

**FINANCE COMMITTEE  
MARCH 12, 2018 AT 8:05 P.M.  
POLICE DEPARTMENT – 933 MICHIGAN AVENUE**

**PRESENT:** Ald. Phillips, Kneebone, Shorr, Johnson, and McComb

**ALSO**

**PRESENT:** C/T Ladick; City Attorney Beveridge; City Clerk Moe; Directors Schrader, Lemke, Ostrowski, Schrader, Beduhn; Police Chief Skibba; Fire Chief Finn; Ald. Slowinski, Morrow, Oberstadt, Dugan, Jennings, Nebel; Deputy C/T Freeberg; Brandi Makuski; Gene Kemmeter

**ITEM #1 – NEW COPIER FOR THE COMMUNITY DEVELOPMENT DEPARTMENT.**

Ald. McComb questioned if there would be any benefits to leasing, such as free maintenance or a trade-in option at the end of the lease. Director Ostrowski replied there is no benefit to leasing unless there is a plan to turn them over frequently, but they do plan to use it beyond the five year life expectancy.

Mayor Wiza questioned if there was a trade-in value. Director Ostrowski replied they can trade the old one in or they could provide it to a department at City Hall that may not have one, but it has caused some problems over the past few months.

Ald. Slowinski questioned if there were any other quotes as there used to be a few quotes included so that they could see other prices to know if this price is in the ball park. He stated he would like to see other quotes for these types of purchases. Director Ostrowski stated one of the reasons they went with Bauernfeind is they were the lowest when they went out the first time for a printer and in addition, they have always met their needs, they are responsive and there are a few other departments within the City that currently use Bauernfeind.

Motion made by Ald. Johnson, seconded by Ald. Shorr, to approve the new copier for the Community Development department as outlined in the Director's memo and the invoice from Bauernfeind.

C/T Ladick stated that the funding would come from contingency.

Ayes: All

Nays: None

Motion carried.

**ITEM #2 – UPDATED FEES FOR THE COMMUNITY DEVELOPMENT DEPARTMENT.**

Director Ostrowski stated that the last time they updated fees was in 2012. This time around they sat down and looked at every aspect as they wanted to be specific as to how much time they spend on each element. He reviewed and explained the fees that were outlined in the packet and stated that he did look at fees from other outlying areas, but he did not want to base our numbers on those as each community is different.

Ald. Phillips questioned how we fared with the other communities and if our fees were reasonable. Director Ostrowski replied that we were in the ball park, but that was not his main inspiration.

Ald. Nebel questioned what the increase would be for a general permit. Director Ostrowski replied that it would be hard to give an average, but a \$40 permit would now be \$50 plus they are now adding in a review fee.

Ald. McComb questioned if applicants have this information when they come in now, or if it will be more work on their part, since we are changing to a cost of per square foot. Director Ostrowski replied they have two classifications, one residential and one non-residential, and yes, both come in with the information available. The fees are based on a flat fee for a new home or on the cost of per thousand dollars of the project. He stated they are switching to square footage to get more accurate costs.

Motion made by Ald. Shorr, seconded by Ald. McComb, to adopt the revised schedule of fees for the Community Development department.

Ayes: All

Nays: none

Motion carried.

### **ITEM #3 – FUNDING FOR THE FAÇADE GRANT IMPROVEMENT PROGRAM.**

Director Ostrowski stated back when he started with the City, there was a façade loan program in place and that no loans were ever done out of it as the economy was not good and in addition, the Central Wisconsin Economic Development Fund had a revolving loan program, so it was a duplication of efforts. He changed it to a grant program and it had about \$300,000 that he believes came out of contingency or leftover funds from a previous year. He stated once people started utilizing it, it was a great success. Those funds have now been exhausted, so he is asking for the refilling of those funds and possibly changing the match component from 50% down to 40%. He feels that, even with the change, it will still carry a lot of weight in terms of proceeding with projects. He stated the maximum would still be \$30,000 and funding would be out of the downtown TIF #6 funds, making it mandatory that the work be done in the downtown TIF district.

Ald. Shorr stated he is a strong believer in the importance of the attractiveness of our downtown and due to the historic nature, he wants to keep with requiring that major renovations use the right materials. He would also like to see the back of businesses be included, not just the front, because a lot of the backs of buildings are viewable in the downtown area. Mayor Wiza commented they have already done the back of one of the buildings downtown, so the back facades are included. Director Ostrowski added that any façade, or face, of a building that is viewable from a public driveway or public place would be eligible.

Mayor Wiza stated that this is a great program, was well received before it ran out of money and just with it being put on the agenda, it has already sparked interest and there are people waiting for it to be approved so they can use it.

Motion made by Ald. McComb, seconded by Ald. Shorr, to approve the Façade Grant Improvement Program.

Ald. Phillips questioned if we ever offer anything to the south side business district. Director Ostrowski replied that the prior funds were open to the south side, but they never received any interest.

Ald. Jennings stated that she is disappointed to see that the amount has been lowered \$100,000, even though projects are now more expensive than they were. She said it does not make sense to her because it is a huge bang for the buck and investing in things that have high return in value for long-term is good financial sense. Director Ostrowski replied he thinks they will go through those funds very quickly, but they are trying to balance the financial needs in the downtown TIF. He stated by getting these types of projects done now, to spur additional development to have additional increment within the district, would be greatly beneficial. He would be open to additional funding, but would need to defer that request to C/T Ladick on how much we would be able to utilize. C/T Ladick stated if this program continues to be successful and well received, it is something they could look at. He also stated that TIF 6 finally has some light at the end of the tunnel, so he would expect future opportunities allowing the investment to continue.

Ald. Johnson also questioned if it would be possible to set up a yearly investment starting as early as 2019. She also agreed with Ald. Phillips on maybe doing some outreach to the south side businesses to see what their needs are.

Ald. Kneebone stated she thinks the program is great and supports it continuing into the future.

Mayor Wiza commented that further increment in the TIF would help get more to that breakeven point and hopefully exceed it, allowing more funds to be available for these types of things.

Ayes: All

Nays: None

Motion carried.

**ITEM #4 – FUNDING FOR REDEVELOPMENT PROGRAMS, INCLUDING A POTENTIAL TRANSFER OF FUNDS TO THE REDEVELOPMENT AUTHORITY.**

Director Ostrowski stated the RA has been entertaining certain programs for redevelopment matters, a lot of them pertaining to residential, stemming from recommendations from the housing study and conversations with Alderpersons, Redevelopment Commissioners, and staff. They have about \$400,000-\$500,000 currently saved from a payback of some of the loans that they have done in the past and interest that they have gained. They approved two of the five redevelopment programs that were looked at, one is a demolition program in which if a homeowner would demo their house and guarantee to build a new one within 12 months, you would get \$15,000. By offering that program, there would be a new house built and blight would be removed, which would ultimately increase the tax base. The other program they chose was a Neighbor to Neighbor program, which is a small program, up to \$1,000 for individuals who may not be able to afford certain things. Director Ostrowski gave an example about their office working with someone who had a home that had a lot of junk in the backyard and they worked with a church group to get it cleaned up, but the problem was paying for the dumpster. This program is \$1,000 maximum and they do have to meet certain income requirements. The other three programs that we presented were a curb appeal enhancement program, which was a loan fund that would be offered to fix facades for homes, a home modernization program, which was also a loan program that allowed for interior remodels, and also a rental conversion program. They did not move forward with those three programs because they have limited funding and would need some commitment from the City to do them. The City has a fund that was used for the sale of lots for the Whitetail Subdivisions and it had about 1.7 million in it. The City bought the Bickford property on the east side of town with some of that money, for an estimated \$500,000, so there are still funds available. He is proposing using the remainder of those funds, which is about \$1.165 million for redevelopment related programs that the RA could carry out.

Ald. Shorr stated he understands the need to narrow down and focus on a few programs and agrees with the need of the demolition program. He stated that in the past there was a program that was focused on preservation of existing stock or improvement to aging homes and was repayable upon the point of sale. He stated that sort of program saw projects larger than \$1,000, but he would like to see a program like that. Director Ostrowski commented that CAP Services has administered a number of the City's programs and the City did apply for, and did receive, several grants related to Community Development Block Grants, the last one being in about 2012 in the amount of \$550,000. Ald. Shorr asked if those were federal programs, which Ald. Ostrowski stated they were. Director Ostrowski went on to state that those types of programs are non-existent now and instead of doing a lottery approach where communities would be picked and then the funds were distributed to them, it is now given to regions. The regions apply for the funds and if approved, it would allow for maybe one project getting done in a community. Those types of programs are also income restrictive and when you touch the home, all standards need to be addressed, so it was larger projects that fell in the \$20,000-\$30,000 range. He stated that they are looking at a similar type of program with the Curb Appeal Enhancement Program and the Housing Modernization Program, but not necessarily having the income limitations on it. CAP does have funds, so when those funds are paid back, they are reinvested. The programs that are being looked at would not have federal guidelines attached to them so the whole house would not have to be updated. He stated that his vision with these programs is that they will be modified over time, as they do not want to create a program where it remains the same forever, they want to be able to change it to fit the needs at the current time.

Mayor Wiza clarified that what we need is to be allowed to use the proceeds from the sale of Whitetail Trail Subdivision lots, in the amount of \$1,165 million and transfer it to the RA so that we can fund the other programs that the RA could not do with their current funds. He agreed with the Director in that they would like to not have income guidelines so that it can have a bigger benefit.

Director Ostrowski discussed the oversight that the RA would have with those funds stating the City can create any type of agreement that they want, but asked that if an agreement is made that it be somewhat flexible for the RA to modify certain programs and possibly rearrange funding amounts. He

went on to say that in many communities the RA has an annual budget for these types of programs, but here they do not.

C/T Ladick stated he would prefer to transfer the funds as they need them, rather than a large lump sum, in order to keep interest coming in at the rate they are currently getting.

Ald. Johnson questioned what the investment ladder is that would allow the point of using that money without penalty. C/T Ladick replied that we have the investments laddered over a 5 year period, and we would be in a position where we could up front the whole amount now, if it is needed.

Director Ostrowski questioned if the Council is going to want to see all the modifications or if they are going to be comfortable letting the RA decide on their own. Ald. Johnson replied she sees the programs as they are before them now, and the decision is being made based on what is before them, so if the RA feels that the policy decision of the Council is not meeting the need, or fulfilling the goal, she feels that it should come back to Council.

Director Ostrowski then questioned the dollar amounts allowed and whether or not the Council would be ok with the RA granting more funds to a project as they see fit. Ald. Johnson replied that she would be ok with that. Ald. Shorr agreed with Ald. Johnson.

Motion made by Ald. Johnson, seconded by Ald. Shorr, to make available to the Redevelopment Authority the funds from the Whitetail Subdivision lots in the amount of \$1.165 million, for the programs as outlined in this document with flexibility for RA to adjust the programs to fit the community need.

Ayes: All

Nays: None

Motion carried.

#### **ITEM #5 – CAPITAL IMPROVEMENTS TO THE WILLETT ARENA, AND SELECTION OF A PROPOSAL FOR DESIGN, ARCHITECTURAL/ENGINEERING SERVICES, AND CONSTRUCTION MANAGEMENT.**

Director Schrader stated the arena opened back in 1980 and the life expectancy of an indoor refrigeration system is 20-25 years. He went on to say that they are approaching 38 years and since the equipment was used when it was purchased in 1980, it is well over its life expectancy. It has been addressed as part of the capital projects in the budget since 2007, but every year it gets cut and now it is at the point that it cannot be put off anymore. They did a request for proposal and received three proposals. Based on reviewing all the proposals, they are recommending Stevens Ice Rink Engineers out of Hudson, Wisconsin. They had the best approach and will do the project in four different phases, which will work best with the rink schedule.

C/T Ladick explained this is a request for the 2019 Capital budget, which ordinarily would not be done until later in the year, but because of the lead time that is required with this project, it needs to be acted on sooner. For the 2019 Capital budget, which includes this project, there will be \$6.5 million in requests. Our yearly capital budget is \$5.5 million, so there will need to be a million cut from somewhere. That has had to be done in the past, but he just wanted to make sure everyone was aware of that now. He also went over the charts in the packet and stressed the importance of sticking to capital planning. Even with the repairs, the arena will still need the City to subsidize it.

Director Schrader stated that with the repairs, they expect to save \$10,000-\$15,000 in utility savings.

Ald. Johnson questioned if the repair expenses have come from capital or operational? Director Schrader stated they are coming from operations.

Motion made by Ald. Shorr, seconded by Ald. McComb, to approve the design contract for the Willett Arena with Stevens Ice Rink Engineers.

Ald. Phillips questioned what it costs the taxpayers every year to operate the rink. C/T Ladick replied that the last bullet point in his memo addressed that, but basically \$300,000 annually or \$3 million over the next 10 years.

Director Schrader pointed out those figures would be paying back capital, which it not a normal practice as no other project has ever had to pay back the capital it received.

Ayes: All                      Nays: None                      Motion carried.

**ITEM #6 – CAPITAL IMPROVEMENTS AT THE STEVENS POINT MUNICIPAL AIRPORT.**

Director Lemke stated that \$265,000 was approved in the 2018 Capital budget with the intention of building some hangars, but they have realized that they cannot build what they wanted to, so he is requesting the funds be reallocated in a way that it would be more productive at the Airport. He went over the written request he submitted with the packet and stated that he is requesting \$150,000 be used for hangar upgrades and restoration, \$81,600 for utility and site development for other hangars, and \$33,400 for the local share of annual entitlement dollars for 2015-2018. The local share of annual entitlement dollars is money that is the local share to the \$150,000 that they receive, per year, from state and federal sources. They have state projects coming up that they will need this money for. It is for projects such as fences, runways, etc.

Ald. Phillips questioned if there is a waiting list for hangars. Director Lemke replied there was, about 20-25 people are on the list.

Motion made by Ald. Johnson, seconded by Ald. Kneebone, to approve the reallocation of the 2018 capital improvement dollars for the Airport, as detailed in the memo.

Ayes: All                      Nays: None                      Motion carried.

**ITEM #7 – APPROVAL OF CLAIMS PAID.**

Motion made by Ald. Shorr, seconded by Ald. Johnson, to approve the claims paid in the amount of \$9,521,913.82.

The claims were discussed.

Ayes: All                      Nays: None                      Motion carried.

**ITEM #8 – ADJOURN INTO CLOSED SESSION (APPROXIMATELY 8:30 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) ON THE FOLLOWING: A. NEGOTIATING THE PURCHASE OF PROPERTY IN TAX INCREMENTAL DISTRICT #6 (DOWNTOWN). B. NEGOTIATING THE PURCHASE OF LAND IN TAX INCREMENTAL DISTRICT #9 (EAST PARKK COMMERCE CENTER). C. NEGOTIATING THE SALE OF LAND IN TAX INCREMENTAL DISTRICT #9 (EAST PARK COMMERCE CENTER). D. NEGOTIATING THE PURCHASE OF LAND FOR PARK PURPOSES. E. NEGOTIATING THE PURCHASE OF LAND FOR A BIKE TRAIL. F. NEGOTIATING THE PURCHASE OF LAND IN ALDERMANIC DISTRICT #4, AND NEGOTIATING A DEVELOPMENT AGREEMENT IN ALDERMANIC DISTRICT #4.**

Motion made by Ald. McComb, seconded by Ald. Johnson, to adjourn into closed session at 9:10 P.M.

Ayes: Ald. Johnson, Kneebone, Phillips, McComb, and Shorr                      Nays: None                      Motion carried.

**ITEM #9 – RECONVENE INTO OPEN SESSION (APPROXIMATELY 9:30 P.M.) FOR POSSIBLE ACTION ON THE ABOVE REFERENCED CLOSED SESSION ITEMS.**

Motion made by Ald. McComb, seconded by Ald. Kneebone, to reconvene into open session at 10:03 P.M.

Ayes: Ald. Johnson, Kneebone, Phillips, McComb, and Shorr                      Nays: None                      Motion carried.

**D. NEGOTIATING THE PURCHASE OF LAND FOR PARK PURPOSES.**

Motion made by Ald. Johnson, seconded by Ald. McComb, to proceed with purchasing the property, formerly known as the Emerson School property, for \$40,000 from the School District, along with a parcel swap at PJ Jacobs Junior High School which would be followed up with a proper CSM (certified survey map).

Ayes: Ald. Johnson, Kneebone, McComb, and Shorr                      Nays: Ald. Phillips                      Motion carried.

**E. NEGOTIATING THE PURCHASE OF LAND FOR A BIKE TRAIL.**

Motion made by Ald. McComb, seconded by Ald. Kneebone, to have the Mayor draft a letter to the County asking them to remove the tracks on HH.

Ayes: All    Nays: None    Motion carried.

Adjournment at 10:06 P.M.