

**SPECIAL CITY COUNCIL
MINUTES**

September 26, 2018

Brillion City Hall

11:00 am

CALL TO ORDER:

Mayor Deiter called the meeting to order at 11:00 am.

ROLL CALL:

Present were Mayor Gary Deiter, Alderpersons Mel Edinger, Tim Hanson, Joe Levash, Betty Nies, Vicki Shafran, Wally Sonnabend, and Carrie Wenzel. Also present were City Administrator/Clerk-Treasurer Lori Gosz, Director of Public Works Andy Geiger, and Deputy Clerk/Treasurer Joy Buboltz.

Guests:

Mark Olson from the Ariens Company and Scott Langlois (via phone).

APPROVAL OF THE AGENDA:

Motion –Levash moved to approve the agenda as printed and circulated. Seconded by Nies. Call vote taken. Motion carried unanimously.

CLOSED SESSION PER W.S.S. 19.85(1) (E):

The City Council decided not to go into Closed Session.

OPEN SESSION:

The City Council decided not to go into Closed Session.

CONSIDERATION OF “RESOLUTION APPROVING THE ACQUISITION OF THE PROPERTY WITHIN THE BOUNDARIES OF TAX INCREMENTAL DISTRICT NO. 5, CITY OF BRILLION, WISCONSIN”:

Gosz explained that the Attorneys for the City and for the Ariens Company were able to come to an agreement with the issues that were addressed at the September 24th City Council meeting. The City proposed lowering the amount to be borrowed by the City for this property and included a developer’s incentive which was accepted by the LCC. Scott Langlois, Attorney for the City, has given his approval on the Master Lease Agreement and on the Developer’s Agreement.

Mark Olson stated that the current owner of the property, American Axel, has asked the LLC if they would be willing to allow American Axel to store some of their property in the buildings for 90 days. Items they are asking to store are patterns, environmental files, etc. There will be three (3) areas on the property designated for the storage of those items.

Gosz explained that it is very important for the City to adopt the proposed Resolution. She read out loud the proposed Resolution.

Motion – Wenzel moved to adopt Resolution RE18-17 approving the acquisition of the property within the boundaries of TID #5, authorizing the Mayor to sign all necessary closing documents and agreements, including the assignment and assumption of the Offer to Purchase and Post-Closing Occupancy Agreement. Seconded by Levash. Roll call vote taken. 7 votes cast. Motion carried unanimously.

CONSIDERATION OF MASTER LEASE AGREEMENT BETWEEN THE CITY OF BRILLION AND BRILLION WORKS, LLC – TAX INCREMENTAL DISTRICT NO. 5:

Gosz explained the change includes the wording the City wanted which stated that the City would sub lease to Brillion Works, LLC and they would then in turn sublease to the Ariens Company.

Wenzel questioned the value of the land going from \$4.8 million to a \$1 and if the value of the former Farm Equipment property would equate to that \$4.8 million. Gosz stated yes. Olson commented that the Ariens Company is committed to investing \$5 million into that property. Olson explained that the Ariens Company is still looking at the three (3) building across from the former Farm Equipment Property.

Edinger asked to have the borrowing, to be done by the City, explained. Gosz explained the City will contribute \$2 million to the project and will reimburse \$300,000 for project costs to the Ariens Company. As more value increases on the property, the City will contribute more to the project. That is explained in the Developer's Agreement. Both Scott Langlois and Phil Cossen feel very comfortable with that language in the Developer's Agreement.

Gosz also explained that as increment grows on that property, the City will take their portion to pay off the increment and if there are funds left from the increment, Ariens Company will then receive the balance of the increment.

Motion – Edinger moved to approve and authorize the Mayor to sign the Master Lease Agreement between the City of Brillion and Brillion Works, LLC, including the Sublease Agreement between the Brillion Works, LLC and the Ariens Company. Seconded by Hanson.

Wenzel asked if the concern of the taxes and foreclosure clauses that were originally in the Master Lease Agreement was addressed. Scott Langlois, via phone, explained that has been addressed and is revised to not allow subordinate of the tenant. The Ariens Company agreed to remove that subordinate clause.

Roll call vote taken. 7 votes cast. Motion carried unanimously.

CONSIDERATION OF DEVELOPMENT AGREEMENT BETWEEN THE CITY OF BRILLION AND BRILLION WORKS, LLC – TAX INCREMENTAL DISTRICT NO. 5:

Motion – Wenzel moved to approve and authorize the Mayor to sign the Development Agreement between Brillion Works, LLC and the City of Brillion. Seconded by Shafran. Roll call vote taken. 7 votes cast. Motion carried unanimously.

NEW BUSINESS:

Mayor Deiter thanked everyone for their hard work during this process. Olson thanked the City Council.

ADJOURNMENT:

The meeting was adjourned at 11:40 am.

Joy L. Buboltz
Deputy Clerk/Treasurer