

**SPECIAL FINANCE COMMITTEE  
MARCH 14, 2011 AT 7:39 P.M.  
LINCOLN CENTER – 1519 WATER STREET**

PRESENT: Alderperson Moore, Molski, Stroik, Mallison and Brooks

ALSO

PRESENT: C/T Schlice; Mayor Halverson; Clerk Moe; Ald. Wiza, Slowinski, Trzebiatowski, O'Meara, M. Stroik, Suomi; Directors Halverson, Schraeder, Lemke, Ostrowski, McGinty; Assessor Siebers; Deputy C/T Freeberg; Asst. Police Chief Kudronowicz; Kelley Pazdernik; George Hanson; Matthew Brown; Nick Paulson; Mike Harrigan (Ehlers); Bernie Coerper; Barb Jacobs; Jeff Schuler; Pete Ananiadis; Jim Hamilton

**1. ADJOURN INTO CLOSED SESSION (AT APPROXIMATELY 7:30 P.M.) PURSUANT TO WISCONSIN STATUTES 19.85(1)(E) TO NEGOTIATE PURCHASE OF PUBLIC PROPERTIES – 1201 THIRD COURT, LLC (VALLEY BANK – 1201 THIRD COURT) AND CENTER POINT MALL CORPORATION (1101 CENTERPOINT DRIVE).**

Motion made by Ald. Molski, seconded by Ald. Brooks to adjourn into closed session at 7:40 P.M.

Ayes: Ald. Moore, Molski, R. Stroik, Mallison and Brooks    Nays: None    Motion carried.

**2. RECONVENE INTO OPEN SESSION (APPROXIMATELY 30 MINUTES AFTER ADJOURNING INTO CLOSED SESSION).**

Motion made by Ald. Brooks, seconded by Ald. Molski to reconvene into open session at 8:29 P.M.

Ayes: Ald. Moore, Molski, R. Stroik, Mallison and Brooks    Nays: None    Motion carried.

**3. UPDATE ON CDA DISSOLUTION (DISCUSSION ONLY).**

Mayor Halverson reported that the Finance Committee will be taking over the responsibility for a pool of money that is specifically isolated to downtown redevelopment with the CDA. Those monies would come under control of the Finance Committee and the Finance Committee would then be acting as the local governing body for the Central Wisconsin Economic Development Fund (revolving loan fund). The Finance Committee would be acting as the CDA used to for these loans that we act on. Currently, locally, the CDA would act on these revolving loans at 199,000 or less and anything above that amount, members of the Finance Committee and the Mayor would go to a Regional Revolving Loan Fund Committee that we would collectively decide how those funds would get distributed. The paperwork would then be changed and the Finance Committee would then be specifically articulated as the group responsible for that. What will happen is there will be resolution in front of the Common Council this month charging the Mayor, the Comptroller, the City Attorney, the Community Development Director, along with the current Executive Director of the CDA to arrange all paperwork necessary to start the process of dissolving the CDA. This will be in front of the Common Council next Monday, March 21<sup>st</sup>. We wanted the Finance Committee to be aware that there will be some different roles with the CDA being dissolved.

Ald. Mallison questioned how long the process will take.

Mayor Halverson responded at least a month, maybe two, due to structure changes with housing components and collateralization documents on old loans.

**4. CONSIDERATION OF AGREEMENT WITH 1201 THIRD COURT, LLC (VALLEY BANK).**

Mayor Halverson stated we have a general agreement between the City of Stevens Point and 1201 Third Court, LLC (Valley Bank) to acquire what is known as the mall portion of CenterPoint Marketplace for \$1,875,000. It will be the suggestion of the City Attorney that we would be closing in escrow based on a few contingencies that he will lay out for you. In essence, we would be able to move forward without having any concerns over a timeline, other than the contingencies and following through those.

City Attorney Molepske stated the agreement is for \$1,875,000. The conditions on that site are pro-rated taxes, environmental testing, which he states that he was just notified that EPA is here tomorrow and they are hoping for joint testing on the two properties, and also the other condition is that we come to a reasonable agreement with Shopko as far as the modification and the change in the reciprocal covenants.

Motion made by Ald. Stroik, seconded by Ald. Mallison to approve the agreement with 1201 Third Court, LLC (Valley Bank) in the amount of \$1,875,000 to close in escrow based on contingencies that they pro-rate the taxes, the environmental testing is reviewed and approved by all parties and that a reasonable agreement is reached with Shopko prior to closing.

Ayes: All                      Nays: None                      Motion carried.

**5. CONSIDERATION OF AGREEMENT WITH CENTER POINT MALL CORPORATION.**

City Attorney Molepske stated the two conditions on that property are basically the same as the 1201 Third Court, LLC property. In order to implement the plan we need the reasonable agreement with Shopko and the environmental testing. The agreement on the former Dunham's property is for \$575,000 in addition to that, the City would lease the property for 15 years at \$10,000 a year. The mortgage that is currently on it, which the City holds, would be paid, which amounts to around \$90,000, in addition, the taxes would be pro-rated and we would have a limited power of attorney which would allow us to negotiate with Shopko to do whatever we wish to do as far as the reciprocal covenants, the operating agreement and the other agreements that cover the mall property. He stated that neither party wishes to give us an indemnification on the environmentals.

Motion made by Ald. Brooks, seconded by Ald. Mallison to approve the consideration of agreement with Center Point Mall Corporation in the amount of \$575,000 plus the City would lease the property for \$10,000 a year for 15 years and also it would be based on contingencies that the taxes are pro-rated, the environmental testing and a reasonable agreement with Shopko is reached.

Ald. Slowinski questioned if the delinquent taxes will be covered.

City Attorney Molepske answered yes, it would be deducted from the sale price at the closing.

Ayes: All                      Nays: None                      Motion carried.

**6. CONSIDERATION OF AGREEMENT WITH SHOPKO SPE REAL ESTATE, LLC, N/K/A SPIRIT SPE PORTFOLIO 2006-1, LLC.**

Mayor Halverson stated there is no agreement with Shopko at this time so no action will be taken at this time.

Adjournment at 8:44 P.M.