

March 30, 2021

The Wayne Community Redevelopment Authority (CRA) met in regular session at City Hall on Tuesday, March 30, 2021, at 4:00 o'clock p.m. In the absence of Chair Jill Brodersen, Member Cale Giese called the meeting to order with the following in attendance: Members Greg Ptacek, Terry Sievers and Mike Powicki; City Attorney Amy Miller; City Administrator Wes Blecke; and City Clerk Betty McGuire. Absent: Chair Jill Brodersen and Members Jon Meyer and Mark Lenihan.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on March 18, 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.

Member Giese 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, he 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 requested a public hearing.

Member Giese stated there is a Co-Chair vacancy for the CRA. Member Muir previously served in that capacity. Member Giese noted he would prefer that the Co-Chair be an "at-large" member.

Member Giese made a motion, which was seconded by Member Ptacek, to nominate Member Powicki as Co-Chair for the CRA. Member Giese stated the motion, and the result of roll call being all Yeas, with the exception of Chair Brodersen and Members Meyer and Lenihan who were absent, Member Giese declared the motion carried.

Member Giese made a motion, which was seconded by Member Sievers, to approve the minutes of the February 23, 2021, meeting. Co-Chair Powicki stated the motion, and the result of

roll call being all Yeas, with the exception of Chair Brodersen and Members Meyer and Lenihan who were absent, the Co-Chair declared the motion carried.

Member Lenihan arrived at 4:03 p.m.

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

City of Wayne	
Attorney Fees	\$800.00
Ads & Notices	34.94
Caleb Lammers	\$10,000.00
Down-Payment Assistance	

Co-Chair Powicki stated the motion, and the result of roll call being all Yeas, with the exception of Chair Brodersen and Member Meyer who were absent, the Co-Chair declared the motion carried.

A request to purchase Lots 2, 3, and 4, Administrative Replat of Lots 34-39, Western Ridge II Addition, for the sum of \$8,500 per lot (total \$25,500), was submitted by Lucas and Heidi Thompson. The Thompsons want to combine the three lots into two and build two homes. In addition, the Thompsons were requesting an additional three years to build the second home.

Lucas Thompson was present to answer questions.

Attorney Miller stated the CRA may remember from the last meeting that BJ Woehler wanted to take over the “Residential Construction First Right of Refusal Agreement” that MZRB Properties, LLC (Mike McManigal) had with the CRA on these properties, as well as Lot 56 in Western Ridge. In addition, Mr. Woehler wanted an additional two construction seasons to build on Lot 50, because he was purchasing that lot from MZRB, which was also one of the lots in the “Residential Construction First Right of Refusal Agreement.” Mr. McManigal messaged Attorney Miller and Administrator Blecke stating he had no desire to exercise his first right of refusal. Attorney Miller advised the CRA that she has prepared a release and has notified Mr.

McManigal to stop and sign the same. As of this meeting time, Mr. McManigal had not signed the release.

Mr. Woehler would still like to have that first right of refusal so he can build on the lots that Mr. Thompson has now made an offer to purchase on. The CRA's decision is:

- Do you sell those lots to Mr. Thompson; or
- Do you grant Mr. Woehler the first right of refusal.

Since Mr. McManigal has not signed the release, the CRA cannot grant a first right of refusal to Mr. Woehler. Once Mr. McManigal signs the release, the CRA could then grant/give Mr. Woehler the first right of refusal, but, Mr. and Mrs. Thompson have now made an offer on three of those lots. If Mr. Woehler had the first right of refusal on those lots, the Thompsons' offer would trigger the 30-day time frame in which Mr. Woehler would need to make the decision on whether or not to purchase those lots. Otherwise, those lots would get sold to the Thompsons.

If the Thompsons' offer is accepted, Mr. McManigal would then have 30 days in which to either exercise his right to purchase those lots or to come in and sign the release. If Mr. McManigal does not respond or does not come in to sign the release, then after the expiration of the 30 day timeframe, the CRA can close on the lots to be sold to the Thompsons.

It was noted that Lot 56 would still be available to give Mr. Woehler a first right of refusal on. However, if at any time someone would come in and make an offer on that lot, then whoever holds that first right of refusal at that time, would then get a notice of being given 30 days in which to buy that lot. Otherwise, it gets sold to whoever made the offer.

During this discussion, it was noted that Mr. Woehler is currently purchasing Lot 50 from Mr. McManigal. He would like to get two additional construction seasons to build on that property. It was noted, however, that was Agenda Item No. 6.

Mr. Thompson advised the CRA he offered \$8,500 per lot because that was what he offered the CRA on previous lots he has purchased from the CRA.

It was also noted that Mr. McManigal would have to purchase the lots for the amounts so written in his agreement; however, he would receive a 25% discount upon complying with the terms of that agreement, which would reduce or make the purchase price lower than that of Mr. Thompson's.

Administrator Blecke again reviewed the choices the CRA had.

After discussion, Member Giese made a motion, which was seconded by Member Powicki, accepting the offer of Lucas and Heidi Thompson to purchase Lots 2, 3, and 4, Administrative Replat of Lots 34-39, Western Ridge II Addition, for the sum of \$8,500 per lot, for a total of \$25,500, with an additional year (3 years) to build the second home.

Member Lenihan recommended a form being prepared for people who, in the future, need to complete and turn in when making an offer on these lots. Attorney Miller stated she would prepare a simple form for staff to use.

Co-Chair Powicki stated the motion, and the result of roll call being all Yeas, with the exception of Chair Brodersen and Member Meyer who were absent, the Co-Chair declared the motion carried.

Discussion took place in regard to approving the request of Robert Woehler & Sons Construction, Inc., for two additional construction seasons on Lot 50, Western Ridge II Addition, that they are purchasing from MZRB Properties, LLC, and authorizing the release of the Deed of Trust with MZRB Properties LLC, once closing takes place.

Attorney Miller stated this is the lot Robert Woehler & Sons Construction, Inc., is purchasing from MZRB Properties, LLC. MZRB's two construction seasons would be ending this year, so once they close on the property, they will let her know if Mr. Woehler will sign the Deed of Trust, along with the agreements the CRA requires in the Western Ridge Subdivision that will give him two additional construction seasons.

Member Powicki made a motion, which was seconded by Member Sievers, approving the request of Robert Woehler & Sons Construction, Inc., for two additional construction seasons on

Lot 50, Western Ridge II Addition, that they are purchasing from MZRB Properties, LLC, and authorizing the release of the Deed of Trust with MZRB Properties, LLC, once closing takes place. Co-Chair Powicki stated the motion, and the result of roll call being all Yeas, with the exception of Chair Brodersen and Member Meyer who were absent, the Co-Chair declared the motion carried.

Discussion took place on the request of Robert Woehler & Sons Construction, Inc., for a “Residential Construction First Right of Refusal Agreement” on Lots 2, 3, and 4, Administrative Replat of Lots 34-39, Western Ridge II Addition, and Lot 56, Western Ridge II Addition. However, because there was an offer to purchase Lots 2, 3, and 4, and the same was accepted by the CRA, this would now only pertain to Lot 56.

After discussion, Member Giese made a motion, which was seconded by Member Ptacek, approving the request of Robert Woehler & Sons Construction, Inc., for a “Residential Construction First Right of Refusal Agreement” on Lot 56, Western Ridge II Addition, contingent upon the release of MZRB Properties, LLC. Co-Chair Powicki stated the motion, and the result of roll call being all Yeas, with the exception of Chair Brodersen and Member Meyer who were absent, the Co-Chair declared the motion carried.

Discussion took place regarding other potential properties of interest.

Luke Virgil, Director of Wayne Area Economic Development, along with Co-Chair Powicki, prepared a document identified as “property prioritization.” The CRA reviewed the same.

Administrator Blecke advised the CRA that an offer was made on the bank property (corner of 7<sup>th</sup> and Main Street); however, it was not accepted.

Member Giese then made a motion, which was seconded by Member Lenihan, to enter into executive session to protect the financial interest of the City 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.

Before roll call was taken, Member Ptacek discussed setting a CRA retreat to discuss long-term strategic goals.

Co-Chair Powicki stated the motion, and the result of roll call being all Yeas, with the exception of Chair Brodersen and Member Meyer who were absent, the Co-Chair declared the motion carried, and executive session began at 4:49 p.m.

The matter again to be discussed in executive session was the potential purchase of property, with the purpose being to protect the financial interest of the City.

Member Ptacek made a motion, which was seconded by Co-Chair Powicki, to resume open session. Co-Chair Powicki stated the motion, and the result of roll call being all Yeas, with the exception of Chair Brodersen and Member Meyer who were absent, the Co-Chair declared the motion carried, and open session resumed at 5:00 p.m.

Member Giese commended Mr. Virgil on the “property prioritization” document he prepared.

Discussion took place on scheduling a CRA retreat. Joel Hansen, Street & Planning Director, suggested inviting the Planning Commission to the retreat. Member Giese suggested inviting the City Council, too.

When asked about the cost of the Western Ridge Development, Finance Director Porter stated she had a spreadsheet on the same and would forward it to the CRA.

Discussion took place on “blight studies.” It was noted that there are probably some areas that could be taken out of the blighted area designation.

Tax Increment Financing Attorney Mike Bacon will be asked to give a presentation to the CRA on TIF at a future date.

There being no further discussion, a motion was made by Member Ptacek and seconded by Co-Chair Powicki to adjourn the meeting. Co-Chair Powicki stated the motion, and the result

of roll call being all Yeas, with the exception of Chair Brodersen and Member Meyer who were absent, the Co-Chair declared the meeting adjourned at 5:13 p.m.