



Whitewater CDA

**MINUTES**

**Monday, February 23, 2009**

**4:30 PM – CDA Board of Directors**

**FIRST FLOOR COMMUNITY ROOM**

**Whitewater Municipal Building**

**312 W. Whitewater Street**

**Whitewater, WI 53190**

**1. Call to order and roll call**

Called the meeting to order at 4:33PM.

Present: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Al Stanek, Jim Stewart

Absent: Max Taylor

Others Present: Mary Nimm, Kevin Brunner, Mitch Gruelke, Doug Saubert

**2. Approval of the Agenda**

Jim Allen motioned to approve the agenda. Marshall seconded.

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

No's: None

Absent: Taylor

Abstain: None

**3. 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**

**4. Approval of the January 26, 2009 CDA Minutes**

Jim Allen motioned to approve the January 26, 2009 minutes. Marshall seconded.

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

No's: None

Absent: Taylor

Abstain: None

**5. January, 2009 Financial Reports**

Saubert informed the board that January financials were not unusual. There were no huge transactions.

Payments were made on a timely basis with only one past due. Saubert also noted that there was a payment made on behalf of TID 6 from the 910 Business Development Account for \$5,436. To date, the CDA has paid \$60,127.45 towards projects falling under TID 6.

**6. Report on the analysis of the TID benefit to the Community**

Brunner informed the board that by direction of the CDA and Business Park Marketing committee there was an analysis performed by RW Baird on the benefit of TID 4 and if TID 4 were not in existence, what would the impact be on the tax payer?

The cover memo:

*Attached is a draft for discussion purposes of our analysis that quantifies the value of a TIF. As we discussed previously we are using TIF#4 as an example. We have attempted to show the historical/future cash flow of the TIF based on certain assumptions along with the revenue shortfall had the TIF not been created. The revenue shortfall represents the difference between the TIF's historical/future revenue stream (column f) and the revenue generated by the City's local tax rate on the increment over base (column h). Please feel free to contact Brad or me to further discuss the analysis. If more convenient we would be happy to discuss via conference call or in person, please let us know your preference.*

Thank you,

Steve Kornetzke

Vice President

Public Finance

Robert W. Baird & Co.

414.298.7489 direct

800.792.2473 toll free

There are also two historical performance graphs of TID 4 if there was no TID 4 showing there would have been a revenue shortfall (1992-2017) of \$18.8Mil = approximately \$300 per household – benefit – as with creating new districts, shows benefits of districts to city and taxpayers. Graph shows city tax collection w/out TID and revenue shortfall over time – difference between TID 4 and no TID 4 a little over \$1mil.

### City of Whitewater Tax Increment District No. 4 Historical/Future TIF Analysis

Assumptions				
Annual Inflation During Life of TID.....	0.00%			
2000 gross tax rate (per \$100 equal. val.) – pre rate.....	\$18.89			
2009-2017 estimated gross tax rate (per \$100 equal. val.) – pre rate.....	\$19.44			
Investment rate for Investment Proceeds.....	0.70%			
Data above dashed line are actual!				

  

The revenue shortfall column represents the additional revenue the City would have had to generate through tax collection without the support of the TID and the other taxing entities. The analysis assumes the growth in tax base that resulted from the TID would have occurred without the TID.

NO Tax Increment Financing District												
Background Data					Revenues		City Generated Revenues					Year
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Val. Date	TIF District Valuation (January 1)	Future Increment (1)	TIF Increment Over Base	Est. Tax Rate (2)	Est. Tax Revenue	Tax Rate	Est. Tax Revenue	Revenue Shortfall	Revenue Shortfall Per Capita	Tax Impact to the City on Shortfall	Annual Tax Impact Per \$100,000 of Home Value (Fair Value)	Year
28.27% of Total Tax Rate (2)												
1991	\$3,362,900		\$1,102,300	\$27.60		\$7.25	\$7,562	\$22,431	\$2	\$0.12	\$12.47	1991
1992	\$4,095,900		\$1,835,300	\$29.98	\$30,423	\$7.88	\$7,562	\$40,588	\$3	\$0.21	\$21.06	1992
1993	\$4,095,900		\$2,803,100	\$29.46	\$55,022	\$7.74	\$14,454	\$39,884	\$3	\$0.19	\$19.22	1993
1994	\$5,190,700		\$3,412,900	\$27.91	\$54,088	\$7.33	\$14,204	\$60,357	\$5	\$0.27	\$27.23	1994
1995	\$5,673,500		\$7,177,400	\$28.35	\$81,883	\$8.02	\$21,505	\$60,357	\$5	\$0.27	\$27.23	1995
1996	\$9,436,000		\$8,677,900	\$22.29	\$69,930	\$5.86	\$23,625	\$46,305	\$5	\$0.28	\$27.62	1996
1997	\$10,936,200		\$10,202,900	\$22.39	\$159,984	\$5.88	\$24,026	\$117,958	\$9	\$0.44	\$43.67	1997
1998	\$31,801,100		\$26,775,900	\$21.42	\$194,291	\$5.83	\$51,040	\$143,251	\$11	\$0.48	\$48.03	1998
1999	\$48,500,900		\$23,507,300	\$22.36	\$218,544	\$5.88	\$57,412	\$161,132	\$12	\$0.49	\$48.90	1999
2000	\$45,235,800		\$22,866,400	\$23.72	\$599,238	\$6.23	\$157,420	\$441,818	\$33	\$1.22	\$121.89	2000
2001	\$44,594,700		\$31,835,300	\$23.07	\$557,545	\$6.06	\$145,467	\$411,079	\$30	\$1.10	\$109.88	2001
2002	\$53,560,800		\$55,976,000	\$21.98	\$527,434	\$5.77	\$138,557	\$388,877	\$28	\$0.97	\$98.73	2002
2003	\$77,704,300		\$56,252,900	\$21.60	\$666,714	\$5.88	\$183,815	\$515,899	\$37	\$1.19	\$118.99	2003
2004	\$77,881,200		\$59,807,900	\$22.93	\$1,206,339	\$5.50	\$317,603	\$891,546	\$64	\$1.91	\$190.51	2004
2005	\$91,536,300		\$62,408,400	\$19.97	\$1,177,550	\$5.25	\$329,342	\$848,207	\$62	\$1.74	\$174.32	2005
2006	\$84,683,700		\$71,566,300	\$18.24	\$1,393,815	\$4.79	\$388,155	\$1,027,660	\$74	\$1.91	\$191.22	2006
2007	\$94,044,600		\$75,851,000	\$18.46	\$1,136,329	\$4.85	\$389,039	\$749,290	\$60	\$1.48	\$145.88	2007
2008	\$95,296,300	\$2,218,100	\$78,070,100	\$18.69	\$1,321,528	\$4.91	\$347,165	\$974,361	\$70	\$1.57	\$157.34	2008
2009	\$102,515,400	\$2,250,000	\$80,320,100	\$19.44	\$1,417,587	\$5.11	\$372,400	\$1,045,187	\$75	\$1.84	\$183.79	2009
2010	\$102,765,400	\$8,450,000	\$89,770,100	\$19.44	\$1,517,883	\$5.11	\$388,695	\$1,118,987	\$80	\$1.75	\$175.35	2010
2011	\$112,215,400	\$8,060,000	\$97,830,100	\$19.44	\$1,581,423	\$5.11	\$410,166	\$1,151,237	\$82	\$1.80	\$180.41	2011
2012	\$120,275,400	\$3,190,000	\$101,020,100	\$19.44	\$1,745,131	\$5.11	\$458,446	\$1,286,685	\$92	\$2.02	\$201.83	2012
2013	\$123,465,400		\$101,020,100	\$19.44	\$1,901,817	\$5.11	\$489,607	\$1,402,210	\$100	\$2.20	\$219.74	2013
2014	\$123,465,400		\$101,020,100	\$19.44	\$1,963,831	\$5.11	\$515,690	\$1,447,932	\$104	\$2.27	\$226.90	2014
2015	\$123,465,400		\$101,020,100	\$19.44	\$1,963,831	\$5.11	\$515,690	\$1,447,932	\$104	\$2.27	\$226.90	2015
2016	\$123,465,400		\$101,020,100	\$19.44	\$1,963,831	\$5.11	\$515,690	\$1,447,932	\$104	\$2.27	\$226.90	2016
2017	\$123,465,400		\$101,020,100	\$19.44	\$1,963,831	\$5.11	\$515,690	\$1,447,932	\$104	\$2.27	\$226.90	2017

  

\$18/1990 TID Inception  
 \$18/2012 Final Year to incur TIF related costs.  
 \$18/2017 Maximum legal life of TID (27 Years)

(1) Per City, Estimates as of February 4, 2009.  
 (2) Estimated Tax Rate based on historical data provided by the DOR.

Knight - will we be able to project if we overlay TID 1 & 2 to show entire effect?  
 Saubert - yes - we will do projections for TID's 1,2,3 & 4 individually and then do one for all four combined.  
 Knight - this will allow us to see the benefit for entire community with all four illustrated  
 Saubert - the results of this are telling us that because of TID, and because of all increment above base, 74% difference makes up the \$18mil  
 Knight - can we also show value to school district for a presentation to the school district? Taxpayers should know if we haven't done this, what would they have paid on their tax bill?  
 Brunner - idea = do presentations with information to show benefit of TID, particularly to use TID for other projects.  
 Knight - this will be one of the best TID success stories in the state. There have been many things done in this community and they are of great value to the taxpayer.

#### 7. Report on Joint CDA/CC discussion on the role of the CDA

Brunner started by reminding the CDA that both CDA and CC requested that they form a small committee to look at the working relationship between CDA and CC. The committee consisted of Knight and Miller, Singer and Stewart. The committee met in late January, Miller was unable attend. Attorney McDonnell also attended.

As a result of the meeting, they came-up with a MOU and have put things in writing.

**8. Distribution and Discussion on Memorandum of Understanding on relationship between the CDA and the City**

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**Memorandum of Understanding**

This memorandum of understanding made this 1<sup>st</sup> day of March, 2009 by and between the City of Whitewater, hereinafter called City, and the Whitewater Community Development Authority, hereinafter called CDA.

**Witnesseth:**

The City and the CDA have enjoyed a positive working relationship for many years and the two parties are desirous of better defining this relationship. The CDA has been established pursuant to Wisconsin State Statutes 66.1335 by the City for the purpose of carrying out blight elimination, urban renewal programs and projects and housing projects. In addition, the CDA has been charged by the City to act as the agent of the City in planning and carrying out community development programs and activities approved by the City Council under the federal housing and community development act of 1974 as well as to act as agent of the City to carry out the tax increment financing planning and programming activities of the City.

The City and CDA hereby agree to the following:

1. The CDA will provide written reports to City Council on a quarterly basis commencing in 2009. These reports will be presented to the Council at its regularly scheduled meetings. In addition, an annual report detailing the CDA's activities and finances, as required by Chapter 2.48 of the Whitewater Municipal Code will be presented to the City Council no later than April 15<sup>th</sup> of each year.
2. The CDA will conduct an annual meeting at which time the economic and community development goals and objectives of the City will be discussed and determined. City Council members as well as community members will be encouraged to attend the annual CDA meeting. The CDA annual meeting shall be held in conjunction with the annual City budget process in the fall of each year.
3. The CDA's financial records will be maintained by the City Finance Director. Quarterly Tax Incremental Finance District reports will be provided by the Finance Director to both the City Council and CDA. Monthly financial reports will also be provided to the CDA of its financial activities.
4. All CDA funds will be accounted for in separate enterprise funds maintained by the City Finance Department. These funds shall be maintained according to General Accepted Accounting Principles (GAAP) and will be subject to annual audit by the City's auditor.
5. The City Council will appoint two of its members to serve on the CDA Board of Directors. These City Council representatives will be responsible for attending and participating fully in all CDA meetings and with reporting periodically to the Council on CDA activities.
6. The parties to this agreement recognize that there may be occasions in the future when, due to conflicting positions, the CDA may have a different position on a matter than the City Manager on an issue which concerns the City Council. This section is set forth for the purpose of providing a process for the parties to follow when such circumstances arise. If a conflict arises, an ad hoc committee shall be formed that will consist of a City Council member appointed by the City Council, a Community Development Authority member appointed by the Community Development Authority, and the City Manager. If it is not practical for the City Council to appoint a member due to the immediacy of the

circumstances, the City Council President shall act as the City Council representative. If it is not practical for the Community Development Authority to appoint a member due to the immediacy of the circumstances, the Community Development Authority Chairperson shall act as the Community Development Authority representative. The committee so formed shall attempt to resolve the conflict. If the committee is unable to resolve the conflict, the CDA committee member shall be authorized to communicate the CDA's position to the City of Whitewater Common Council. Upon completion of the work of the committee on the issue in question, the committee shall adjourn sine die.

7. The CDA assigns the responsibilities for its Executive Director to the City Manager. In consultation with the City Manager, the CDA Board of Directors is responsible for the hiring/firing of the CDA Coordinator subject to the employment agreement executed for this position. The CDA Coordinator will report on a daily basis to the City Manager with policy direction to come from the CDA Board of Directors.
8. The annual CDA budget will be developed by the CDA Coordinator and then reviewed and adopted by the CDA Board of Directors before it is submitted to the City Manager for eventual presentation to the City Council.

Agreed to this 1<sup>st</sup> day of March, 2009.

City of Whitewater

Whitewater Community  
Development Authority

\_\_\_\_\_  
Kevin M. Brunner, City Manager

\_\_\_\_\_  
Thomas Miller, Chair

\_\_\_\_\_  
Michele Smith, City Clerk

\_\_\_\_\_  
Alan Marshall, Vice Chair

Knight – suggested letting committee meet once more and talk over points to see if anything is missed.

## **9. Update and possible action on Whitewater Business Park Wetland Mitigation and Remedial Actions**

### **10. Business Park Marketing Committee Report on February 9<sup>th</sup> Meeting**

#### **a. Website Redesign Status**

Mitch Grulke did an analysis of the new CDA website design against IEDC (International Economic Development Council) award winning websites. The conclusions of his analysis are:

#### **Whitewater Business Park Website Current Features and Suggestions:**

Whitewater Business Park Site: <http://projects.wicits.uww.edu/bp2/>

- Link to the Brochure (with demographic info, map)
- Directory with map
- Testimonials
- Opportunities (available sites w/ acreage)
- Quality of Life
- Business Environment
- Park Covenant, and directory of current businesses

Siskiyou County Economic Development Site: <http://www.siskiyoucounty.org/default.aspx>

- Resources (PDF's; Education, Arts & Culture, Healthcare, Transportation, Utilities and Taxes)
- Links: State and Federal Govt. Agencies, Community Associations, Economic Development Sites, Associations and Organizations
- Investors and Partners
- About Us
- Business Tools, Resources, and Links (Info on Training, Govt. Requirements, Marketing, etc.)  
<http://www.toolsforbusiness.info/success/index.cfm?cx=siskiyou>
- Why choose Siskiyou County, sales pitch, like our postcards
- Search Bar

Both:

- Recent News: Incoming companies, expansions, **success stories**, press releases
- Business Incentives & Assistance
- Financial Advantages
- Maps
- Contact

Other Improvements and advice from site selector's article:

- Have contact name and number highly visible on every page
- Basic map on home page, showing general area
- List of top 10 employers, unions, site information
- Speed, ease of navigation, and useful data
- Easy to find links from other sites they may look at (City website, WCEDA)
- Incentives
- Highlight UW-W and opportunities it provides
- Information on infrastructure (transportation and utilities)
- Target Industries

The analysis has been shared with John Chenoweth. John and Nimm spoke further about the site and have agreed that John will create a list of what they have to do, what the CDA has to do and will set-up a training date and then work with City IT towards a live launch date. All is expected to take place in the next 30 days.

**b. 2009 Marketing Budget & Funding Sources**

The updated and estimates for the 2009 Marketing Budget are included in the packet. Also enclosed in the packet a listing of site selectors and their contact information.

**11. University Technology Park Update**

Brunner noted that progress has been made. There is work on federal grants to pay for infrastructure. The land acquisition team is working on an option for acquisition. The Mission statement has been written. The recruitment team is working on users. There is work taking place on the WW innovation center with a target to make this the first facility in park. Brunner noted that in two months, the board has made outstanding progress.

Knight – the energy from the UWW participants is incredible. He was also pleased to see the Whitewater Unified School District at last meeting. The district representatives stated they want to do curriculum around Technology Park. It would be helpful that perhaps the board could prepare a presentation on what would be, how to scope out innovation center and clients.

Marshall – is the EDA grant part of the flooding money?

Brunner – working with EDA on grant project for economic flood relief. We have submitted preliminary grant application. The grant would be used for infrastructure and buildings.

**12. CDA Coordinator**

**a. 5-Points Update**

Nimm reported that site investigations are complete. She is working with Ayres Associates to complete the Brownfield Site Assessment Grant Final Report as well as the grant claim worksheet. Copies of the Phase I, Phase II and Asbestos Investigation are available for viewing in the CDA office.

Brunner – 2010 project in CIP – depend on acquisition of right of way and possible redevelopment site, also project could possibly qualify for fed asst. as a Brownfield.

**b. Asbestos Supervisor Training**

Nimm reported that she is working with Milwaukee Lead and Asbestos to host a one-week long Asbestos Supervisor Training in Whitewater. We are tentatively scheduled for the week of April 27<sup>th</sup> with class to be held at the Cravath Lake Front Center all week with the exception of class in the Council Chambers on Tuesday (because of a scheduling conflict).

**c. Retention Visits Update**

To date, in 2009, Bud Gayhart and Nimm have conducted retention visits with Whitewater Manufacturing, Trostel and Husco. All three report that, as a result of the economy, their employment numbers are down from a year ago but that they plan continue to with operations.

Nimm has also been on a site visit with Home Tops. They report 11 employees (full and part-time) and report their new site increases operating efficiencies and there is additional warehouse and office space available for lease.

There are continual efforts to contact other businesses for the purpose of retention visits and will do so until all have been visited.

**d. Retail Coach Update**

Nimm reported that on December 11<sup>th</sup>, 2008 a letter was mailed to Kelly Cofer, President and CEO of The Retail Coach. In the letter it was stated "The City of Whitewater selected The Retail Coach's

proposal for a Market Analysis and Retail Recruitment & Development Strategy over that of the Buxton Company. The Retail Coach had something more to offer – a year’s worth of coaching services.

In a presentation made to the City in March, 2008, it was stated by our project manager Joey Grisham that, “*we recognize that retail recruitment is a continual effort and process, not a one-time event. As a standard part of our comprehensive recruitment process, we provide 12 months of coaching after the project is completed and at no additional charge. We value your community’s investment dollars so highly that during this coaching period, we even make monthly accountability calls to check in with your community and answer any questions you may find yourself having during this ongoing process.*” Since Joey’s departure from The Retail Coach and to date I have received 5 excel spreadsheets, with the last dated 11/03/08 as prompted by a question asking what The Retail Coach is and isn’t doing for our community.

In reviewing the agreement between The Retail Coach and the City of Whitewater, it is our feeling that while The Retail Coach has essentially fulfilled their duties as listed in the contract, the City of Whitewater has not fully received the coaching services of The Retail Coach.

It is important to note that the funding for this study and the work of The Retail Coach was provided half by the City and half from several private funding sources. They too are questioning the validity of our contract and the commitment of your services. The City of Whitewater recognizes our contract for services is with The Retail Coach and not Mr. Grisham and expects a more interactive association.

A response to this letter would be greatly appreciated. Please address our concerns related to the coaching services of The Retail Coach and how we might see greater benefits for our City from our contractual relationship with The Retail Coach.”

As a result, and on January 29<sup>th</sup>, I attended the Downtown Whitewater Economic Restructuring Committee meeting. We held a conference call with Aaron Farmer of The Retail Coach. The committee and I expressed our disappointment with the performance and coaching by The Retail Coach and requested direct help with our recruitment efforts in Whitewater and Downtown Whitewater.

Downtown Whitewater Wish List:

<i>Clothing</i>	<i>Hobby, Book and Music Store</i>	<i>High End Full Service Restaurant</i>	
<i>Bakery</i>	<i>Coffee Shop, Wine Shop, Brewery</i>	<i>Art &amp; Pottery Store</i>	
<i>Sporting Goods (Outfitters)</i>	<i>Specialty Food Store</i>	<i>Home Furnishings</i>	<i>General Merchandise i.e. Gifts, Card Shop</i>

Deliverables as a result of the letter and conference call shall be:

- o A contract extension to January 29, 2010 of the coaching services
- o A more comprehensive listing of the number of retailers to be contacted by The Retail Coach to include the DTW Economic Restructuring committee wish list of retailers
- o A sample packet (of materials) displaying what should be included in a marketing and recruiting packet
- o Another in-person assessment of Whitewater and it’s trade area conducted (in the next few months) (at no additional cost to the City) by both Mr. Farmer and Mr. Cofer
- o Clarification of and possible correction to some of the reported numbers in the initial study and report on Whitewater and the trade market

Miller asked if the CDA should consider getting an attorney involved in the process.

Nimm noted that she will be persistent with TRC and if she doesn’t see any notable action, she will seek legal help.

**e. ICSC – Illinois Idea Exchange**

Nimm reported that the week of February 23<sup>rd</sup> is the International Council of Shopping Centers two-day Idea Exchange in Chicago. Nimm will only attend on Thursday, February 26<sup>th</sup>. The plan is to participate in these three thirty-minute roundtable discussions: Hot Retailers Large and Small, Directions and Trends of Restaurants, New Retailers Entering the Chicago Market. Nimm will prepare packets of information on Whitewater prepared to hand-out during the Retail Only Deal Making session. Nimm will take CDA Intern Grulke to Chicago.

**f. Preserve America Grant Application**

Nimm is working with Carie Wright-Whitewater Tourism Council, Al Lockett-Station 13, and Carol Cartwright-Whitewater Historical Society on a Preserve America Grant Application. The grant request is for funding to create walking tours of Historical Whitewater. The group intends to create a booklet that will contain three walking tours and one comprehensive driving tour of Whitewater’s historical architecture and historic sites.

It is the application target, to create narrative tours for each of the tours with headsets available for rent at multiple locations throughout the City. The group also intends to have the tours available on an interactive website (a website only for the tours) with the tours available in a downloadable MP3 format. Each of the tours will contain photos, narrative and maps and will be fully interactive. Portions of some tours will also have video for the person taking the tour on-line.

Nimm is working through the narrative portion of the application and is are now focusing efforts on the budget portion. Each party has been assigned with assembling a budget to reflect the costs and personnel costs relative to their respective part of the project. The grant deadline has not yet been announced, but historically it has been in the first quarter of the year.

**g. Train Depot Restoration RFQ**

Nimm has written the RFQ for the Architectural Services for the Train Depot restoration project. She is working with Lynda Fink, a consultant to WisDOT, to finalize the RFQ and is prepared to distribute it the week of 2/23/09.

Allen – what's the intention for the building after restoration?

Miller – big enough for historical society?

**13. Confirm March Meeting Date of Monday, March 23 @ 4:30PM**

**14. Future Agenda Items**

**Stanek – HWY 12 Walworth County improvement project – DOT? Stimulus package? Hwy 67 to P improved what does that mean to WW? Four Lane project. EIS?**

**15. Adjourn**

Jim Allen motioned to adjourn at 5:17 pm. Stewart seconded.

Respectfully Submitted,

Mary S Nimm  
CDA Coordinator