

Community Development Authority of the City of Whitewater, Wisconsin
Meeting Minutes - Board of Directors
May 23, 2019

1. Call to order and roll call.

The meeting was called to order by Al Stanek (Vice-Chair) at 5:30 p.m. at the Innovation Center, Room 105, located at 1221 Innovation Drive, Whitewater, WI 53190.

Present: Parker, Stanek, Meyer, Bucholtz, Ehren, Singer, Allen.

Absent: None.

Staff Present: Dave Carlson (CDA Executive Director); Bonnie Miller (CDA Executive Assistant)

2. HEARING OF CITIZEN COMMENTS. *No formal CDA action will be taken during this meeting, although issues raised may become a part of a future agenda. Items on the agenda may not be discussed at this time.* None.

3. Welcome New Members: New Board Members Denise Ehren and Ray Bucholtz were introduced.

4. Approval of Agenda.

Motion to approve Agenda.

Singer (1); Parker (2)

Aye: All by voice vote (7)

Nay: None.

5. Election of Officers (2019-2010)

A. Carlson opened nominations for Chair: Parker nominated Stanek; there were no other nominations; Carlson closed the nominations.

Motion to appoint Stanek as Chair of the CDA.

Parker (1); Singer (2)

Ayes: All by voice vote (7)

Nay: None.

B. Carlson opened nominations for Vice-Chair: Singer nominated Bucholtz; there were no other nominations; Carlson closed the nominations.

Motion to appoint Bucholtz as Vice-Chair of the CDA.

Singer (1); Allen (2)

Aye: All by voice vote (7)

Nay: None.

6. CDA appointments to Boards and Committees.

A. **University Technology Park Board:** Provides oversight for Innovation Center and marketing of the Tech Park properties.

Stanek opened nominations for appointment to University Technology Park Board; Ehren nominated Stanek; there were no other nominations; Stanek closed the nominations.

Motion to appoint Stanek to University Technology Park Board.

Ehren (1); Bucholtz (2)

Aye: All by voice vote (7)

Nay: None.

- B. **Seed Capital Screening Committee:** Consists of five members, four from the business community and one from the CDA Board; meets on an as-needed to review/screen applications for funds from the Seed Capital Fund and make recommendations to the CDA Board.

Stanek nominated Bucholtz; there were no other nominations; Stanek closed the nominations.

Motion to appoint Bucholtz to Seed Capital Screening Committee.

Stanek (1); Singer (2)

Aye: All by voice vote (7)

Nay: None.

7. Approval of Minutes – April 25, 2019.

Motion to approve Minutes of April 25, 2019 CDA Board Meeting.

Allen(1); Parker (2)

Aye: All by voice vote (7)

Nay: None.

8. Acceptance of Financial Statements (April, 2019).

Carlson provided a brief summary and overview of the April 2019 Financial Statements, including a summary of the loan programs administered by the CDA and the status of outstanding loans under each program.

Motion to approve April 2019 financial statements.

Singer (1); Bucholtz (2)

Aye: All by voice vote (7)

Nay: None

Old Business:

9. Update regarding status of grocery store recruitment.

Carlson confirmed that active discussions are continuing with four potential developers interested in construction of a grocery store, either as a standalone project or as part of a multi-use project, three of which are looking at property located at the east side roundabout location and one which is looking at privately owned land on the west side. A potential grocery operator has also expressed interest in a downtown location. Carlson shared information with him on the Library Block and put him in contact with Bear Development which has submitted a proposal to the Library Board to do a housing development on the block. The goal of putting the grocery prospect in contact with Bear is to see if a grocery might be incorporated into the proposed Bear project.

10. Request from Greater Whitewater Committee for funding to continue the Go WW Now Social Media Initiative.

Pursuant to a request from the Board for additional information regarding this project made at the meeting held April 25, 2019, Jeff Knight of Knight Public Affairs returned to provide additional information for consideration. Carlson suggested approving the request to provide additional funding to expand the initiative with funds from defederalized UDAG funds. Board Members Bucholtz and Ehren voiced their support for continuation of funding to support the initiative for the remainder of 2019, including expansion of the program to include other social media platforms such as Instagram. Parker expressed concern that no formal contract or memorandum of understanding exists documenting how the Go WW Now initiative will benefit the CDA and the City. Carlson will consult with the City Attorney regarding the need for a

simple memorandum of understanding to document specific results to be gained by the City from continued support of the GO WW Now social media initiative. City Attorney McDonell recommended preparing a simple agreement to document the understandings between the parties rather than a memorandum of understanding.

Motion to approve \$2,916.00 of funds from the UDAG Account to continue support of the Go WW Now social media initiative to be documented by a simple agreement between Go WW Now and the CDA as to what the funds will be used for.

Allen (1), Bucholtz (2).

Aye: Ehren, Bucholtz, Parker, Stanek, Meyer, Allen, Singer (7)

Nay: None.

New Business:

11. Discussion of CDBG Economic Development Revolving Loan Fund CLOSE Program.

Carlson provided the following summary: The Whitewater Community Development Authority has operated an economic development Revolving Loan Fund (RLF) program for more than 30 years. It was originally capitalized with Federal Community Development Block Grant (CDBG) funds which came from the US Department of Housing and Urban Development through the State of Wisconsin. CDBG funds in Wisconsin are overseen by the Wisconsin Department of Administration (DOA). Last year DOA informed local units of government which operate RLFs (including the City of Whitewater) that the state would require that unused funds be returned to the state under a new CDBG CLOSE initiative. Money's returned to the State will be held until February 2021 at which time the respective community could request the return of those funds for a specific CDBG eligible project(s). There is also an option for the City of Whitewater to "buy out" our loan receivables, increasing the amount we would get back in a CDA grant, and allowing us to collect our current CDBG loan receivables and have those funds be "de-federalized".

Carlson then provide additional details on some of the key decision points the CDA will face in the next 6-18 months regarding State-mandated closure of the program. Effective February 2, 2019, the CDA can no longer make loans from the CDBG Program. By February of 2021, the CDA will be required to return existing CDBG funds to the State, however, would have the ability to submit a loan application to the State for a on behalf of a developer for a specified proposed project. Details of what type of projects would qualify under the program have not been finalized by the State.

12. Motion to adjourn to closed session per Wisconsin State Statutes 19.85(1)(e) "Deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. Considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility."

- A.** Update on negotiations with potential retail, manufacturing and other businesses that are considering locating in the city of Whitewater and are requesting City of Whitewater related financial assistance or concessions.
- B.** Consider potential terms of an agreement with the Greater Whitewater Committee for continued funding of the GO WW Now initiative.

Motion to adjourn to closed session. Note: Applicants were invited into Closed Session.
Stanek (1); Allen (2)

Aye: Allen, Stanek, Kachel, Parker, Meyer, Ehren, Bucholtz (7)

Nay: None

13. Motion to reconvene into open session to take action on closed session items as needed.

Ehren (1); Singer (2)

Aye: All by voice vote (7).

Nay: None

No action taken.

14. Future Agenda Referrals:

- TIF Districts – to be addressed at July meeting (Parker).
- Request to move CDA Board Meetings to Council Chamber at City Hall for live broadcast (Parker).
- Create formal process and application form for submittal of agenda items from the public (Singer).
- Research City Ordinances for clarification as to duties and responsibilities of CDA.

Motion to adjourn at 8:00 p.m.

Meyer (1); Ehren (2)

Aye: All by voice vote (7)

Nay: None

Minutes approved at Board Meeting on June 27, 2019

Respectfully submitted,

Bonnie L. Miller, Recorder