

**FINANCE COMMITTEE
AUGUST 9, 2010 AT 6:08 P.M.
LINCOLN CENTER – 1519 WATER STREET**

PRESENT: Alderperson Moore, Molski, R. Stroik and Mallison

EXCUSED: Alderperson Brooks

ALSO

PRESENT: C/T Schlice; Mayor Halverson; City Attorney Molepske; Ald. Wiza, Slowinski, Trzebiatowski, O'Meara, M. Stroik, Suomi; Directors Schraeder, Halverson, Morris, Lemke, Ostrowski; Human Resource Manager Jakusz; Chief Ruder; Deputy C/T Freeberg; Eric Olson; John Dolan; Jim Lucas; Matthew Brown; Brian Kowalski; Bob Cyran; Barb Jacob; Reid Rocheleau; Ronda Simons

1. FUNDING FOR FIREFIGHTERS GRANT.

Motion made by Ald. Stroik, seconded by Ald. Molski to approve the Firefighters grant with funding to come from contingency.

Ayes: All Nays: None Motion carried.

2. FUNDING SHORTFALL – RIVERFRONT RENDEZVOUS.

Motion made by Ald. Mallison, seconded by Ald. Moore to approve funding the shortfall from Riverfront Rendezvous in the amount of \$20,000, with funds coming from room tax.

Ayes: All Nays: None Motion carried.

3. REPORT OF STEVENS POINT BASED AMERICORP PROJECT GRANT.

Eric Olson gave a brief overview on the Stevens Point based Americorp Project as outlined in the narrative that was attached to the Finance Packet.

Mayor Halverson asked him to discuss the different types of positions that the program would contain and what some of the missions would be of all of those individuals. He also wanted him to list some of the other public partners and what the local matches are as well.

Eric stated that they took the Eco-Municipality plan and identified five critical areas. The areas are Water/Water Conservation, Waste and Recycling, Natural Areas of Ecosystems, Energy/Energy Conservation and the Food System. The positions would probably be filled with recent college graduates in the fields in which they specialize. They would be looking at a half-time water conservation educator, which would be in charge of looking at the existing water conservation/education plan, following some of the recommendations from the Eco-Municipality Plan and developing and carrying out activities, which would include attending public events and sharing information. Another position would be a full-time position for energy conservation. This person would highlight those areas by working with Departments to help reduce the City's energy bills from year to year. Some positions in the food systems would augment the existing school food programs to make sure they are getting fresh fruits and vegetables and also work with

families to do the same. Some of the partnerships would be with groups like the Central Rivers Farmshed, Portage County Home and Property Prevention Partnership and Midwestern Renewal Energy Association. They are also going to be working on park restoration projects, and since the City has numerous areas that are in need of rehabilitation and does not have the funds accessible to take these activities on, they would utilize volunteers to help with these projects. The funds for Americorp are annually funded and it is based on competition, so there is no guarantee that the funds would be there every year. This year they did out-compete programs from Milwaukee Public Schools, University of WI-EauClaire, Wisconsin Early Childhood Association, Marshfield Clinic, etc. to be placed second in line to get the funds. The programs heart and home would be based out of Stevens Point, but the program would help neighboring communities in the long run.

Mayor Halverson stated the main components would be funding part of the project coordinator, which would be a full-time executive director, who would run the entire program. A lot of our match that has been articulated to Americorp will revolve around "in-kind" staff time for snow removal issues, grounds keeping issues and also some out of pocket cash as far as utilities for the Jackson School environment, but most of the dollars will be funded by the grant itself. The two shoreline preservation specialists and the park volunteer coordinators may already be offset by the dollars we have offset for Iverson Park. Once the numbers are finalized, it will be brought back for approval.

Ald. Molski asked if this was just for the City or if it was County wide.

Mayor Halverson stated we would be hosting it as we are submitting the grant. The vast majority of the positions will be for the City but since other portions of the local match are coming from other areas, they will get some of the staff positions.

Eric Olson added these are federal resources, so they are funded already at the federal level. The plan for this project would be to create the actual Americorp volunteer positions that have stipend in Stevens Point. They would be living in Stevens Point therefore spending their money here, so it would be a benefit for the community also. There will be \$200,000 in grants that will be flowing through the area. They are looking at 9 full-time positions and 8 part-time positions, which would be good fits for college graduates.

Mayor Halverson stated that one of the more specific positions that will have a huge impact here in Stevens Point is the Household Energy Conservation Specialist. This position would be going into homes and do a micro-energy audit so the homeowners could then take the steps they need to conserve energy.

Ald. Trzebiatowski questioned if they have looked at doing a five year lease on Jackson School with the School District instead of a one year.

Eric Olson replied that they do not feel they are in the position to ask for a five year at this time. They are more interested in long term land usage at this time.

Mayor Halverson added that they do have to compete every year for these funds and if we lock it into a long term lease, the City may be responsible for the remainder of the lease if they do not get it every year.

4. TRANSFER OF PROPERTY TO CDA – 1000 THIRD STREET AND 941 PORTAGE STREET.

Mayor Halverson supports the transfer, but suggested that if the Finance Committee approves it, they stipulate that if the development does not happen, the CDA still retains the property for redevelopment purposes. In the event the CDA would dispose of that property for a material sum of money, we would require that money come back to the City Treasury to reimburse the taxpayer offset for the original purchase.

Ald. Stroik stated that since they are getting the property and adjacent lot for a dollar a piece, he would like to see more of the \$170,000 donation put into restoring the exterior of the building to retain its historic look.

Reid Rocheleau, 408 Cedar Street, stated that as a taxpayer, he would like the City to sell the property for more than two dollars. He stated that taxpayers actually own the property, not just the City staff.

Barb Jacob, 1616 Depot Street, also was concerned over selling the property for two dollars. She stated that people are upset because they would like to see the property used for something other than apartments. She feels that the elected people are passing off control. She would like a forum set up to answer the questions that the people have.

John Dolan, 318 Washington Avenue, stated that he and his partner, Jim Lucas, have been looking at this property for over a year. In the beginning, they did look at it from a historic preservation point and considered spending \$100,000 to renovate the exterior of the building, but questioned what it would get them from a revenue standpoint to sell or rent. He stated that we have historic buildings downtown and this happens to be outside the downtown area. They are currently working on the Children's Museum, which they are trying to renovate that to a historical character because it is within the historical district. It did not make sense from a financial standpoint to make it historic, so now they are trying to make it special to work in with the eco-municipality. They are using the bricks from that building inside the new apartments to help conserve energy through the winter months. It is a numbers game and he stated they cannot do both.

Ald. Stroik responded its age makes it historic, which is also why demolition was avoided. The Council, on a recommendation from the Historic Preservation Committee, voted to keep it intact because of its age. He does not have a problem giving them the money to make the development work and put money back on the tax roll, but he believes that wrapping it and losing its historical presence is defeating the purpose.

Mayor Halverson replied he thinks the notion that we are giving them \$150,000 worth of property is not be correct based on what the actual value was on those properties at the point of origination of the downtown TIF district. Since then, the building had become vacant and the value has slipped to almost nothing. The same theory was behind the house we acquired and then demolished. We are giving them a lot that has dimensional value in terms of flat vacant land in a central business transition district, probably valued around \$45,000. We are at a point where it would cost us more money if we are going to require them to restore its historic nature. This is the first feasible project that would work with the built in incentives.

Ald. Stroik stated he does not agree with the amount of \$45,000 given for the structure because a brick structure could not be build for that amount.

Ald. Molski stated that she is happy to see a plan for that building. We need some incentives in that TIF and maybe if this building gets something done to it, it might encourage something on the other vacant land that we have or the proposed demolishing of the buildings on Second Street. She is in favor of transferring it to the CDA. She believes that people do not understand what the CDA does and that there is a misconception about them. They make loans and review financials, which is made easier by having a banker on the board and they are not compensated for serving, it is on their own time.

Motion made by Ald. Molski, seconded by Ald. Mallison to transfer the property to the CDA and also added that if this project does not go through and if it is ever sold, that money is given back to the City.

Ald. Mallison stated he has seen the plan, it is on the website for public viewing and he supports it.

Ald. Stroik stated he is not opposed to transferring the property at all, but he would like clarification on the motion regarding whether it is ever sold, so 60 years from now if it is sold, what amount is the City to get back.

Ald. Molski amended her motion.

Motion made by Ald. Molski, seconded by Ald. Mallison, to approve the transfer of the 1000 Third Street and 941 Portage Street to the CDA and if this project, as it is right now for the apartment building, does not go forward, the property remains in the CDA and if the CDA ever sells this vacant property to be redeveloped by someone else, whatever money that it is sold for will come back to the City Treasury.

Ald. Trzebiatowski stated that he is in favor of the project and agrees that there is a misconception of the value of the property. He believes that the misconception is stemming from what we actually spent to acquire the properties. He would also like the developer to try to maintain the vision that everyone is looking for by using stucco or other materials to maintain the historic value. He is in favor of the project.

Ald. O'Meara agreed and also thinks the property needs to be transferred to the CDA. That board has members with the expertise, specifically banking and financing of projects. He also stated that reasonable people can disagree on what the design of this building should be and what is possible. The City needs to do what makes economic sense for both the City and the developer. We bought those properties because they were blighted, that is the only justification for it and when you have a blighted property you have to take care of it for the safety of the City.

Ayes: All

Nays: None

Motion carried.

5. APPROVAL OF PAYMENT OF CLAIMS.

Ald. Trzebiatowski asked the C/T to elaborate on the situation with the Portage County Gazette, in which they received \$31,943.83 for legal displays.

C/T Schlice stated that he was approached a few months ago by a representative of the Gazette and stated there was a problem. They discovered a problem in their billing department and there were numerous legal displays that were not billed out. He told them they needed to substantiate it, and when they did they received payment.

Motion made by Ald. Mallison, seconded by Ald. Molski to approve the payment of claims in the amount of \$426,475.07.

Ayes: All

Nays: None

Motion carried.

Adjournment at 7:12 p.m.