



Whitewater CDA

MINUTES

Monday, January 26, 2009

4:30 PM – CDA Board of Directors

Second Floor Lake Front Conference Room

Whitewater Municipal Building

312 W. Whitewater Street

Whitewater, WI 53190

1. Call to order and roll call

Tom Miller called the meeting to order at 4:35PM.

Present: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Jim Stewart, Max Taylor

Absent: Al Stanek (arrived at 5:40PM)

Others: Mary Nimm, Kevin Brunner, Mitch Grulke, Doug Saubert, Patrick Singer, Jeff Hawkes, Jim Caldwell, David Kachel, Bud Gayhart (arrived at 5:10AM)

2. Board Member Oath of Office

Nimm performed an Oath of Office on Board Members, Allen, Knight, Marshall, Miller, Stewart, Stanek and Taylor.

3. Approval of the Agenda

Tom Miller motioned to approve the agenda with an amendment to move up items 10 & 11 (to follow item #5) and to switch the order of items under item #13 A & B. Marshall seconded.

Ayes: Allen, Knight, Marshall, Miller, Stewart, Taylor

Nays: None

Absent: Stanek

The motion to approve the agenda with an amendment to move up items 10 & 11 (to follow item #5) and to switch the order of items under item #13 A & B passed unanimously on a voice vote.

4. Welcome CDA Intern

Nimm introduced the new CDA Intern, Mitch Grulke to the CDA. Mitch stated that he is from Waukesha, he is in his senior year at UW-W, graduating in May, and majoring in economics.

5. 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.

NO Comments

6. December, 2008 Financial Reports

Saubert noted that in fund 900 the balance down approx \$55k as a result of the 2008 year end settlement. He also noted that in fund 910 most/all loans are current, there were several new loans in housing, and that the CDA is paying on TID 6 for expenses incurred (at approx \$55k to date) as a future liability. Lastly he noted that the CDA financials are ready for audit.

7. Approval of the December 15, 2008 Combined CDA and Business Park Marketing Committee Minutes

Al Marshall motioned to approve the December 15, 2008 combined CDA and Business Park Marketing Committee minutes. Allen seconded.

Ayes: Allen, Knight, Marshall, Miller

Nays: None

Absent: Stanek

Abstain: Stewart, Taylor

The motion to approve the December 15, 2008 Combined CDA and Business Park Marketing Committee Minutes passed on a voice vote.

8. Business Park Marketing Committee Report on January 12th Meeting

a. Website Redesign Status

Knight noted that John Chenoweth has been working on the new CDA website. He has reviewed other award winning Economic Development sites and has included Applied PhD's research to create the draft website which is ready for review by the CDA. Nimm will send the link to the site to the CDA, David Zepecki (equity commercial) and to Bud Gayhart for review and comment.

b. Request to help with Business Plan for Tech Park

Knight noted that there has been a discussion for the Business Park Marketing committee to provide assistance with the Business Plan for the Tech Park. He noted the importance of looking at the next steps, realizing the marketable value, planning of structure and concepts.

Stewart questioned if this is an issue for the Business Park Marketing Committee noting their assign is to market the current business park and not the University Tech Park. He questioned if this is the roll of the CDA or the Tech Park Board

9. Discussion and Possible Action on a Direct Phone Marketing Campaign as Part of the 2009 Business Park Marketing Campaign

Nimm noted that the Business Park Marketing Committee has been working on the strategy for the 2009 Business Park Marketing Campaign. The campaign is to include a mailing of a series of (up to 5) postcards, each with a similar look, carrying a distinct message about the advantages of having a business locate in Whitewater. After the mailing of the post cards, there will be an intense business to business phone follow-up. The intent of the phone follow-up will be to make inquiries as to the receipt of the mailing(s) as well as to find out if the company has plans for expansion and would they like more info on doing business in Whitewater. Nimm noted that with the help of Applied PhD Research, four firms were asked to submit quotes for this type of service. LK Marketing, the only firm located in WI, after three attempts, has provided a *Not to Exceed* Quote of \$9,870.

Knight motioned to approve the contract *Not to Exceed* \$9870 with LK Marketing. Allen seconded. Knight noted that the committee has considered a delay in the roll-out of the marketing campaign due to current economic times. He noted the committee wants to wait so the timing of the campaign can be successful. Caldwell questioned if we add information related to the University Tech Park in the mailing. Stewart asked the question - is the BPM marketing committee under the umbrella of the tech park? He noted that he hopes it remains at the CDA level and not the BPM level. Knight noted that the CDA needs a discussion on the role of BPM.

10. Discussion and Possible Action on Memorandum of Understanding for Expenditure of Funds by the CDA for the Planning of projects within TID 6 and the Reimbursement of those funds to the CDA by TID 6 (THIS ITEM WAS MOVED TO FOLLOW ITEM #5)

Saubert noted that if City has not borrowed from TID within three years, the City cannot go back to payback the CDA expenditures – any borrowing has to be connected within three years, after that, it just can't be paid back from borrowed funds.

Knight noted that the CDA does not want to lose value on borrowed funds without interest. He asked to have the Common Council to amend the agreement/MOU to reflect interest calculations and the calculations should be on an outlook of at least two years.

Saubert the CDA has been advancing money for TID 6, if increment in TID 6 doesn't happen the money will not be paid back with borrowed funds.

Knight questioned if we can't modify the MOU to include an interest rate?

Brunner noted that perhaps it could be tied to an index and tracked monthly

Knight noted that currently all investments are at a rate 2.5%+/- . The issue is ultimately the money has to paid back as these are the dollars the CDA is able to invest without discretion. The goal is not to short-change our funds, these funds have the greatest long-term value. Ultimately, the interest would be coming from new tax base.

Brunner – at some point city has to pay TID 6 and pay interest on the money they borrow to pay interest to CDA Caldwell – notion there should be an interest, even if accrued to end. Also – in 2.5 years we can re-cast the agreement/MOU.

Saubert the expenditures in TID 6, with the intent to pay back the CDA within a 3-year window should be incentive to get development to happen to produce an increment.

Brunner noted they could re-draft agreement and bring it back to the CDA.

Stewart asked what the interest rate was that was paid to the CDA on the Krueger transaction. What will the current rate be?

Knight noted that a fair index is better than no index

11. Discussion and Possible Action on Future Improvements to Hwy-12 (THIS ITEM WAS MOVED TO FOLLOW ITEM #10 – ABOVE WHICH FOLLOWED ITEM #5)

Brunner noted that there have been discussions with transportation planners at state level. The City has been advised to focus on a petition for an Environmental Impact Statement (EIS) which is done through the budgetary process. A small group has also met with Representative Hixson to see if he'd help.

Caldwell noted that he & David Kachel met with Chancellor Telfer and Representative Hixson and asked Hixson if he'd consider working on introducing the EIS to the state budget. They passed on contact info and suggested they can draft the language for the budget bill. Caldwell noted that all we are looking at is an EIS. An EIS takes as much as 4 years and perhaps would be completed in 2012. If we get it into the budget, the budget will allocate the funding necessary to the DOT to start the EIS with hopes for completion by 2012. This will be the first time study is done and the TPC committee only meets on even years so the goal must be 2012. Between then and now, there is the 3-4 year period of case building of safety, crashes, ED – payback = lives saved, job

creation, etc. Rank and find funds available for # of projects are funded. If this is not included in the budget, there will have to be separate legislation and this is a much tougher process.

Knight noted that an EIS must be completed.

Kachel stated that the new president has some notes.

Brunner stated it is good for CDA to go on record in support of motion to: promote 4 lanes, support inclusion in state budget of EIS to start the process. Letter of support sent on to Hixson, Robson, and CC.

Knight moved to actively support the expansion of HWY 12 of four lanes Elkhorn to Whitewater and support the movement to have an EIS/EIA included to the state budget bill... Marshall seconded.

Ayes: Allen, Knight, Marshall, Miller, Stewart, Taylor

Nays: None

Absent: Stanek

Abstain: None

The motion to actively support the expansion of HWY 12 of four lanes Elkhorn to Whitewater and support the movement to have an EIS/EIA included to the state budget bill passed on a roll-call vote.

12. University Technology Park Update

Knight stated the Board met last week. The board is undertaking a number of efforts, especially in response to a potential stimulus package and potential funding available. The Board is looking at the next steps to develop a mission statement, vision statement, and business plan.

Singer stated the group is working on the Business Plan

Gayhart stated there are two components for the Business Plan, a component for the park and a component for innovation center.

Knight noted there was a discussion on how engaged UW is from the top. The Chancellor has held a number of meetings with staff and professors. The List of potential tenants for the innovation center goes beyond UW-W.

Knight noted there is also an organization – National Association of University Research Parks (NAUP's) – and made the suggestion to ask the Chancellor to attend an upcoming conference. The next meeting of the UTP Board is scheduled to meet Feb 3 at 12:30.

Singer noted that the Chancellor is building the faculty talk and excitement amongst the campus.

Caldwell noted there is a whole new level of excitement coming from the top down.

Gayhart noted that we are going to see much recovery from entrepreneurship, may not be as far off as we anticipate.

Knight the board is conceptualizing out to the scoop of the first shovel, realizing it takes a fair amount of time to establish such a park, realizing there are strict guidelines and to realizing the importance to keep in sight the mission and vision as well as the need for high quality jobs and earnings. Lastly he noted there will not be quick return on investment.

Caldwell asked for concrete follow-up on land.

Stewart noted the Tech park board needs to report to CDA and not only the Business Park Marketing Committee.

Knight noted the stimulus package is moving swiftly, want to be sure to be on the train.

13. Adjourn to closed session at 5:40PM to reconvene at 6:20PM Per Wisconsin Statute 19.85 (1)(e). Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session

a. Downtown Whitewater Housing Redevelopment Project (5:55PM)

CDA members only.

(THIS ITEM FOLLOWED ITEM #B)

Present: Jim Allen, Jeff Knight, Alan Marshall, Al Stanek, Jim Stewart, Max Taylor

Absent: Tom Miller

Others: Mary Nimm, Mitch Grulke (CDA Intern)

b. Whitewater University Technology Park Land Acquisition

(THIS ITEM MOVED ABOVE ITEM #A)

Present: Jim Allen, Jeff Knight, Alan Marshall, Al Stanek, Jim Stewart, Max Taylor

Absent: Tom Miller

Others: Mary Nimm, Mitch Grulke (CDA Intern)

Gayhart, Caldwell, Singer, Hawkes invited to participate in CS item b.

14. Reconvene and Roll Call

Jim Allen motioned to reconvene at 6:20PM. Knight seconded.

Present: Jim Allen, Jeff Knight, Alan Marshall, Al Stanek, Jim Stewart, Max Taylor

Absent: Tom Miller

Others: Mary Nimm, Mitch Grulke

15. Discussion and Possible Action on Downtown Whitewater Housing Redevelopment Project

No Discussion or Action taken.

16. CDA Coordinator

a. 5-Points Phase II Update

Nimm stated that she was able to gain access to the former 5-Points One Stop for the Asbestos investigation.

b. Rail Spur Update

Nimm noted the initial estimate to construct and install a rail spur directly to GSF was quoted at a “cool million”. She forwarded the estimate onto GSF asking how they would like her to proceed with the effort and that the response was that GSF is in a holding pattern at the current time due to the current status of the economy.

c. Report on Housing Loan Program

Nimm noted that she performed an inspection on a project that has just been completed. Payment will be made at which time the job meets the home owners satisfaction. She also noted that there are two applications pending.

d. Report on Lead Safe Worker Class

Nimm reported there were 11 participants in the Lead Safe Worker Class, three of which are from the area and have signed a “Commitment to Work” and bid on Housing Rehab jobs in Whitewater for the CDA.

17. Confirm February Meeting Date of Monday, February 23rd @ 4:30PM

Nimm stated the February meeting will be held in the first floor community room for videotaping and broadcast.

18. Future Agenda Items

Knight – Update on the joint CDA/CC discussion on the role of the CDA

19. Adjourn

Stewart motioned to adjourn at 6:25PM. Taylor seconded.

Respectfully Submitted,

**Mary S Nimm
CDA Coordinator**