

The meeting was called to order at 5:00 p.m. by Mayor Moede with the following roll call:

Members Present: Ald. Sertich, Ald. Pasbrig, Ald. Toellner, Ald. Schmidt, Ald. Boelk, Ald. Redeker

Members Absent:

Others Present: Mayor Moede, Deanna Boldrey, Don Neitzel, Jim Hammes, Mike Kurutz, Phil Cosson, Paul Lehman, Mark Fox, Lois Cota, Dorothy Dorst, Darlene Oechsner, Richard Hondlik, Karen Hondlik, Bob Smith, Cheryl Congdon, Jim Congdon, Sue Perry, Brian Perry, Dianne Slater, Lee Zarnott, Tricia Caswell, Lucas Petrie

Resolution 4736-2013 – Approval of Water Wastewater Commission Appointments.

Motion by Ald. Schmidt, second by Ald. Sertich to Approve Resolution 4736-2013 – Approval of Water Wastewater Commission Appointment. Ald. Boelk questioned why there was not any public comment on the Special Common Council meetings. Mayor Moede replied that most in attendance here tonight have already spoke on the subject at previous meetings and Attorney Hammes is going to talk quite a bit tonight. Citizens Comments could go an additional hour. Ald. Boelk questioned if going forward we would have Citizen Comments. Mayor Moede replied certainly. Motion Carried 6-0.

Resolution 4737-2013 – Approval of Memorandum of Intent in Regards to Kekoskee Leroy Sanitary Sewer Service.

Motion by Ald. Toellner, second by Ald. Redeker to Approve Resolution 4737-2013 – Approval of Memorandum of Intent in Regards to Kekoskee/Leroy Sanitary Sewer Service. Ald. Boelk questioned the capacity of the sewer plant. Don noted that he does not know the capacity but Ron Wellner had looked into this. Ald. Redeker commented that it is about a 5% increase and well below the capacity. Attorney Hammes commented that this memorandum of intent simply states we intend on moving forward by putting together a contract with these terms. It does not bind the City, this is a statement to have the contract documents drafted and brought back. The residents of Leroy Kekoskee would pay the same hook-up fees as people in the City and treated as an industrial user. Motion carried 6-0.

Ordinance 1055-2013 – To Be Acted Upon An Annexations Ordinance Adopted by the Common Council of the City of Mayville Pursuant to Section 66.0217 of the Wisconsin Statutes, Annexing Territory from the Town of Williamstown.

Motion by Ald. Pasbrig, second by Ald. Schmidt to Approve Ordinance 1055-2013 An Annexation Ordinance Adopted by the Common Council of the City of Mayville Pursuant to Section 66.0217 of the Wisconsin Statutes, Annexing Territory from the Town of Williamstown.

Ald. Toellner questioned Phil Cosson that he had previously stated that with the grant money there was no negotiating at all. Ald. Toellner continued that he called the City of Columbus and their Mayor stated that the City of Columbus did not give any grant at all and it was all done with their private developer.

Phil Cosson from Ehlers, Inc. came to the podium. He commented that he was not part of the negotiations with the developer. He continued that the negotiations took place with City Officials. He indicated that there was a discussion as to the different dollar amounts.

Phil noted that they have worked with Shopko's in other communities for TIF districts and every deal is different in part because each situation is different. He noted that in Columbus that there were similar incentives in place. There is a different degree of development costs with each deal.

Tricia Caswell of CD Smith came to the podium. CD Smith is the developer. She stated that they are working with Shopko on a number of these across the state and each location there is an incentive of some form. For example, in Stanley the land was obtained for a very minimal cost. As the developer they pass on the entire incentive to Shopko to assist with the lease. We are given a number if that number cannot reached, we turn and go to the next location. Without the \$650,000 we will walk away.

Ald. Toellner commented he did not think the \$650,000 was fair.

Ald. Toellner commented as far as homes in the TIF district. How many acres are designated for residential? Phil commented that this is a mixed use Tax Increment District. New residential will meet certain criteria, such as the density of three units per acre. There is no proposal for development of residential at this point. He noted the second phase. There is no developer or plan for that at this point. Commercial and residential are within the boundaries. The northern boundary includes some residential. The annexation is to Bird Road.

Ald. Boelk questioned if we are violating our Smart Growth Plan and what are our legal rights or remedies down the road. Attorney Hammes commented he does not share that opinion. Attorney Hammes continued that the comprehensive plan can be amended and it is not uncommon that annexations occur on properties that were not included on the comprehensive plan. The procedure would be to amend the comprehensive plan to identify what the future uses would be and then put the zoning in place.

Ald. Boelk questioned the need to go beyond TW to the West. Don commented that the assisted living is looking to going west of the Aurora Health and that same property owner owns West of TW and North of 28. Don continued that they approached the City a year and a half ago and he put them on parcels in the City and this is where they requested. He did not put them in touch with the property owner. Ald. Boelk noted we are spreading out too wide and too far.

Ald. Schmidt commented that eventually this will be fruitful for the City of Mayville. There are no plans for Phase Two at this time. Anything with Phase Two will be scrutinized by future Councils and future Planning Commissions so that the Marsh is not over exploited or ruined aesthetically. People did look at properties in the City of Mayville and the price tag was outlandishly high that commercial developers will not fall for those properties at this time.

Ald. Pasbrig commented that he remembers the past Mayville. He noted the theme of the City "Proud of its Past, Looking to the Future." He continued that we have had four other TID districts and the first one included the Piggly Wiggly and that has worked out well. He continued that the Industrial Park has done well. Previous Councils have looked to the future. He noted the MEC property on Horicon Street and the incentives. He noted to live by the credence and look to the future.

Ald. Toellner commented he is pro-growth, but helping out a company like Shopko; he does not think that is right. Ald. Pasbrig commented that we have helped others out, MEC was helped.

Mayor commented that the \$650,000 goes to CD Smith to help the development. Attorney Hammes commented that the \$650,000 is paid to the LLC that CD Smith is setting up. Indirectly, it goes back to Shopko. CD Smith leases the property to Shopko.

Attorney commented that the money comes from the increased real estate taxes on that property. The terms of the agreement guarantee that in 2015 the assessed value will be \$2.6 Million. If it is \$2.4 Million, then the developer has to pay the City on that shortfall. If they do not pay then it will go on the property as a special assessment. The \$650,000 is not paid until an occupancy permit is in place.

Attorney noted the infrastructure costs. The infrastructure is paid back by the real estate taxes. The schedule shows that it will be paid back by 2025.

Ald. Boelk questioned the level of risk. Attorney Hammes commented CD Smith is putting their money in. If they short we are ahead of the bank. There is obvious risk. This is how municipalities insure their risk. Phil commented that there is risk with the assisted living and Fastenal. They are slated for 2014. Shopko/CD Smith is ready to move very quickly. Phil noted they ran a sensitivity test and it does pay for itself, if it is just Shopko. It does take longer.

Ald. Toellner questioned what if Shopko fails. Attorney Hammes commented that CD Smith is guaranteeing the project. If they do not pay their real estate taxes there is an assessment on the property. They will pay or it will end up being foreclosed.

Ald. Toellner questioned the school tax. Phil commented that the base value is shared with the school, technical college and county. It is the growth that is kept in the TIF account. What is there now is collected and shared with the taxing bodies.

Ald. Redker read a prepared statement as attached to the minutes.

Motion carried 4-2 on Ordinance 1055-2013 –An Annexations Ordinance Adopted by the Common Council of the City of Mayville Pursuant to Section 66.0217 of the Wisconsin Statutes, Annexing Territory from the Town of Williamstown; Ald. Toellner and Ald. Boelk voted no.

Resolution 4738-2013 – Resolution Approving the Project Plan and Establishing the Boundaries for the Creation of Tax Incremental District No. 5 City of Mayville, Wisconsin.

Phil Cosson came to the podium to introduce the item. Phil Cosson made sure everyone including the gallery had a copy of the project plan. Phil pointed out the maps that show the boundaries of the districts and the mixed use district with a maximum life of twenty years. Phil reviewed the project plan. Attorney Hammes commented that the cash grant is not paid until the building is completed an occupancy permit is granted. They are guaranteeing that the property will have an assessed valuation of \$2.6 Million or more. Motion by Ald. Pasbrig, second by Ald. Sertich to Approve Resolution 4738-2013 – Approval of the Project Plan and Establishing the Boundaries for the Creation of Tax Incremental District No. 5 City of Mayville, Wisconsin. Motion carried 6-0.

Resolution 4734-2013 – Approve CD Smith (Shopko) Development Agreement for TID #5).

Motion by Ald. Schmidt, second by Ald. Pasbrig to Approve Resolution 4734-2013 – Approve CD Smith (Shopko) Development Agreement for TID #5. Ald. Boelk questioned why the Council did not receive the information until last night. Deanna commented that was when she received it. Don commented that they were waiting on an executed copy. Amendment motion by Ald. Toellner, second by Ald. Boelk to open up negotiations on the \$650,000. Amendment Motion failed 4-2; Ald. Toellner and Ald. Boelk voted yes. Ald. Boelk commented his fear is that Shopko will not make it and it will go back on the developer, they could file for bankruptcy and leave the City with the bill. Tricia Caswell commented that this is how they do their agreements. Original Motion carried 4-2; Ald. Toellner and Ald. Boelk voted no.

Discussion with Possible Action of Saturday Clay Haul Hours for the Landfill.

Don Neitzel commented on the agreement that allows clay haul hours from 6 a.m.-12 (noon) p.m. on Saturday for Clay Hauling for the Landfill. They were looking for extended hours on Saturdays through November 1st. They are willing to move to Hwy 67 & 33. Advanced will with check with the Town of Williamstown. They will make concessions for Audubon Days. This was in the original agreement for 6 a.m. – 12 noon on Saturdays. Motion by Ald. Schmidt, second by Ald. Boelk to allow the extended hours (of 7 a.m. – 3 p.m.) up to November 1st. If the project lasts longer than November 1st, then they have to come back. Don clarified that if Town of Williamstown says they do not want them hauling on Saturday then it will be down 33 to John Street from 6 a.m. to noon. Ald. Pasbrig commented what about next year and the year after. Motion carried 5-1; Ald. Pasbrig voted no.

Update on 201 S. Main Street; 251-1216-2341-001 (formerly Enderle Property).

Don reported that the City has obtained BP on Main Street. The paperwork has been received from the County. We have the keys. Mike Kurutz walked through. There are tires, tools, and oil to remove. Mayor Moede commented that the historical society will be walking through. There are a couple lifts and old air compressor.

Adjournment.

Motion by Ald. Sertich, second by Ald. Redeker to adjourn the meeting at 6:15 p.m. Motion carried 6-0.

Deanna Boldrey
City Clerk

Well the last couple of month's this city has been quite the rumor mill. The air is filled with misinformation and half-truth's. Now I suspect some of this is just people hearing bad information and repeating it as fact. I also know that there are some people purposely spreading false information. This has caused real angst and fear in the community. This activity is irresponsible and divisive and I am calling for it to end. If a citizen has a question about pending public policy I am urging you to contact your Alderperson to get the correct information. All of our contact information is on our web site at Mayvillecity.com or by calling city hall. Now for the question at hand. We have all known for years that one wish that always surfaces is that "I wish that Mayville had more retail stores ". I too share those thoughts. We now have the opportunity to realize that wish. Is it in the exact location that we would like it to be? No. But in real estate we all know it takes a willing buyer as well as a willing seller to have a transaction. Sites were shown to the developer all over the city and this is the one that worked out for this project. This development in my opinion would not only be good for the people of Mayville but also the existing business that are already here. If a Mayville resident doesn't have to leave the city to do their shopping there money

stays here which benefits not only that business but all the people that work there. If the person doesn't leave town to shop there is a better chance that they will not make any other purchases out of town whether that is gas or food or anything else that they can purchased here. Now I have heard some of the criticism about the type of jobs that these developments will be bringing. While they may not be 30 dollar an hour manufacturing jobs they will bring good solid employment to the city and that's a good thing. The other plus is the jobs that will be created to support these businesses such as snow removal and landscaping jobs. To the concern over existing businesses being hurt by this development. Will there be products sold at the Shopko that are currently available now in town? Certainly. But they also will be offering items you can't get here. Existing businesses here are run by successful people that are very smart and they will adapt. I have heard from many people in town that are very excited about having these new businesses locate here. It was said last week that we are gambling with the people's money on this project. If this is a bet. I will bet on the people of Mayville every time.