

**FINANCE COMMITTEE
SEPTEMBER 10, 2018 AT 8:44 P.M.**

POLICE DEPARTMENT – 933 MICHIGAN AVENUE

PRESENT: Ald. Phillips, Slowinski, Shorr, and Morrow

EXCUSED: Ald. Johnson

ALSO

PRESENT: C/T Ladick; Mayor Wiza; City Clerk Moe; Director Schrader, Ostrowski, Lemke, Beduhn; Police Chief Skibba; Ald. Kneebone, McComb, Jennings, and Nebel.

ITEM #1 – REVIEW OF PROPOSED 2019 CAPITAL BUDGET, CAPITAL IMPROVEMENT PLAN FOR 2020-2023, DISCUSSION ON THE OVERALL SIZE OF THE CAPITAL BUDGET, AND DISCUSSION ON RESULTING TAX RATE IMPACTS.

C/T Ladick gave a presentation on the proposed 2019 capital budget. He suggested increasing the size of the capital budget from \$5.5 million to \$5.7 million in order to account for inflation. He explained that capital requests came in very high, and many items had to be moved to future years. As a result, the recommended capital budget for 2019 is in line with the target of \$5.7 million. However, as items were moved to future years, every year from 2020-2023 is now tentatively over the targeted amount of \$5.7 million. He also explained that we should continue to increase the capital budget by some amount every year in order to account for inflation.

C/T Ladick went on to cover the capital recommendations for the various departments, including Citywide/IT, Transit, Public Works and Street Projects, Fleet Vehicles and Equipment, Fire, Parks, and Police.

Ald. Nebel asked about the Willett Arena project, wondering if there are any parts of the project that can be done in phases, and if we can raise the fees to recover some of the money that we are spending.

Director Schrader responded that it would be very difficult to phase it in. He said that every year they review fees, but that we need to keep in mind that as we raise fees it could reduce usage.

Ald. Shorr stated that we should also remember that when people use the Willett Arena there are the fees themselves that the City collects, but there is also the economic activity associated with tourism and visitors.

ITEM #2 – BORROWING FOR 2018 CAPITAL PROJECTS-GENERAL OBLIGATION PROMISSORY NOTE-2018B.

C/T Ladick emphasized that this is not related to agenda item #1, this is related to the 2018 capital projects, many of which have already been completed. He noted that this is later than usual this year, mainly because of a lot of loose-ends related to projects that needed to be worked out. He explained that we need to borrow \$1.7 million for 2018 capital projects and \$2.35 million for the roundabout.

Ald. Phillips asked why the amount for the roundabout increased. C/T Ladick replied that he got an updated number from Public Works. He stated that the initial number that we was given didn't include the engineering costs.

Motion made by Ald. Slowinski, seconded by Ald. Shorr, to approve the borrowing for 2018 capital improvements, general obligation promissory note 2018B.

Ayes: All

Nays: None

Motion carried.

ITEM #3 – FUNDING FOR ELECTRONIC DOCUMENT CONVERSION FOR THE COMMUNITY DEVELOPMENT DEPARTMENT AND ASSESSOR’S OFFICE.

Director Ostrowski explained that the City purchased Laserfiche document management software in order to maintain records electronically. He explained that they are looking to take all of their property records within Community Development and the Assessor’s office, and have them scanned in by a scanning company. He stated the information would get integrated into the Laserfiche system. He stated that the costs would be covered by either additional building permit revenue or reallocating some of the capital dollars that we set aside for rewriting the zoning code.

Ald. Slowinski asked if this would be coming out of contingency, or if it would be coming out of the zoning rewrite dollars or additional permit fees.

Director Ostrowski stated that we don’t have a specific account to take it out of.

Motion made by Ald. Shorr, seconded by Ald. Morrow, to fund the conversion of our property records.

Ayes: All Nays: None Motion carried.

ITEM #4 – TARGETED AREA MASTER PLANS AND REPRIORITIZATION OF FUNDING.

Director Ostrowski stated that the City had budgeted \$200,000 for the zoning code rewrite, but most of that project has been done in house. This project would be doing master plans for both downtown and the Division St. corridor. The estimated cost is \$196,000. He stated that these may be TIF eligible expenses.

Ald. Phillips asked C/T Ladick what his thoughts are.

C/T Ladick responded that he hopes TIF district dollars can be used to cover these costs, and hopefully those TIF districts would see return on investment to recover those costs.

Director Ostrowski indicated that we would create marketing materials for those areas and also start to create visions for these areas and the potential development sites within them.

Motion made by Ald. Shorr, seconded by Ald. Morrow, to fund the targeted area master plans, if possible with TIF District funds.

Ayes: All Nays: None Motion carried.

ITEM #5 – AMENDMENT TO LEASE AGREEMENT WITH NORTHWEST COUNSELING AND GUIDANCE CLINIC FOR 933 MICHIGAN AVE.

Director Ostrowski stated that there are capital improvements that need to be done to accommodate Northwest Journey at 933 Michigan Ave. He stated that we would pay for the landlord improvements, which include a new corridor, an opening for a new door, and one set of doors. They would pay for bathrooms related improvements, another wall, and other tenant specific improvements. He stated that the tenant would pay \$11,312 for their costs, and we would pay \$23,577 for our costs. Director Ostrowski noted that we will collect \$2500/month in rent, so we will recover our costs within a year.

Ald. Morrow asked if this would impede any future plans that the Police Department might have for the facility.

Police Chief Skibba stated that based on their plans for the next 10-20 years, they expect to have enough space, so for the foreseeable future they don’t anticipate needing the space.

Ald. Shorr stated that he wanted to confirm that having this tenant nearby will benefit the Police Department.

Police Chief Skibba stated that they receive about 60 calls per year from this tenant, so there may be opportunities to do something more proactive with them.

Ald. Shorr asked for an update on what will happen with the site that Northwest Journey is vacating.

Director Ostrowski stated that the plan is still to move forward, but the other development can't move forward until Northwest Journey relocates.

Ald. Phillips stated that the rent money that we collect for the first year will essentially be lost to cover the remodeling expenses.

Motion made by Ald. Morrow, seconded by Ald. Slowinski, to approve the amended lease, including the capital expenses.

Ayes: All Nays: None Motion carried.

ITEM #6 – APPROVAL OF CLAIMS PAID.

Motion made by Ald. Morrow, seconded by Ald. Slowinski, to approve the claims paid in the amount of \$7,509,469.20.

Ayes: All Nays: None Motion carried.

Adjournment at 9:40 p.m.