

Meeting of: **COMMON COUNCIL OF THE CITY OF STOUGHTON**
Date/Time: Tuesday, April 21, 2015 @ 7:00 P.M.
Location: Council Chambers at the Public Safety Building (2nd floor)
Members: Michael Engelberger, Sid Boersma, Ron Christianson, Eric Hohol, Greg Jenson, Paul Lawrence, Tom Majewski, Tom Selsor, Tricia Suess, Tim Swadley, Sonny Swangstu, Pat O'Connor, Regina Hirsch

CALL TO ORDER

Mayor Olson called the meeting of the Common Council to order at 7:02pm.

Clerk Kropf called the roll and noted that all 12 alderpersons were present

Mayor Olson thanked Alderperson Suess for her service to the Community.

Posting of Colors

Pledge of Allegiance led by Alderperson Sonny Swangstu

Oath of Office and Seating of Incoming Alderpersons

Roll Call, Communications, and Presentations

Clerk Kropf called the roll and noted that there were 12 alderpersons were present.

Hohol thanked Suess for her service to the Council.

Engelberger also thanked Suess for her service to the Council.

Mayor Olson proclaimed that April 24, 2015 as Arbor Day.

Public Comment Period:

Gregory Lee; 307 S Forrest St; Spoke in opposition of the new developer's agreement.

Terry Parisi; 3718 Halverson Rd; Spoke in opposition of the new developer's agreement.

Phil Hamm; 941 Coolidge Rd; Spoke in favor the Kettle Park West development and Wal-Mart.

Kathleen Johnson; 319 S Franklin St; Spoke in opposition of the Kettle Park West development.

ORGANIZATIONAL BUSINESS

Council Elections: Council President and Vice President

Paul Lawrence was elected the Council President.

Michael Engelberger was elected the Council Vice president.

R-61-2015- Confirmation of Mayor's Aldermanic Appointments to Standing Committees.

Motion by Christianson, to approve R-61-2015, second by Jenson. Motion carried unanimously by acclamation 12-0.

R-62-2015- Confirmation of Mayor's Appointments to Non-Standing Boards, Committees and Commissions.

Motion by Lawrence, to approve R-62-2015, second by Christianson. Motion carried unanimously by acclamation 12-0.

R-63-2015- Confirmation of Mayor's Citizen Appointments to Boards, Committees and Commissions.

Motion by Lawrence, to approve R-63-2015, second by Engelberger. Swadley thanked all of the volunteers who are on the committees and commissions. Motion carried unanimously by acclamation 12-0.

R-64-2015- Designation of Public Depositories and Authorized Signatures.

Motion by Engelberger, to approve R-64-2015, second by Lawrence. Motion carried unanimously by acclamation 12-0.

R-65-2015- Designation of Official Newspaper.

Motion by Hohol to approve R-65-2015, second by Engelberger. Motion carried unanimously by acclamation 12-0.

NEW BUSINESS

R-66-2015- Authorizing and directing the proper City official(s) to enter into an agreement with Joe Daniels Construction for the 2015 Library Remodeling Project.

Motion by Christianson, to approve R-66-2015, second by Jenson. Motion carried unanimously by acclamation 12-0.

R-67-2015- Authorizing and directing the proper City official(s) to enter into a listing contract with Lee and Associates to market the Business Park North Expansion land.

Motion by Christianson, to approve R-67-2015, second by Jenson. Motion carried unanimously by acclamation 12-0.

R-68-2015- Authorizing and directing the proper City official(s) to enter into an agreement with Iverson Construction for the 2015 Washington Street & Fifth Street Reconstruction Project.

Motion by Christianson, to approve R-68-2015, second by Lawrence. Motion carried unanimously by acclamation 12-0.

R-69-2015- Authorizing and directing the proper City official(s) to enter into an agreement with Iverson Construction for the 2015 South Alley Reconstruction Project.

Motion by Christianson, to approve R-69-2015, second by Jenson. Christianson noted that with both bids having the same contractor, the South Alley bid will be having \$10,000 taken off of the contract price. Motion unanimously by acclamation 12-0.

****Discussion regarding proposed changes to the Kettle Park West Developer's Agreement**

Attorney O'Callaghan gave a presentation about the new developer's agreement to the Council. He noted that there would be no action taken tonight and that Forward Development would like to have an opportunity to discuss this with the citizens and to have their input. Construction of the Kettle Park West project is proposed to start in July and would go through November of 2015. He also noted that all of the land acquisition costs would be covered by the developer. Attorney O'Callaghan noted that the public improvements for this project would total \$12.5 million. The break down for that money is as follows: \$4.9M in tax incremental financing, \$2.5M to come from the WIS DOT, and \$5.1M would come from the Developer. The current development agreement states that the City would borrow the 4.9M up front, developer uses that money to pay contractors, developer provides a letter of credit to secure successful completion of public improvements, and developer also provides a letter of credit to secure obligation to generate sufficient tax increment. The new developer's agreement would not require the City to borrow money up front, but rather the developer would borrow that money. However, that money would still need to be paid back to the developer through the use of TIF, once the development is up and running. The developer would pay the interest costs to borrow money without refund from TIF. Attorney O'Callaghan noted that when the development has sold the lots, the TIF revenue will come in to the City faster to help cover the initial costs for public infrastructure. Hohol stated that he has been in favor of the project and that his constituents agree as well. Hohol asked Attorney O'Callaghan if they were not able

to meet the obligations of the development agreement. Attorney O'Callaghan stated, yes and that it is difficult to find a bank to issue all of the letters of credit to finance the project. Hohol noted that he wouldn't vote for TIF because it was apparent that his constituents didn't want it based on the results of the referendum questions at the April 7, 2015 election. Attorney O'Callaghan said the process was being delayed because they were still negotiating with other businesses to come in, how to finance the project and that they were still negotiating with the DOT on how to move forward with the road construction. Swadley said that he felt that the financing mechanism should have been voted on at the Joint Review Board and feels it creates doubt in citizen's minds. Swadley also requested that there be a public hearing for the public to speak regarding the new financing proposal. Selsor questioned if there were agreements for the other lots, what the sizes are, and what the deadline is for those companies to complete construction. Hirsch stated that this is her first time ever listening to the developer talk about the development. She noted that she and her constituents want transparency. She told Attorney O'Callaghan that it would be beneficial to meet with the public in a public hearing. Engelberger stated that he is not interested in TIF financing and that this agreement is worse than the other agreements. He said he wanted to see the companies that would be building and a guarantee that they would be building.

ADJOURNMENT

Motion by Lawrence, to adjourn, second Selsor. Motion carried unanimously by acclamation 12-0. Mayor Olson adjourned the meeting of the Common Council 8:49pm.