

**Wednesday April 14, 2021**

6:30 pm

In-PERSON/VIRTUAL MEETING

Council Chambers, City Hall

## MINUTES

1. Pledge of Allegiance
2. Roll Call – Present: Brad Kuenzi, Matt Zastrow, Bob Wetzel, Chris Ruetten, Dave Zimmerman, Rob Marchant. Nate Salas joined the meeting at 6:35.
3. Determination of Quorum and Call to Order
4. Approval of Minutes of Previous Meeting – March 3, 2021: There as a motion by Ruetten, seconded by Kuenzi. Motion carried 6-0.
5. Public Comment – There was no public comment.
6. Status reports
  - a) Community Support/Communication - Mueller
    - a. Communication updates
    - b. Fundraising communication is ready to go out. They are just waiting on final tweaks to the brochure. They are revisiting the case studies. Every Friday, Alex and Jeanne will be meeting to have proactive communication.  
Information piece created for TID 8  
Press Release: Alex Allon  
Press Release: TID 8  
Press Release: Farewell Kristen  
Updated Website; Created fundraising documents
  - b) Common Council update – Ruetten
    - a. Council had elections. One person changed. New council assignments will be coming shortly. Bob and Chris may or may not be on. Chris got a tour of the library. They expressed concern that the town square was a phased project now. They were concerned about phase two possibly not happening. Covid is getting better, but there was a slight increase in cases within the city. Vaccination clinics are happening every week.
    - b. Parks and Rec department is planning to run as normal this summer. The pool will be open, leagues are planning on running at full capacity.
    - c. The airport wants to realign Boomer street so the end of their runway has more clearance. They want to be able to advertise that they have 5000 feet of runway. That realignment has been delayed until next springs. This will be a nice thing to have because our airport will then show up on more maps. This has been a long time in the works.
  - c) Fundraising – Zimmerman

## RDA STRATEGIC PRIORITIES

- 1) ~~400 W. Main St. block demolition, Town Square design etc., and publicizing town square project for possible funding from sources other than the City.~~
- 2) Facilitating quality development in downtown, and
- 3) Creating an approach and working to attract development projects downtown.

- a. Fundraising team met once when Kristen was exiting and then the Mayor, Dave and Alex met to coordinate next steps. Alex will have that pushed onto his plate going forward.
  - b. They will be having another meeting coming up shortly where they'll be talking about current status of donations and outreach, leads that were dropped in the process of handing off leadership, and setting a hard launch date for the start and how they want to setup communications. Brian Konz has reached out to the Watertown Community Foundation who will be the receiver of funds. Brian's company also agreed to be a receiver of stock and bond donations for the fundraiser as well.
  - c. Alex is working to get together a schedule for a targeted fundraising campaign. Discussed a public facing crowd-fundraising campaign with the mayor and will likely be going that route.
  - d. Chris asked when donations would start to come in.
    - i. Alex said they would like to get a strategic plan in place for the fundraising campaign before actively soliciting funds.
  - e. Rob said there's a chance that when we're ready to go live with the fundraising strategy, there may be a large donation in hand to leverage communications and get momentum out of the gate.
    - i. Nate confirmed that a donor is imminent for that purpose.
  - f. Jeanne mentioned that fundraising brochure numbers have been updated to reflect new budget numbers.
    - i. Alex said there were still outstanding questions regarding how to incorporate donation acknowledgement into the design of the town square.
  - g. Rob asked if the brochures could be emailed to all board members when finalized. Alex said the brochure should be completed Friday.
- d. Executive Director update – Allon
- i. Alex will be giving biweekly email updates to the RDA board. Alex is also working with the City Clerk's office to create more user-friendly accounting ledgers and budgets for budgeting purposes.
  - ii. Town Square status update and next steps
    - a. Alex is working to create more coordination between city staff and external contractors. SmithGroup is planning to develop a better file sharing system with the City.
    - b. SmithGroup provided a project schedule. Line 32 in that schedule is Ch. 30 permit review and approval. This is associated with the potential delay from the seawall. DNR meeting indicated that they could have that permit reviewed and approved anywhere from 1 week to 30 days. So that timeline could move forward significantly. If there is sediment sampling required, then that timeline would still be longer.
      - i. Rob asked whether the October 15 date for release of bids would accelerate if the Ch. 30 permitting was moved forward. Alex said it would.
    - c. Alex is creating a separate internal schedule with items included from the city's side.
      - i. There is now a pre-site plan review scheduled for April 20 with SmithGroup and City Staff.

- ii. There will be grass seeding dispersed on site to have the square look better over the summer.
- d. Rob mentioned that if the Ch. 30 results in an accelerated timeframe, we'll have to keep an eye on that for fundraising purposes.
- e. Phase 2 engineering contract determination
  - i. One of the grants the RDA applied for has a grant period that ends 12/31/22. There are elements of phase 2 construction that were important for securing that grant. If that is not completed in that time, that would affect the grant award.
  - ii. The previous contract with SmithGroup phased design of the town square into two. Alex strongly recommends that the RDA consider amending the contract again to have them do those design services as soon as possible.
    - 1. Brad asked question. Audio inaudible.
    - 2. Rob asked to determine the cost.
    - 3. Dave asked what is the procedure on that.
    - 4. Alex will reach out to SmithGroup for costs and bring as an agenda item to the next RDA meeting.
- f. SmithGroup provided probable opinion of construction costs. Alex said they indicated that their 20% contingency fee will likely be reduced to 10-15% as they work further through construction documents. There is a possibility to do riprap instead of a portion of the seawall which may also reduce costs.
  - i. Rob asked what the down side of doing riprap would be if it's cheaper and looks nicer.
  - ii. Alex agreed. He indicated that SmithGroup said doing the whole bank riprap would change the square design significantly due to grading concerns.
  - iii. Dave asked if riprap could be defined. Chris said they were larger "boulders".
- g. Alex also facilitated coordination with SmithGroup and TWall to see how their respective sites interface. There could be cost reductions around that.
- h. Rob mentioned that permeable pavers have been flagged in the past as not easy to maintain. We should make sure the city would support those maintenance efforts. Alex said there has been some discussion about maintenance.
- i. SmithGroup also provided a bidding framework with alternate options indicating cost reductions for potentially removing certain items. They also included wifi, speakers and cameras in this framework. Alex said this is another item that needs a decision on whether to include or not.
  - i. Dave said that came from the design committee. The removal of the overhead lines was another piece from that committee. Alex said We Energies is putting together costs for us the week of the 26<sup>th</sup>. There was also a conversation with TWall for the potential to have them remove lines as well.

- ii. Mayor McFarland commented that the cameras and wifi will likely be addressed in the forthcoming Main Street taskforce.
  - j. Town Square Sign design decision (see document with sign options)
    - i. SmithGroup is requesting a decision on the main town square design. They would be happy to come back before the RDA to refresh these options and/or look at new options.
    - ii. Dave said they promised that in January and there were suggestions that came from the design team. They should have notes on that. They were leaning toward the first one and perhaps incorporate watertown brick in the base.
    - iii. Alex will schedule them to come to the next RDA meeting.
    - iv. Rob said they may want to consider the Sharp's corner design in future designs.
    - v. Dave explained that the second version on the document was deemed too tall. The third one harkened back to the Watertown plank road. There was also discussion previously about donation plaques being included on the back side. There were also ideas about a nod to the former buildings that were there on the back side.
  - k. Rob asked to get clarification about the splashpad usage rates. How much can we actually run that?
- iii. TWall status update and next steps
  - a. TWall provided an outline of their project schedule. Some of those dates have already passed and we are currently still negotiating the developer's agreement. They are working on their costs and developing their design further. Part of that is a result of the coordination with SmithGroup on the town square interface.
  - b. Dave asked if there was a timeframe. Alex said the project schedule they gave is what we have for a timeframe.
  - c. Rob asked if there was an idea of when construction on the square would start. He said the point is that there is likely to be simultaneous work going on.
    - i. Alex added that the library work would be in progress as well.
  - d. Rob asked if we are optimistic about the developer's agreement with TWall. Alex said it was likely to happen.
    - i. Mayor McFarland also mentioned that communication with TWall was frequent and may indicate positive momentum.
    - ii. Alex also expressed gratitude for city staff for responding quickly to requests from TWall.
  - e. Rob asked what the total project spend was. Mayor McFarland and Alex said the future assessed value of the project was roughly 6.7 million.
- iv. Proposed Resolution Discussion: Statement of support for future grant writing activities for SmithGroup.
  - a. Alex said there is a grant writing contract with SmithGroup for \$20,000. They would like a statement of support for more grant writing activities. This is not an authorization for further expenditures.

- b. Rob offered a statement of support from the RDA and no objections were made.
- v. Town Bank request to participate in revolving loan fund
  - a. A representative had inquired about wanting to know more about possibly participating in the RDA's revolving loan fund.
  - b. Matt said the RDA had talked about this about 1.5 years ago. This would add more risk to the RDA and he felt we would want to limit ourselves in that risk. He said the RDA may want to ask how much do we need, what's the demand? He said in that case we would also want to first go back to our original banks before letting an out of town bank join.
  - c. Nate agreed that determining demand would be a good step. And then having a discussion with our existing banks before coming back to the board and having further discussion.
  - d. Rob asked what's a good way to assess demand?
  - e. Nate offered that we could potentially open it up to public feedback. Rob said that may put us in a difficult position of having access to fund it and then choosing not to. The RDA may have good business reasons not to. Risk, to Rob, is the more salient issue. The RDA is all in on the town square, and doesn't have a lot to balance that additional risk.
  - f. Matt said he would likely not be in favor of this because the RDA is starting to see things revolve and money is cheap right now. Other banks are lending out fairly cheaply. They're not doing these kinds of loans because it's a lot of risk. So Matt thinks the RDA should look at it very carefully where even if there's a need does the RDA really want to be in that position?
  - g. Alex asked whether the goal of the fund would benefit from a higher total lending amount. Is the RDA already doing what that fund is intending to do?
  - h. Matt said he's seen the benefits of it downtown and that it's exceeded his expectations.
  - i. Chris asked whether adding another bank would spread the risk out. Matt said the bank isn't taking the risk, the RDA is. If there is a default, the RDA is on the hook.
  - j. Dave asked what the current balance we have available is? Matt thought it was around 30,000. Alex indicated that there was one loan that was going to be closed out fairly soon and would increase the available balance.
  - k. Rob asked if the loan receivable number in the budget was the amount that is on the hook for if everyone defaults. Matt said yes. Rob said that's something we have to keep our eye on as a board.
  - l. Nate said the loans the RDA put out were well collateralized. It's not necessary to have dollar for dollar. He said the RDA engaged professional bankers to structure loans based on best practices. The notes that the RDA have could have gone to a main bank. He couldn't recall a loan that the RDA did that a bank wouldn't have done.

- m. Rob said if the RDA is going to consider expanding, Matt and Nate could explore this further and bring it back. If there's a motion to make that happen the RDA can talk about it. He asked if there was a motion.
  - n. Brad moved to explore adding more funds to the RDA revolving loan fund. Bob seconded. Motion passed unanimously.
  - o. Matt asked what they want them to do. Rob suggested looking at demand and determining whether this was something we should do. Nate said exploring it would be worthwhile and would want to understand what Town Bank was offering. Rob said Alex would need to run point on the effort. Matt said he was willing to help. Rob, Matt and Nate will explore this further. Alex clarified that Town Bank isn't offering anything. It was a very soft inquiry in the context of them expanding into another market and presented an opportunity to have this conversation internally.
  - vi. Discussion and potential action about revising RDA Charter to remove City Clerk/Treasurer as RDA Treasurer.
    - a. Rob and Alex will work together to come up with revised charter language and bring back to the RDA
7. **Review/Approve:** January, February, March financial reports. Motion to approve financial reports was made by Chris and seconded by Dave. Motion approved unanimously.
8. Future possible agenda items – None added.
9. Next meeting date and time – May 19, 6:30pm
10. Adjournment – There was a motion by Brad seconded by Chris to adjourn.