



## **MINUTES**

**Monday, January 30, 2012**

**4:30 PM – CDA Board of Directors**

**2<sup>nd</sup> Floor, Cravath Lakefront Room**

**Whitewater Municipal Building**

**312 W. Whitewater Street**

**Whitewater, WI 53190**

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

The meeting was called to order by Vice President Jeff Knight at 4:30 p.m. Present: Donna Henry, Larry Kachel, Jeff Knight, Jim Allen and Jim Stewart. Absent: Patrick Singer and Tom Miller. Others present: Kevin Brunner, Doug Saubert, Robert Young, Dr. Richard Telfer, Nate Parish and David Stone.

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

It was moved by Stewart, seconded by Henry to approve the agenda as posted per Whitewater Transparency Enhancement Ordinance Number 1804A. Ayes: Henry, Kachel, Knight, Stewart and Allen. Noes: None. Absent: Miller and Singer. 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 December 12, 2011, January 12, 2012, January 17, 2012 and January 24, 2012 Minutes**

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

### **5. Review and Approval of December 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. Knight requested that Saubert prepare an explanation of the sources and uses of the various funds and limitations on the use of those funds for future review and consideration by the Board. After discussion, it was moved by Stewart, seconded by Kachel to approve the December 2011 financials as presented. Ayes: Henry, Kachel, Knight, Stewart and Allen. Noes: None. Absent: Miller and Singer.

### **6. Review/Acceptance of 2012 Whitewater Innovation Center Budget**

Brunner presented the approved 2012 Innovation Center budget as adopted by the Whitewater University Technology Park Board of Directors. It was moved by Stewart, seconded by Kachel to accept the 2012 Whitewater Innovation Center budget as presented. Approved.

### **7. Review/Approval of 2012 Memorandum of Understanding (MOU) with Whitewater University Technology Park Board and City of Whitewater for Operation of Whitewater Innovation Center and Whitewater University Technology Park**

Dr. Richard Telfer, President of the Whitewater University Technology Park Board, was

present along with Robert Young, Executive Director of the Whitewater University Technology Park, to discuss the proposed MOU that is being recommended to the CDA and City by the Tech Park Board of Directors. Because the MOU that was included in the CDA's packet was not the final version as adopted by the Tech Park Board, Telfer reviewed the following changes that had been made by the Tech Park Board at its January 12<sup>th</sup> meeting.

- 1) The term is twenty years, commencing on January 1, 2012 and ending on December 31, 2031.
- 2) Information technology services shall be the responsibility of the Tech Park Board to the extent allowed by State Statute and the Board will determine the level of tenant services to be provided.
- 3) The Board shall receive all income from leases as well as from any other payments for use of Whitewater Innovation Center space.
- 4) Regarding income, ten (10) percent of any Whitewater University Technology Park lot sale net proceeds shall be retained by the Board to offset park marketing costs.  
Note: These marketing costs are included in the annual budget presented to the CDA and City as required by the MOU.
- 5) The annual budget will be delivered to the City and CDA not later than October 15<sup>th</sup> rather than September 1<sup>st</sup> in order to better coincide with the City's annual budget review process.
- 6) Financial reports shall be provided quarterly, but such reports shall be subject to review and audit by an independent certified public accountant hired by the City.
- 7) Annual insurance costs shall be a credit against the City's annual contribution as defined in Section 501 of the agreement.
- 8) A sinking fund shall be established by the City to be used for major repairs, maintenance and expenses related to the Whitewater Innovation Center and the Whitewater University Technology Park.
- 9) All excess funds, after the annual payment in lieu of taxes payment required has been made from the Whitewater Innovation Center and Whitewater University Technology Park as determined by the Board, shall be paid to the CDA.
- 10) An exception clause has been included as part of Section 4, which allows that any exceptions to the above financial responsibilities shall be subject to mutual agreement between the parties.
- 11) The City's annual contribution shall be \$27,000 and this annual contribution shall be subject to an annual increase equal to the greater of three per cent or the US Bureau of Labor Statistics Consumer Price Index (CPI) – All Consumers, Midwest Region.

Telfer noted that all the other amendments were minor and were not substantive.

It was then moved by Stewart, seconded by Allen to accept the MOU as presented and amended by the Tech Park Board and to recommend approval to the City Council. During discussion Kachel asked why the 20 year term. Brunner responded that it was due to having the term better coincide with the bond repayment schedule for the Innovation Center. On this point Telfer noted that the agreement would be subject to amendment or termination by mutual agreement of the parties. Ayes: Henry, Kachel, Knight, Stewart, Allen. Noes: None. Absent: Miller and Singer.

## **8. Report on Analysis of Housing Supply in Whitewater by the UW-Whitewater Fiscal and Economic Research Center**

Brunner reported that Dr. Russ Kashian of the University of Wisconsin-Whitewater Fiscal and Economic Research Center has indicated that he has completed his report on the analysis of housing supply in Whitewater. Dr. Kashian will be sending copies of the report electronically to members of the Board in the next few days. Kashian has been scheduled for a presentation of the results of the study at the next meeting of the CDA Board which is scheduled for February 27<sup>th</sup>. Knight noted that members of the CDA Housing Sub Committee should be invited to attend this meeting.

**9. Review Economic Development Loan Fund Activity**

Brunner reported that The Black Sheep LLC loan was closed last week and he anticipates that the DR Plastics loan will be completed in the next several weeks as well. He also gave an update on the current Zingg Motor Company loan payoff request and indicated that he was hopeful that this loan closing could be scheduled in late February pending confirmation by Zingg Motor Company.

**10. Update on Business Park Marketing**

Brunner informed the Board that a breakfast meeting was held on January 25<sup>th</sup> at the Innovation Center to introduce Whitewater Business Park owners and managers to the planned multi-tenant spec building that was discussed at the December CDA meeting. NAI/MLG and Magill Construction are now starting to market this building.

Brunner also stated that he has worked with Mike Vandebosch of WCEDA on several business site selection requests. The availability of dark fiber optic broadband at the Business Park and University Technology Parks is becoming a key marketing point to sell Whitewater...other business parks in Jefferson and Walworth don't have the broadband capabilities that we have and this differentiates our parks in the market.

**11. Update on Milwaukee Street Reconstruction Project/Proposed City Truck Routes**

Brunner gave a report on the Milwaukee Street Reconstruction project. He indicated that there have been several neighborhood meetings held with business and property owners along Milwaukee Street to inform them about the design and construction schedule. The construction is scheduled to begin in spring with an approximate five to six month construction completion. He also indicated that there would be another meeting to discuss Milwaukee Street parking design before the next City Council meeting on February 7<sup>th</sup>, beginning at 5:15 p.m.

Allen also requested that the proposed city truck route ordinance that is scheduled to come before the City Council in the near future be discussed as well. Brunner distributed a copy of the truck routes as proposed by the Department of Public Works that will be discussed at the February 7<sup>th</sup> Common Council Meeting.

Knight indicated that he was concerned that proposed truck routing had not been adequately communicated with local businesses, particularly those in the Whitewater Business Park. Brunner indicated that he would have Public Works Director Fischer send copies of the letters as well as other materials that have been shared with business owners and managers over the last several months. Henry indicated that she was very concerned about the elimination of truck traffic on Janesville Street. She indicated that she lives on this street and believes that many businesses in the business park use this route. Allen indicated that he was concerned about truck deliveries to businesses in the City. Brunner indicated that this would not affect those businesses that need to receive truck deliveries as there would be an exemption for trucks on their way to delivering products to local businesses.

Henry indicated that the City should do more research and investigation into this proposal, particularly the fiscal impact on business park firms.

After discussion it was moved by Henry, seconded by Kachel to make the following recommendation to the City Council; that the Council should do more research and investigation on potential truck routes through the City, particularly by determining fiscal impact on Whitewater Business Park firms, before action is taken on eliminating Janesville Street as a designated truck route. Ayes: Henry, Kachel, Knight, Stewart, Allen. Noes: None. Absent: Miller and Singer.

#### **12. Review Status of CDA Director Recruitment and Selection Process**

Knight briefly reviewed the current status of the CDA Director recruitment and selection process and indicated that it was the consensus of the Board that the current recruitment process be terminated and that the CDA consider a new direction regarding this process. It was moved Allen, seconded by Kachel to terminate the current recruitment process and schedule a special meeting on February 15<sup>th</sup> to discuss future direction for the CDA Director position. Ayes: Henry, Kachel, Knight, Stewart, Allen. Noes: None. Absent: Miller and Singer.

#### **13. Other Matters**

Knight requested that at a future meeting of the CDA Board that a discussion on non profit owned properties in the City take place with an emphasis on recent League of Municipalities' opinions regarding such properties. Also, Henry requested that occasional closed sessions be scheduled to update the CDA Board on various development projects that might be proposed in the community.

#### **14. Adjourn**

It was moved by Stewart, seconded by Allen to adjourn the meeting. Meeting adjourned at 6:12 p.m.

**Kevin Brunner, City Manager**  
**Recording Secretary**