

**PLATTEVILLE COMMON COUNCIL PROCEEDINGS
JANUARY 14, 2014**

The regular meeting of the Common Council of the City of Platteville was called to order by Council President Eileen Nickels at 7:00 PM in the Council Chambers of the Municipal Building.

ROLL CALL

Present: Barbara Daus, Dick Bonin, Mike Denn, Ken Kilian, Council President Eileen Nickels, Patrice Steiner, and Barb Stockhausen. Absent: None.

PUBLIC HEARING

Ordinance 14-01 Rezone of 600 Eastside Road – Council President Nickels called the public hearing to order. Community Planning & Development Director Joe Carroll explained that this property (approximately 39.23 acres of farmland located between Eastside Road and Philips Road) was recently purchased by the City with the intent of using it for an expansion of the Industry Park. Staff is proposing to change the zoning from R-3 Multi-family Residential (inappropriate for an industry park) to M-4 Applied Technology District to match the rest of the City’s industry park. The question of why the zoning of M-4 was being recommended rather than M-2 Heavy Manufacturing was asked at the last meeting. Carroll noted that the intent was to get rid of the multi-family zoning. The Comprehensive Plan shows the area as industrial and/or mixed use, so both M-4 and M-2 zonings are appropriate. The Council could decide. Plan Commission recommended approval on December 12, 2013. No public statements in favor, against, or in general. Council discussion included concern with having the majority of the industrial park zoned M-4, providing more diversification to potential businesses, and suggesting to split the zoning half M-4 and half M-2. Motion by Daus, second by Steiner to close the public hearing. Motion carried 7-0 on a roll call vote. Motion by Daus, second by Steiner to adopt Ordinance 14-01 Amending the Zoning Map for 600 Eastside Road to M-4 Applied Technology District as presented. Motion carried 5-2 on a roll call vote with Kilian and Denn voting against.

CONSIDERATION OF CONSENT CALENDAR

Daus asked to take separate action on the licenses. Motion by Daus, second by Denn to approve the December 10, 2013 Council Minutes; Payment of Bills in the amount of \$5,953,902.24; December Financial Report; and Appointment of Cindy Schave to the Rountree Gallery Board (3 year term). Motion carried 7-0 on a roll call vote.

Motion by Daus, second by Denn to approve the Temporary Class “B” Retailer’s License to St Augustine Parish at 135 S Hickory Street for Newman Banquet from 6-11 PM on February 8, 2013; One-Year Operator License to Terry J Adams, Jessie J Alft, Ian J Peck, and Cody A St Michael; Two-Year Operator License to Jodi L Chapman, Alyssa K Graham, Samantha J Joynt, Martha I Knox, Tracy L Marcov, and Jennifer E Richardson; and Taxi Driver License to Angela L Rice. Motion carried 7-0 on a roll call vote.

CITIZENS’ COMMENTS, OBSERVATIONS, AND PETITIONS

City Manager Larry Bierke introduced the City’s new Communication Specialist, Jodie Richards.

REPORTS

- A. Committee Reports – Meeting reports were submitted by the Airport Commission, Extraterritorial Board of Zoning Appeals, Library Board, Police & Fire Commission, Redevelopment Authority (RDA), and Water & Sewer Commission.
- B. Other Reports
 - 1. Airport December Financial Report
 - 2. City Attorney Itemized Statement
 - 3. Water & Sewer December Revenue and Expenditures

4. Quarterly Staffing Plan Report – Final
5. Department Progress Reports – Written progress reports of department operations and activities were submitted by the City Manager, Community Planning & Development, Director of Administration, EMS, Museum, Police, Public Works, Recreation, and Senior Center.

ACTION ITEMS

- A. *Sale of City Property – Platteville Industrial Park for Family Pet Hospital* - City Manager Bierke explained that the PAIDC Board approved conveying the lot at 1620 Means Drive in the Industry Park to Terry Beebe at the price of \$1/acre (using the land price formula) for the construction of a new veterinary facility with construction costs estimated at \$625,000, the growth of 2 jobs over the next two years, and future tax revenue estimations of approximately \$11,000 annually. Staff recommends to approve the Purchase Agreement with the exception of paragraph 3 in Addendum pertaining to storm water management – don't believe the City should condition or limit its ability to special assess for storm water management facilities the City may construct – and recommend the Council direct Staff to counter the offer to purchase and remove the special assessment restriction. Denn stated that paragraph 2 regarding sharing closing costs should also be struck since the land is being given away at \$1/acre. Motion by Kilian, second by Daus to accept the offer to purchase the 2.71 acre lot at 1620 Means Drive, reject Paragraph 3, and have paragraph rewritten by the City. After clarification that Kilian wanted the storm water management language left in, just revised, Daus withdrew her second. Motion died for a lack of a second. Motion by Denn to accept the offer to purchase the 2.71 acre lot at 1620 Means Drive, with the exception of paragraph 2 and paragraph 3 in Addendum A. Motion died for a lack of second. Motion by Daus, second by Stockhausen to accept the Staff recommendation to counter the offer to purchase the 2.71 acre lot at 1620 Means Drive and remove paragraph 3 (special assessment restriction) in Addendum A as presented. Motion carried 6-1 on a roll call vote with Denn voting against.
- B. *Development Agreement Amendment for TID 5* – City Manager Bierke reviewed that several months ago the Plan Commission, City Council, and the Joint Review Board revised a portion of TID #5. In that revision, they planned that the City refinance the debt associated with TID #5 and conclude the relationship the City has with the Developer of Keystone Subdivision. Staff recommended approval of the Development Agreement that would complete the relationship with the developer, Platteville Development Group, and commit the City to refinance the remaining outstanding debt obligation as a TID revenue note. The Agreement notes that the public infrastructure proposed in the original agreement is completed and that the developer has met the obligations initially agreed upon. Motion by Steiner, second by Daus to approve the Second Amendment to Development Agreement for TID #5 and Keystone Development and First Amendment to TID #5 Finance Agreement as presented. Motion carried 7-0 on a roll call vote.
- C. *Resolution 14-02 Providing for the Sale of Taxable Tax Increment Project Revenue Bonds (TID #5)* – City Manager Bierke explained this resolution addresses the financing necessary to pay off the developer obligation in the last agenda item. The City has negotiated a loan with American Trust Bank (who currently has the loan with the developer, Platteville Development Group). The interest rate would remain at 2.75% through 9/30/18, then adjust every five years thereafter to a fixed rate equal to the 5-year US Treasury Notes plus 2%, with an interest rate floor of 3.25% and a ceiling of 5%. Loan fee will be approximately \$11,000. Loan payments would be semi-annual with a maturity date of 9/30/25. Bierke noted that this gives the City the flexibility to extend the debt payments for 10 years as discussed when revising TID #5 (in order to use the TID as a donor to help with the downtown). There would be no prepayment penalty. Bierke noted that the dollar amount of approximately \$4,391,611.33 stated in the resolution was a figure used from October

and will need to be reduced to accommodate additional TID revenue received in 2014. Motion by Daus, second by Steiner to approve Resolution 14-02 Providing for the Sale of Taxable Tax Increment Project Revenue Bonds (TID#5) with a note that the dollar amount will be corrected by Staff. Motion carried 6-1 on a roll call vote with Denn voting against.

- D. *Resolution 14-01 Providing for the Sale of \$5,600,000 General Obligation Promissory Notes* – City Manager Bierke explained that in 2010 the City borrowed \$4,700,000 for the new Police Department and street projects using Build America Bonds through a 2009 Federal stimulus plan (City paying a higher interest rate up front, but then receiving a rebate from the Federal Government for 35% of the interest paid, resulting in a lower net interest rate that if the City would have done normal borrowing). Bond counsel included a stipulation in that bond issue that if the Federal Government would ever default on their share, we would have the right to refinance these bonds. Due to the 2013 federal budget sequester, the City is now receiving only 26.3% of the interest paid. City Financial Advisor Jeff Belongia is recommending that the remaining principal balance of \$3,800,000 be refunded for a savings in the amount of interest that will be paid. In addition to this amount, Staff is proposing to borrow \$1,800,000 of new borrowing for the cost of street improvement projects (Broadway Street Project) and storm sewer projects in the CIP and projects in the TIF districts. Discussion was held about the bike trail project and whether the \$5,600,000 dollar amount should be reduced by \$100,000 as was referenced and discussed in the staff note for Resolution 14-02. Director of Finance Duane Borgen clarified that the resolutions were related and that this resolution should be reduced by \$100,000. This will be clarified at the next meeting with the actual borrowing. Motion by Daus, second by Denn to approve Resolution 14-01 Providing for the Sale of General Obligation Promissory Notes in an amount of about, but most likely not, \$5,600,000. Motion carried 7-0 on a roll call vote.
- E. *Resolution 14-03 to Combine Voting Wards and Polling Places for February 18, 2014 Primary Election* – City Clerk Jan Martin requested to combine the City's 8 wards and 4 polling places for the February 18, 2014 Spring Primary election. This would result in all residents voting at the National Guard Armory for this election only. The turnout is not expected to be high due to the City's At Large alderperson vacancy being the only contest on the ballot and the City is responsible for the entire cost of the election (typically the City, School District, and County share in the costs). Combining the wards and polling places would result in a savings of approximately \$3,300 which would help offset the additional cost that the City will need to absorb for this election. Daus explained that since this is a change of voting location for only District 3 residents, she had asked that the UW students be notified by email and the rest of the District 3 residents receive a postcard. Motion by Daus, second by Denn to approve Resolution 14-03 to Combine the City of Platteville Voting Wards and Polling Places for the February 18, 2014 Primary Election as presented. Motion carried 7-0 on a roll call vote.
- F. *Loan to Pioneer Property Management for an Affordable Multi-Family Project* – City Manager Bierke explained that the City has been asked to consider a loan to help with an affordable multifamily housing development. Brian Fritz, 1005 Manoj Dr, from Pioneer Property Management explained that he is proposing to develop a 24-unit multi-family affordable housing community where the old radio station used to be and will be applying for Tax Credits through the WHEDA program at the end of January. With that process, one of the things involved in the competitiveness spirit of the application is the financial commitment from the community. Has met with members of the Council and is proposing a loan of \$150,000 (amortized over a 30 year term at the Long Term Applicable Federal Rate or 3%, whichever is lower with a balloon payment in year 16) instead of a grant or TIF financing that will meet his criteria for his application. He guarantees tax credits for 15 years. City Manager Bierke explained that the

proposal is to fund the loan through the fund balance. Discussion ensued. Daus noted that the RDA was supportive of this project, but could only make a loan for this project if the property was declared blighted. Motion by Stockhausen, second by Bonin to approve a loan for an affordable multifamily housing development in the amount of \$150,000 and amortized over a 30 year term at the Long Term Applicable Federal Rate or 3%, whichever is lower, as presented out of the Fund Balance. Motion carried 7-0 on a roll call vote.

INFORMATION AND DISCUSSION

- A. *City Hall Task Force Plan Recommendations* – Per a consensus of the Council on July 2, 2013 to move forward with remodeling to fully utilize space in City Hall and assemble a Task Force to provide recommendations on how to accomplish it, a City Hall Task Force was appointed on August 13, 2014. Troy Maggied, Chairman of the City Hall Task Force, presented an overview of the meetings and discussions the group has had and presented a floor plan that proposes to have regular services (Clerk, Water & Sewer, Community Planning & Development, Recreation, and Engineering) located on the 1st floor, Council Chambers, Rountree Gallery (where the Council Chambers are currently located), conference rooms, and a community room on the 2nd floor. The Council expressed support of the proposed design. A full report will be presented to the Council at a later date.
- B. *Rental License Inspection Program, Ordinances, and Fees* – Proposed changes to the rental licensing fees focuses on having a program that is more equitable and relevant to the amount of time spent on completing the inspections. Daus questioned the source of the fee amounts and requested the Rental Code Task Force minutes. CP&D Director Carroll responded that the fee amounts proposed were based on the amount of inspection time. Information and discussion next meeting.
- C. *2014-2016 Wisconsin Professional Police Association (WPPA) Union Contract* – Negotiated contract includes a wage increase of 1% in January, 1% in July, 1% in October for 2014 and increases of 1% in January and 1% in July for 2015 and 2016; 5 cent shift deferential increase; and updated residency requirements to comply with new state law. Action at next meeting.
- D. *Southwestern Wisconsin Regional Planning Commission (SWRPC) Grant Contract – Infrastructure for Expansion of Industrial Park* – Proposes to contract with SWRPC for an amount not to exceed \$2,500, to apply for a matching public works grant for infrastructure for the expansion of the industrial park from the Economic Development Administration. Grant funds would be used to construct a storm water detention basin, install water and sewer mains, and construct as much of Vision Drive extension as possible. Action at next meeting.
- E. *Carmen A.J. Beining Trust* – In October, the City received money distributed from the Carmen A.J. Beining Trust, \$44,303.33 each for the Parks Commission, EMS, and Rountree Gallery, and \$44,303.34 for the Rollo Jamison Museum. Staff recommends establishment of trust funds so that these funds may exist on in perpetuity. The Parks & Recreation Dept proposed using their portion of the trust to create a Parks Endowment Fund through the Community Foundation of Southwest Wisconsin and asked for Council support for a fundraiser, in conjunction with their regular sponsorship drive, challenging the community to match their donation to allow a permanent source of funding to support park improvements, recreation programs, playgrounds, and special events. There was a consensus of the Council to support the proposed brochures. Action at next meeting.
- F. *Proposal to Add “R-LO Limited Occupancy Residential Overlay” District as an Overlay Option on Residential Historic Districts* – Proposal initiated by Councilor Kilian to include residential historic districts in the R-LO Overlay District zoning language. Currently the Division Street and West Main Street Historic Districts located in R-3 zoning do not qualify. Information and discussion next meeting.

CLOSED SESSION

Motion by Steiner, second by Daus to adjourn to closed session per Wisconsin Statute 19.85(1)(c) – Considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility – City Manager Employment Contract – and come back into open session to adjourn. Motion carried 7-0 on a roll call vote.

ADJOURNMENT

Motion by Stockhausen, second by Steiner to adjourn. Motion carried on a voice vote. The meeting was adjourned at 10:50 PM.

Respectfully submitted,

Jan Martin, City Clerk