

# **REDEVELOPMENT AUTHORITY MEETING MINUTES**

**Wednesday, January 8, 2020 6:00 p.m.**

**Hall of Fame Room, Opera House Building**

**Present:** Roger Springman, Lukas Trow, Dale Reeves, Regina Hirsch, Pete Manley and Ozzie Doom, Carl Chenoweth

**Absent and excused:** None

**Others present:** Finance Director Friedl, Gary Becker, Mayor Swadley, Attorney Callan

**Call to order:** Springman called the meeting to order at 6:00 p.m.

## **Communications:**

Springman reminded the group about the Yahara River Park public hearing scheduled for January 29<sup>th</sup> at 7:00 p.m.

Springman informed the group the Public Works building demolition has concluded and the environmental testing is planned to commence in the next few weeks.

Springman informed the group he and the Mayor visited Heron's Landing in Jefferson and noted some similarities between that area and the potential for Stoughton's Riverfront Area.

## **Public Comment:**

None

## **Approval of minutes from December 11, 2019**

Motion by Trow to approve the December 11<sup>th</sup> minutes, second by Hirsch. Motion passed 7-0.

## **Old Business**

- a. Update on Redevelopment Plan

Becker is planning to incorporate information from the work done by the Downtown Revitalization Subcommittee and Brink's development plan in the Redevelopment Plan update and its finalization is pending receipt of this information.

The RDA is anticipating that Brink will attend the February RDA meeting and the required information to update the Redevelopment Plan will be available then. Springman will contact Brink to communicate the anticipated timeline and further reinforce the overall expectations of the RDA.

Trow will communicate the anticipated timeline for completion to the Downtown Revitalization Subcommittee as well.

Chenoweth requested an accounting of costs incurred to date related to the creation of the developer's agreement.

b. Discussion and update on Marathon Site

Springman informed the group that he and Blake George have agreed to extend the original agreement to April 15, 2020. He also informed the group that Blake George and Todd Nelson have an alternative plan for the site that would not be impacted by the existing deed restriction.

Attorney Callan noted there are two outstanding items related to this site. Below is a summary of those two items and the overall status of each.

RDA claim against the title company:

- Still in the process negotiating the claim between the RDA and the title company.
- The title company has stated that the RDA is entitled to the difference in the value of the property with the restriction and the value of the property without the restriction.
- Attorney Callan began the negotiations by requesting the full policy limit of \$169,000. The title company immediately rejected this offer, and the negotiations subsequently stalled.
- Attorney Callan informed the RDA that a possible next step is to contact the appraiser the RDA used in 2010 in order to obtain an initial estimate of what the present value of the property is.
- A second option is to require the title company to hire its own appraiser and provide an amount for the RDA to consider.
- Due to the fact the title company came to a coverage decision in favor of the RDA, it would be required to negotiate in good faith and provide an appraisal in a timely manner.
- Trow also recommended obtaining a copy of the latest appraisal for this property that was completed by the potential buyers.
- Attorney Callan will reach to the appraiser the RDA used in 2010 as well as the potential buyers in order to obtain as much information as possible prior to the next RDA meeting.

Offer to purchase:

- Offer has been extended to April 15<sup>th</sup>.
- Attorney Callan spoke with the counsel for the buyer's lender and they refuse to close on the financing unless the restriction is removed from the title.
- Attorney Callan inquired if they would be willing to reconsider and how are they assessing the risk associated with this restriction to determine if there is anything the RDA can do to manage the overall risk associated with the restriction.
- At present, the lender is not willing to accept any risk associated with the restriction.
- Potential paths forward to clear the title include
  - o Quiet title which asserts the restriction was nullified during the 2010 condemnation proceedings
    - Declaratory judgement action
    - Speedway will challenge
  - o Begin a second condemnation process
    - Obtain an appraisal of only the restriction
    - Uncertain if Speedway will contest the condemnation

Motion by Chenoweth to postpone this discussion until it can be discussed in closed session at the next RDA meeting, second by Manley. Motion passed 5-0 with Hirsch and Trow abstaining.

- c. Update on Revolving Loan Fund

Trow provided a summary of the Revolving Loan Fund activity for the year.

### **New Business**

- a. Discussion related to RDA future direction

Discussion was held regarding the potential benefits of looking into a CDA and other future activities the RDA could potentially pursue. This topic will continue to be discussed over the coming months and more information becomes available.

### **Topics for February 12, 2020 RDA meeting**

Developer's Agreement/Letter of Intent

Marathon Site Update

Special meeting scheduled for Tuesday, January 21<sup>st</sup> at 5:00 p.m.

### **Adjourn**

Motion by Trow to adjourn the meeting, second by Doom. Meeting adjourned at 7:44 p.m.