

**CITY OF EDGERTON  
CITY HALL  
12 ALBION STREET  
EDGERTON, WI**

**SPECIAL VETERANS' BUILDING ASSESSMENT COMMITTEE**

Monday, September 23, 2019 at 6:00 p.m.

1. Call to order; Roll Call.
2. Confirmation of Appropriate Meeting Notice Posted on Friday, September 20, 2019.
3. Approve August 26, 2019 minutes.
4. Review objectives of the Special Veteran's Building Assessment Committee.
5. Hear public comments about Veteran's Building.
6. Set next meeting and agenda items.
7. Adjourn.

cc: All Commission Members                      City Administrator                      All Council Members  
Department Heads                                  City Engineer                                  Newspapers

**NOTICE:** If a person with a disability requires that the meeting be accessible or that materials at the meeting be in an accessible format, call the City Administrator's office at least 6 hours prior to the meeting to request adequate accommodations. Telephone: 884-3341

"Notice is hereby given that a majority of the Common Council is expected to be present at the above scheduled noticed meeting to gather information about a subject over which they have decision-making responsibility. The only action to be taken at this meeting will be action by the Public Works Committee."



**AUGUST 26, 2019**  
**SPECIAL VETERANS' BUILDING ASSESSMENT COMMITTEE**  
**MEETING MINUTES**  
**CITY OF EDGERTON**

Fred Falk called the meeting to order at 5:00 P.M. Committee members present were Sam Wilcox, Dan Rosenbaum, Mark Wellnitz, Leanne Cantwell, Ron Webb, and Fred Falk. Also present were City Administrator Ramona Flanigan, Mayor Chris Lund, Alderperson Jim Burdick, Alderperson Debbie Olson, and Matt McIntyre.

Flanigan confirmed the agendas were properly posted on Friday, August 23, 2019 at the Post Office, Edgerton Library, and City Hall.

**REVIEW OBJECTIVES OF THE SPECIAL VETERANS' BUILDING ASSESSMENT COMMITTEE:** Committee member Falk presented the objectives of the committee including:

1. Evaluate the expenses, revenues, and capital improvement needs of the facility.
2. Evaluate whether the City should continue to rent the facility to a private user.
3. Evaluate if there is a public use of the facility that would benefit and be supported by the community.
4. Make a recommendation to the Council regarding the long-term operation and ownership of the facility.

**DISCUSS BUILDING USE AND IMPROVEMENTS:** Since 1995, the City has spent \$287,974 more than the income received from the property's uses. Rental income from the current tenant, Edgerton's Children Center, covers operating expenses but does not cover capital expenses. Anticipated future capital expenses include minor flooring repair, roof, window frame replacement, east canopy over walk, and sidewalk repair.

The building was constructed in 1961 as a Veterans' Memorial Community Center. At this point the only potential municipal use the City would have for the building is a community center. Due to the costs to the taxpayers to maintain the building, city staff presented alternative options for the building's use (see attached). The five options include renting to one tenant; rent building to short term users; provide a city funded community center with staff; lease building to a nonprofit for use as a community center; or sell the building. The committee discussed the alternative options (see attached).

Falk reviewed prior discussions with the VFW about the VFW operating the building for use. Based on their analysis at the time, the VFW did not believe they could operate the facility on a long-term basis. Wilcox expressed concern that the VFW does not have an ongoing revenue to keep the building operation sustainable.

**DISCUSS FUTURE MEETINGS AND PUBLIC INPUT:** Falk recommended additional meetings will be held to discuss the options. He would like to invite the public and Veterans to encourage their input in this decision. Flanigan stated the committee's recommendations after these meetings will be presented to the City Council for discussion. Mayor Chris Lund stated if Alternative #5: Sell the building is chosen, he would recommend a portion of the sale proceeds be used to complete the proposed Veterans' Memorial in Veterans' Park.

**SET NEXT MEETING AND AGENDA ITEMS:** The committee set a public listening session for Monday, September 23<sup>rd</sup> at 6:00 PM at Edgerton City Hall. The agenda will include presenting the background information for the alternative use options of the building and public comment. The committee requested the meeting notice be sent to the local VFWs and posted at the Edgerton Piggly Wiggly.

Being no other business before the Committee, a Cantwell/Olson motion to adjourn passed, all voted in favor.

Ramona Flanigan/jas  
City Administrator

The building was constructed as a community center and this is the only potential municipal use the City would have for the building. This use and several others are evaluated below. The attached spreadsheet estimates the costs to the City of each alternative.

Alternative 1: Own and rent to one tenant:

(Current arrangement) This option would have the City continue to own the property, the City would lease the property to one entity and the only public use would be the Veterans use for meetings. The tenant would continue to pay all the operating costs of the building including utilities and grounds maintenance. This option does not cover the costs of the facility. An advantage of this alternative is that the building would be available in the future for a municipal use.

Alternative 2: Rent building to various short term users:

This option includes the City owning the building and renting the building to "one day" users (i.e., weddings, meetings, etc.) similar to a park shelter rental. There is no "long term" tenant with this alternative.

The building was utilized in this way for several years prior to being leased to one tenant. City staff would administer the schedule, issue keys, and account for payments. City staff would check the building daily, would mow the lawn and plow the lot and sidewalks. Monitoring events and building damage proved difficult when the building was used in this way in the past because no one was staffing the building. The City would have contracts with cleaning services.

Past experience with this operational format was that rental income did not cover operating costs. The estimates for this alternate are that it would produce less rental income than Alternative 1 and would have higher operational costs for the City. This facility would be in competition of other local rental venues like the Conservation Club, Tri County Community Center, the "Teen" center, and the Depot.

Alternative 3: City funded Community Center with staff:

This alternative includes the City owning the building and funding a full community center with full time staff. The estimated costs on the attached spreadsheet are very preliminary. Given current restrictions on tax levies, an expenditure of this size would require approval by the citizens to increase taxes through a referendum.

Alternative 4: Lease building to a nonprofit for use as a community center:

The City would lease the building for \$1 per year to a nonprofit entity. That entity would be responsible for the operating costs (utilities, liability insurance, cleaning, pest control, mowing, snow removal, community center staff, etc.) The City would continue to pay for capital improvements.

Alternative 5: Sell the building:

The City would sell the building. How would the City use the proceeds from the sale?

# Veterans' Building Alternatives

## Annual Costs to City

	Option #1 one tenant	Option #2 Short term rental	Option #3 City Funded Community Center	Option #4 Community Center (not city operated)	Option #5 Sell the building
Wages	\$ 1,659.00	\$ 6,000.00	\$ 200,000.00	\$ 1,659.00	\$ -
Cleaning/pest control/ operating/programming	\$ 1,041.00	\$ 10,000.00	\$ 20,050.00	\$ 1,041.00	
mowing/snow	\$ 1,200.00	\$ 2,660.00	\$ 2,660.00	\$ 1,200.00	
Utilities - gas and electric	\$ -	\$ 4,000.00	\$ 4,000.00	\$ -	
Utilities - water and sewer	\$ -	\$ 1,500.00	\$ 1,500.00	\$ -	
property insurance	\$ 2,070.00	\$ 2,070.00	\$ 2,070.00	\$ 2,070.00	
Total Operating expenses	\$ 5,970.00	\$ 26,230.00	\$ 230,280.00	\$ 5,970.00	\$ -
Ave Capital Expenses (1995-2019)	\$ 12,662.00	\$ 12,662.00	\$ 12,662.00	\$ 12,662.00	\$ -
<b>City Total Annual Expenses</b>	<b>\$ 18,632.00</b>	<b>\$ 38,892.00</b>	<b>\$ 242,942.00</b>	<b>\$ 18,632.00</b>	<b>\$ -</b>
City Annual Operating Income	\$ 10,800.00	\$ 3,000.00	\$ 3,000.00	\$ -	\$ -
Annual Net Income (loss) to City	\$ (7,832.00)	\$ (35,892.00)	\$ (239,942.00)	\$ (18,632.00)	\$ -
Income from Sale	\$ -	\$ -	\$ -	\$ -	\$ -

Note: All costs are costs to the City, not costs for tenants of the facility