



MINUTES
Monday, December 12, 2011
4:30 PM – CDA Board of Directors
2nd Floor, Cravath Lakefront Room
Whitewater Municipal Building
312 W. Whitewater Street
Whitewater, WI 53190

1. Call to order and roll call

The meeting was called to order by President Tom Miller at 4:30 p.m. Present: Patrick Singer, Donna Henry, Larry Kachel, Jeff Knight, Tom Miller and Jim Stewart. Absent: Jim Allen. Others present: Kevin Brunner, Doug Saubert, Jim Caldwell, Tyler Salisbury, Kim Plache (WHEDA), John Henderson (NAI/MLG Commercial) and Kirk Magill (Magill Construction). Attorney Mitch Simon appeared at 5:30 p.m. and participated in a portion of the Closed Executive Session.

2. Authorization to Approve Agenda, per Whitewater Transparency Enhancement Ordinance No 1804A

It was moved by Henry, seconded by Singer to approve the agenda as posted per Whitewater Transparency Enhancement Ordinance Number 1804A. Ayes: Singer, Henry, Kachel, Knight, Miller, Stewart. Noes: None. Absent: Allen. Motion approved.

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.*

There were no citizen comments.

4. Approval of the October 24, 2011 Minutes

It was moved by Stewart, seconded by Knight to approve the October 24, 2011 minutes as presented. Ayes: Singer, Henry, Kachel, Knight, Miller, Stewart. Noes: None. Absent: Allen. Motion approved.

5. Review and Approval of October and November 2011 Financials

City Finance Director Doug Saubert was present to review the balance sheets for the various CDA funds as well as the investment schedules of the various CDA funds. After discussion, it was moved by Singer, seconded by Knight to approve the October and November 2011 financials as presented. Ayes: Singer, Henry, Kachel, Knight, Miller, Stewart. Noes: None. Absent: Allen. Approved.

6. WHEDA Presentation-Kim Plache, Regional Representative

Kim Plache, Regional Representative for the Wisconsin Housing and Economic Development Agency (WHEDA) made a presentation to the Board regarding an overview of WHEDA guaranteed programs. The eight programs that WHEDA offers are the following: Small Business Guarantee; Contractor's Loan Guarantee; Neighborhood Business Revitalization Guarantee; Agribusiness Guarantee; New Market Tax Credits; Direct Lending-50% Participant; Crop Guarantee; and Farm Guarantee. She explained that the general purpose of these WHEDA programs is to stimulate economic development in all areas and industries throughout the State as well as to assist in the creation and retention of jobs and to reduce overall risk and exposure to local lenders.

After Plache's presentation a number of questions were asked of her by committee members. In particular, Kachel asked for information on WHEDA's default ratio, total loan portfolio amount and loss to loan ratios. Plache will be providing that information to the CDA in the future.

Also, there was discussion regarding CDA's participation as a WHEDA local lender. Brunner noted that the Board, at its October meeting, had passed a policy indicating that it would participate in the WHEDA program. Plache stated that she would assist in setting up this loan guarantee relationship between the Whitewater CDA and WHEDA in the near future.

7. Review/Approval of 2012 Memorandum of Understanding with the Walworth County Economic Development Alliance (WCEDA)

Brunner presented a proposed MOU between the CDA, City of Whitewater and the Walworth County Economic Development Alliance (WCEDA). It was moved by Singer, seconded by Knight to approve the proposed MOU with the following additions: 1) a provision be included under Part 2—"Consultation" that WCEDA will assist the City and the CDA on various business related advocacy initiatives such as the US Highway 12 EIS project; and 2) that WHEDA will also assist in the continued development of the Second Chance program with the Whitewater Unified School District. It was moved by Singer, seconded by Knight to approve the 2012 Memorandum of Understanding with WCEDA as amended at the meeting. Ayes: Singer, Henry, Kachel, Knight, Miller, Stewart. Noes: None. Absent: Allen. Approved.

8. Discussion/Possible Extension of Real Estate Listing Agreement for Whitewater Business Park with NAI/MLG Commercial

It was moved by Knight, seconded by Kachel to approve a six month extension to June 1, 2012 of the current Whitewater Business Park real estate listing agreement with NAI/MLG Commercial. Ayes: Singer, Henry, Kachel, Knight, Miller, Stewart. Noes: None. Absent: Allen. Approved.

9. Update on Housing Loan Program and Appointment of CDA Board Member to Housing Loan Committee

Brunner informed the Board that there are three (3) pending housing loan applications that the CDA's 3rd party loan administrators at MSA Associates have received. A meeting of the CDA Loan Committee has been scheduled for December 19th at 4:00 p.m. to review these loan applications.

Brunner also noted that a member of the CDA Board needs to be appointed to the Housing Loan Committee to replace Alan Marshall who left the CDA when his term expired last May.

It was moved by Singer, seconded by Knight to appoint Kachel to the CDA Housing Loan Committee. Ayes: Singer, Henry, Kachel, Knight, Miller, Stewart. Noes: None. Absent: Allen. Approved.

10. Report on Innovation Center/Whitewater University Technology Park

Brunner reported on activities at the Whitewater Innovation Center. He highlighted that the building and the general contractor, J.P. Cullen and Sons, were awarded a 2011 "Wisconsin Builds" award by the Wisconsin Association of General Contractors

at its annual awards ceremony in Madison on December 1st.

11. Convene to Closed Session

It was then moved by Knight, seconded by Henry to convene to closed session at 5:49 p.m. and reconvene at approximately 6:45 p.m. pursuant to Wisconsin State Statute 19.85 (1)(c) to “consider employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility” and Wisconsin State Statute 19.85(1)(e) to “deliberate or negotiate 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”. Ayes: Singer, Henry, Kachel, Knight, Miller, Stewart. Noes: None. Absent: Allen. Approved.

During the closed session, the following items were discussed: 1) Review Applications for CDA Director Position; 2) Review Business Development Loan Application for Black Sheep LLC; 3) Review Potential Business Loan Application for DR Plastics; 4) Review Status of Zingg Motors Business Development Loan, and 5) Discuss Potential Spec. Building in Whitewater Business Park.

12. Reconvene to Open Session

It was then moved by Henry, seconded by Kachel, to reconvene in open session at 6:45 p.m. Ayes: Singer, Henry, Kachel, Knight, Miller, Stewart. Noes: None. Absent: Allen. Approved.

13. Review/Approval of Black Sheep LLC Business Development Loan

It was moved by Knight, seconded by Singer to approve a business development loan of up to \$20,000 to Black Sheep LLC subject to the conditions established by the CDA consulting attorney and also subject to possible private financing which would possibly reduce the total loan amount. Ayes: Singer, Henry, Kachel, Knight, Miller, Stewart. Noes: None. Absent: Allen. Approved.

14. Review/Approval of DR Plastics Business Development Loan

Brunner indicated that he had not received the full loan application yet from DR Plastics. However, in the meeting, the President of DR Plastics, Russ Blakely, appeared and indicated that it had been hand delivered to the Finance Department earlier in the day. Brunner indicated that this being the case he would forward the application to the CDA attorney for review and that he would expedite a possible special meeting of the CDA later this month or in early January to review this loan application.

15. Review/Potential Action on Zingg Motors Business Development Loan.

There was discussion regarding the status of this business development loan. The CDA requested that Brunner work with Zingg Motors to possibly reduce the principal due and owing on the loan and to work out the details with Attorney Mitch Simon.

16. Update on CDA Director Search and Screen Process.

It was announced that the CDA would be setting interviews with five candidates in early January for the CDA Director position.

17. Adjourn

It was moved by Knight, seconded by Singer to adjourn the meeting. Meeting adjourned at 7:32 p.m.

Kevin Brunner, City Manager
Recording Secretary