

**Wednesday July 21, 2021**

6:30 pm

In-PERSON/VIRTUAL MEETING

Council Chambers, City Hall

**By Phone or GoToMeeting:**

<https://global.gotomeeting.com/join/471703029>

For the Public, Members of the media and the public may attend by calling: (US) +1 (872) 240-3412

Access Code: 471-703-029

All public participants' phones will be muted during the meeting except during the public comment period where applicable.

#### AGENDA

1. Pledge of Allegiance
2. Roll Call
  - a. Present: Rob Marchant, Chris Ruetten, Dave Zimmerman, Dan Bartz, Matt Zastrow (6:40)
  - b. Absent: Nate Salas, Brad Kuenze
3. Determination of Quorum and Call to Order
4. Approval of Minutes of Previous Meeting – June 24, 2021
  - a. Bartz motioned to approve, Ruetten seconded. Motion passed unanimously.
5. Public Comment
6. Status reports
  - a. Community Support/Communication – Mueller
    - i. Allon played video that Mueller made highlighting the Town Square.
    - ii. Jeanne will be working on our fundraising announcement when it comes forth.
    - iii. We'll be working on preliminary ideas for the public facing crowdfunding campaign.
    - iv. Continuing work on one of the case studies of our RLF projects.
    - v. Fence boards can be picked up in Allon's office for painting.
  - b. Common Council update – Ruetten
    - i. There are no active Covid cases in the city.
    - ii. Watertown is lagging behind the state on Vaccinations.
    - iii. Passed first reading of an ordinance for a transportation utility.
    - iv. Interurban trailhead facility is nearly complete.
  - c. Fundraising – Zimmerman
    - i. Alex met with prospective employer looking to donate \$250,000 this morning and walked through the Town Square. Awaiting next steps, but they were adamant about wanting to become a more prominent community member.
    - ii. Quirk Foundation invited us to submit a grant application.
    - iii. Rob suggested still looking at an organization providing a bridge loan to secure funding.
  - d. Executive Director update – Allon
    - i. Town Square

#### 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.

1. 90% plans and technical specifications have been submitted to the City for initial review. Allon will be meeting with Adam tomorrow to go over those and get answers to a few questions, particularly the status of their HEC-RAS modeling (which is what they're using to determine that the river levels won't rise with the dock going in). This was the item where the contract said HEC-RAS modeling may result in additional charges depending on how in depth that process is. Allon anticipates receiving additional charges.
2. Alex talked about the construction management services outline in the packets outlining what exactly those kinds of services entail. He outlined the pros and cons as:
  - i. The fees are all out in the open, and not hidden within a general contracting bid
  - ii. Generally, It should, theoretically, save money over the life of the project as compared to a traditional GC
  - iii. The RDA gets to have more control and insight into the bids and materials costs of subcontractors
  - iv. The quoted timeline of construction differs greatly than what SmithGroup originally proposed. SG had 11 months, Maas provided an estimate at no cost which outline a 5-month timeline.
  - v. Cons include:
    1. In some cases, risk is assumed by the project owner. But CM contracts can have at risk contract to transfer the risk. We would obviously seek to do that.
    2. If the CM is also responsible for doing some work, there could be ethical questions there.
    3. Services costs. These can, again, theoretically be less by virtue of the CM reducing costs in other areas, but it is an additional contract to be built into the budget.
  - b. Marchant requested clarifying SmithGroup's scope so that we're not duplicating contracts.
  - c. Allon will take RFP he drafted to SmithGroup and ask where the overlap is and what services are not duplicated.

ii. TWall

1. Established timeline to reach Development Agreement
  - a. July 28 is the deadline to have a final version of the DA in place
  - b. August 9, the agreement will go before Finance Committee.
  - c. August 17, it will be at Council.
2. The details for TIF funding are as follows: The City will be contributing roughly 17% of project costs via TIF. That amounts to \$3.3 million of their \$19 million project costs. The payback structure will be annual payments of 77% of the available increment and will take place over the life of the TID unless their project value is such that it can be repaid sooner. The City will be receiving an average of roughly \$67,400 annually. From my understanding, because the value increase on the property is so great in that first year after construction (just prior to their full stabilization year), the City will be receiving upwards of \$200,000 in increment.

