CITY OF ANTIGO

COMMITTTEE OF THE WHOLE

MINUTES OF MEETING HELD

FEBRUARY 20, 2019

Committee of the Whole of the City of Antigo met in Regular Meeting on the above date at 5:30 PM in the Council Chambers, City Hall, Mayor Bill Brandt presiding.

Attendee Name	Title	Status	Arrived
Barb Rebstock	Ward 1	Present	
Sandra Fischer	Ward 2	Present	
Tim Kassis	Ward 3	Present	
Tom Bauknecht	Ward 4	Present	
Carol Feller Gottard	Ward 5	Present	
Rick LeBrun	Ward 6	Excused	
Glenn Bugni	Ward 7	Present	
Reinhardt Balcerzak	Ward 8	Present	
Scott Henricks	Ward 9	Present	
Bill Brandt	Mayor	Present	

Others in attendance: Kaye Matucheski, Clerk-Treasurer/Finance Director; Michael Winter, City Attorney; Mark Desotell, Director of Administrative Services; and Angie Close, Economic Development Corporation.

Discussion and Action May Occur on Any of the Following Agenda Items:

1. Buy-out of the State of Wisconsin's Department of Administration Community Development Block Grant (CDBG) Revolving Loan Fund (RLF) under the Closeout Program to Achieve the Defederalization of Funds, to Identify an Eligible CDBG Non-Compete Project, and to Re-establish a Monthly RLF Program for the Langlade County Economic Development Corporation

Mark Desotell, Director of Administrative Services, provided a memo indicating that staff has been working with Langlade County and the Economic Development Corporation (LCEDC) to explore local options for compliance with the Wisconsin Department of Administration (WDOA) Community Development Block Grant Revolving Loan Fund (aka CDBG Close Program). As of February 1, 2019 WDOA initiated a two year process to dissolve the current Revolving Loan Fund Program (RLF). In order to be eligible for the designated funds, a "buy out" of outstanding local loans (currently $638,964) from the LCEDC portfolio must be pre-paid to the State and can be added to the "cash-on-hand" balance ($739,301) for use locally on WDOA pre-approved projects under a Non-Compete program for a total amount of $1,378,265. However, the final numbers will be adjusted slightly depending on the time frame of any final local action on this matter.

Mr. Desotell's memo continued by advising that several potential local projects were discussed in a joint review by the County and City resulting in the recommendation for the reconstruction of Fifth Avenue from Highway 45 (Superior Street) to Lincoln Street as a strong candidate project under the WDOA Close Program guidelines. Initial discussions with WDOA representatives indicate a similar conclusion on their part as well. In fact, Mr. Desotell believes that the decision to utilize RLF Close funds will enhance the chances for success under a separate application for the Fifth Avenue project seeking a Community Development Block Grant-Public Facilities (CDBG-PF) grant. This application is currently being completed by MSA Professional Services on the City's behalf (seeking an additional $1,000,000 towards the project) and will be submitted in May.

While the Fifth Avenue project is considered a viable project, there were other plans discussed anticipating that when they develop each could bring much needed success or improvements within Langlade County and the City. With that being said, it is the group's consensus that $300,000 should be set aside by the City (over a two year period) for the creation of a joint City/County project development fund that will be invested in equally by both agencies. The $300,000 amount provides assurance that the entire value of the CDBG Close Program is not solely invested into the Fifth Avenue project. The Fifth Avenue project is being highlighted as a project capable of being completed within the required WDOA timeline and requirements. It solidifies the more recent private investments into the corridor while addressing the needs of the long term business tax base. To accomplish this effort the City will need to pre-pay the State of Wisconsin the estimated $638,964 "buy-out" of outstanding local loans contingent upon the WDOA's approval of the Fifth Avenue corridor project. The estimated $638,964 will be derived from TIF Funding that has already been established by Council for the Fifth Avenue project and will not be paid out until the project receives approval by the WDOA. As a result, the impact of designating the current monthly RLF loan payments to the LCEDC works to sustain the LCEDC without the previously required Federal and State guidelines.

Mayor Brandt explained the close out program will cost the City $638,964.26 but the City would submit an application for a non-compete grant of $1.37 million for the Fifth Avenue project. In addition, LCEDC would take over the existing loans with about $19,000 per month which could build the RLF program again without federal guidelines. He further noted Langlade County is the agency involved with the Close Out and they have agreed to let the City take it over. In exchange the Mayor has discussed with them that the City would commit up to $300,000 over the next two years to match a joint project with Langlade County.

Upon inquiry by Alderperson Feller Gottard, Angie Close, LCEDC, advised that currently there are eighteen loans. As the loans are paid the cash goes up and the receivables go down. It is mandatory that all cash is turned in within the two year period. If there was not a project, all cash would be turned over and it would go into a competitive state program and would no longer be our monies to use.

Alderperson Bauknecht commented that the City is already ahead of the game as we have an eligible project.

Ms. Close explained that the City's project qualifies and will not be required to complete income surveys as it falls within the qualifications.

Upon comment from Kaye Matucheski, Clerk-Treasurer/Finance Director, Mayor Brandt advised funding would come from TIF funds. There is also money available to loan the project if any expenditures are needed in the CIP reserve funds. These funds can then be repaid from the grant money once received.

Upon inquiry by Alderperson Feller Gottard, Ms. Close advised closing the fund was a decision made by the federal government based on the administration of the program throughout the state because of misuse of funds. Antigo/Langlade County RLF has been very successful, but others have not been.

Motion to buy-out the State of Wisconsin's Department of Administration Community Development Block Grant Revolving Loan Fund under the Closeout Program to achieve the defederalization of funds as presented and apply for a Community development Block Grant Public Improvement Funds grant for the Fifth Avenue project.

RESULT:	**RESOLUTION TO COUNCIL [UNANIMOUS]** **Next: 3/13/2019 6:00 PM**
MOVER:	Reinhardt Balcerzak, Ward 8
SECONDER:	Barb Rebstock, Ward 1
AYES:	Rebstock, Fischer, Kassis, Bauknecht, Feller Gottard, Bugni, Balcerzak, Henricks
EXCUSED:	Rick LeBrun

2. Closed Session: Pursuant to Section 19.85(1)(e), Wisconsin Statutes, and upon proper motion, the committee will convene into closed session to consider the purchase of property located at 313 E. 5th Avenue. Upon completion of discussion in closed session, the committee will reconvene into open session to act on matters discussed, if necessary, and to proceed with the regular order of business.

Alderperson Bugni moved, Alderperson Kassis seconded, that the Committee of the Whole convene into closed session in accordance with Section 19.85(1)(e), Wisconsin Statues to discuss purchase of 313 E. Fifth Avenue.

Ayes were: Rebstock, Fischer, Kassis, Bauknecht, Feller Gottard, Bugni, Balcerzak, and Henricks. Noes were: None. Absent: LeBrun.

Upon completion of discussion in closed session, a motion was made and carried to reconvene into open session to act on matters discussed, if necessary, and to proceed with the regular order of business.

The meeting reconvened into open session at 5:57 pm to continue with the regular order of business.

Motion to approve the purchase of 313 E. Fifth Avenue for $63,000 with rental contingencies.

RESULT:	**RESOLUTION TO COUNCIL [UNANIMOUS]** **Next: 3/13/2019 6:00 PM**
MOVER:	Carol Feller Gottard, Ward 5
SECONDER:	Scott Henricks, Ward 9
AYES:	Rebstock, Fischer, Kassis, Bauknecht, Feller Gottard, Bugni, Balcerzak, Henricks
EXCUSED:	Rick LeBrun

Any Other Matters Authrozied by Law to be Considered

None

Adjournment

1. **Motion to:** Adjourn at 5:58 pm

RESULT:	**CARRIED [UNANIMOUS]**
MOVER:	Tim Kassis, Ward 3
SECONDER:	Scott Henricks, Ward 9
AYES:	Rebstock, Fischer, Kassis, Bauknecht, Feller Gottard, Bugni, Balcerzak, Henricks
EXCUSED:	Rick LeBrun

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Bill Brandt, Chairperson Date