

**CITY OF FOX LAKE REDEVELOPMENT AUTHORITY MINUTES
May 8, 2018**

The Fox Lake Redevelopment Authority met on May 8, 2018 at 6:30 p.m. in City Hall Conference Room at 248 E. State Street, Fox Lake, Wisconsin.

Mary Perkins called the meeting to order at 6:30 p.m. Roll Call was taken. Members present were Mary Perkins, Sam Jenswold, Kevin Vande Zande, Benjamin Shier, John Mund and Darrell Pollesch.

Dean Perlick noted that a quorum was present.

Absent: Aaron Paul.

Others Present: Mayor Tom Bednarek, Alderman Dennis Linke, Dennis Giese and John Skinner.

Staff present at the request of the Chairman: Dean Perlick.

Approval of Minutes from April 10, 2018 Meeting

The minutes of the April 10, 2018 meeting were reviewed by the Members.

Motion by Mund to approve the minutes from the April 10, 2018 meeting as submitted.

Seconded by Shier

Vote 6-0

Motion carried

Review request for economic development incentive payment to Jen-Ter Wire & Element, Inc. to assist with cost of building expansion project.

Larry Gunderson of Jen-Ter Wire & Element requested that this item be delayed until a future RDA meeting.

Review proposal by Commercial Associates to construct two, 12 unit apartment buildings along Spring Street and another 12 unit apartment building along Booth Street and review draft Development Agreement.

At the April 10th meeting of the RDA, the Committee agreed to accept the Development Agreement that required \$475,000 in financial incentive payments. Since that time it was discovered that the existing water and sewer lines were inadequate to serve the proposed project. An estimate to install the sewer and water lines needed to serve the project was obtained from MSA. That estimate came to \$61,095. The City would need to provide \$505,000 in financial incentives if the City equally shares the cost to install the upgraded sewer and water lines with the Developer.

Motion by Mund to accept the Development Agreement as presented with \$505,000 of financial incentive payments and allow Mary Perkins to sign the document on behalf of the RDA.

Seconded by Pollesch

Vote 6-0

Motion carried

Discuss the construction of a Dollar General Store along Brower Boulevard and discuss possible financial incentives available through the RDA.

Dean Perlick informed the Committee that Dollar General has not formally requested any financial incentive at this time. They will be submitting a Certified Survey Map and a Site Plan for approval by the Planning Commission within the next several weeks. Construction is planned to start in the fall of 2018.

Review proposal by John Skinner to construct a duplex along E. Hamilton Street and discuss possible financial incentives through the RDA.

John Skinner informed the Committee of the status of the project to construct a duplex along E. Hamilton Street. It was decided to start building the first duplex on the westernmost lot. Dean Perlick reminded the Committee that it will cost around \$38,000 to extend sewer and water lines to the site. Each individual unit will be valued at about \$260,000. Mr. Shier asked about the estimated time it would take for the taxes to repay the cost of extending utilities. The Mayor calculated that about \$10,000 a year in taxes would be collected.

Motion by Shier to create a Development Agreement that would require Mr. Skinner to construct at least two duplexes over a two year period with a value of at least \$260,000 for each unit and the City would pay for the cost to extend utilities to the property. All necessary permits would need to be obtained by Mr. Skinner.

Seconded by Mund

Vote 6-0

Motion carried

Review proposal by Dennis Giese to construct addition to an existing restaurant located at 530 W. State Street and discuss possible financial incentives

Dennis Giese explained his project to the Committee. The restaurant will have a 50's – 60's era theme and the building addition will be 28 feet by 15 feet in size. He estimated that about \$300,000 in improvements will be made to the property.

Motion by Jenswold to provide a \$12,000 financial incentive to Dennis Giese payable at the start of the restaurant operation.

Seconded by Mund

Vote 6-0

Motion carried

Review alternative to Resolution adopted for a plan for refinance the funds borrowed from a \$1.2 million line of credit from Farmer's State Bank.

Dean Perlick informed the Committee that a 20 year fixed rate loan was available through the Board of Commissioners of Public Lands to refinance the repayment of the \$1.2 million line of credit. The first two years of the loan would be interest only to allow development in the City to catch up with tax collection. The Committee discussed the benefits of using a 20 year loan from an outside source verse using a local bank. Since no motion was made to use a 20 year loan, the decision to use the local bank at a previous RDA meeting will stand.

Review proposal by Kevin Vande Zande to develop two vacant lots along Second Street and review draft Development Agreement.

The estimated cost to extend sewer and water lines to the proposed lots and construct a storm water detention system would be \$45,880. The City Utility Director did test the water and sewer lines to make sure the lines are operational. A written report was provided by the Utility Director, which stated that the lines are in good working order. An easement to allow the use of the water and sewer lines on private property was sent to the landowner along Mill Street for signature and approval.

Discuss the possible purchase of property located at 406 Wells Street for residential development

Sam Jenswold has talked to the owner of 2.83 acres of property located between Wells Street and Booth Street. Presently only an older house in a state of disrepair is on the property. Mr. Jenswold informed the Committee that the property would be available for sale. The Committee discussed using the property for future residential growth.

Motion by Mund to proceed with the process necessary to purchase the property for \$50,000.

Seconded by Jenswold

Vote 6-0

Motion carried

Motion by Shier to adjourn the meeting.

Seconded by Mund

Motion carried.

Meeting adjourned at 8:00 p.m.

Respectfully Submitted,

Mary Perkins, Chairman

Disclaimer: The above minutes may be approved, amended or corrected at the next meeting.