



AGENDA
City of Milton
Economic Development Commission
Tuesday, January 28, 2014
10:00 a.m.
SHAW MUNICIPAL CENTER
Council Chambers, 430 E. High Street

1. Call to Order
2. Approve Agenda
3. Approve Minutes – November 26, 2013
4. Update on 201 Parkview Drive Retail Business Development Project
5. Discussion and possible action recommending City staff to begin discussions with Carl Markstead on project placement for property located in the Crossroads Business Park
6. Discussion and possible action recommending City staff to proceed with processing the annexation paperwork for the Fredricks' property into the City of Milton
7. Discussion and possible action recommending the City Administrator to proceed with the Amendment of TID #6
8. Update on Heth Property Development and Offer to Purchase City Property along Hwy. 59
9. Update on County Hwy. M Interstate Access and proposed Evermor Development
10. General Items
11. Set Next Meeting Date – February 25, 2014
12. Motion to Adjourn

**Please note that upon reasonable notice, at least 48 hours in advance, efforts will be made to accommodate the needs to disabled individuals through appropriate aids and services. For additional information to request this service, please contact the City Clerk's office at 868-6900, 430 E. High Street, Milton, WI 53563.

Notice is hereby given that a majority of the City Council is expected to be present at this meeting scheduled for the above date and time indicated to gather information about a subject over which they have decision-making responsibility. This constitutes a meeting of the City Council pursuant to State ex rel. Badke v. Greendale Village BD, 173 Wis.2d 553, 494 N.W.2d408 (1993), and must be noticed as such, although the Council will not take any formal action at this meeting.

Posted by: Michelle Ebbert

01/24/14

City of Milton
Economic Development Commission ~ Tuesday, November 26, 2013

Call to Order

Administrator Schuetz called the meeting to order at 10:03 a.m.

Present: Comm. Ald. Dave Adams, Comm. Greg Linder, Comm. Tom Den Boer, Comm. Ald. Don Vruwink, and Comm. Brendon Wilkinson.

Also Present: City Administrator Jerry Schuetz, City Clerk Michelle Ebbert, and Assistant Inga Cushman.

Approve Agenda

Comm. Linder moved to approve the agenda. Comm. Ald Vruwink seconded the motion and carried.

Approve Minutes – October 24, 2013

Comm. Ald. Adams moved to approve the minutes. Comm. Linder seconded the motion and carried.

Discussion and possible action on a recommendation to the Common Council for a Crossroads Business Park hotel development request for proposals (RFP)

Administrator Schuetz discussed the hotel study completed over the past year.

Comm. Wilkinson asked is there is an estimate for the RFP. Administrator Schuetz stated that funds exist in the contingency and planning budgets.

Rock County Planning James Otterstein arrived at 10:06 a.m.

Comm. Den Boer questioned the investment to date and encouraged the next step. Comm. Ald. Adams and Vruwink agreed that another moderate investment may spark investors.

Comm. Linder and Comm. Wilkinson do not feel the sites are prepared. They are not in favor taking the next step at this time. Administrator Schuetz discussed submitting RFPs when other proposed developments begin in 2014.

Comm. Dave Holterman arrived at 10:10 a.m.

Mr. Otterstein discussed various approaches for seeking investors. Discussion followed.

Comm. Ald. Vruwink moved to table this item. Comm. Den Boer seconded the motion.

Consideration of a motion to convene into closed session pursuant to Wisconsin Statute Section 19.85(1)(e) Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever

**competitive or bargaining reasons require a closed session. Re: TLC Restorations
Development and Re: Options to purchase properties in the Crossroads Business Park**

Comm. Ald. Adams moved to convene into closed session at 10:26 a.m. Comm. Linder seconded the motion and carried.

Comm. Ald. Vruwink left at 10:54 a.m.

Comm. Wilkinson left at 10:57 a.m.

Reconvene into open session for possible action(s) on items discussed in closed session

Comm. Ald. Adams moved to reconvene into open session at 10:58 a.m. Comm. Holterman seconded the motion and carried.

Comm. Adams moved to recommend that the Common Council execute the offer to purchase for the Fredrick owned parcel. Comm. Den Boer seconded the motion and carried.

General Items

There were no general items.

Set Next Meeting Date – Tuesday January 28th, 2014 10:00 a.m.

Motion to Adjourn

Comm. Linder moved to adjourn the meeting at 11:00 a.m. Comm. Ald. Adams seconded the motion and carried.

Respectfully submitted,

Michelle Ebbert
City Clerk



OFFICE OF THE CITY ADMINISTRATOR

To: Economic Development Commission Members
From: Jerry Schuetz, City Administrator
Date: 1/24/2014
Subject: Agenda Packet Memo for 1/28/2014 Meeting

The following memos describe agenda items and/or projects which I seek to either update the Economic Development Commission and/or seek input from its members:

Agenda Item #4: Update on 201 Parkview Drive Retail Business Development: As sent to you in a previous electronic update, the Common Council has approved a development agreement for the restoration of the property located at 201 Parkview Drive. Mr. Rippberger has closed on the property, and, through the use of the City's publically and privately funded Small Business Development Loan program, a \$20,000 loan was approved which will be repaid using TIF District Façade Grants. Contingencies on the loan include at least a \$40,000 investment into the restoration of the building, although Mr. Rippberger indicated he plans to invest nearly \$100,000 into the building by the time it is finally restored and operational later this summer. He intends to make the building into an auto parts store, for which there currently is a market gap (none exist) in the City of Milton.

The following items are updates and potential action on several Crossroads Business Park Projects:

Agenda Item #5: Carl Markstead's Offer to Purchase the 2.45 acres adjacent to the former Gateway Mattress building (now owned by Freedom Graphics). Carl was not able to execute his offer to purchase the property across from the former Gateway Mattress building, due to Freedom Graphic's option to purchase on that property. Freedom exercised that option last week, and we have two different parcels that we are looking to show Carl next week. One is City owned (Site A), and is a 4 acre parcel from the Kerry Hull acquisition that has utilities available. The other sites, north of old Hwy. 59 (Site B), are currently owned by Kerry Hull, and we have an option to purchase them through 2014. The issue with those properties is that utilities do not exist there, and the proposed value of this project is such that it does not create enough value to justify land acquisition and utility costs being run to them (Estimated project value is between \$400k and \$500k for a 12,000-15,000 square foot building.)

Recommended Action: *Begin negotiations with Carl Markstead for property located in the Crossroads Business Park off Putman Parkway (Site A).*

Agenda Item #6 and Agenda Item #7: Expansion of the TIF District to accommodate TIF District projects and potential additional development in Crossroads Business park - Michael Fredricks Property Annexation

In 2013 and in partnership with Rock County 5.0, the City of Milton had four (4) sites designated as "Shovel Ready" in the Crossroads Business Park. We owned 2 of the 4 at the time, we now own 3, and control the 4th, as we have an option to purchase 25 acres of development land with Michael Fredricks for his property on the south side of Hwy. 59. He has already sold the northern portion of that property to Fertilizer Dealer Supply (FDS), who is expanding their current Crossroads Business Park business located on Sunnyside Drive (4 acres) and moving it to a 10 acre site that they purchased this fall.

Last week, I met with Janesville developer Jeffrey Helgesen, who is seeking an option on the Fredricks property for a potential end-user is he recruiting to the area. We have the option on the Fredrick's

property, but in an effort to make the property more marketable to the development community, I am recommending annexation of the 72 acre parcel into the City of Milton, and an amendment to TID #6 that would bring this property into the City of Milton and make it available for TIF district financing incentives. I am not recommending land acquisition at this time, as we have 3 owned parcels that we are also currently marketing, and this one can be marketed with our option, not ownership, just as effectively. Mr. Fredricks has indicated a willingness to petition for annexation into the City of Milton as of last week.

There is another development along Hwy. 59 known as the "Heth Development" that is scheduled for public announcement in late February of 2014. A TID amendment for a proposed property swap with the City will also be necessary to accommodate that project (one developer seeks TIF help, the other does not).

Recommended Action Steps:

Motion 1: Recommend to the Common Council that City Staff be authorized to process the annexation of the Shovel Ready site owned by Michael Fredricks into the City of Milton

Motion 2: Recommend that the Common Council authorize the Administrator to work with Ehlers and proceed with the process of an Amendment to TID #6 to include property adjacent to the Heth Development and the Fredrick's Property into TID #6 as presented.

Agenda Item #8: Development Updates on proposed Heth Property Development and Offer to Purchase City Property along Hwy. 59

Since our last meeting in November, the Council has received an offer to purchase up to 5 acres of property adjacent to the proposed Heth Development (Hwy. 59/Sunnyside Drive). The Council directed me to schedule a meeting with the realtor who made the offer, as their offer to purchase was below that which we normally ask for per acre for City property, and no information related to the proposed development was released. I spoke to the developer involved with the Heth Development on Friday of last week, and their client is still working through site plan issues

Recommended Action: None, informational update only at this time.

Agenda Item #9: CTH M Interstate Access and Proposed Evermor Development:

Discussion: There has been a lot of press about this particular development the past two weeks. Bill Watson presented his proposed development plans to the Council at their January 21st, 2014 meeting. Staff has been conducting an analysis on the potential cost impact of servicing the proposed annexation into the City of Milton, and the Council has authorized me to negotiate a reimbursement agreement with Mr. Watson that would have him pay for all attorney fees, engineering fees, and annexation costs, should those annexation petitions be filed. Discussions on that negotiation process began on Wednesday of this past week with our selected attorney, with a potential agreement to be presented to the Council for discussion and possible action at their February 4th meeting.

The project currently proposes to bring 43 different parcels into the City of Milton, and over 2,000 acres of property. Between 600-1,200 acres are being discussed in phases for the industrial park. On Wednesday, January 22nd, 2014, we met with City of Janesville Staff and the Evermor project development team and evaluated the Industrial Park needs. Based upon those discussions, we'd anticipate the potential for some sort of cooperative agreement between the City of Janesville and Milton related to the parks water and sanitary sewer needs to be the most practical option to service the park, should both of the City Council's in the City of Janesville and Milton find the proposed development and any subsequent impacts of it manageable for both utility systems and financially appropriate.

Recommended Action: None, informational update only at this time.