

**PROCEEDINGS OF THE DOUGLAS COUNTY BOARD OF SUPERVISORS
SPECIAL MEETING
Thursday, March 25, 2004, 6:00 p.m., Board Room, Government Center Second Floor
1316 North 14th Street, Superior, Wisconsin**

Meeting called to order by Chairman Douglas Finn.

Pledge of Allegiance recited.

Roll call taken by County Clerk Susan T. Sandvick. There were 25 present, 3 absent. Absent and excused were Carl Zukowski, Stephen Ward, David Conley. Patricia Ryan left at 7:50 p.m., following the closed session. Youth representative present was Jamie Kauther.

Chair Finn asked if anyone in the audience would like to address the County Board regarding demolition or potential sale of the City-County Complex, prior to closed session. Brad Theien, local real estate appraiser, addressed the Board. Theien stated, that from his perspective, there is a building across the street that has the potential for a developer to create new jobs, or to be torn down for a parking lot. He stated that as a taxpayer and real estate professional, it is his belief that the building should be put to better use than a parking lot. He emphasized the potential for new jobs and spreading the tax base through development of the complex. Continuing, Theien stated he understood the concern some County Board members have regarding displacement of the current home owners in the area being considered for the parking lot, north of the Government Center. He suggested relocation for home owners could take place over time. He urged the Board to look at the longer term of economic spinoffs from new jobs, and approve the agreement with the City of Superior to negotiate sale of the City-County Complex, which he stated was the highest and best use.

CLOSED SESSION: Motion by Quam, second Browne, to convene into closed session pursuant to Section 19.85 (1)(e) of the Wisconsin Statutes to discuss negotiation and sale of City-County Complex. Roll call vote taken and passed with 25 Yes, 0 No, 3 Absent. Absent were Ward, Conley, Zukowski. Open session recessed at 6:10 p.m.

There were no objections from the Board to invite the following City of Superior representatives to attend the closed session: Mayor Ross, Public Works Director Jeff Vito, City Council President Dan O'Neill, City Councilor Dennis Dalbec, Superior Redevelopment Authority Attorney Robert Toftey.

RECONVENE OPEN SESSION: County Board reconvened into open session at 7:50 p.m. Roll call taken by County Clerk Susan Sandvick. There were 24 present, 4 absent. Absent were Conley, Ryan, Zukowski, Ward. Youth representative Jamie Kauther was present.

RESOLUTION

| Roll Call | | |
|---|-----|----|
| District Number | Yes | No |
| 1. Finn | | |
| 2. Browne | | |
| 3. O'Brien, John | | |
| 4. Glenn | | |
| 5. Zukowski | | |
| 6. Eckman | | |
| 7. Ward | | |
| 8. Martin | | |
| 9. Prettie | | |
| 10. Robinson | | |
| 11. Conley | | |
| 12. Waterman | | |
| 13. Quam | | |
| 14. O'Brien, James | | |
| 15. McKenzie | | |
| 16. Shepard | | |
| 17. Egan | | |
| 18. Allen | | |
| 19. Ryan | | |
| 20. Hooper | | |
| 21. Johnson, Kay | | |
| 22. Pleski | | |
| 23. Johnson, Wes | | |
| 24. Liebaert | | |
| 25. Coletta | | |
| 26. Johnson, Carol | | |
| 27. Cosgrove | | |
| 28. Jensen | | |
| Roll: Ayes _____ Noes _____ Absent _____ Abstain _____ Passed <input checked="" type="checkbox"/> Resolution Lost _____ Refer _____ Amend _____ Other <u>Amendments to Cooperation Agreement</u> | | |

**RESOLUTION #27-04
RESOLUTION BY THE EXECUTIVE COMMITTEE**

Subject: Cooperation Agreement with City of Superior

WHEREAS, Douglas County has determined that the real property located in the City of Superior (legally described on Exhibit A-1 of Cooperation Agreement), which includes the City-County Complex building and adjacent parking areas (collectively, the “City-County Complex Area”), is a viable piece of property for development, and

WHEREAS, Douglas County and the City of Superior have identified the sale of the City-County Complex Area for private development as a matter of mutual interest, and

WHEREAS, Stender Family Group, LLC, a Wisconsin limited liability company, has expressed an interest in purchasing the City-County Complex Area, for use as a commercial office building, and

WHEREAS, the parking lots located within the City-County Complex Area are currently used by visitors and employees of the Government Center and the sale of the City-County Complex Area will diminish the already limited parking areas available to visitors and employees of the Government Center, and

WHEREAS, Douglas County and the City of Superior agree that the development of a municipal parking lot (the “Parking Project”), located adjacent to the Government Center, would enhance the safety of government employees and the public who currently must cross Hammond Avenue to park within the City-County Complex Area, and

WHEREAS, notwithstanding any prior agreements between Douglas County and the City of Superior, the County and the City propose to allocate the net proceeds from the sale of the City-County Complex Area, along with other funds of the County, to provide for the cost of the Parking Project, and

WHEREAS, Douglas County and the City of Superior agree that the sale of the City-County Complex Area and the development of the Parking Project will be in furtherance of the County and City’s public purpose objectives and are matters of mutual interest, and

| Roll Call | | |
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| 5. Zukowski | | |
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| 7. Ward | | |
| 8. Martin | | |
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| 13. Quam | | |
| 14. O'Brien, James | | |
| 15. McKenzie | | |
| 16. Shepard | | |
| 17. Egan | | |
| 18. Allen | | |
| 19. Ryan | | |
| 20. Hooper | | |
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| 22. Pleski | | |
| 23. Johnson, Wes | | |
| 24. Liebaert | | |
| 25. Coletta | | |
| 26. Johnson, Carol | | |
| 27. Cosgrove | | |
| 28. Jensen | | |
| Roll: Ayes _____ Noes _____ Absent _____ Abstain _____ Passed <u> X </u> Lost _____ Refer _____ Amend _____ Other _____ | | |

WHEREAS, pursuant to the terms of the Cooperation Agreement between Douglas County and the City of Superior (the form of which is submitted with this resolution as Exhibit A-3-25-04), the County and the City have set forth their understanding and agreements regarding the sale of the City-County Complex Area and the development of the Parking Project.

NOW, THEREFORE, BE IT RESOLVED that the Douglas County Board of Supervisors approve the Cooperation Agreement between Douglas County and the City of Superior (Exhibit A-3-25-04).

BE IT FURTHER RESOLVED that the County Board Chair, County Administrator, and County Clerk are authorized and directed in the name and on behalf of Douglas County to execute and carry out the provisions of the Cooperation Agreement, with such changes as may be approved by Douglas County and legal counsel, and such other documents and instruments or certificates as are authorized, deemed necessary or desirable by counsel for the County to complete the transactions.

Dated this 25th day of March, 2004.

(Committee Action: Unanimous)

(Fiscal Note: Estimated parking lot development costs of \$1,000,000.00, to be paid from projected sale proceeds of City-County Complex of \$500,000.00 and balance from Douglas County funding)

ACTION: Motion by Allen, second Quam, to adopt resolution. Pleski posed several questions in regard to the agreement language, to which Attorney Toftey responded. Referring to the recommended amendments to Section 4.2 of the agreement, Pleski recommended that the cost overrun issue be clearly stated. Also noted was a redundancy on page four, Section 3.1, lines four and five.

Motion by James O'Brien, second Robinson, to amend Exhibit A-3-25-04, the Cooperation Agreement Between the City of Superior and Douglas County Regarding Negotiation and Sale of City-County Complex, as follows: (1) Add to Section 2.6: The County Board Chair and the County Administrator, or their respective designees, shall participate with the City of Superior and/or the Redevelopment Authority, in negotiating the terms of the acquisition of the Properties and the plan for the design and layout of the Parking Project, if one or more of the Properties have not been acquired; and (2) Add to Section

| Roll Call | | |
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4.1: The City (or the Authority acting for the City) agrees to exercise its best efforts to minimize the cost of the project. The City (or the Authority acting for the City) further agrees that it will consult with the County Board Chair and the County Administrator prior to incurring major financial obligations under this Agreement. Discussion followed. If adopted by this Board, the agreement will go to the City Council on April 7th for their adoption. Should the Council not approve it, the agreement will need to come back again. Several supervisors asked that the closed session motion, dealing with the cost overrun questions, be made in open session. Motion to amend Cooperation Agreement carried.

Hooper stated she is ready to support the agreement tonight, noting her concerns about the property owners have been ameliorated by the city's promise to treat the property owners fairly. For clarity purposes, Chair Finn restated that adoption of the resolution (Cooperation Agreement) tonight, and the City Council adoption of a similar resolution on April 7th, authorizes proceeding with negotiating potential sale of the City-County Complex and the potential purchase of property. Closed session minutes will go to the City Council for their information. Allen asked if Exhibit E to the Agreement should be amended at this time, to address the question of potential interest on sale proceeds.

Motion by Allen, second Egan, to amend Exhibit E of the Cooperation Agreement, and add the following statement: "Any interest earned from sale proceeds will become part of the project's fund." Motion carried.

It was noted that Exhibit B to the Cooperative Agreement, labeled as the County's exhibit, is not county's, but the potential buyer's plan.

Motion by Liebaert, second Pleski, to amend the Cooperation Agreement, stating that if development costs exceed \$1.0 million, the county and city will share all costs over that amount equally. Motion carried. Motion to adopt resolution, with amended Cooperation Agreement, carried.

ADJOURNMENT: Motion by Pleski, second Hooper, to adjourn. Motion carried. Meeting adjourned at 8:10 p.m. Next regularly scheduled meeting - April 15, 2004.

Submitted by,

Susan T. Sandvick
Douglas County Clerk