

MINUTES
COMMITTEE OF THE WHOLE MEETING
BERLIN, WISCONSIN
TUESDAY, NOVEMBER 6, 2018 - 7:00 P.M.
COUNCIL CHAMBERS - BERLIN CITY HALL

Mayor Schramer called the Committee of the Whole meeting to order at 7:00 p.m. Roll call present: Ald. Lehr, Boeck, Przybyl, Erdmann, Secora and Harke. Staff present: Jodie Olson, Matt Chier, Lindsey Kemnitz and Scott Zabel.

There were no general public comments.

Erdmann moved to approve the October 2, 2018 Committee of the Whole minutes. Secora seconded the motion which carried by voice vote.

Next was a proclamation for World War I Remembrance. Mayor Schramer read the proclamation and Lehr moved to recommend to Common Council to approve the Mayoral Proclamation for a National Tolling of Bells to Honor Those Who Served in the Great War. Przybyl seconded the motion which carried by voice vote.

Next Jodie Olson presented a three-year audit contract renewal proposal from Hawkins, Ash, Baptie & Co (HABCO). The renewal quote was initially for a 3% increase each year, but Olson was able to negotiate it down to a 2% increase. The City's bidding policy calls for a formal bidding process unless otherwise waived by the Common Council upon determination that the contract will have no substantial changes upon the renewal and that such waiver would best achieve stated objectives. This waiver can be for up to three years. Olson recommended the bidding procedure be waived for this contract. Secora moved to recommend to Common Council to waive the formal bidding requirements for the 2019-2021 auditing renewal contract and accept the renewal quote with Hawkins, Ash, Baptie & Co. Erdmann seconded the motion which carried by voice vote.

Next was a review of the current Housing Rebate Incentive Program. Lindsey Kemnitz reviewed the history of the program and its evolution and usage over the years. In 1995, the Housing Task Force (HTF) created a housing incentive program to help offset special assessments costs for developers. The program benefitted 64 properties from 1995 to 2002, increased assessed valuation by \$7,977,400 with the City paying out \$222,358.42 in incentives. The program ended in 2002 due to funding issues, but in 2005 the HTF proposed reviving the program to offer a 4% rebate with a maximum of \$10,000 for a new home built, with an anticipated tax dollar payback of the incentive in 4-5 years. In 2013 to 2016 there were no housing incentives awarded, one in 2016 and four in 2017. Since 2005, there has been an assessment increase of \$10,338,075 with \$325,145 awarded in housing rebates. In return, the City received \$643,687.80 in additional taxes. Kemnitz explained that developers are currently incentivized to build in the city with this program and she was in support of continuing it. However, the current funding for the program is at approximately \$9,000 and there are three homes currently being built that could qualify for the incentive. If all three apply, there is not enough funding to provide the incentives. It was noted that Council can utilize monies out of contingency to meet this year's obligations if

necessary. Discussion was held on the value of the program, its continued existence, ways to structure the incentive payments in the future, and funding options. Olson noted that there are other facets of the program that should be re-evaluated as well by the HTF. Erdmann moved to recommend to Common Council that the Housing Task Force be reactivated and directed to look at the Housing Task Force policy regarding residential Housing Rebate Incentives and bring back a recommendation to Council within five (5) months. Secora seconded the motion, which carried by voice vote.

Next remaining items relating to the 2019 budget were reviewed. The Housing Rebate Program will remain in place but funding on hold until recommendations were brought forth by the HTF. Room tax monies are currently funneled to the Chamber; however, with the Chamber being influx at this time, this will be reviewed at a later date when there is a defined direction for the Chamber. Olson explained the 2019 proposed budget was within expenditure restraint limits. The donation request from the Boys and Girls Club was noted. The public hearing on the budget will be Nov 20 at 6:00 p.m.

Secora moved to convene into closed session pursuant to Sec 19.85(1)(e), of the WI Statutes, to deliberate or negotiate the purchase of public property, investment of public funds or conduct other specified public business, whenever competitive or bargaining reasons require a closed session. *(1) Discuss potential developers agreement with Wisconsin Spice)* Pryzbyl seconded the motion. A roll vote resulted in six (6) ayes, zero (0) nays and zero (0) absent. Motion carried.

Discussion continued in closed session.

Lehr moved to reconvene into open session and take appropriate action as a result of closed session discussion. Pryzbyl seconded the motion which carried by voice vote. No action was taken as a result of closed session discussion.

Secora moved to adjourn at 8:40 p.m. Lehr seconded the motion which carried by voice vote.

Jodie Olson, City Clerk