



Whitewater CDA –Board of Directors  
Wednesday March 26, 2014-**Amended\***  
**5:00 PM**  
Room 105  
Innovation Center  
1221 Innovation Drive  
Whitewater, WI 53190

- 
1. Call to order and roll call.
  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.*
  3. Approval of agenda
  4. Approval of Minutes
    - a. February 26, 2014
  5. Acceptance of Financial Statements
    - a. February, 2014
  6. Consideration and discussion of a request from Whitewater Community Garden/Marker's Space to utilize a portion of CDA owned property to expand their gardens.
  7. 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".
    - A. Consideration and discussion of Capital Catalyst Fund request based upon the recommendation of the Capital Catalyst Screening Committee
      - a. Software development company
    - B. **\*Consideration and discussion of a proposed Development Agreement with DP Electronic Recycling regarding the sale of approximately 10.96 acres in the Technology Park.**
    - C. Consideration and discussion of two CDBG loan requests
      - a. Software development company
      - b. Software development company
    - D. 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.
  8. Reconvene into open session to take action on closed session items as needed.
  9. Consideration and discussion of an action required to not participate in the Non-Regional CDBG Housing Program.
  10. Consideration and discussion of a funding request from Downtown Whitewater Inc. for *Jack Hanna Whitewater Gone Wild Safari*.
  11. Consideration and discussion of authorizing a lease agreement with Rue Farms for use of vacant lands within the Business and Technology Parks for farming operations.
  12. Update on the potential public improvements required for TIF #5, #6 and #7 including authorizing borrowing to fund the studies completed by outside parties.

**13. Update on the fiber optics project for the city including the Business Park and Technology Parks.**

**14. Update on long term marketing and community branding project.**

**15. Future agenda referrals.**

**16. Adjourn**

*It is possible that a quorum of Common Council and Technology Park Board members may attend this meeting. Even if a quorum is present, no Common Council and/or Technology Park Board business will be conducted at this meeting. Anyone requiring special arrangements is asked to call the office of the City Manager/ City Clerk at least 24 hours prior to the meeting.*

*This institution is an equal opportunity provider and employer.*

**Future Meeting Dates:**

April 23, 2014	5:00PM	Innovation Center
May 28, 2014	5:00 PM	Innovation Center

Whitewater Community Development Authority  
Board of Directors  
February 26<sup>th</sup>, 2014  
Meeting Minutes

**1. Call to Order and Roll Call.**

The meeting was called to order by Chairman Jeff Knight at 5:40pm.

Present: Jim Allen, Donna Henry, Larry Kachel, Jeff Knight, Greg Meyer, Patrick Singer, Jim Winship

Absent: None

Also: Patrick Cannon, Anna Schwarz

**2. Hearing of Citizen Comments.**

None

**3. Approval of Agenda**

Move to Approve the Agenda as presented.

Singer (1); Kachel (2)

Aye: All via Acclamation (7)

Nay: None

**4. Approval of Minutes**

**a. January 22, 2014**

Move to Approve the January 22, 2014 Minutes as presented.

Singer (1); Allen (2)

Aye: All via Acclamation (7)

Nay: None

**5. Acceptance of Financial Statements**

**a. January, 2014**

Move to Accept the January 2014 Financial Statements as presented.

Allen (1); Henry (2)

Aye: All via Acclamation (7)

Nay: None

6. **Consideration and discussion of a request from Whitewater Community Garden to utilize a portion of CDA owned property to expand their gardens.**

Brienne Brown presented a PowerPoint about the requested space for the Whitewater Community Garden.

The CDA Board discussed this request with Whitewater Community Garden representative and directed staff to add this item to the March Agenda for further discussion.

7. **Adjourn into 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."**
  - a. **Consideration and discussion of a CDBG loan requests**
    - i. **Software development company working in the retail industry**
    - ii. **Software development and manufacturing company**
  - b. **Consideration and discussion of Capital Catalyst Fund requests based upon the recommendation of the Capital Catalyst Screening Committee**
    - i. **Software development and manufacturing company**
    - ii. **Machine Development Company**
  - c. **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.**
  - d. **Consideration and discussion of a proposed Development Agreement with DP Electronic Recycling regarding the sale of approximately 10.96 acres in the Technology Park.**

A motion was made to adjourn into closed session and to allow Patrick Cannon and Anna Schwarz to remain in the closed session portion of the meeting.

Knight (1); Allen (2)

Aye: Allen, Henry, Kachel, Knight, Meyer, Singer, Winship (7)

Nay: None

8. **Reconvene into open session to take action on closed session items as needed.**

A motion was made to reconvene in open session.

Allen (1); Kachel (2)

Aye: All via Acclamation (7)

Nay: None

A motion was made to approve a \$10,000 Seed Capital Catalyst Fund grant to Thermodata Corporation with the stipulation that Thermodata Corporation sign a lease agreement in the Technology Park for no less than 3 years.

Allen (1); Henry (2)

Aye: Allen, Henry, Kachel, Knight, Meyer, Singer, Winship

Nay: None

A motion was made to approve a \$100,000 CDBG RLF loan to Pinpoint Software, Inc.

Singer (1); Winship (2)

Aye: Allen, Henry, Knight, Meyer, Singer, Winship

Nay: None

Abstention: Kachel

A motion was made to approve a \$100,000 CDBG RLF loan to Thermodata Corporation with the stipulations that they execute a long-term lease agreement in the Technology Park and that they provide a personal guaranty.

Winship (1); Kachel (2)

Aye: Allen, Henry, Kachel, Knight, Meyer, Singer, Winship

Nay: None

A motion was made to authorize the Chairman, Jeffery Knight, to sign a Development Agreement with D.P. Electronic Recycling for the sale of 10.96 acres in the Technology Park, provided that there are no substantive changes from Draft #8 of the Development Agreement.

Allen (1); Winship (2)

Aye: Allen, Henry, Kachel, Knight, Meyer, Singer, Winship

Nay: None

**9. Consideration and discussion of a Resolution regarding Innovation Center Lease Agreements.**

Staff noted that the CDA Attorney had advised that in his opinion all lease agreements regarding the Innovation Center requires both the Chairperson and the Executive Director to sign. Previously, only the Chairperson had signed the agreements.

A motion was made to approve the Resolution regarding Innovation Center Lease Agreements.  
Singer (1); Kachel (2)

Aye: All via Acclamation (7)

Nay: None

**10. Consideration and discussion of Nondisclosure Agreement and Code of Conduct Agreement for the Whitewater University Technology Park.**

There was consensus among the CDA Board of Directors regarding the appropriateness of these documents. Staff was directed to share this consensus with the Whitewater University Technology Park Board.

**11. Consideration and discussion of authorizing the Chairperson and other required parties to enter into a contract with the Wisconsin Economic Development Corporation (WEDC) regarding the Capital Catalyst Fund (Contract FY 14-22235).**

Staff noted that WEDC has provided a draft contract. While some minor changes may be required, including the establishment of a "For Profit Company", the Board felt that the draft outlined the intent of the CDA. Therefore, they were in favor of authorizing the Chair to sign the contract.

A motion was made to authorize the Chairman, Jeffery Knight, and other required parties to enter into a contract with the Wisconsin Economic Development Corporation (WEDC) and include relevant/necessary Capital Catalyst Fund corporation information.

Kachel (1); Henry (2)

Aye: Allen, Henry, Kachel, Knight, Meyer, Singer, Winship

Nay: None

**12. Consideration and discussion of the establishment of a corporation to assist with equity investments under the Capital Catalyst Fund.**

The Board of Directors considered the list of potential corporation names provided by staff and Board of Directors members and after discussion and straw poll voting the consensus was reached that the name should be "Growing Whitewater's Economy (GWE)".

Staff also gave a brief update on the establishment of the corporation.

**13. Consideration and discussion of a potential settlement regarding the damages to the building at N9601 Howard Road.**

A motion was made to direct Patrick Cannon to move forward with demolition of the building and settlement of the claim at N9601 Howard Road.

Singer (1); Kachel (2)

Aye: All via Acclamation (7)

Nay: None

**14. Consideration and discussion of potential public improvements required for TIF #5, #6, #7 including authorizing borrowing to fund the studies completed by outside parties.**

The Board of Directors directed Patrick Cannon to get estimates on the cost of the studies required to identify the potential public improvements to these TIF areas and to work with City Staff to connect this project with City Borrowing.

**15. Consideration and discussion fiber optics project for the city including the Business Park and Technology Parks.**

The Board of Directors directed CDA staff to make this a high priority and to work with City staff to get this completed as quickly as possible.

**16. Consideration and discussion of long term marketing and community branding project.**

The Board of Directors directed CDA staff to call a meeting of local organizations (ex. Downtown Whitewater, Inc., Greater Whitewater Committee, Whitewater Chamber, and Tourism) to discuss marketing and community branding. They also directed CDA staff to get a quote from Roger Brooks regarding potential marketing and branding services.

**17. Future agenda referrals.**

The Capital Catalyst Seed Capital Screening Committee future meetings could be moved up in the afternoon to allow CDA Board of Directors meetings to begin at 5pm.

The CDA Board of Directors will have its next Board meeting on Wednesday, March 26<sup>th</sup>, 2014 at 5pm at the Innovation Center.

**18. Adjourn**

A motion was made to adjourn the meeting.

Allen (1); Singer (2)

Aye: All via Acclamation (7)

Nay: None

Meeting Adjourned at 8:37pm.

**CITY OF WHITEWATER**  
**REVENUES WITH COMPARISON TO BUDGET**  
**FOR THE 2 MONTHS ENDING FEBRUARY 28, 2014**

**CDA PROGRAMS FUND**

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>MISCELLANEOUS REVENUE</u>					
910-48101-00	INTEREST INCOME-BUSINESS DEV	1,412.51	1,921.49	.00 ( 1,921.49)	.0
910-48102-00	INTEREST INCOME-ECONOMIC DEV	515.73	1,030.94	.00 ( 1,030.94)	.0
910-48103-00	INTEREST INCOME-FACADE	9.15	145.21	.00 ( 145.21)	.0
910-48104-00	INTEREST INCOME-HOUSING	1.91	4.22	.00 ( 4.22)	.0
910-48105-00	INTEREST INCOME-ED DEV	.68	1.44	.00 ( 1.44)	.0
910-48106-00	INTEREST INCOME-MORAIN VIEW	.12	.26	.00 ( .26)	.0
910-48108-00	INTEREST INCOME-SEED FUND	.01	.01	.00 ( .01)	.0
910-48605-00	RENTAL INCOME-CROP LEASES	14,790.00	14,790.00	.00 ( 14,790.00)	.0
910-48645-00	LOAN INTEREST-LEARNING DEPOT	.00	526.26	.00 ( 526.26)	.0
910-48651-00	FACADE-INT-WALTON DIST-30K	12.11	25.54	.00 ( 25.54)	.0
910-48653-00	LOAN INT-RR WALTON-15K-HOTEL	19.50	39.86	.00 ( 39.86)	.0
910-48658-00	LOAN INT.-960 E. MILWAUKEE LLC	331.28	665.26	.00 ( 665.26)	.0
910-48663-00	LOAN INT-BLACK SHEEP-1/20/12	52.24	105.26	.00 ( 105.26)	.0
910-48664-00	LOAN INT-DR PLASTICS-2/27/12	695.21	695.21	.00 ( 695.21)	.0
910-48665-00	LOAN INT-BIKEWISE-\$62,600-4%	191.35	384.17	.00 ( 384.17)	.0
910-48680-00	ADMINISTRATION FEE-LOANS	.00	1,000.00	.00 ( 1,000.00)	.0
910-48685-00	GRANTS-ADMIN FEES	.00	.01	.00 ( .01)	.0
	<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>18,031.80</b>	<b>21,335.14</b>	<b>.00 ( 21,335.14)</b>	<b>.0</b>
	<b>TOTAL FUND REVENUE</b>	<b>18,031.80</b>	<b>21,335.14</b>	<b>.00 ( 21,335.14)</b>	<b>.0</b>

**CITY OF WHITEWATER**  
**EXPENDITURES WITH COMPARISON TO BUDGET**  
**FOR THE 2 MONTHS ENDING FEBRUARY 28, 2014**

**CDA PROGRAMS FUND**

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET AMOUNT</u>	<u>VARIANCE</u>	<u>% OF BUDGET</u>
<u>CDA PROGRAMS</u>					
910-56500-212 LEGAL/PROFESSIONAL/MARKETING	4,931.50	4,931.50	.00	( 4,931.50)	.0
910-56500-295 ADMINISTRATIVE EXPENSE	.00	4,252.04	.00	( 4,252.04)	.0
910-56500-408 RENTAL EXPENSES	129.45	129.45	.00	( 129.45)	.0
<b>TOTAL CDA PROGRAMS</b>	<u>5,060.95</u>	<u>9,312.99</u>	<u>.00</u>	<u>( 9,312.99)</u>	<u>.0</u>
<b>TOTAL FUND EXPENDITURES</b>	<u>5,060.95</u>	<u>9,312.99</u>	<u>.00</u>	<u>( 9,312.99)</u>	<u>.0</u>
<b>NET REVENUE OVER EXPENDITURES</b>	<u>12,970.85</u>	<u>12,022.15</u>	<u>.00</u>	<u>( 12,022.15)</u>	<u>.0</u>

**CITY OF WHITEWATER  
BALANCE SHEET  
FEBRUARY 28, 2014**

**CDA FUND**

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>				
900-11100 CASH	49,296.70	( 9,357.64)	( 22,893.47)	26,403.23
900-11200 GENERAL CHECKING-1ST-100-722	20,759.94	.96	2.02	20,761.96
900-11300 INVESTMENTS	25,096.58	.00	8.70	25,105.28
900-18400 OFFICE EQUIPMENT	12,629.44	.00	.00	12,629.44
<b>TOTAL ASSETS</b>	<b>107,782.66</b>	<b>( 9,356.68)</b>	<b>( 22,882.75)</b>	<b>84,899.91</b>
<u>LIABILITIES AND EQUITY</u>				
<u>LIABILITIES</u>				
900-21100 VOUCHERS PAYABLE	7,281.12	.00	( 7,281.12)	.00
900-22000 ACCUM DEPR - EQUIPMENT	11,457.43	.00	.00	11,457.43
900-25101 DUE TO 910	15,711.04	.00	.00	15,711.04
<b>TOTAL LIABILITIES</b>	<b>34,449.59</b>	<b>.00</b>	<b>( 7,281.12)</b>	<b>27,168.47</b>
<u>FUND EQUITY</u>				
900-34300 PROPRIETARY CAPITAL	73,333.07	.00	.00	73,333.07
UNAPPROPRIATED FUND BALANCE: REVENUE OVER EXPENDITURES - YTD	.00	( 9,356.68)	( 15,601.63)	( 15,601.63)
<b>BALANCE - CURRENT DATE</b>	<b>.00</b>	<b>( 9,356.68)</b>	<b>( 15,601.63)</b>	<b>( 15,601.63)</b>
<b>TOTAL FUND EQUITY</b>	<b>73,333.07</b>	<b>( 9,356.68)</b>	<b>( 15,601.63)</b>	<b>57,731.44</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>107,782.66</b>	<b>( 9,356.68)</b>	<b>( 22,882.75)</b>	<b>84,899.91</b>

**CITY OF WHITEWATER**  
**REVENUES WITH COMPARISON TO BUDGET**  
**FOR THE 2 MONTHS ENDING FEBRUARY 28, 2014**

**CDA FUND**

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET	
<u>MISCELLANEOUS REVENUE</u>						
900-48100-56	INTEREST INCOME	.96	10.72	150.00	139.28	7.2
900-48600-56	MISC INCOME	.00	.00	247.00	247.00	.0
900-48630-56	GRANT/LOAN ADMIN/REIMB-REV	.00	1,544.00	.00	( 1,544.00)	.0
	<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>.96</b>	<b>1,554.72</b>	<b>397.00</b>	<b>( 1,157.72)</b>	<b>391.6</b>
<u>OTHER FINANCING SOURCES</u>						
900-49263-56	TRANSFER-TID #6-ADMINISTRATION	.00	.00	12,500.00	12,500.00	.0
900-49264-56	TRANSFER-FD 910-CDA PROGRAMS	.00	.00	45,000.00	45,000.00	.0
900-49290-56	CITY TRANSFER INCOME	.00	.00	72,803.00	72,803.00	.0
900-49300-56	FUND BALANCE APPLIED	.00	.00	14,000.00	14,000.00	.0
	<b>TOTAL OTHER FINANCING SOURCES</b>	<b>.00</b>	<b>.00</b>	<b>144,303.00</b>	<b>144,303.00</b>	<b>.0</b>
	<b>TOTAL FUND REVENUE</b>	<b>.96</b>	<b>1,554.72</b>	<b>144,700.00</b>	<b>143,145.28</b>	<b>1.1</b>

**CITY OF WHITEWATER**  
**EXPENDITURES WITH COMPARISON TO BUDGET**  
**FOR THE 2 MONTHS ENDING FEBRUARY 28, 2014**

**CDA FUND**

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET AMOUNT</u>	<u>VARIANCE</u>	<u>% OF BUDGET</u>
<u>CDA</u>					
900-56500-115	225.00	492.50	12,480.00	11,987.50	4.0
900-56500-151	17.77	38.92	986.00	947.08	4.0
900-56500-210	.00	.00	100.00	100.00	.0
900-56500-211	7,260.00	7,260.00	88,000.00	80,740.00	8.3
900-56500-212	200.00	650.00	4,500.00	3,850.00	14.4
900-56500-219	.00	.00	600.00	600.00	.0
900-56500-223	.00	2,500.00	30,000.00	27,500.00	8.3
900-56500-224	1,593.00	6,137.00	6,250.00	113.00	98.2
900-56500-225	.07	.07	.00	(.07)	.0
900-56500-310	61.80	77.86	200.00	122.14	38.9
900-56500-311	.00	.00	200.00	200.00	.0
900-56500-320	.00	.00	300.00	300.00	.0
900-56500-321	.00	.00	200.00	200.00	.0
900-56500-330	.00	.00	484.00	484.00	.0
900-56500-341	.00	.00	400.00	400.00	.0
<b>TOTAL CDA</b>	<u>9,357.64</u>	<u>17,156.35</u>	<u>144,700.00</u>	<u>127,543.65</u>	<u>11.9</u>
<b>TOTAL FUND EXPENDITURES</b>	<u>9,357.64</u>	<u>17,156.35</u>	<u>144,700.00</u>	<u>127,543.65</u>	<u>11.9</u>
<b>NET REVENUE OVER EXPENDITURES</b>	<u>( 9,356.68)</u>	<u>( 15,601.63)</u>	<u>.00</u>	<u>15,601.63</u>	<u>.0</u>

ECONOMIC DEVELOPMENT CLIENT	Original Loan	January 31, 2014				February 28, 2014		Current
	AMOUNT	BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE		
DR Plastics-2/24/12	\$153,235.00	\$105,515.96	\$4,948.91	\$695.21	\$5,644.12	\$100,567.05	N-thru December 2013	
Walenton/Learning Depot	\$101,925.00	\$78,527.10	\$0.00	\$0.00	\$0.00	\$78,527.10	current	
Walton Rental-Hotel	\$15,000.00	5,615.39	\$256.75	\$19.50	\$276.25	\$5,358.64	current	
960 East Milwaukee	\$204,611.00	\$132,506.38	\$1,081.73	\$331.28	\$1,413.01	\$131,424.65	current	
Black Sheep-1/20/2012	\$21,114.00	\$15,670.96	\$236.36	\$52.24	\$288.60	\$15,434.60	current	
Bikewise-12/27/2012	\$62,600.00	\$57,403.95	\$442.44	\$191.35	\$633.79	\$56,961.51	current	
Sweetspot-7-29-13-NEW	\$41,360.00	\$41,360.00	\$0.00	\$0.00	\$0.00	\$41,360.00	first payment due-8/2014	
IButton-12/4/2013-new	\$102,544.00	\$102,544.00	\$0.00	\$0.00	\$0.00	\$102,544.00	first payment due-8/2014	
<b>TOTALS</b>	<b>\$702,389.00</b>	<b>\$539,143.74</b>	<b>\$6,966.19</b>	<b>\$1,289.58</b>	<b>\$8,255.77</b>	<b>\$532,177.55</b>		

UDAG-BUSINESS DEV CLIENT	Original Loan	January 31, 2014				February 28, 2014		Current
	AMOUNT	BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE		
DP Electronic Recycling-3/27/13	\$34,600.00	\$34,600.00	\$0.00	\$0.00	\$0.00	\$34,600.00	Y	
Slipstream-8/29/13	\$102,500.00	\$102,500.00	\$0.00	\$0.00	\$0.00	\$102,500.00	Y	
DP Electronic Recycling-12/4/13-royalty	\$51,500.00	\$51,500.00	\$0.00	\$0.00	\$0.00	\$51,500.00	Y	
Bombard-12/4/13-royalty invest	\$100,000.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$100,000.00	Y	
<b>TOTALS</b>	<b>\$288,600.00</b>	<b>\$288,600.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$288,600.00</b>		

FAÇADE CLIENT	Original Loan	January 31, 2014				February 28, 2014		Current
	AMOUNT	BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE		
Walton Distributing	\$30,000.00	\$3,631.57	\$397.95	\$12.11	\$410.06	\$3,233.62	Current	
<b>TOTALS</b>	<b>\$30,000.00</b>	<b>\$3,631.57</b>	<b>\$397.95</b>	<b>\$12.11</b>	<b>\$410.06</b>	<b>\$3,233.62</b>		

HOUSING CLIENT	Original Loan	January 31, 2014				February 28, 2014		Current	Loan Type
	AMOUNT	BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE			
A8416	\$10,203.84	\$10,203.84			\$0.00	\$10,203.84		0-deferred	
B935	\$18,420.02	\$18,420.02			\$0.00	\$18,420.02		0-deferred	
B0803-0901	\$34,448.00	\$34,448.00			\$0.00	\$34,448.00		0-deferred	
C021	\$15,517.48	\$15,517.48			\$0.00	\$15,517.48		0-deferred	
C932	\$8,062.00	\$8,062.00			\$0.00	\$8,062.00		0-deferred	
G0107	\$8,000.00	\$600.00	\$100.00	\$0.00	\$100.00	\$500.00	Y	0%-Monthly	
HO #1	\$0.00	\$12,630.00			\$0.00	\$12,630.00		IN PROCESS	
HO #3	\$0.00	\$7,205.00			\$0.00	\$7,205.00		0-deferred	
HO #4	\$0.00	\$37,795.00			\$0.00	\$37,795.00		0-deferred	
HO #5	\$0.00	\$863.08			\$0.00	\$863.08		IN PROCESS	
HO #7	\$0.00	\$25,515.00			\$0.00	\$25,515.00		IN PROCESS	
HO #11	\$180.00	\$0.00			\$0.00	\$180.00		New-Dec 2013	
J8802	\$10,818.00	\$10,818.00			\$0.00	\$10,818.00		0-deferred	
M8501	\$10,621.42	\$11,000.90			\$0.00	\$11,000.90		0-deferred	
M0301	\$8,220.00	\$8,220.00			\$0.00	\$8,220.00		0-deferred	
M0801	\$18,422.00	\$18,422.00			\$0.00	\$18,422.00		0-deferred	
P954	\$11,000.00	\$11,000.00			\$0.00	\$11,000.00		0-deferred	
V902	\$12,504.15	\$12,504.15			\$0.00	\$12,504.15		0-deferred	
<b>TOTALS</b>	<b>\$186,416.91</b>	<b>\$243,224.47</b>	<b>\$100.00</b>	<b>\$0.00</b>	<b>\$100.00</b>	<b>\$243,304.47</b>			

**CITY OF WHITEWATER  
BALANCE SHEET  
FEBRUARY 28, 2014**

**CDA PROGRAMS FUND**

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>				
910-11101	142,527.15	419.21	965.33	143,492.48
910-11102	180,712.68	8,771.50	13,974.35	194,687.03
910-11103	68,401.02	211,141.56	207,414.00	275,815.02
910-11104	14,833.85	.68	1.44	14,835.29
910-11105	29,741.52	101.91	203.72	29,945.24
910-11106	2,701.54	.12	.26	2,701.80
910-11110	283.86	.01	( 14.98)	268.88
910-11303	619,010.05	.00	.00	619,010.05
910-11305	25,000.00	.00	.00	25,000.00
910-11310	575,000.00	( 200,000.00)	( 200,000.00)	375,000.00
910-14310	79,076.84	.00	( 549.74)	78,527.10
910-14331	41,360.00	.00	.00	41,360.00
910-14332	102,500.00	.00	.00	102,500.00
910-14333	51,500.00	.00	.00	51,500.00
910-14334	100,000.00	.00	.00	100,000.00
910-14335	102,544.00	.00	.00	102,544.00
910-14337	5,871.28	( 256.75)	( 512.63)	5,358.65
910-14342	4,028.21	( 397.95)	( 794.58)	3,233.63
910-14345	133,585.41	( 1,081.73)	( 2,160.76)	131,424.65
910-14346	15,906.54	( 236.36)	( 471.94)	15,434.60
910-14347	105,515.96	( 4,948.91)	( 4,948.91)	100,567.05
910-14348	57,844.92	( 442.44)	( 883.41)	56,961.51
910-14349	34,600.00	.00	.00	34,600.00
910-14350	8,220.00	.00	.00	8,220.00
910-14351	10,203.84	.00	.00	10,203.84
910-14353	18,420.02	.00	.00	18,420.02
910-14356	8,062.00	.00	.00	8,062.00
910-14359	10,818.00	.00	.00	10,818.00
910-14361	11,000.90	.00	.00	11,000.90
910-14363	11,000.00	.00	.00	11,000.00
910-14366	12,504.15	.00	.00	12,504.15
910-14368	15,517.48	.00	.00	15,517.48
910-14371	700.00	( 100.00)	( 200.00)	500.00
910-14375	18,422.00	.00	.00	18,422.00
910-14378	34,448.00	.00	.00	34,448.00
910-14379	12,630.00	.00	.00	12,630.00
910-14381	7,205.00	.00	.00	7,205.00
910-14384	37,795.00	.00	.00	37,795.00
910-14385	863.08	.00	.00	863.08
910-14387	25,515.00	.00	.00	25,515.00
910-14391	180.00	.00	.00	180.00
910-14554	750,000.00	.00	.00	750,000.00
910-15208	15,711.04	.00	.00	15,711.04
910-15521	275,171.53	.00	.00	275,171.53
910-15531	6,087,994.00	.00	.00	6,087,994.00
<b>TOTAL ASSETS</b>	<b>9,864,925.87</b>	<b>12,970.85</b>	<b>12,022.15</b>	<b>9,876,948.02</b>

LIABILITIES AND EQUITY

**CITY OF WHITEWATER  
BALANCE SHEET  
FEBRUARY 28, 2014**

**CDA PROGRAMS FUND**

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>LIABILITIES</u>				
910-22000 ACCUM DEPREC-BUILDING	243,628.06	.00	.00	243,628.06
TOTAL LIABILITIES	243,628.06	.00	.00	243,628.06
<u>FUND EQUITY</u>				
910-30110 CONTRIBUTED CAPITAL	456,815.37	.00	.00	456,815.37
910-34300 PROPRIETARY CAPITAL	8,527,517.51	.00	.00	8,527,517.51
910-35000 HOUSING LOANS RESERVE	174,316.71	.00	.00	174,316.71
910-35100 ECONOMIC DEV LOANS RESERVE	433,615.17	.00	.00	433,615.17
910-35160 FACADE LOANS RESERVE	29,033.05	.00	.00	29,033.05
UNAPPROPRIATED FUND BALANCE REVENUE OVER EXPENDITURES - YTD	.00	12,970.85	12,022.15	12,022.15
BALANCE - CURRENT DATE	.00	12,970.85	12,022.15	12,022.15
TOTAL FUND EQUITY	9,621,297.81	12,970.85	12,022.15	9,633,319.96
TOTAL LIABILITIES AND EQUITY	9,864,925.87	12,970.85	12,022.15	9,876,948.02

**CITY OF WHITEWATER  
COMMUNITY DEVELOPMENT AUTHORITY  
INVESTMENT SCHEDULE**

FUND	BANK	ORIG DATE	DUE DATE	TERM	AMOUNT	INT RATE	NUMBER	NOTES
Façade Loan	First Citizens	01/22/2014	07/22/2015	18 months	\$25,000.00	0.60%	3308484	Replaces 3308087
TOTAL					\$25,000.00			

General-Investments-Fund 900	Associated			Daily rate	\$25,105.28	0.15%		
SEED FUND-910-UDAG	Associated			Daily rate	\$268.88	0.05%		
TOTAL					\$25,374.16			

Business Development	Commercial	12/13/2013	12/17/2014	363 days	\$175,000.00	0.45%	210871	replaces 210312
Business Development	Commercial	02/05/2014	02/05/2015	365 days	\$100,000.00	0.45%	210918	replaces 210376
Business Development	Commercial	01/31/2014	07/30/2014	180 days	\$100,000.00	0.30%	210913	replaces 210373
TOTAL					\$375,000.00			

Economic Development Loan	First Citizens	11/06/2012	05/06/2015	18 months	\$50,000.00	0.55%	3308401	replaces 3308022
Economic Development Loan	First Citizens	05/25/2013	05/25/2014	12 months	\$152,100.00	0.50%	3308214	RENEWED
Economic Development Loan	Commercial	03/28/2013	03/27/2014	364 days	\$81,910.05	0.50%	210466	replaces 209758
Economic Development Loan	First Citizens	06/19/2013	06/19/2014	365 days	\$60,000.00	0.45%	3308253	replaces 3306522
Economic Development Loan	Commercial	02/05/2014	02/05/2015	365 days	\$100,000.00	0.45%	210917	replaces 210377
Economic Development Loan	First Citizens	10/09/2013	04/09/2015	18 months	\$75,000.00	0.55%	3308371	replaces 3307408
Economic Development Loan	Commercial	01/31/2014	07/30/2014	180 days	\$100,000.00	0.30%	210914	replaces 210372
TOTAL					\$619,010.05			

**TOTALS BY FUND**

FUND 900     \$25,105.28  
 FUND 910    \$1,019,278.93  
 Total:       \$1,044,384.21

# Memorandum

To: CDA Board Members

From: Patrick Cannon  
Executive Director

Re: Non Regional CDBG Housing

Date: March 12, 2014

The City Clerk recently received notification from the Department of Administration regarding the CDBG RLF housing funds. A copy of the information is attached.

As required by HUD, the Department of Administration has created several regions throughout the state in order to pool these funds. This request only pertains to housing funds; it does not include CDBG RLF funds used for job creation. Under the plan, each community must either join a region or be required to create a system that mirrors what each region is required to create. Please note that under the regional concept, Whitewater will be in two different regions since Walworth County is in one and Jefferson County is in a different region. Also, both Milwaukee County and Waukesha County are entitlement communities. Therefore, they get their funding directly from HUD and would not be part of this program.

Under the program, our current loans and cash on hand will not come under control of the region. This deals only with future funding for this program. This may change however, if the HUD requirements change. If we decide to not become part of the region, we would not be permitted to participate in any of the funds that are pooled. The concept was to pool the funds to allow for an increased usage across the state. It was determined that many communities are holding small balances that were not being utilized. Having a larger pool of money, would allow for municipalities to have more opportunity to use the money.

The Department of Administration is asking for us to notify them if we would not like to participate in the regional concept. We need to notify DOA with a Letter of Intent by March 28, 2014 only if we want to not participate. If we want to participate, we will not be required to give any notice.

My recommendation is that we take no action and become part of the region. I don't believe that it would be worth our time and effort to create the system that they are requiring. The Department of Administration has allocated \$500,000 in funds for municipalities who do not wish to be part of the region. The funding each community could receive is based upon a rather small amount per person. These would be the only funds we would be eligible to receive in this funding cycle.

I have included this as part of the agenda for March 26, 2014. If you have any questions, please let me know.

**2014**

**PRELIMINARY APPLICATION FOR NON-  
REGIONAL CDBG HOUSING PROGRAM**

**COMMUNITY DEVELOPMENT BLOCK GRANT  
STATE HOUSING PROGRAM**

**DIVISION OF HOUSING**



**WISCONSIN DEPARTMENT OF  
ADMINISTRATION**

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## SECTION I

### INTRODUCTION

Funding for the Community Development Block Grant (CDBG) program is provided to the State of Wisconsin by the U.S. Department of Housing and Urban Development (HUD). CDBG funds are under the general oversight of the Department of Administration and the housing funds are directly administered by the Division of Housing (DOH).

Letter of Intent (see Section VI) must be received by the Division of Housing by 5:00 p.m. March 28, 2014.

This document provides basic information about the CDBG application process.

For more information, please contact:

Diane McGinnis, CDBG Housing Program Manager  
Rick Radig, Grant Specialist

Tel. 608.261.6535  
Tel. 608.267.2726

Mailing address:  
Wisconsin Department of Administration  
Division of Housing  
PO Box 7970  
Madison, WI 53707-7970

## Chapter Adm 90

## SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANTS FOR HOUSING

Adm 90.01	Purpose and authority
Adm 90.02	Definitions.
Adm 90.03	Consistency with federal regulations.
Adm 90.04	Housing rehabilitation and homeownership assistance.
Adm 90.05	Application process.

Adm 90.06	Emergency grants.
Adm 90.07	Recaptured funds and program income.
Adm 90.08	Resubmitted applications.
Adm 90.09	Special housing projects.

Note: Chapter Adm 19 was created as an emergency rule effective 11-9-91; Chapter Adm 19 was renumbered chapter Comm 154 under s. 13.93 (2m) (b) 1, Stats., and corrections made under s. 13.93 (2m) (b) 6. and 7., Stats., Register January 2004 No. 577. Chapter Comm 154 was renumbered chapter Adm 90 under s. 13.92 (4) (b) 1, Stats., Register December 2011 No. 672.

**Adm 90.01 Purpose and authority.** This chapter is promulgated under the authority of ss. 16.309 (2), 227.11, Stats., and 560.02 (4), 2009 Stats., to implement s. 16.309, Stats.

History: Cr. Register, May, 1992, No. 437, eff. 6-1-92, am., Register, April, 1995, No. 472, eff. 5-1-95; correction made under s. 13.92 (4) (b) 7., Stats., Register December 2011 No. 672.

**Adm 90.02 Definitions.** (1) "CDBG" means community development block grant.

(2) "Department" means the department of administration.

(3) "Eligible applicant" means any unit of general local government in Wisconsin which is a non-entitlement area as defined by 24 CFR part 570.3.

(4) "LMI household" means a household with an annual income that is at or below 80% of county median income or 80% of state median income, whichever is greater.

(5) "Program" means the small cities community development block grants for housing program.

(6) "Special housing project" means an activity that results in the creation of new low- to moderate-income dwelling units.

(7) "Unfunded application" means a CDBG application which receives an insufficient point score in the evaluation process to be eligible for funding.

Note: Income tables are published annually by the U.S. department of housing and urban development.

History: Cr. Register, May, 1992, No. 437, eff. 6-1-92; renum. (1) to (5) to be (2) to (6) and am. (6) and cr. (1), Register, April, 1995, No. 472, eff. 5-1-95; am. (6), cr. (7), Register, April, 1999, No. 520, eff. 5-1-99; CR 03-002: r. and rec. (6) and (7) Register July 2003 No. 571, eff. 8-1-03; correction in (2) made under s. 13.92 (4) (b) 6., Stats., Register December 2011 No. 672.

**Adm 90.03 Consistency with federal regulations.** The department shall administer the program, including recaptured funds, in accordance with 24 CFR part 570, the federal regulations governing the program.

History: Cr. Register, May, 1992, No. 437, eff. 6-1-92.

**Adm 90.04 Housing rehabilitation and homeownership assistance.** Applicants shall be compared and rated by the department based upon the department's evaluation of the proposal's consistency with s. 16.302, Stats., and 24 CFR part 570, and the scoring criteria in the CDBG application package. Applicants shall be eligible to receive funding for housing rehabilitation, homeownership assistance, and housing-related public facilities based on established and documented need and the applicant's ability to complete the proposed activities. The department shall ensure that awarded grant funds are reasonably balanced among geographic areas of the state.

History: Reenum. from Adm 19.05 and am. (1) to (4), r. (6), renum. (5), (7) to (9) to be (5) to (8), Register, April, 1999, No. 520, eff. 5-1-99; CR 03-002: r. and rec. Register July 2003 No. 571, eff. 8-1-03; correction made under s. 13.92 (4) (b) 7., Stats., Register December 2011 No. 672.

**Adm 90.05 Application process.** The department shall make funds available annually as those funds are made available by the federal department of housing and urban development. To

receive funds under the program, an eligible applicant shall submit an application which is complete and in the format required by the department. The department shall make housing rehabilitation and homeownership assistance awards to fundable applicants on an annual basis. The department shall make special housing project awards under s. Adm 90.09 to eligible applicants as projects are ready for funding under the criteria established by the department and as funding becomes available.

History: Cr. Register, April, 1999, No. 520, eff. 5-1-99; CR 03-002: r. and rec. Register July 2003 No. 571, eff. 8-1-03; correction made under s. 13.92 (4) (b) 7., Stats., Register December 2011 No. 672.

**Adm 90.06 Emergency grants.** The department may use program funds for emergency housing needs arising from a natural disaster or catastrophic event. A local government interested in applying for an emergency grant under this section shall provide the department with written notice of intent to apply within 90 days after the natural disaster or catastrophic event. The department shall develop emergency fund application requirements as necessary. Applications will be evaluated based on:

- (1) The nature of the emergency.
- (2) The amount of emergency-related housing need.
- (3) The availability of program funds.
- (4) Other mitigating circumstances the department deems significant.
- (5) The inability of the applicant to finance the activity on its own.
- (6) The unavailability of other funding sources to address the need.

Note: The application requirements can be obtained by writing to: Department of Administration, P.O. Box 7970, Madison, WI 53707-7970

History: Cr. Register, April, 1995, No. 472, eff. 5-1-95; renum. from Adm 19.07, Register, April, 1999, No. 520, eff. 5-1-99; EmR0823: emerg. am. (intro.), eff. 7-16-08; CR 08-036: am. (intro.) Register May 2009 No. 641, eff. 6-1-09.

**Adm 90.07 Recaptured funds and program income.** The department may use CDBG funds received as recaptured program funds or program income as defined in 24 CFR 570, to fund specific hazard reduction activities in homes with low and moderate income occupants.

History: Cr. Register, April, 1995, No. 472, eff. 5-1-95; renum. from Adm 19.08, Register, April, 1999, No. 520, eff. 5-1-99

**Adm 90.08 Resubmitted applications.** (1) An applicant for funds shall be eligible to receive funds in the CDBG program year following the year for which the applicant submits an unfunded application, without having to submit another application for that following year if all of the following apply:

- (a) The applicant is an eligible applicant under the terms of the program.
- (b) The applicant submits a request to resubmit in a format as required by the department.
- (2) The resubmitted application will retain the score received in the original application submittal.
- (3) An unfunded application may be resubmitted under sub. (1) only once.

History: Cr. Register, April, 1999, No. 520, eff. 5-1-99; CR 03-002: r. and rec. (2) Register July 2003 No. 571, eff. 8-1-03.

**Adm 90.09 Special housing projects.** The department may use at least \$750,000 annually from the program for special housing projects. Funds not awarded within 12 months may be included in the funding available for housing rehabilitation and homeownership activities under s. Adm 90.04. The department shall make special project awards to eligible applicants as projects are ready for funding under the criteria established by the department and as funding becomes available.

**History:** CR 03-002, cc Register July 2003 No. 571, eff. 8-1-03, correction made under s. 13.92 (4) (b) 7., Stats., Register December 2011 No. 672.

SECTION III

CDBG HOUSING ELIGIBILITY CRITERIA

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This publication is for the 2014 Community Development Block Grant (CDBG) non-regional award process. It includes the Letter of Intent and explanation for determining awards for applications submitted under the Wisconsin CDBG Housing program.

I. Definitions

A. Division of Housing (DOH)

The Division of Housing is the agency responsible for the direct administration of the CDBG Housing program.

B. Entitlement City/County

A city or urban county which receives CDBG funds directly from the Department of Housing and Urban Development (HUD). Entitlement cities and counties are not eligible to receive CDBG funds. A list of entitlement cities and counties may be found at <http://www.doa.state.wi.us/Divisions/Housing/CDBG-RLF>

C. Accessibility Improvements

Rehabilitation to permit improved access to low – and moderate - income (LMI) persons with physical challenges is a permitted use of CDBG funds.

D. Labor Standards

Some housing projects require that federally established wage rates be paid to workers. In order to accurately estimate the cost of your projects, you must determine if labor standards (Davis-Bacon) apply (see Attachment 1, Labor Standards Questions and Answers).

E. Low Income (LI)

LI means 50% of the county median income, or 50% of the state median income, whichever is greater, by family size as annually determined by HUD. The 2014 Income Levels are now available on our website under this link:

<http://www.doa.state.wi.us/Documents/DOH/CDBG-Housing/HouseholdIncLimits2014.pdf>

F. Moderate Income (MI)

MI means 80% of the county median income, or 80% of the state median income, whichever is greater, by family size as annually determined by HUD.

The 2014 Income Levels are now available on our website under this link:

<http://www.doa.state.wi.us/Documents/DOH/CDBG-Housing/HouseholdIncLimits2014.pdf>

II. Eligible Applicants

- A. To be eligible to request funding under this grant program, the applicant must be a general purpose unit of local government not participating in the CDBG Entitlement Program. Indian Tribes are not eligible for the CDBG Small Cities Program. They receive funding under a special Indian Block Grant administered by the Department of Housing and Urban Development.
- B. To be eligible for the 2014 CDBG Housing Program, an applicant with past CDBG housing awards must show evidence of project completion and must be compliant with all CDBG projects. Any and all identified flagrant violations of CDBG administrative rules must be resolved to DOH's satisfaction.
- C. To be eligible, an applicant with an active CDBG housing contract must be able to close the current CDBG housing contract before signing a new housing contract.
- D. An applicant may submit only one application for CDBG Housing funds per funding cycle.

### III. Eligible Activities

- A. Activities eligible under the CDBG Small Cities Housing program include but are not limited to:
- \* deferred payment housing rehabilitation loans to LMI owner-occupants
  - \* 0% - 3% rehabilitation loans to owners of LMI renter-occupied units (Attachment 2)
  - \* handicapped accessibility improvements such as wheelchair ramps and wider doorways for LMI households with handicapped household members
  - \* sewer and water laterals from the lot line to the LMI-occupied dwelling unit
  - \* wells and septic systems for LMI-occupied dwelling units
  - \* direct assistance to LMI households to facilitate and expand homeownership (e.g., reasonable closing costs and up to 50% of the required downpayment). Applicants for homebuyer assistance funds should be aware that homebuyer education will be a required component of this activity (Attachment 3)
  - \* conversion of structures into dwelling units to be occupied by LMI households
  - \* neighborhood code enforcement activities which will result in improvements to LMI occupied units
  - \* hazard mitigation activities such as floodproofing, landscaping to improve drainage, or sewer back flow prevention

### IV. Ineligible Activities

Activities NOT eligible for funding under the CDBG Small Cities Housing program include:

- A. New housing construction (includes: digging basement, drain tiles, foundation, backfill, driveway, parking lot, private sidewalk).
- B. Additions or the converting/finishing of vacant or under-used space (except as necessary to relieve overcrowding).
- C. Appliances (except built-in to address accessibility).
- D. Furnishings (includes blinds and fixtures).
- E. Mechanicals in new construction (water heaters, furnaces).

### V. Estimated Funding Level

It is estimated that approximately \$500,000 will be available for funding CDBG non-regional housing applications in 2014.

VI. Grant Award Modification

The Division of Housing reserves the right to adjust the award amount from the amount requested in the application based on the following criteria:

- \* ACTIVITY and AMOUNT of existing revolving loan fund.
- \* CAPACITY to complete the proposed activities.
- \* LMI BENEFIT of the proposed activities.
- \* OTHER HOUSING GRANTS currently in force in the community.
- \* FUNDING AVAILABILITY.
- \* PERFORMANCE and PROGRESS in any and all other DOH programs.
- \* FINANCIAL AUDIT results from any and all other DOH programs.

VII. CDBG Contract

The CDBG contract performance period will be approximately 12-months.

VIII. Funding Cycle

Letter of Intent for the 2014 CDBG Housing program must be received no later than 5:00 p.m. March 28, 2014. Final applications will be due May 30, 2014.

IX. Other Considerations

DOH reserves the right to amend, modify, or withdraw this application package and any of the grant program instructions, procedures, or rules contained herein and may exercise such right at any time and without notice and without liability to any applicant or other parties for their expenses in the preparation of an application or otherwise.

X. Disbursal of Funds

Successful applicants receiving CDBG grant awards will be required to manage their funds so that the disbursal of funds takes place within 3-10 days of receipt. Grantees not able to disburse funds in the 3-10 day period must be prepared to advance funds and work on a reimbursement basis.

## ATTACHMENT 1

### LABOR STANDARDS QUESTIONS AND ANSWERS

- Q: Do Davis-Bacon wage rates ever apply to single-family home or duplex rehabilitation?  
A: No.
- Q: Do Davis-Bacon wage rates ever apply to apartment rehabilitation?  
A: Yes. They apply to rehabilitation and/or conversion work in mixed-use buildings and to rehabilitation work in apartment buildings that contain eight or more apartments.
- Q: What is a mixed-use building?  
A: A mixed-use building is one that contains or will contain both residential and commercial or industrial uses after the rehabilitation/ conversion work is completed.
- Q: Is rehabilitation work in a mixed-use building ever exempt from Davis-Bacon wages?  
A: Yes. If there are less than eight apartments in the building, and the rehabilitation work is confined to the interior of the apartment(s) or the areas common to the apartments only (e.g., residential hallways, stairways) Davis-Bacon wage rates will not apply. However, no work can be done, on siding or utilities, or public areas that serve the entire building.
- Q: We have a ten-unit apartment building where the owner wants to do the rehabilitation work himself. Will this be covered?  
A: Yes. Since there are more than seven apartments, Davis-Bacon regulations will apply. The owner must submit a payroll form showing how many hours a day he works on the project, but need not show any wage information for himself. If he hires someone to help him for any of the work, that person must be paid Davis-Bacon wages. If he subcontracts any part of the work (e.g., plumbing or electrical) the contractor(s) must pay Davis-Bacon wages and file all the required reports.
- Q: Would the same rule apply to the owner of a mixed-use building working on his own apartments?  
A: Yes.
- Q: We have an empty warehouse which the owner wants to convert to apartments. The building will be all residential when it is done. Will Davis-Bacon apply?  
A: It depends on the number of apartments the owner will create. If there will be eight or more units, Davis-Bacon wages will apply. If there will be seven or less, they will not apply.
- Q: We have an eight-unit apartment, but only four units need rehabilitation. Will this be covered?  
A: Yes. Coverage is determined by the number of units in the building, not by the number to be rehabilitated.

- Q: Is a single-family dwelling containing a home occupation a mixed-use building?
- A: Technically, yes. In practical terms, we do not consider it a mixed-use building unless there have been additions or permanent modifications to the building which make part of it useable only for the business purpose. A spare bedroom used as an office would not count. A beauty parlor added to the side of a home and useable only for that purpose would make the building a mixed-use building.
- Q: Our program includes purchasing vacant homes and duplexes and renovating them for resale. Will Davis-Bacon apply?
- A: No, Davis-Bacon will not apply.
- Q: Part of our program includes renovation work on some Housing Authority-owned apartments in our community. Will this work be covered?
- A: Yes. All work on Housing Authority-owned property is covered.

**ATTACHMENT 2**  
**LENDING OPTIONS**  
**FOR LANDLORDS AND DEVELOPERS**

Loans to landlords and/or developers must be repaid in monthly or quarterly installments. Repayment of installment rehab loans must begin within 60 days of the initiation of the rehab.

**1. RE: ALL LOANS FOR RENTER-OCCUPIED UNITS**

Property owners must guarantee LMI occupancy for 5 years, or the term of the CDBG loan, whichever is less.

Maximum deferral period (for commercially financed loans) for the CDBG repayment = twice the number of years the unit is guaranteed to be rented to LMIs. For example, if the CDBG repayment is deferred for 12 years, the unit must be rented to LMIs for at least 6 years.

The length of time given for repayment of the CDBG funds is left to the grantee's discretion.

**2. GRANTS should be an incidental part of a housing rehabilitation program.**

Grants for housing rehabilitation should be included as a separate activity in a CDBG Housing and Neighborhood Revitalization application only for "public facilities" type activities (e.g., program area lateral replacement or well replacement).

Grants are permitted ONLY when no more than \$1,000 will be awarded to the LMI owner-occupant during a 12-month period. Grants are permitted for LMI owner-occupants only.

## ATTACHMENT 3

### CDBG HOMEBUYER OPPORTUNITY LENDING PROGRAM

A unit of local government receiving a Community Development Block Grant (CDBG) for housing may use a portion of the CDBG funds to offer low- and moderate-income (LMI) renter households the opportunity to become owner-occupants.

CDBG funds may be used to pay for reasonable closing costs and up to one-half of the required downpayment (CDBG to pay no more than 10% of the purchase price) to enable a LMI household to purchase a home. CDBG funds may be used to pay eligible downpayment and closing costs for new construction projects as well as existing housing units.

The CDBG funds are secured with a second mortgage, and are required to be paid back only when the house ceases to be the owner's principal place of occupancy.

LMI households participating in the Homebuyer Program must contribute at least \$1,000 in personal funds toward the purchase of the property.

All participants in the Homebuyer Program must receive pre-purchase homebuyer education in the following areas:

- Homebuyer Education
- Basics of the Home Purchase Process
- Post-purchase Expectations

## SECTION IV

### INITIAL APPLICATION PROCESS

1. All counties (except Dane\*, Milwaukee and Waukesha\*\* which receive funds directly from HUD) are currently a part of a CDBG region (Map is found at <http://www.doa.state.wi.us/Documents/DOH/CDBG-Housing/CDBG-map.pdf> ). CDBG funds are currently available for ALL low- and moderate-income households in Wisconsin. **The Southern region, which Columbia, Dodge, Jefferson, Kenosha, Ozaukee, Racine, Rock, Sauk, Walworth and Washington counties, has an award of \$2,422,000.** If your local unit of government applies and receives funds through this non-regional application, you will no longer be a part of the CDBG region and will NOT have access to the regional CDBG Housing funds until June 30, 2015.
2. The Division of Housing's non-regional CDBG Housing program has a total of \$500,000 available for the non-regional application.
3. Funds will be determined using the same formula as the CDBG Housing regions. To determine your award, DOH will multiply \$3.32 by the number of LMI households in your local unit of government.  

Note: This award amount may be reduced if applications are received with totals exceeding the \$500,000 available.
4. After the Letters of Intent are reviewed, DOH will send an "Invitation to Apply" letter to applicants. This letter will invite applicants to submit a final application for funds.
1. The final application will be due by 5:00 p.m. May 30, 2014. Along with the Final Application for non-regional funds, you will need to have a complete administration plan and narrative, a budget, an adopted citizen participation plan (including documentation of the required public hearing), a fair housing ordinance, a completed Statement of Assurances, an anti-displacement plan, and lobbying certification. Following the signing of a contract, you will be responsible for developing an environmental review record for your share of the non-regional small cities setaside. Final applications will be reviewed to ensure that all required documentation is satisfactory and complies with CDBG requirements
2. Final applications will be reviewed to ensure that all required documentation is satisfactory and complies with CDBG requirements.
3. Local units of government submitting a final application will be awarded funds based, in part, on available funding.

## SECTION V

### 2014 GRANT TIMELINE

Preliminary Application Release and Publication	February 26, 2014
Preliminary Application Deadline	March 28, 2014
Final Application Deadline	May 30, 2014
Final Award Letters	June 2014
Implementation Training for Program Administrators	July 2014
CDBG Housing Contracts	July 2014

\*The preliminary announcement will be addressed to all clerks of eligible local units of government. In addition, a copy of the preliminary application is going to be published online at <http://www.doa.state.wi.us/Divisions/Housing/CDBG-Housing>

Please note:

*The Department reserves the right to adjust the deadlines throughout the grant cycle. Please check our web site for updates.*

**SECTION VI**  
**FORMS & INSTRUCTIONS**

1. Complete the Letter of Intent form enclosed and mail the Letter of Intent with Original Signature to:

Diane McGinnis, CDBG Housing  
Department of Administration  
PO BOX 7970  
Madison, WI 53707-7970

**All Letters of Intent must be received by DOH no  
later than 5:00 p.m. March 28, 2014.**

## LETTER OF INTENT

I \_\_\_\_\_ of the  
(Chief Elected Official's name) (Title)

\_\_\_\_\_(Community name),

\_\_\_\_\_County, Wisconsin,

Hereby express our interest in participating in the Wisconsin Community Development Block Grant (CDBG) housing program.

I understand that federal monies are available under the Wisconsin Community Development Block Grant Housing program, administered by the State of Wisconsin, Department of Administration, Division of Housing, for the purpose of housing activities.

By means of this letter, I am requesting that the Division of Housing, Department of Administration, include the \_\_\_\_\_(Community name) in the 2014 CDBG Housing Application Selection process.

I understand that if the \_\_\_\_\_(Community name) is funded for a 2014 CDBG grant award, CDBG requirements must be met.

I hereby attest that the \_\_\_\_\_(Community name) will comply with all of the provisions of the Community Development Block Grant program.

\_\_\_\_\_  
Chief Elected Official's Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Date

# Memorandum

To: CDA Board Members

From: Patrick Cannon  
Executive Director

Re: *Jack Hanna Whitewater Gone Wild Safari*

Date: March 12, 2014

Attached please find information regarding an event being sponsored by Downtown Whitewater Inc. They have arranged for Jack Hanna to come to Whitewater for an event.

It is my understanding that he previously made a similar appearance in Whitewater. I believe that the CDA donated \$1,000 to help sponsor that event. Downtown Whitewater Inc. is seeking a similar donation.

I have included this on the agenda for March 26, 2014. Please let me know if you have any questions.

I want to sponsor the Jack Hanna  
Whitewater Gone Wild Safari at

[ ]  
[ ]  
[ ]

Roaring (\$7,500)  
Growling (\$3,500)  
Purring (\$1,000)

Name \_\_\_\_\_

Business \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

E-mail \_\_\_\_\_

[www.downtownwhitewater.com](http://www.downtownwhitewater.com)

Mail to:

Tamara Brodnicki, Director  
Downtown Whitewater, Inc.  
P.O. Box 688  
Whitewater, Wisconsin 53190

Questions: 262/473-2200 [director@downtownwhitewater.com](mailto:director@downtownwhitewater.com)

Will you help  
Downtown Whitewater, Inc.

The  
Triangle



JACK HANNA

Bring the

Jack Hanna *Whitewater Gone Wild Safari*

To Whitewater?

Monday April 7, 2014  
4:30 & 7:30 pm

VIP Reception & Public Presentation  
Hamilton Room, UW-Whitewater

*Ticket sales begin March 3*

## Wildlife Expert Jack Hanna

- Host of nationally syndicated television series *Jack Hanna's Into the Wild* and *Jack Hanna's Wild Countdown*
- Director Emeritus of the Columbus Zoo and Aquarium
- Television guest appearances on
  - *Late Show with David Letterman*
  - *Larry King Live*
  - *Good Morning America*
  - *Hollywood Squares*
  - *Entertainment Tonight*
  - *Various news programs, and more*

## Sponsorship

### Sponsorship benefits are:

- 1) Pre-sale tickets to what expects to be a sold-out performance
- 2) Up-front seats to use for yourself and as gifts to clients or employees
- 3) Free Promotion of your business
- 4) VIP Reception with Jack (for Roaring & Growling sponsor)
- 5) Sponsorships are tax deductible

#### **Roaring: \$7,500**

- 25 tickets to VIP Reception with Jack and his animal friends
- 25 up-front tickets to the public presentation, which can be used in conjunction with or separately from the VIP Tickets
- Sponsorship listing in promotion

#### **Growling: \$3,500**

- 10 tickets to VIP Reception with Jack and his animal friends
- 10 up-front tickets to the public presentation, which can be used in conjunction with or separately from the VIP Tickets
- Sponsorship listing in promotion

#### **Purring: \$1,000**

- 10 up-front reserved tickets to the public presentation
- Limited sponsorship listing in promotions

Palm Civet Armadillo Dingo Alligator Penguin Clouded Leopard Flamingo Sloth Owl Snake

## **Roaring: \$7,500**

### **Mention on TV & Radio**

WKOW (TV), WFAW (AM), WSJY (FM), WKCH (FM) & WSLD (FM)

### **Business listing in all Newspaper ads**

CSI, Southern Lakes, Hometown News Group & Journal Community  
Reaching 200,000 plus households

### **Logo (large) in Programs & Posters**

## **Growling: \$3,500**

### **Mention on TV & Radio**

WKOW (TV), WFAW (AM), WSJY (FM), WKCH (FM) & WSLD (FM)

### **Business listing in all Newspaper ads**

CSI, Southern Lakes, Hometown News Group & Journal Community  
Reaching 200,000 plus households

### **Logo (small) in Programs & Posters**

## **Purring: \$1,000**

### **Business listing in Programs & Posters**

# Memorandum

To: CDA Board Members

From: Patrick Cannon  
Executive Director

Re: Crop Lease

Date: March 12, 2014

As you are aware, the CDA currently leases out the vacant lands in the Business and Technology Parks for farming operations. The current lease holder is Jim Reu from Rue Farms. A copy of the lease is attached.

Last year we executed a one year lease agreement with them for use of the lands. We received \$14,790 for 2013. Our agreement was only for one year and did not include any renewal options. A copy of the payment received is also attached.

On February 20, 2014 we received a payment from Rue Farms for \$14,790. This payment appears to be for the 2014 farming year. We received the 2013 payment with the lease with the signed lease agreement in May 2013. The Finance Department has already deposited the check for 2014. Unfortunately, we have no contract for this year. So my question to the Board is: Do you want to refund the payment and advertise for quotes or should we execute a contract for 2014?

I will place this on the March 26, 2014 agenda for consideration. Please let me know if you have any questions.



Patrick A. Cannon  
Executive Director  
P.O. Box 178  
312 W. Whitewater Street  
Whitewater, WI 53190

MAY 14 2013  
Check to  
Finance

PHONE: (262) 473-0148  
FAX: (262) 473-0549  
Email: [pcannon@whitewater-wi.gov](mailto:pcannon@whitewater-wi.gov)  
WEBSITE: [www.whitewater-wi.gov](http://www.whitewater-wi.gov)

### Land Rental Agreement

City of Whitewater

This agreement is for the rental of City of Whitewater land located in the business park. The attached map identifies the exact parcels being rented.

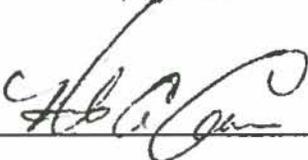
The agreement is between the City of Whitewater and Reu Farms N2385 Strunk Rd. Fort Atkinson, WI 53538 for the year 2013. Reu Farms has agreed to rent 102 acres (plus or minus) of land at the rate of \$ 145 per acre. The payment for the rent shall be received by the City of Whitewater by May 15, 2013.

Should the City of Whitewater sell the land for business development before the crop is harvested, the City of Whitewater will reimburse Reu Farms per acre for any crop loss based on the average yield of the remaining rental acres of the same type crop covered by this agreement. Calculations will be based on market price at the time of harvest.

If any hay ground is lost to business development, the City of Whitewater will not reimburse Reu Farms for any crop loss provided the first cutting of hay has been harvested.

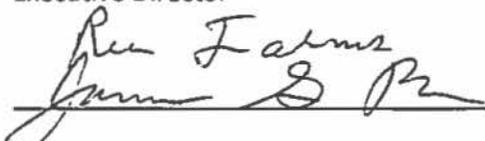
The City of Whitewater shall reimburse Reu Farms within 60 days after Reu Farms and the City of Whitewater has agreed upon the amount of crop loss due to business development.

The City of Whitewater reserves the right to apply municipal sludge to any of the rental property after the crop has been harvested.

 \_\_\_\_\_ 5-2-13

Patrick Cannon  
Executive Director

Date

 \_\_\_\_\_ 5/

Leaseholder Signature

Date

**CHECKING / MONEY MARKET DEPOSIT**

MMCD 302  
DIAMOND

DEPOSIT TO  
ACCOUNT NUMBER

101-127

*Coop  
Rental  
Ren. Funds*

CASH ▶

CHECKS OR TOTAL  
FROM OTHER SIDE ▶

14790 —

SUB TOTAL ▶

LESS CASH ▶

NET  
DEPOSIT \$

14790.00

DATE 2/27 2014

NAME CDA - UDAG - Bus Dev

SIGN HERE ONLY IF CASH RECEIVED FROM DEPOSIT  
ALL ITEMS ARE ACCEPTED SUBJECT TO THIS BANK'S RULES AND REGULATIONS PERTAINING TO CHECKING ACCOUNTS.  
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.

⑆560100000⑆

009

REU FARMS  
JAMES G. REU  
MATTHEW J. REU  
PH. 820-563-4672  
N2385 STRUNK RD.  
FORT ATKINSON, WI 53538-9639

2.20 2014

6569

78-217759

Pay to the Order of CITY OF WHITEWATER \$ 14,790.00

FOURTEEN THOUSAND SEVEN HUNDRED ~~AND NO/100~~

00/100

**Premier Bank**

Fort Atkinson, WI 53538  
Offices in Jefferson, Johnson Creek, and Sullivan

FOR RENT

*James G. Reu*

⑆075902175⑆

289-1581 6569