

REDEVELOPMENT AUTHORITY MEETING MINUTES  
Wednesday, November 14, 2018  
Hall of Fame Room

**Present:** Roger Springman, Denise Duranczyk, Regina Hirsch, Carl Chenoweth and Dale Reeves

**Absent and Excused:** Brian Girgen

**Others Present:** Mayor Swadley, Finance Director Friedl, Sharon Mason-Boersma, Emily Bahr, Alexander Cramer, Alderperson Johnson, Alderperson Riley

**Call to Order:** Called to order at 5:30 p.m. by Springman

**Communications:**

Becker provided a brief summary of the Whitewater Park financing/budgeting meeting between Gary Becker, Finance Director Friedl, Parks and Recreation Director Glynn and Mayor Swadley immediately preceding the 11/14/18 RDA meeting. Major topics included financing of the proposed 2019 RDA projects and confirmation that efforts were not being duplicated between the RDA and the City of Stoughton Parks and Recreation Department.

Springman provided an update on the information presented at the 11/13/18 City Council meeting.

Springman informed the members that Peggy Veregin communicated concerns related to stabilizing the Blacksmith Shop and that she wishes to allow the RDA and potential developers to determine the future of the Blacksmith Shop.

Springman provided a DCHI forum summary including a video produced by DCHI. Further discussion was held related to the available options for providing affordable housing in future.

**Public Comments:**

Emily Bahr commented on the discussion held related to affordable housing and the ability to make smaller lot sizes available to make houses/properties more affordable. She would like to see the City to allow for deviation from the existing standards. Duranczyk pointed out that the Southern properties in the Nordic Ridge development are smaller to allow for smaller/more affordable homes. The intent when approving this design was to create more affordable homes.

Alderperson Johnson discussed experiences with contacts in La Crosse which ultimately led to a tour with the Local Historical Society. She was notably impressed with the Main Street Program in La Crosse and would like to see additional development in Stoughton's Downtown area.

**Approval of October 10, 2018 Minutes**

Motion by Duranczyk to approve the October 10<sup>th</sup> minutes, second by Chenoweth. Motioned passed 6 to 0.

**Finance Report**

Director Friedl provided a brief overview of the year-to-date October 31<sup>st</sup> financial statements for the RDA and TIF No. 5.

## **Old Business items**

### ***a. Marathon site update***

Springman noted that Nelson has not yet signed the Mutual Release Agreement, but has committed to do so. The RDA is entitled to keep the \$5,000 in earnest money. Hirsch inquired if there is anyone else interested in the site. Springman noted a change in the status of the Cenex Station (sold) has changed a potential buyer's mind. Discussion related to the clean-up of the site and the challenges associated with it due to the current ground water level followed. Chenoweth inquired if the ground water level has been confirmed other than simply taking Nelson's word for it. Recommendation was made that City staff review the report and what type of property can be placed on the site (basement/no basement).

Motion by Chenoweth to have City staff review all available environmental reports on the Marathon site to ascertain what level of contamination or issues exist that could impede future development, second by Duranczyk. Motion passed 6 to 0.

### ***b. Demolition process and Blacksmith Shop stabilization updates***

Becker noted that the HWY building is down, the Milfab buildings are down, and a large pile of crushed concrete aggregate remains on-site. Chenoweth noted this will be disposed of off-site. Discussion followed on the RDA's October meeting dealing with recommendations on the crushed aggregate. No cost savings were obtained due to other ongoing issues with the contractor and the contract provides the contractor with first right to use the crushed material. It was also confirmed that the DNR approved the plan related to laying crushed aggregate near the river bank to create a base due to the ground water levels/spring being so high.

Springman informed the members that the brick wall came down on the NW corner of the building in late October. Kurt Straus from Structural Integrity was on-site the following Monday to provide analysis. Earth Construction is prepared to walk away from the building as he felt he did what was required in the contract. Springman noted that Director Gillingham agrees with the RDA that he appears in breach of contract and recommended filing a notice of contract default with the bonding company (sent last week).

Chenoweth would like an opinion from the City Attorney and Director Gillingham related to moving forward with stabilizing and repairing the building. It was determined that either Springman or Chenoweth will discuss with Director Gillingham on 11/15 to receive further direction.

Motion by Hirsch to have Straus prepare a plan to take essential steps to stabilize the Blacksmith Shop through the next year as a follow up to his initial plan taking into consideration the recent damage. This is pending further discussions with Director Gillingham and City Attorney to determine if anything is preventing the RDA from moving forward with bracing/repairing the Blacksmith Shop. If it is determined the RDA can move forward the costs associated with bracing/repairing

the Blacksmith Shop shall not exceed \$30,000. Second by Reeves. Motion passed 6 to 0.

***c. Phase II work plan update for demolition area***

Becker noted that AECOM is currently working on the Phase II study and will deliver a soil management plan for the area. The final report should be available Mid-December.

***d. RFEI progress update***

Becker provided a handout of highlights of the Request for Expressions of Interest (RFEI) conversation held with Jason Gilman, Planner, City of La Crosse on November 6<sup>th</sup>.

Becker and Springman provided a brief summary of the key items contained in the handout and other relevant parts of the conversation.

Becker discussed the Table of Contents of the proposed RFEI and plans to bring a draft document to the December RDA meeting. Submittal and evaluation criteria will also be developed as part of this process.

The proposed RFEI will include the fact that the final use of the Blacksmith Shop has not yet been determined, but leave open for developers to express interest in inclusion/exclusion.

Hirsch inquired as to how properties the RDA does not yet own will be handled.

Becker noted that those issues will be addressed at the time the RFEI is issued and documented accordingly.

***e. Parcel Transfer process update and possible action for Phase II work at Public Works garage site***

The City wants to see that the Powerhouse is protected or parceled off as part of the development. The City wants to retain control of the property until they know the Powerhouse will be protected. Scheel will work with the City Attorney to develop language to transfer the Public Works building and address the Powerhouse at a later date. Transfer of the Public Works building property would take place immediately following the Public Works Department's departure and the environmental assessment would commence thereafter.

Becker described the challenges related to the WEDC SAG grant and the City's ownership of the property.

Motion by Hirsch requesting the Mayor to meet with the State Historical Society to determine the impact of the raceway on the historic tax credit potential of the Powerhouse, second by Duranczyk. Motion passed 6 to 0.

Motion by Chenoweth to move forward with the partial transfer of the Public Works parcel separate from the Powerhouse parcel to expedite its transfer to the RDA, second by Hirsch. Motion passed 6 to 0.

### **New Business**

***a. Proposal for downtown master planning process and possible action***

Duranczyk provided a draft resolution related to creating a Master Plan for the Central Business District and was joined by Sharon Mason-Boersma. The initial plan is to encompass vacant upper level suites as well as the Railroad Corridor and East Main Street properties. Duranczyk proposed a committee would be formed to include RDA members, Council members, Planning Commission members, Downtown business owners and a consultant to develop the Master Plan. Mason-Boersma provided a summary of her interactions with downtown business owners and experiences with what other area municipalities are doing.

Duranczyk will draft the language for consideration at the December Council meeting.

Motion by Chenoweth to broadly accept the resolution provided in the packet following proper formatting to direct the RDA to move forward with developing a Master Plan for the Central Business District, second by Trow. Motion passed 6 to 0.

***b. Revolving Loan Fund update and possible action to change/update program***

Trow provided an update related to the status of the existing revolving loan fund program. Trow noted that business owners are concerned with the confidentiality of their financial information and the fact that the information is provided to the RDA for review. Option could be to simply rely on the underwriter's opinion. Another hurdle is the 50% of funding match requirement. Option is to leave the ceiling but lift the matching requirement. It was noted that the March 2018 minutes reflected reducing the interest rate to 0%. Trow recommended charging a lower flat fee to cover administrative costs. Trow also believes that a business plan and detailed projections for any project is overkill and should not be required with the exception being start-ups. Trow also recommended changing the repayment structure of the loan which is currently interest only with a balloon payment of principal at the end of the term.

Motion by Trow to change program to remove the 50% project cost match requirement with a maximum loan of \$50,000, change to amortization of P&I for a

term of up to 60 months, charge a 3% flat interest rate, require existing businesses to provide 2 years of financial information to the underwriter, require new businesses to provide business plans and detailed projections to the underwriter and allow the underwriter to approve all future loans, second by Chenoweth. Motion passed 6 to 0.

***c. Preliminary discussion on Riverfront Restoration process***

Becker noted that Director Glynn has a plan in place for the Whitewater Park and riverbank needs. Glynn will work with Gary Lacey to categorize the costs and provide more clarification related to the order the projects should be completed. Chenoweth confirmed the RDA should go forward with planned work on the riverbank for 2019 along with all design work (including the pedestrian bridge). Chenoweth also recommended one firm design the work needed on both sides of the river along with the pedestrian bridge. The RDA work would need to be downstream of the powerhouse and the Mandt Park side work would be from the Fourth Street Bridge down. It was suggested the RDA wait to determine land dedication to the trail system until further into the design phase. Additional discussion is planned for the December RDA meeting.

Motion by Chenoweth to allow the Parks and Recreation Department to solicit engineering/design firms for the trail system, green space and riverbank restoration for work to be done in calendar year 2019, second by Duranczyk. Motion passed 6 to 0.

**Agenda items for December 12, 2018 meeting**

Continued discussion related to Riverfront Restoration Process

Chenoweth recommended having an individual come to the January RDA meeting to discuss the PACE WI Program

WAM Grant application for HWY Trailer Phase II Study

**Adjourn**

Motioned by Duranczyk to adjourn the meeting, second by Trow, Motion passed 6 to 0 to adjourn at 8:42 p.m.