



Whitewater CDA - **MINUTES**

**Monday, July 26, 2010**

**4:30 PM – CDA Board of Directors  
2nd Floor – Lakefront Conference Room  
Whitewater Municipal Building  
312 W. Whitewater Street  
Whitewater, WI 53190**

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

Tom Miller called the meeting to order at 4:30PM.

Present: Jim Allen, Al Marshall, Patrick Singer, Al Stanek, Tom Miller

Absent: Jeff Knight, Jim Stewart

Others Present: Kevin Brunner, Mary Nimm, Doug Saubert, Mike Vandembosh - WCEDA

**2. Approval of the Agenda**

Jim Allen motioned to approve the agenda. Stanek seconded.

Ayes: Allen, Marshall, Singer, Stanek, Miller

Nays: None

Absent: Knight, Stewart

The motion to approve the agenda passed on a voice vote.

**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.*

***No CITIZEN COMMENTS heard***

**4. Approval of the June 28, 2010 Minutes**

Al Stanek motioned to approve the minutes, with an amendment removing Bud Gayhart as in attendance. Marshall seconded.

Ayes: Allen, Marshall, Singer, Stanek, Miller

Nays: None

Absent: Knight, Stewart

**5. Receipt and Filing of June, 2010 Financials**

Saubert – only item to point out is in fund 910, housing loan went into foreclosure and loan was written off.

**6. Discussion and Possible Action on Whitewater's TIF District #4**

**a. Pro-forma**

**b. Project Plan**

**c. Timetable**

7. Brunner - There have been meetings and brainstorming sessions on ways to help TID #4 to meet possible budget shortfalls. Staff consensus is to declare TID 4 as distressed. Staff would spend the next month putting together the amended plan. Working and proposing to refinance the existing TID 4 debt and expect the Common Council to approve the refinancing to save money. We are looking to push the existing debt out 10 years as allowed by legislation. Projected growth in TID 4 is not as was expected, and there has been a default on a Payment in Lieu of Taxes (PILOT) payment. The City needs to borrow approximately \$800,000 and a refinance and extension of debt will still have possible deficits in 2016-2018. This is our best estimate on the future of TID 4.

Stanek – if we have a shortfall in any year, is it picked up by the tax payers?

Saubert – yes, but a borrowing can be used to make up the shortfall. In 2013 there will be other opportunities for debt refinancing.

Brunner – we need to extend the district 10 more years to refinance debt and hopefully recapture the increment.

Allen – developers on the East side?

Brunner – we will contact Kwik Trip and ask what we can do to help facilitate their development. Staff recommendation is that we move forward with Distressed Amendment to TID 4 and refinance existing debt.

Stanek – does the district become frozen and future expenditures are locked-out?

Brunner – yes.

Allen – we should consider a mixed-use development(s) for East Towne development.

Saubert – development in Business Park and/or Tech Park will help with the shortfall in the TID.

Marshall motioned to recommend to the City Council moving forward with Distressed TID Designation for District 4 and to refinance existing TID 4 debt. Singer seconded.

Ayes: Allen, Marshall, Singer, Stanek, Miller

Nays: None

Absent: Knight, Stewart

The motion to recommend Distressed TID Designation for District 4 to the City passed on a roll-call vote.

**8. Discussion and Possible Action on Change Order Process for Whitewater Technology Park EDA Award Number 06-01-05479**

Brunner – suggested that on monthly basis he will brief the CDA on the construction of the building and status of change orders, with final approval by Common Council. To date, these change orders have been submitted:

CO #1 – Unsuitable Soils	\$11,857
CO #2 – Eliminate Mechanical Pit	(\$ 3,314)
CO #3 – Owner Direct Purchases	\$ 0
CO #4 – Photovoltaic System (Net Cost)	\$58,445
CO #5 – Geothermal Well Depth	\$15,172
CO #6 – Bedrock Excavation	\$64,634
CO #7 – CESA@ Sink Install	\$0 – (CESA2 to Pay)

**9. Whitewater Technology Park**

**a. Innovation Center Update**

**i. Construction Progress**

**ii. Executive Director Search**

Brunner covered Innovation Center Updates during item #7.

Nimm noted the selection committee has selected their finalists. The selection goes to UW System for their approval prior to moving forward with the process.

**b. Infrastructure Updates**

**i. Starin Road Extension**

**ii. Tech Park Infrastructure**

Nimm noted that bids were awarded and approved by the EDA. Work is expected to begin in Mid-August. Both projects came in approx. \$300,000 less than the engineers' estimates.

<u>Project Description</u>	<u>Contractor Name</u>	<u>Contract Amount</u>	<u>A/E Estimate</u>
Technology Park Infrast.	Iverson Construction, LLC	\$2,205,383.17	\$2,626,900.00
Starin Road Extension	Mann Bros., Inc.	\$1,778,508.51	\$1,712,600.00

The start dates will be in the next few weeks. Completion dates are listed as November 12, 2010 (substantial) and June 1, 2010 (final).

**10. CDA Coordinator Updates**

- a. Train Depot – Grant for Restoration** meeting with Depot Restoration Team and Architect on July 9<sup>th</sup> to review preliminary drawings. Project is approximately 2 weeks behind schedule.
- b. Equity Commercial Real Estate** at the suggestion of Equity Commercial, the CDA/Whitewater Business Park and the Whitewater University Technology Park sponsored a hole for \$200 at the UW-W Alumni golf outing. Equity Commercial designed a brochure for the outing and is representing the Whitewater Business Park.
- c. WinkHaus North America** I had a conversation with Jim Roberts, the CEO at WinkHaus. He didn't feel it would be worth meeting and his comments are:  
*The closing of WinkHaus is/was a decision by the Parent Company. WinkHaus is a family owned business and the family decided the North American facilities were not making them any money. The parent company had been subsidizing the cost of the product in North America. The actual cost of the products was higher than the price they were getting for it on the market. The company was willing to subsidize the products to establish themselves in the North America market. In Europe, the hardware manufacturers are pulling back the sales to North America as they can no longer support the North America program.*
- d. Site Search Request(s)** I am working with Century 21 and Equity Commercial to find a site for a potential client. Client is searching for lease space and/or vacant lot for a building.
- e. Retention Visits** a retention visit team (Kevin Brunner, Jeff Knight and I) visited John's Disposal (Headquarters). I am waiting for confirmation on a retention visit with Universal Electronics and will be scheduling another with Whitewater Greenhouses.
- f. Tourism Council** as a follow-up to last month's conversation regarding Whitewater's representation on each of the County's Tourism Boards. The Tourism Council has agreed to find a Council member to sit on the Walworth County Visitors Bureau Board, and Kathleen (from WCVB) will sit on the Jefferson County Tourism Board as Whitewater's representative.

**11. Future Agenda Items**

N/A

**12. August Meeting Update – August 23, 2010**

CDA Meeting at the Tech Park in the Trailer

**13. Adjourn to closed session at approximately 5:45PM to reconvene approximately 6:00PM per Wisconsin State Statutes 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. Economic Development Loan 1421 W Main Street, Whitewater, WI**

Tom Miller motioned to adjourn to closed session at 5:30PM.

Present: Jim Allen, Al Marshall, Patrick Singer, Al Stanek, Tom Miller

Absent: Jeff Knight, Jim Stewart

Others Present: Kevin Brunner, Mary Nimm

**14. Reconvene and Roll Call**

Tom Miller motioned to reconvene to open session at 5:37PM.

Present: Jim Allen, Al Marshall, Patrick Singer, Al Stanek, Tom Miller

Absent: Jeff Knight, Jim Stewart

Others Present: Kevin Brunner, Mary Nimm

**15. Discussion and Possible Action on Economic Development Loan 1421 W Main Street, Whitewater, WI motioned accept request for extension contingent on signing of extension notes for 2009 and 2010.**

Jim Allen motioned to approve the request for an extension of 12 months for the Economic Development Loan for the property/business located at 1421 W Main Street contingent on the Loan Extension Agreement drafted for the 2009 requested extension (Balloon Payment and final payment due June 22, 2010) signed and returned to the CDA office, and contingent on a Loan Extension Agreement for the next 12 months, ending payment terms with Balloon Payment due on June 22, 2011. Marshall seconded.

Ayes: Allen, Marshall, Singer, Stanek, Miller

Nays: None

Absent: Knight, Stewart

**16. Adjourn**

Singer motioned to adjourn at 5:39PM.

**Respectfully Submitted,**

**Mary S Nimm  
CDA Coordinator**