

**REDEVELOPMENT AUTHORITY COMMISSION
Minutes**

February 8, 2018

Brillion Community Center

6:30 pm

CALL TO ORDER:

Chairperson Beth Wenzel called the meeting to order at 6:30 pm.

ROLL CALL:

Present were Chairperson Beth Wenzel, Matthew Bennett, Tamara Hillmann, Kim Buboltz, Jerome Popp, and Alderperson Mel Edinger. Also present was City Administrator Lori Gosz and Calumet County Economic Director Mary Kohrell. Absent was Ralph Rice.

Guests:

TJ Lamers from the IPR Group, Tom Kispert from McMahan, Andy Dumke, Joe Behnke, Wendy Behnke, Rueben Piepenburg, Chad O'Connell, Jill Braun, Sarah Pielhop and Alderperson Betty Nies.

APPROVAL OF AGENDA:

Motion – Edinger moved to approve the agenda. Seconded by Buboltz. Motion carried unanimously.

APPROVAL OF MINUTES – January 11, 2018 Redevelopment Authority Commission.

Motion – Bennett moved to approve the minutes of the January 11, 2018 Redevelopment Authority Commission meeting as printed and circulated. Seconded by Edinger. Motion carried unanimously

REPORTS OF OFFICERS:

Chairperson:

No report.

Treasurer:

Buboltz reviewed the Treasurer's report. She reported after the payment of \$2,352.00 to the City of Brillion, \$2,299.20 to McMahan and \$4,179.95 to McMahan there is an ending balance of \$3,425.37 for the month of Jan.

Motion – Bennett moved to approve the Treasurer's Report as submitted. Seconded by Edinger. Motion carried unanimously.

WPS Bills for Main Street Square Property:

Gosz reported that there are four WPS meters on the property the RDA purchased from Randy Schmiedel. Those meters are now the responsibility of the RDA. She explained the cost for electricity for the monument sign is \$55.17, the other three meters are for electricity and natural gas to the building, amounting to \$676.53. It was questioned why the building is being heated. Gosz stated because of the water sprinkler system through the entire building including Dollar General. She stated the plan is to remove the sprinkler system once the demolition is done.

Public Works Director Andy Geiger is following up with Bob Endries whether or not Randy Schmiedel is will allow the sprinkler system to be removed from the Dollar General building before shutting the water off. Gosz stated she would follow up with Geiger on this.

Motion – Edinger move to approve the payment of the WPS bills. Seconded by Bennett. Gosz reported that an invoiced from McMahon was received to the CSM survey adding Lot #3. Lamers suggested that because this was done for the City Hall project, that it be included with the lease for the building from the IRP Group.

Secretary/Community Development Director:

Gosz reported the Mayor received a letter from WHEDA (Wisconsin Housing and Economic Development Authority) the Keystone Development (Andy Dumke) has submitted an application for Federal Low Income Housing Tax Credits to WHEDA for the housing development. WHEDA is seeking any additional comments the Mayor may have regarding the proposed development. Andy Dumke explained a letter in support from the City will help. He suggested adding any housing study information the City has supporting the development. Dumke explained the WHEDA tax credits program. He said it is not low income housing, but is income restricted housing, which limits the amount of income an individual can make and the of rent the individual can be charge. The rent is not subsidized, and is paid 100% by the tenant. The State gives tax credits for the development of the building, which allows for nicer apartments at lower rent. The term is for 15 years. The income restriction is for 30 years. Dumke explained with his housing developments most rents include water/sewer and the tenants pay for the electricity/heat. He explained the income is based off of total household income. Dumke stated each tenant will go through a thorough background check done and income verification.

Dumke stated he has developments in Oshkosh, Appleton and in the Fox Valley area. He has built this product in communities the size of Brillion and smaller. The WHEDA Tax Credit program for the Brillion development is a rural set-aside with populations of 10,000 or less.

Motion – Bennett moved to submit a letter of support to the WHEDA Tax Credit application on behalf of the City. Seconded by Edinger. Motion carried unanimously.

Gosz will work with the Mayor to submit the letter of support to WHEDA.

REVIEW OF VISION, GOAL, AND OBJECTIVES:

Wenzel reminded the group of the RDA’s visions goals and objectives.

PROJECT FINANCING OPTIONS – EHLERS:

Gosz stated Phil Cosson from Ehlers has submitted a memo explaining the use of tax increment from TID #2 to fund RDA costs for administration and planning related expenses in the Downtown Redevelopment Project. She explained that the TID #2 Project Plan adopted in 2006 when the TID was created, includes language which allows for contribution to Community Development Authority (or RDA) and that the City may provide funds to the RDA to be used for administration, planning and operations related to the purposes for which it was established. In addition, the amended Project Plan for TID #2 adopted in 2010 allows for expenditures to be made outside of the TID but within ½ of the TID boundaries.

Gosz explained that it is Ehlers opinion that tax increment from TID #2 is the most logical funding mechanism for the RDA as long as the activity meet that defined in the TID Project Plan and the TID has a positive cash flow. Gosz stated Cosson has completed a cash flow analysis of TID #2 and because of a positive cash flow approximately \$40,000 can be transferred to the RDA in 2018, with annual amounts up to \$4,000 thereafter. This will need to be determined annually by future cash flows.

Discussion followed. It was questioned what happens to the TID if there is a continued positive cash flow. Gosz stated the TID would close sooner. Gosz stated if the RDA would like to request this funding a recommendation should be made to City Council.

Motion – Bennett moved to recommend to City Council to allocate \$40,000.00 of Tax Increment from TID #2 to be transferred to the RDA for administration and planning related expenses. Seconded by Buboltz. Motion carried unanimously.

GENERATE IDEAS TO CREATE REVENUE SOURCES:

Wenzel stated that the RDA did not receive any funding from the City in the 2018 budget. Therefore, the RDA is looking for creative ideas to generate revenue for expenditure. She stated the Chamber of Commerce has been helpful with donations for the benches downtown, holiday light ornaments along USH 10. She asked members to give this more thought.

DOWNTOWN REDEVELOPMENT – MAIN STREET SQUARE PROJECT:

Downtown Redevelopment Project Plan – Revisions:

Wenzel explained the revised Downtown Redevelopment Project Plan give more details for the project. Gosz further explained that the 2017 Downtown Redevelopment Plan approved by the City Council on 10/16/2017 gave the project concept, but is missing some details required by State Statute. The revised Plan now includes the required information.

Gosz explained the process for approval. She stated at the January RDA meeting a public hearing date was set for Monday, February 26th at 5:30 pm for the proposed sale of Lot #2 to Northpointe Development, to declare the 1974 Redevelopment plan for the property null and void and to replace it with the 2017 Downtown Redevelopment Plan. Once approved the Plan should then be recorded on the property with the Register of Deeds.

Review of Project Time Table:

Tom Kispert from McMahon reviewed the project time table with the RDA. He explained the soil boring will be done on the property next week. Bids from contractors for the project should be received by the middle of March for contracts in place for late March or early April to start construction. He explained the goal is to have construction complete by the end of September, for occupancy by October. Kispert explained soil borings will also be done in the housing complex area. He further explained the purpose of doing soil borings is to determine the necessary information to design the structure. DNR permits would be required. Storm water test pits will be required to determine if any storm water management is required for the site.

It was asked if local contractors would be used for the City Hall project. Kispert stated that he has received a list of local contractors who will be contacted and allowed to bid on the project.

Andy Dumke, Northpointe Development explained it won't be until late summer before they will be ready for housing development. He state he should know by the middle of March if he is awarded the WHEDA Tax Credits for the project. Kispert stated the idea would be to have the all the demo work done before the City Hall project works begins then there are not a lot of contractors on the site.

WEDC Community Development Investment Grant Application – Update:

Gosz reported the City has received notice from the WEDC that they have approved the grant award, which is contingent on the grant contract being fully executed. The Mayor has signed contract which has been returned to WEDC for final execution and award.

Kohrell state an official press lease will need to be coordinated by WEDC. She has contacted Mark Maley from WEDC who is in charge of public relations regarding the press lease.

Developers Agreement – Northpointe Development Corporation:

Dumke explained the agreement is a very simple agreement. He stated per the accepted Offer to Purchase he will pay for the cost to match the west side façade of Dollar General. He also explained the agreement offers the opportunity for the City to get the property back should development not happen. Dumke stated he should know by 3/15/2018 if he will receive the WHEDA Tax Credits for the project. It was suggested to have the agreement ready so that after the 3/15th date the development is ready to go.

City Hall Project - Lease Agreement with the IPR Group:

Lamers stated he is working on the lease agreement language. He wants to review it with Wenzel and Gosz before bringing the final draft for the RDA to review.

BRILLION IRON WORKS – UPDATE:

Wenzel reported that the Offer to Purchase between Ariens and Brillion Iron Works has been signed and now the due diligence period has been. Last week Ayres & Associations was on site for a walk through to get the environmental studies complete.

2018 HANGING FLOWER BASKETS – UPDATE:

Buboltz reported she has ordered the flowers from Schroth's. She tried to keep as close to the same price range as last year. Hillmann reported she has posted on the RDA's Facebook page requesting donations for the flowers.

FLAG POLE REPLACEMENTS:

Wenzel reported there are 7 flag poles that need to be replaced.

RECREATION TRAILS:

Wenzel reported she recently met with Dan Ariens regarding his ideas for redevelopment of the Brillion Iron Works property. She stated Ariens wants the property to be people friendly and incorporate trails in the redevelopment of the property and along the old railroad corridor.

NEW BUSINESS:

Future Agenda Items:

- Employee Survey with Brillion Employers.

Next Meeting Date:

The next regular meeting of the RDA will be held on Thursday, March 8th at 6:30 pm.

Hillmann reported the next civic organization meeting is scheduled for March 1st at Carstens Mill. The focus of the meeting will be trying recruit volunteer.

ADJOURNMENT:

Motion – Edinger moved to adjourn the meeting. Seconded by Buboltz. Motion carried unanimously. The meeting was adjourned at 8:09pm.

Lori M. Gosz
City Administrator/Clerk-Treasurer
RDA Secretary