as they were closer to the communities and businesses, but the official approval process would now go through the CWED board.

Commissioner Gardner asked who was administrating the loans, to which Executive Director Ostrowski stated that CAP Services was the administrator for the CWED.

Commissioner Gardner stated for clarification that they had now created a multi-county board to review the loans.

Executive Director Ostrowski confirmed Commissioner Gardner's statement and added that the CWED board was made up of an individual from each entity who joined. He summarized a list of entities.

Commissioner Gardner asked if there had been much loan activity.

Executive Director Ostrowski explained since they had just gone through with the defederalization, they had done a couple of them and that activity was starting to pick up now.

Commissioner Gardner commented that there had originally been a threshold for smaller loans that local that could approve.

Commissioner Jahn asked on the balance of the CWED fund, to which Executive Director Ostrowski estimated between 13-14 million dollars.

Commissioner Gardner asked about job creation, to which Executive Director Ostrowski explained that within their policy, they typically liked to see one job created for every \$35,000 of a loan.

Commissioner Gardner asked if any anti-piracy language made its way through the process, to which Executive Director Ostrowski stated he did not believe so.

Commissioner Gardner stated that a municipality could compete against another municipality for the same company when that company was already trying to get a better deal.

Executive Director Ostrowski stated that they could, and that it was seen with TIF agreements as well.

Commissioner Gardner commented that it would be nice to get some anti-piracy language.

Executive Director Ostrowski also noted that once the funds were transferred from Baird to the city side, they would have an estimated \$400,000 of funds to use on certain projects. The housing study could help to identify a number of projects that the funds could be utilized for once its completed in the summer, adding that the Redevelopment Authority may want to secure certain properties in the near future.

Commissioner Gardner expressed concern in losing the construction season for some rehabilitation projects, citing several homes that have sat vacant for many years.

Commissioner Jahn stated it was true, but that luckily there weren't that many within the city.

Commissioner Gardner commented that it would be nice to have a discussion regarding the properties, noting that house flippers were not taking interest in them since they were too far gone.

Commissioner Jahn agreed with Commissioner Gardner. An idea, she explained, could be to acquire the properties and raze the homes.

Commissioner Gardner asked if they could get a sense of scale so it could be discussed soon so they wouldn't miss the construction season.

Executive Director Ostrowski agreed that they didn't want to lose the entire construction season, and that he could work with Commissioner Jahn to get a list of properties that have been on the market for over three years.

Chairperson Schlice suggested that perhaps they could get a deal from the county if some of them were tax delinquent, to which Executive Director Ostrowski stated that it was unlikely since the county went through a process to get the value of the property.

Commissioner Gardner agreed that a list would be good as there was currently a market for house flippers.

Commissioner Jahn confirmed that there was a very good market, but that it had to be cost effective for them, and as previously stated, some of those properties were too far gone.

Executive Director Ostrowski lastly reminded the board that they had talked about utilizing the City's Comptroller/Treasurer for investments for the Redevelopment Authority. One of the things they had looked into doing was coming up with an agreement with the City to utilize Comptroller/Treasurer Ladick for investments, or the potential of appointing him as the Treasurer of the Redevelopment Authority. He noted that he was currently serving as the Secretary and Treasurer, which was an officer position, adding that it may be a bit easier with Comptroller/Treasurer Ladick doing investments and reporting on behalf of the Redevelopment Authority. He had also had discussions with the City Attorney and found there to be no legal concerns. The only issue where legal matters were involved was if the City Attorney had to represent one or the other in which case the Redevelopment Authority would most likely have to hire their own attorney.

Chairperson Schlice asked if he had looked at the statutes.

Executive Director Ostrowski confirmed that he had, adding that it would be a conversation at an upcoming meeting to see how to handle it since there had to be rules and regulations regarding their investment policy. Lastly, he explained that one of Mr. Ladick's concern was needing to get approval from himself and Chairperson Schlice in a timely manner since the investment option could already be gone by the time he gets approval, and in many cases he would have to act quickly. He noted that they could set parameters, but it may be best to appoint him as the treasurer. They could discuss the pros and cons of each option at next month's meeting.

12. Adjourn.

Meeting adjourned at 4:42 PM.

Approved:

John Schlice, Chairperson

Date

Attest:

Michael Ostrowski, Executive Director

Date