

CITY OF VERONA
MINUTES
COMMON COUNCIL
September 30, 2019
Verona City Hall

1. Mayor Diaz called the meeting to order at 7:00 p.m.
2. Pledge of Allegiance
3. Roll call: Alderpersons Kate Cronin, Sarah Gaskell, Charlotte Jerney, Chad Kemp, Christine Posey, Heather Reekie and Evan Touchett were present. Also present: City Administrator Adam Sayre, Police Chief Bernie Coughlin, Public Works Director Theran Jacobson, Parks Director Dave Walker, City Attorney Bryan Kleinmaier, City Engineer Carla Fischer, and City Clerk Ellen Clark. Alderperson Katie Kohl was absent and excused.
4. Public Comment: None
5. Approval of the minutes from the September 9, 2019 Common Council meeting. Motion by Reekie, seconded by Cronin, to approve the minutes of the September 9, 2019 Common Council meeting. Motion carried 7-0.
6. Mayor's Business:
 - A. Introduction of Fire Officer in Charge

Dan Machotka introduced himself as the Fire Officer in Charge while the City and the Police and Fire Commission complete the recruitment process for a new Fire Chief.
 - B. Presentation of 2019 Epic grant awards

Jim Schumacher announced the 2019 Epic grant awards. Recipients include: Verona Public Library - \$2,500 for prize books for completion of the Summer Reading Program; Badger Prairie Needs Network - \$30,000 for food and personal essentials for distribution, and \$5,000 for assistance with microwavable packaging for repackaging of surplus prepared food; Verona Police Department - \$6,700 for a Drysafe evidence cabinet, and \$11,500 for an Isotemp lab freezer; Verona Fire Department - \$12,773 for confined space rescue bags, \$2,027 for patient packaging equipment, \$4,400 for air monitoring equipment, and \$2,800 for training classes; and Fitch-Rona EMS – \$47,511.81 for three Lucas chest compression systems.

Mayor Diaz thanked Schumacher and Epic for their continued support of the community.
7. Announcements: None
8. Administrator's Report:
 - Upcoming public hearings include reconfirmation and adoption of the existing Comprehensive Plan and creation of Tax Incremental District No. 10.
 - The Joint Review Board will meet October 1st at 5:30 p.m. to discuss the creation of Tax Incremental District No. 10

- Houseal Lavigne Associates, LLC is in the process of rewriting the City's Zoning and Sign Ordinance. To better understand the needs of the City, they will hold three workshops on October 7th in the Council Chambers at City Hall. The first workshop will focus on commercial and industrial areas from noon until 1 p.m. The second workshop will focus on the sign ordinance from 1:30 pm until 2:30 pm. The last workshop will focus on residential areas from 5:30 pm until 6:30 pm. The consultant will give a briefing to the Plan Commission that evening and will gather input from them.
- A public hearing on Senate Bill 269 was held at the State Capitol on Tuesday, September 24th. There are a limited number of sessions left for the Senate this year, so it may take some time for the bill to get to the floor.
- The annual free E-waste drop-off day is October 26th from 8 a.m. – 3 p.m. at the public works facility, 410 Investment Court.
- Property assessments and revaluations will begin shortly.

9. Engineer's Report:

- Well 6 Pumping Station Construction: The contractor has started site grading and excavating for footings, then will place footings and walls. Underground plumbing and pouring the concrete floor are anticipated for the middle of October.
- Verona Area High School: West Verona Avenue Stage 1 has been paved with the first lift and has switched to the Stage 2 traffic configuration. West End Circle is still in Stage 1, with paving scheduled for September 30th.
- CTH M Reconstruction: A new traffic pattern began on September 24th. Please watch the portable message systems along CTH M and CTH PD and allow additional travel time.
- CTH PD – Woods Road to CTH M: Earthwork, utility relocates and storm sewer work have begun, and the Stage 1 traffic shift area near Woods Road is being built.
- Harriet Park Sump Manholes: A new manhole and replacement manhole will be installed at Harriet Park to capture sediment that clogs the pipe endwalls in the drainageway west of the main recreation area.
- The CTH M and Midtown Road intersection is slated to close on Friday, October 4th at 8 p.m. and reopen on Monday, October 7th at 6 a.m.
- CTH PD will be closed to all traffic west of Shady Oak Lane for four weeks beginning October 14th.

10. Committee Reports

A. Finance Committee

- (1) Discussion and Possible Action Re: Payment of bills. Motion by Kemp, seconded by Posey, to pay the bills in the amount of \$1,173,259.51. Motion carried 7-0.

B. Parks, Recreation and Forestry Commission

- (1) Discussion and Possible Action Re: Resolution No. R-19-039 authorizing application for financial assistance through the DNR Urban Forestry and Urban Forestry Catastrophic Storm Grant programs. If awarded, this grant will provide 50% matching funds to hire an intern for the summer of 2020 to update the City's tree inventory and collect additional information about the City's trees. The total

estimate for the project is \$12,000. Motion by Reekie, seconded by Kemp, to approve Resolution No. 19-039 authorizing application for financial assistance through the DNR Urban Forestry and Urban Forestry Catastrophic Storm Grant programs. Motion carried 7-0.

C. Public Safety & Welfare Committee

- (1) Discussion and Possible Action Re: An application for a Temporary Class “B” Beer and “Class B” Wine Retailer’s License from Ice, Inc. for the Snow family fundraiser on Sunday, October 6, 2019 from 3 p.m. – 8 p.m. Motion by Reekie, seconded by Jerney, to approve a Temporary Class “B” Beer and “Class B” Wine Retailer’s License from Ice, Inc. for the Snow family fundraiser on Sunday, October 6, 2019 at 451 E. Verona Avenue, with time change to 2 p.m. – 9 p.m., Michael O’Brien, Agent, contingent upon receipt of a Certificate of Insurance listing the City of Verona as the Certificate Holder and a background check by the Verona Police Department. Motion carried 7-0.

D. Plan Commission

- (1) Discussion Re: A Planned Unit Development concept plan review for the Woods at Cathedral Point. The Applicant is proposing a Planned Unit Development concept plan that would allow for the construction of 139 single-family homes, 18 twin homes, and approximately 100 multi-family units at the southeast corner of County Highway M and Range Trail. The Council is encouraged to provide feedback and recommendations to the Applicant on the concept. No formal motion is required.

Chris Ehlers and Brian Munson, representing Veridian Homes, presented an overview of the Woods at Cathedral Point. This development is adjacent to the existing Cathedral Point, and will offer a variety of home sizes. Multi-family housing is located in the northern corner of the development, with twin homes in the northeast portion of the site, and carriage lane homes located closer to the center of the site. The plan also includes 101 single-family homes ranging from the low \$300,000s to \$600,000+, located on different lot sizes. Five-foot side yard setbacks in some areas will allow them to include attainably priced housing in the development. As a developer/builder, Veridian has control over price point, format, architecture and site development details. The goal is to receive approval for the development before the end of the year, and start construction in April.

Discussion followed regarding housing diversity and price points, possible safety and stormwater issues resulting from five-foot side yard setbacks, accessibility to the Ice Age Trail, public versus private roadways, the homeowners association, cluster mailboxes, parking on the alleyways, and the definition of “attainably priced”.

No action was taken by the Common Council on this item.

- (2) Discussion and Possible Action Re: Ordinance No. 19-947 approving the annexation of 52.386 acres of land at the southeast corner of County Highway M and Range Trail. Motion by Gaskell, seconded by Kemp, to approve Ordinance No. 19-947

approving the annexation of 52.386 acres of land at the southeast corner of County Highway M and Range Trail, with the following conditions:

1. The annexation shall become effective upon execution of an annexation agreement.
2. The annexation shall become effective upon VH RG Land, LLC acquiring the property.

Motion carried 7-0.

- (3) Discussion and Possible Action Re: Resolution No. 19-040 approving a preliminary plat for the Woods at Cathedral Point. Motion by Gaskell, seconded by Cronin, to approve Resolution No. 19-040 approving a preliminary plat for the Woods at Cathedral Point, with the following condition:

1. The preliminary plat shall become effective upon the annexation of the property.

The proposed preliminary plat will create 158 residential lots and 7 outlots at the southeast corner of County Highway M and Range Trail.

Gaskell asked if approving the preliminary plat will mean that the side yard setbacks are approved, as well.

Sayre replied if you do not approve the setbacks, Veridian will have to change its home stock, and the development will not be the same as proposed in the preliminary plat. However, the Council is not bound to the setbacks at this time.

Motion carried 7-0.

- (4) Discussion and Possible Action Re: An annexation agreement for the Woods at Cathedral Point development. Motion by Gaskell, seconded by Kemp, to approve an annexation agreement for the Woods at Cathedral Point development. The proposed annexation agreement is with Veridian Homes for the annexation of approximately 52 acres of land at the southeast corner of County Highway M and Range Trail. The agreement includes language discussing initial phasing plans, and anticipated infrastructure, utility, and transportation improvements. Both City Staff and the developer are comfortable with the terms of the agreement. Motion carried 7-0.

E. Public Works/Sewer & Water Committee

- (1) Discussion and Possible Action Re: Agreement with Dane County for construction of CTH PD between Woods Road and CTH M. Motion by Touchett, seconded by Cronin, to approve an agreement with Dane County for construction of CTH PD between Woods Road and CTH M. This agreement between City of Verona and Dane County is for cost sharing of the design and construction for the expansion of CTH PD between Woods Road and CTH M. The City of Verona is the lead agency and will be administering the project. The cost split is based upon specific construction elements such as asphaltic pavement, lighting, landscaping, pavement markings, etc. The cost for City of Verona is estimated to be \$1,324,000 and Dane County is estimated at \$881,000. The City Attorney has reviewed the agreement and has no concerns. Motion carried 7-0.

- (2) Discussion and Possible Action Re: Amendment No. 2 for intergovernmental agreement for final design of CTH M from Prairie Hill Road to Cross Country Road. Motion by Touchett, seconded by Gaskell, to approve Amendment No. 2 for intergovernmental agreement for final design of CTH M from Prairie Hill Road to Cross Country Road. Amendment No. 2 of the intergovernmental agreement is for the cost of two of the additional design services required to complete the CTH M reconstruction project included in Amendment No. 1 that was approved on September 25, 2017. The design cost is split between Dane County Highway, City of Madison, and City of Verona. The additional cost for the City of Verona is \$53,035, for a total of \$420,000. Cost design services included in Amendment No. 2 are value engineering (VE) analysis and west bound underpass design. Motion carried 7-0.
- (3) Discussion and Possible Action Re: Amendment No.1 for Project 2016-118.2, Wastewater Master Plan Phase II. Motion by Touchett, seconded by Jerney, to approve Amendment No.1 for Project 2016-118.2, Wastewater Master Plan Phase II. Amendment No. 1 for the wastewater master plan was to perform additional tasks not included in the original contract. The additional work was to properly incorporate the east basin and to evaluate a relief alternative for the Eastview Heights and Military Ridge sewer shed. Ultimately these two tasks decreased future pipe sizes of the eastside interceptor and other areas throughout the system, saving money. The original contract was \$95,961 and the cost for amendment No. 2 (1?)s \$9,250. Motion carried 7-0.

Diaz asked for unanimous consent to take Item 12.A. ahead of Item 11.A. There were no objections.

12. New Business

- A. *The Common Council may convene in a closed session as authorized by Wisconsin Statute 19.85(1)(g) for the purpose of conferring with legal counsel for the governmental body who is rendering oral advice concerning strategy to be adopted by the body with respect to litigation in which it is involved. The Common Council may reconvene in open session to discuss and take action on the subject matter discussed in the closed session.*

Kleinmaier explained that there has been some ongoing litigation with a particular parcel related to two road projects located at the intersection of CTH M and CTH PD. The litigation we are talking about now relates to Parcel 11 of the CTH PD portion of the project. The owner is challenging our ability to take the land. The City filed an answer denying all of the allegations in the complaint.

Motion by Gaskell, seconded by Kemp, to convene in a closed session as authorized by Wisconsin Statute 19.85(1)(g) for the purpose of conferring with legal counsel for the governmental body who is rendering oral advice concerning strategy to be adopted by the body with respect to litigation in which it is involved. The Common Council may reconvene in open session to discuss and take action on the subject matter discussed in the closed session. On roll call: Alder Touchett – Aye; Alder Cronin – Aye; Alder Gaskell – Aye; Alder Jerney – Aye; Alder Kemp – Aye; Alder Posey – Aye; Alder Reekie – No. Motion carried 6-1, with Alder Reeking voting no. The Common Council convened in closed session at 8:23 p.m.

City Attorney Kleinmaier and Public Works Director Theran Jacobson remained for the closed session.

CLOSED SESSION

Motion by Cronin, seconded by Reekie, to reconvene in open session at 8:39 p.m. Motion carried 7-0.

11. Old Business

- A. Discussion and Possible Action Re: Development Agreement for the Sugar Creek Commons project in Tax Incremental District #9.

The Common Council may convene in a closed session, as authorized by Wisconsin Statute 19.85(1)(e), for the purpose of deliberating or negotiating the purchase of public properties, the investing of public funds or conducting other specified public business, whenever competitive or bargaining reasons deem a closed session necessary. The Common Council may convene in open session to discuss and take action on the subject matter discussed in the closed session.

Sayre stated Forward Development will be making a presentation and TIF request tonight. The Common Council discussed the Sugar Creek Commons development agreement in closed session on July 8th. Staff is requesting another closed session to update the Council on the negotiations with the developer and to gain direction from the Council on future negotiations with the developer on the development agreement.

Dan O'Callaghan, representing Forward Development Group (FDG), presented an updated plan for the Sugar Creek Commons project and their Tax Incremental Financing (TIF) request to help the project move forward.

The project consists of a mixed-use building with 26,000 square feet of retail and 143 apartments, a residential building with 140 apartments, and a 120-room hotel and event center. According to a market study commissioned when FDG was considering this development, within two to three years, the City could expect up to 275 events involving approximately 19,000 attendees at this site. The project is expected to create \$40 million of new tax base, generating \$900,000 of new tax revenue annually. The project is ready to move forward with the help of Tax Increment Financing through Tax Incremental District (TID) 9, which was created with this project in mind. The project plan for TID 9 includes \$5.4 million of development incentives, and up to \$1.5 million for infrastructure improvements. This would be a pay-go TIF that would be repaid using 95% of the newly created tax increment from the commercial portion of the development. In addition, room taxes will be paid to the City from the 120 hotel rooms. Without TIF, this project is not financially feasible, and cannot move forward.

Monthly rent on 20% of the units in the residential building (28 units) will be set at an affordable level for households earning up to 80% of Dane County Median Income (CMI). Total monthly rent (including utilities) will not exceed 30% of CMI levels.

FDG is hoping to get final TIF approval from the City in late October, to enable them to start construction on the project in early November, with the first phase of construction completed by early 2021 and full build out completed in 2022.

Discussion followed regarding the process to be used for attracting events to the event center, the types of retail planned for the site, the current unkempt condition of the site, requesting additional investors to help fund the development, the cost of site cleanup, and the intended use for the TIF monies.

Motion by Kemp, seconded by Touchett, to convene in a closed session as authorized by Wisconsin Statute 19.85(1)(e) for the purpose of deliberating or negotiating the purchase of public properties, the investing of public funds or conducting other specified public business, whenever competitive or bargaining reasons deem a closed session necessary. The Common Council may convene in open session to discuss and take action on the subject matter discussed in the closed session. On roll call: Alder Cronin – Aye; Alder Gaskell – Aye; Alder Jerney – Aye; Alder Kemp – Aye; Alder Posey – Aye; Alder Reekie – Aye; Alder Touchett – Aye. Motion carried 7-0. The Common Council convened in closed session at 9:16 p.m. City Attorney Kleinmaier remained for the closed session.

CLOSED SESSION

Motion by Touchett, seconded by Reekie, to convene in open session at 10:08 p.m. Motion carried 7-0.

Diaz stated City Staff will continue to negotiate with the developer on the matter of the Sugar Creek Commons project.

- B. Discussion and Possible Action Re: Approval of operator licenses. Motion by Gaskell, seconded by Reekie, to approve operator licenses as presented by the City Clerk. Motion carried 7-0.

13. Adjournment:

Motion by Touchett, seconded by Cronin to adjourn at 10:10 p.m. Motion carried 7-0.

Ellen Clark
City Clerk