

**CITY OF VERONA**  
**MINUTES**  
**COMMON COUNCIL**  
**February 10, 2020**  
**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, Katie Kohl, Christine Posey, and Heather Reekie were present. Evan Touchett is expected to arrive later. Also present: City Administrator Adam Sayre, City Attorney Bryan Kleinmaier, City Engineer Carla Fischer, and City Clerk Ellen Clark.
4. Public Comment:
  - Chris Ehlers, representing Veridian Homes, spoke regarding the Woods at Cathedral Point development. Veridian Homes has received several inquiries regarding the development from people living in the area. The developer is targeting 20% of the homes in the development to have a price point below \$300,000.

7:03 p.m. - Evan Touchett now present.

5. Approval of the minutes from the January 27, 2020 Common Council meeting. Motion by Kohl seconded by Kemp, to approve the minutes of the January 27, 2020 Common Council meeting. Motion carried 7-0.
6. Mayor's Business: None
7. Announcements: None
8. Administrator's Report:
  - City Staff will be holding a blood drive on February 21<sup>st</sup> at City Hall from 10:30 a.m. – 3:00 p.m. The event is open to the public.
  - The Sugar Creek School RFP tours will be held on Friday, February 21<sup>st</sup> at 10 a.m. with school district representatives. Proposals are due by March 30<sup>th</sup>.
  - Two finalists for the Fire Chief position were interviewed on February 4<sup>th</sup>. No final decisions have been made.
  - The Planning Director recruitment did not result in the hiring of a new Director. Existing Staff will be utilized throughout 2020, with private consultants brought in if needed for specific projects. The position is scheduled to be reposted at the end of 2020.
  - The March 23<sup>rd</sup> Common Council meeting has been rescheduled to March 30<sup>th</sup>.
9. Engineer's Report:
  - Well 6 pumping station construction: The exterior walls are complete and the roof is on. Interior walls are expected to be finished by February 14<sup>th</sup>.

- Verona Area High School Construction Traffic Improvements: Preparation is being made for installation of traffic signals later this winter along West Verona Avenue and West End Circle. Water main and storm sewer installations will begin the week of February 17<sup>th</sup> along Stewart's Woods Road and Wildcat Way. The Military Ridge State Trail re-route around the culvert work area will remain open until culvert work and trail restoration is complete.

## 10. Committee Reports

### A. Finance Committee

- (1) Discussion and Possible Action Re: Payment of bills. Motion by Kemp, seconded by Cronin, to pay the bills in the amount of \$1,541,132.34 . Motion carried 8-0.

### B. Plan Commission

- (1) Discussion and Possible Action Re: Resolution No. R-20-003 approving a Conditional Use Permit amendment to the Epic Systems Corporation Group Development to allow for the construction of a workshop building located at 1979 Milky Way. Motion by Gaskell, seconded by Kemp, to approve Resolution No. R-20-003 approving a Conditional Use Permit amendment to the Epic Systems Corporation Group Development to allow for the construction of a workshop building located at 1979 Milky Way. The workshop will be used for wood work and paint work for the Epic campus. Motion carried 8-0.
- (2) Discussion and Possible Action Re: Resolution No. R-20-004 approving a Certified Survey Map for 142 Paoli Street. Motion by Gaskell, seconded by Kohl, to approve Resolution No. R-20-004 approving a Certified Survey Map for 142 Paoli Street. This Certified Survey Map (CSM) would dedicate right-of-way located at 142 Paoli Street. Motion carried 8-0.
- (3) Discussion and Possible Action Re: Ordinance No. 20-956 annexing 0.224 acres of land at 515 West Verona Avenue. This annexation would annex a strip of land from the Town of Verona upon which a portion of the Holiday Inn Express and Suites is located.

Touchett asked for more background on the purpose of the annexation.

Sayre replied there was a survey mapping error when the hotel on this property was originally developed, which created a gap in the annexation. Therefore, this strip of land, which runs through the northern third of the hotel, is still part of the Town of Verona. During the Town of Verona revaluation process last year, the Town placed a value of approximately \$995,000 on the improvement. Putting a value on the improvement for the Town decreased the value of the improvement for the City by the same amount. Staff determined it would be in the best interest of the City to annex the property to regain the value of the improvement. The City and Town had the information about the mapping error during boundary agreement discussions. At that time, it was decided by both sides to leave the property as it was, and keep the status quo.

Discussion followed regarding how the improvement value was determined, the amount of property tax the City will be required to pay the Town due to this annexation, and the financial consequences for the City if the land is not annexed.

Motion by Touchett, seconded by Kohl, to approve Ordinance No. 20-956 annexing 0.224 acres of land at 515 West Verona Avenue. Motion carried 6-1, with Alderperson Kemp voting no, and Alderperson Gaskell abstaining.

- (4) Discussion and Possible Action Re: Ordinance No. 20-957 rezoning lands at 515 West Verona Avenue. Motion by Touchett, seconded by Cronin, to approve Ordinance No. 20-957 rezoning lands at 515 West Verona Avenue. This zoning map amendment would rezone 0.224 acres of land from Rural Agricultural to Urban Commercial. Motion carried 6-1, with Alderperson Kemp voting no, and Alderperson Gaskell abstaining.
- (5) Discussion and Possible Action Re: Resolution No. R-20-005 approving a final plat for the Woods at Cathedral Point to create 158 lots and 7 outlots. Motion by Gaskell, seconded by Kemp, to approve Resolution No. R-20-005 approving a final plat for the Woods at Cathedral Point to create 158 lots and 7 outlots, with the following conditions:
- a. The final plat shall be modified to have private alleys labeled as fire lanes.
  - b. The final plat shall become effective upon annexation of the property.
  - c. The final plat shall become effective upon the execution of a development agreement.

This property is located at the southeast corner of County Highway M and Range Trail.

Touchett and Reekie do not like private roads.

Reekie asked who will provide maintenance, how the police department will enforce no parking laws, and how garbage pickup will be handled on the private alleys.

Sayre replied snow removal will be handled privately, the fire lane language gives the City the authority to remove vehicles parked in the alleys, and garbage will be picked up as it is in other areas of the City.

Diaz does not like private roads, and hopes this is not a continuing issue going forward. He likes the variety of housing prices in the development, and is happy to see the Ice Age Trail expand. He would like to see some three-bedroom apartments in the multi-family units.

Reekie asked if there is a way to install rain garden-type landscaping in addition to what is there.

Dan Day, D'Onofrio Kottke & Associates, replied rain gardens would be allowed, and could be built on individual properties.

Gaskell asked how accurate the Ice Age Trail depiction is on the site map, as she

has some concerns regarding the buffer between the Trail and the property lines.

Brian Munson, Vandewalle & Associates, replied they tried to show on the map as closely as possible where the Trail corridor is. Discussions are ongoing with the Ice Age Trail Alliance regarding buffering landscaping along the Trail corridor, as well as notifications to property owners that owning property along the Trail is not only an amenity, but also a responsibility.

Motion carried 8-0.

- (6) Discussion and Possible Action Re: Resolution No. R-20-006 approving a General Development Plan (GDP) that would allow for the construction of 101 street accessed single-family homes, eighteen (18) twin homes, thirty-eight (38) alley accessed single-family homes, and 100 multi-family units for the Woods at Cathedral Point. Motion by Gaskell, seconded by Reekie, to approve Resolution No. R-20-006 approving a General Development Plan (GDP) that would allow for the construction of 101 street accessed single-family homes, eighteen (18) twin homes, thirty-eight (38) alley accessed single-family homes, and 100 multi-family units for the Woods at Cathedral Point, with the following conditions:

- a. The GDP shall become effective upon the execution of a development agreement.
- b. The GDP shall become effective upon annexation of the property.

Motion carried 8-0.

- (7) Discussion and Possible Action Re: Ordinance No. 20-958 rezoning lands to Urban Residential (UR), Mixed Residential (MR), Neighborhood Residential (NR), and Public Institutional (PI) located in the Woods at Cathedral Point. Motion by Gaskell, seconded by Posey, to approve Ordinance No. 20-958 rezoning lands to Urban Residential (UR), Mixed Residential (MR), Neighborhood Residential (NR), and Public Institutional (PI) located in the Woods at Cathedral Point, with the following conditions:

- a. The zoning map amendment shall become effective upon the execution of a development agreement.
- b. The zoning map amendment shall become effective upon annexation of the property.
- c. For the property zoned UR, the property owner shall install and maintain a multi-family notification sign as outlined in the City's Residential Development Policy.

Motion carried 8-0.

## 11. New Business

- A. Discussion and Possible Action Re: Resolution No. R-20-007 approving a TIF development agreement and a public improvements development agreement with Sugar Creek Commons, LLC for construction of a mixed-use development containing a

hotel, conference center, and mixed-use buildings located at 509 West Verona Avenue in Tax Incremental District No. 9.

*The Common Council may convene in closed session as authorized by Section 19.85(1)(e) of the Wisconsin Statutes for the purpose of deliberating or negotiating the investing of public funds or conducting other specified public business whenever competitive or bargaining reasons require a closed session. The Common Council may reconvene in open session and take action on the closed session item.*

Sayre explained the City has approved plans for the Sugar Creek Commons development to construct a 120-room hotel with a conference center, and mixed-use buildings containing 143 apartment units and 26,000 square feet of commercial space. The developer anticipates starting construction of the project in the spring of 2020. To help pay costs associated with remediating the contamination on the property and to install public infrastructure improvements to serve the property, Sugar Creek Commons, LLC is seeking payments in the amount of \$3.2 million. Staff and the City Attorney have negotiated terms for a development agreement for the project. Under the terms of the agreement, the City would provide up to \$3.2 million to Sugar Creek Commons, LLC to pay costs associated with remediating the contamination on the property and to install public infrastructure improvements to serve the property. As part of the agreement, the City agrees to pay annually 90% of the available tax increment generated from the Property to Sugar Creek Commons, LLC after the City receives \$5,000 for administrative costs. Only available tax increment generated from the property will be used to pay Sugar Creek Commons, LLC. The tax increment generated will come only from the hotel and mixed-use areas of the property. As part of the agreement, Sugar Creek Commons, LLC will remediate the contamination on the property and install public infrastructure improvements.

Touchett asked if there has been any discussion regarding the timing of the project.

Kleinmaier stated the public improvements agreement states that work on the improvements will begin in June 2020, and be substantially completed by the end of October. If the improvements are not completed by that time, the City may complete them using the letter of credit. Payments to be made through the TIF Agreement are only for the public improvements and the remediation of the land. The TIF Agreement outlines the required remediation. The developer will then have to build on the property in order to see an increment generated. The remediation must be done by December 31, 2020. If both the public improvements and remediation are not done by July 1, 2021, the City will not be required to make any payments to the developer.

Touchett asked how the remediation will be monitored.

Kleinmaier stated Staff have worked with the developer and identified what the remediation must include. The remediation will be considered complete when the Wisconsin Department of Natural Resources confirms its completion in writing.

Gaskell asked if the \$3.2 million will stand, even if the actual cost of remediation comes in at less than that amount.

Kleinmaier replied yes, and if the cost comes in over the \$3.2 million, the developer will be responsible for the remaining cost.

Reekie asked if remediation is not necessary before the public improvements are installed.

Kleinmaier replied the remediation and public improvements work will probably be done concurrently. The public improvements are not dependent on the remediation.

Sayre stated remediation is required primarily under where the gas station building was located. The public improvement area involves very little remediation.

Fischer explained the extent of remediation required is, to some extent, dependent upon the proposed use of the remediated land.

Gaskell asked if all the public improvements will be done at once.

Sayre replied the vacation of the Topp Avenue area will be required when the multi-family portion of the project begins. Utilities will remain on Topp Avenue until then.

Jerney asked when the TIF payments will start.

Kleinmaier stated the payments will start when increment is being generated from a building being constructed on the property. If there is improvement value on the property in January 2021, the first increment payment will take place in November 2022. Payments are made annually. We pay ourselves the administrative costs from the first portion of the increment, then pay the developer the next 90% up to the cap of \$3.2 million.

Motion by Gaskell, seconded by Kemp, to approve Resolution No. R-20-007 approving a TIF development agreement and a public improvements development agreement with Sugar Creek Commons, LLC for construction of a mixed-use development containing a hotel, conference center, and mixed-use buildings located at 509 West Verona Avenue in Tax Incremental District No. 9, subject to review by the City Administrator and City Attorney. Motion carried 8-0.

B. Discussion and Possible Action Re: Development review agreement between the City of Verona and Morningside Boulevard, LLC.

Sayre explained the City continues to work with Forward Development Group on the development of the Whispering Coves Subdivision. As part of that development, Morningside Boulevard will be constructed by Morningside Boulevard, LLC which will require review and approvals by the City. The draft agreement requires a deposit and reimbursement for City review costs from Morningside Boulevard, LLC. In this case, the suggested deposit to be \$30,000. The City will draw upon the reimbursement account for costs associated with the development, including third party legal and engineering fees.

Motion by Gaskell, seconded by Kemp, to approve a development review agreement with Forward Development Group on the development of the Whispering Coves Subdivision. Motion carried 8-0.

C. Discussion and Possible Action Re: Approval of operator licenses. Motion by Touchett, seconded by Reekie, to approve operator license applications as presented by the City Clerk. Motion carried 8-0.

12. Adjournment:

Motion by Touchett, seconded by Cronin, to adjourn at 8:04 p.m. Motion carried 8-0.

Ellen Clark  
City Clerk