

February 23, 2021

The Wayne Community Redevelopment Authority (CRA) met in regular session at City Hall on Tuesday, February 23, 2021, at 4:00 o'clock p.m. Chair Jill Brodersen called the meeting to order with the following in attendance: Members Jon Meyer, Mark Lenihan, Greg Ptacek, Terry Sievers and Mike Powicki; City Attorney Amy Miller; City Administrator Wes Blecke; and City Clerk Betty McGuire. Absent: Member Cale Giese.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on February 11, 2021, and a copy of the meeting notice and agenda were simultaneously given to the Chair and all members of the Community Redevelopment Authority. All proceedings hereafter shown were taken while the Authority convened in open session.

Chair Brodersen advised the public that a copy of the Open Meetings Act was located on the southwest wall of the Council Chambers and was available for public inspection. In addition, she advised the public that the Community Redevelopment Authority may go into closed session to discuss certain agenda items to protect the public interest or to prevent the needless injury to the reputation of an individual and if such individual has not requested a public hearing.

Member Lenihan made a motion, which was seconded by Member Sievers, to approve the minutes of the January 26, 2021, meeting. Chair Brodersen stated the motion, and the result of roll call being all Yeas, with the exception of Member Giese who was absent, the Chair declared the motion carried.

Member Sievers made a motion, which was seconded by Member Meyer, to approve the following CRA Claims:

City of Wayne	
Attorney Fees	\$800.00
Ads & Notices	15.00

Chair Brodersen stated the motion, and the result of roll call being all Yeas, with the exception of Member Giese who was absent, the Chair declared the motion carried.

Discussion took place regarding the request of Robert Woehler & Sons Construction, Inc., to assume the MZRB Properties, LLC “Residential Construction First Right of Refusal Agreement” dated November 1, 2018.

Background was provided on what took place in 2018. MZRB was given the first right of refusal on six different properties. MZRB has purchased one lot. In order to receive the 25% discount incentive, he needs to purchase and construct homes on all of the lots pursuant to the terms of the agreement entered into. Robert Woehler & Sons Construction, Inc., has approached MZRB and also wanted on the agenda to see if they could assume that agreement, with potential changes, because they are wanting to purchase Lot 50 from MZRB.

BJ Woehler, representing Robert Woehler & Sons Construction, Inc., was present to answer questions.

After discussion, Attorney Miller stated Mr. McManigal would need to send her a notice that he wants to give up his first right of refusal on these lots. She would then prepare whatever documents are necessary to bring before the CRA.

Discussion took place regarding the CRA making a request for funding from the City of Wayne or asking for a line of credit from the City of Wayne to be used to make future property purchases.

Finance Director Beth Porter advised the CRA that their checking account has approximately \$414,000 in it. Currently, the CRA owes the Electric Fund \$300,000. This was requested in 2012 and was for the construction incentive loans.

Administrator Blecke stated the City has paid for most of the things the CRA has done. However, there is no paper trail that states those monies have to be paid back right now. The \$300,000 referred to is in the City’s audit. It is a commitment that the CRA has to pay back to the City, or request that it be forgiven, or allow it to stay on the books as a liability of the CRA. This \$300,000 is the only official thing staff can find that the CRA owes the City.

Finance Director Porter stated it initially was requested to be a grant, which was turned down by the Council. It is a 0% interest loan, with a 12-year term (2024). At the end of 12 years, the CRA needs to pay it off or renegotiate the terms.

It was noted the CRA can also obtain conventional financing for property purchases, if they had to.

Member Powicki updated the CRA on discussions that took place at the Business and Industry/WAED Retreat.

Administrator Blecke stated he could update the Council on this discussion and advise them that there may be more coming their way at some point.

Chair Brodersen stated she was comfortable with the CRA asking the City Council for a line of credit and waiting on asking for forgiveness of the \$300,000 loan until it is due in 2024. She thought if the Council could see that the CRA is making progress with the money, they will eventually be okay with forgiving the \$300,000.

Discussion took place as to the amount to request for a line of credit. Administrator Blecke stated the funding source for this "line of credit" would be the Electric Fund, and the City is still trying to figure out the issues from the electric event that took place a week ago.

After further discussion, Member Powicki and Mr. Virgil were going to get together and come up with properties or areas to target and bring those back for discussion and consideration at the next meeting. The Council hopefully will know more about how the February electric event is going to affect the Electric Fund, and then the CRA can then be ready to take action on what they want to ask for as far as a line of credit.

There was nothing to update the CRA on regarding the property located at 2nd and Logan/Nebraska Streets.

Discussion took place regarding other potential properties of interest.

Member Lenihan made a motion, which was seconded by Member Sievers, to enter into executive session to protect the public interest for the purpose of discussing the potential purchase

of property, and to allow Attorney Miller, Administrator Blecke, City Clerk McGuire, Joel Hansen, Street and Planning Director, Beth Porter, Finance Director, and Luke Virgil, Executive Director of Wayne Area Economic Development, to be in attendance. Chair Brodersen stated the motion, and the result of roll call being all Yeas, with the exception of Member Giese who was absent, the Chair declared the motion carried, and executive session began at 5:03 p.m.

Chair Brodersen again stated the matter to be discussed in executive session, which is to protect the public interest, is the potential purchase of property.

Attorney Miller and Administrator Blecke left the meeting at 5:11 p.m.

Member Ptacek made a motion, which was seconded by Member Powicki, to resume open session. Chair Brodersen stated the motion, and the result of roll call being all Yeas, with the exception of Member Giese who was absent, the Chair declared the motion carried, and open session resumed at 5:29 p.m.

Member Lenihan made a motion, which was seconded by Member Ptacek, to provide the City Administrator and City Attorney information to make an offer on the property that was discussed in executive session. Chair Brodersen stated the motion, and the result of roll call being all Yeas, with the exception of Member Giese who was absent, the Chair declared the motion carried.

There being no further discussion, Chair Brodersen declared the meeting adjourned at 5:30 p.m.