WHITEWATER COMMUNITY DEVELOPMENT AUTHORITY

2025 ANNUAL REPORT

City of WHITEWATER
Community Development Authority

Prepared June 2026

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Letter from the Executive Director

2025 was a year of meaningful transition and forward momentum for the City of Whitewater's community and economic development efforts.

The year began under Economic Development Director Taylor Zeinert, whose work helped advance several key initiatives and positioned the City for continued growth. In April, Taylor departed to pursue a new professional opportunity in another Wisconsin community. We are grateful for her contributions and the foundation she helped establish.

Following her departure, the City was fortunate to have Emily McFarland, former Mayor of Watertown, step into an interim leadership role through mid-August. Emily provided steady guidance during a critical period, ensuring continuity across ongoing projects and maintaining forward progress on several strategic initiatives.

I joined the City of Whitewater on August 20, 2025, as Economic Development Director and Executive Director of the Community Development Authority. Since that time, my focus has been on building upon the strong groundwork already in place while identifying opportunities to align our efforts more strategically with the City's long-term goals.

One of the most significant developments in 2025 was the restructuring of the City's Neighborhood Services and the Office of Economic Development into a revamped Community Development Department. This included reclassifying the previous Zoning Admin Assistant into a new Zoning Specialist position and hiring an Economic Development Coordinator. This organizational change reflects a deliberate shift toward a more coordinated, efficient, and outcomes-driven approach to development. By bringing community and economic development, permitting, code enforcement, and related functions under one umbrella, the City is better positioned to address complex challenges, particularly those related to housing availability, redevelopment opportunities, and attracting targeted job growth in manufacturing and related sectors.

Throughout the year, the Community Development Authority continued to play a central role in advancing key priorities. Notably, the realignment of the Affordable Housing Fund and the launch of the Home Renewal Program marked important steps toward increasing housing supply, improving existing housing stock, and supporting long-term owner-occupancy. We look forward to this new tool making a significant impact in 2026 and beyond.

In addition, the strategic use of Tax Increment Financing (TIF) remains a cornerstone of our approach. The CDA has maintained a disciplined focus on leveraging TIF to support high-impact projects while adhering to fiscally responsible practices that protect taxpayers and ensure long-term sustainability.

Further, through a partnership with the Whitewater Area Chamber of Commerce, we were able to re-launch our Business Retention and Expansion (BRE) Program. We were able to make several visits before the end of 2025 and are looking forward to many more in 2026. The current focus of these BRE visits is targeted towards manufacturing, healthcare, and financial institutions. The visits so far have already provided valuable information we have been able to act on, to assist these businesses and continue enabling their success.

While 2025 brought change, it also reinforced the strength of Whitewater's partnerships: with developers, local businesses, regional organizations, and our residents. These relationships are essential to achieving our shared vision for a vibrant, growing, and resilient community.

As we look ahead to 2026, our priorities are clear: expand housing opportunities, support business growth, advance redevelopment sites, and continue delivering measurable economic outcomes. We will also continue working on "Whitewater Forward", the City's update to the 2017 Comprehensive Plan. With a unified department structure and a strong policy framework in place, Whitewater is well positioned to build on this momentum.

I would like to thank the members of the Community Development Authority, Common Council, City staff, and our community partners for their continued leadership and collaboration.

Sincerely,

Mason J. Becker

Mason Becker
Executive Director
Community Development Authority

2025 At-a-Glance

New Housing Units Permitted: 47 single-family (including duplexes), 64 multifamily rental units, 11 mobile homes

Down Payment Assistance Recipients: Five loans awarded in 2025, for a total of $125,000

Total TID Increment Generated: $374,366

Business Loans:

- **Edgerton Hospital & Health Services – $140,000:** A zero-interest, forgivable Action Fund loan supported the purchase of digital X-ray equipment for the new Whitewater Urgent Care Center, which opened at 757 E. Milwaukee Street in September 2025. The loan forgives at a rate of 10% annually over 10 years, contingent on the Urgent Care Center remaining operational in Whitewater.
- **SafePro Technologies – $100,000:** An Action Fund loan helped SafePro Technologies, a Whitewater-based startup developing the Soteria System — a laser-guided emergency evacuation and threat-response system for schools, hospitals, arenas, and other large facilities — move from product development into production.

Active TIDs: 5 (#10, 11, 12, 13, & 14)

TID Increment Generated (2025)

TID 10: $110,160

TID 11: $45,387

TID 12: $31,694

TID 13: $28,991

TID 14: $158,134

TID Fund Balances as of 12-31-25

TID 10: $126,222

TID 11: $25,086

TID 12: $30,130

TID 13: $-6,872

TID 14: $-161,966

Financial Summary

CDA Budget Overview

The CDA's finances are recorded in two City funds: the Economic Development Fund (Fund 900), which supports CDA staffing and day-to-day administration, and the CDA Programs Fund (Fund 910), which holds the CDA's loan portfolios, real estate holdings, and TIF-related program activity. Summary figures below reflect unaudited, year-end financial reports for the period ending December 31, 2025.

Economic Development Fund (Fund 900)

- **Total Revenue:** $180,700.00 actual, or 96.8% of the $186,617.61 budgeted amount
- **Total Expenditures:** $198,666.10 actual, or 106.5% of the $186,617.61 budgeted amount
- **Net Revenue Over Expenditures:** ($17,966.10)
- **Year-End Fund Balance:** ($145.36), down from $17,820.74 at the start of 2025
- **Year-End Cash Balance:** $13,125.17

CDA Programs Fund (Fund 910)

- **Total Revenue:** $137,007.40, driven largely by loan interest, loan payoffs, and rental income from CDA-owned land
- **Total Expenditures:** $224,615.27, driven largely by property expenses, legal/professional costs, and business development grants funded from fund balance and reserves
- **Net Revenue Over Expenditures:** ($87,607.87)
- **Year-End Fund Balance:** $6,772,025.96, down from $6,859,633.83 at the start of 2025
- **Year-End Total Assets:** $8,484,580.25
- **Year-End Total Liabilities:** $1,712,554.29

Fund 910's variance from its nominal $10,000 budget reflects the transactional nature of the CDA's loan and real estate portfolio — including loan payoffs, interest earnings, and property-related expenditures — rather than a departure from adopted spending plans. As of December 31, 2025, the CDA's outstanding loan portfolio included approximately $445,184.13 in ACTION Fund business loans, $144,500.00 in Capital Catalyst loans, $31,520.86 in Façade loans, $247,943.91 in

CDBG Housing loans, and $225,000.00 in Affordable Housing (Down Payment Assistance) loans.

Full 2025 year end financials are provided at the end of this report.

Major Projects & Initiatives

Housing Development & Stabilization

Slater – Moraine Reserve Apartments: Slate Real Estate, Inc. is developing Moraine Reserve Apartments, a 128-unit market-rate apartment community located near the intersection of Moraine View Parkway and Jakes Way. The approximately $31.9 million project is supported by a pay-as-you-go Tax Increment Financing incentive of roughly $5.1 million through TID No. 11, under a development agreement recommended by the CDA and approved by the Common Council. Construction began in fall 2025. Construction will continue throughout 2026 with full project completion expected in 2027.

Teronomy – Water's Edge South: Teronomy Builders continued development of Water's Edge South, a planned residential community of up to 234 residences comprising single-family homes, duplexes, and four-unit condominium buildings. The development builds on the existing Water's Edge neighborhood and adds to the variety of ownership housing options available in Whitewater. In 2025, Teronomy pulled building permits for 8 duplex units, which will add a total of 16 additional homes in the neighborhood.

US Shelter – Meadowview Ct: U.S. Shelter Homes continued to build out the Residences at Meadowview, a residential development offering ranch and two-story duplex homes along Meadowview Court. Homes range from approximately 1,325 to 1,511 square feet, providing an attainable home ownership option near Whitewater's trail network, downtown, and the UW-Whitewater campus.

Economic Development Projects

Lavelle: Lavelle Industries, a Burlington, WI based manufacturer of rubber and plastic products including its Korky-branded plumbing lines, moved forward with a 49,855-square-foot warehouse and dock expansion at its Universal Boulevard facility. The project, expected to be completed in 2026, is intended to improve distribution capacity and strengthen the company's supply chain operations.

Faith Tanis Properties: The City and Tanis Properties, LLC completed a property swap exchanging a City-owned parcel for adjoining land owned by Tanis, enabling Tanis to move forward with plans to construct business condominiums in Whitewater. The agreement requires construction to begin within five years and supports continued private investment in commercial space within the community. The first two units were constructed in 2025.

Downtown & Redevelopment

WindUp Program: In 2025, the CDA launched the inaugural Whitewater WindUp business pitch competition, inviting entrepreneurs to compete for startup funding to open new businesses in downtown Whitewater. Eight finalists presented to a seven-member judging panel in May. Barista Cat Cafe, a concept combining a coffee shop with a cat adoption center, was awarded first place and $71,153.92 in funding; Stellar Vintage, a vintage and sustainable clothing retailer, placed second and received $33,302.83. Both awards require recipients to obtain additional renovation quotes prior to using the funds. The two businesses presented a recap on their business growth and current status to the CDA board in late 2025.

Downtown Improvements & Redevelopment Sites: The CDA continued to advance other downtown redevelopment priorities in 2025, including planning for CDA-owned properties along Jefferson Street, evaluation of the former Bower's House site for future reuse, and continued use of CDA façade and business loan programs to support building improvements throughout the downtown district.

Housing & Community Development Programs

Home Renewal Program: The CDA introduced the Home Renewal Program in 2025 as part of a broader realignment of the City's Affordable Housing Fund. The program is funded with $1.2 million carried over from the TID Affordable Housing Extension and provides 0% interest, deferred-payment loans of up to $60,000 (up to $90,000 for homes with more significant needs) to owner-occupants for major home repairs and rehabilitation, with repayment due only upon sale or conversion to rental use. Assisted properties are subject to a 10-year deed restriction prohibiting conversion to rental use. The CDA Board reviewed and approved the program at its November 20, 2025 meeting, and the Common Council took up the program for discussion and formal action at its December 16, 2025 meeting, completing the local approval process ahead of program implementation in 2026.

Whitewater University Innovation Center

The Whitewater University Innovation Center continued to serve as a cornerstone of the City's business incubation and economic development efforts in 2025. Dedicated in 2011, the 35,000-square-foot, LEED Silver–certified facility was developed with a $4.7 million grant from the U.S. Department of Commerce Economic Development Administration (EDA), together with investment from the CDA, revenue bonding, and in-kind support from the City of Whitewater and UW-Whitewater. The Center has grown from three original tenants to a diverse roster of more than 25 companies and has previously been recognized nationally, including as a Mixed-Use Impact Award winner from the International Business Innovation Association (InBIA).

Tenant retention remained strong throughout 2025, with the Center continuing to operate near full occupancy. Current and recent tenants span a range of industries, including education (CESA 2), smart building technology (Scanalytics), sensor and data-logging manufacturing (iButton Link), emergency safety systems (SafePro Technologies), marine construction (Summerset Marine Construction), mental health services (Pauquette Center), and professional services including law and design firms. This tenant diversity reflects the Center's continued role as a launching pad for both early-stage startups and more established regional businesses.

A notable development in late 2025 was the signing of a new lease with Iron Forge Development, a software commercialization firm that helps businesses take products from concept through platform scaling. Iron Forge's move into the Innovation Center adds another technology-sector tenant to the building and reflects continued demand for flexible office and incubator space in Whitewater, particularly among firms with ties to the University.

The Center's partnership with UW-Whitewater remained central to its operations in 2025. Through the University's Incubation Program, UW-Whitewater continues to provide mentorship, technical resources, and programming support to Center tenants, drawing on faculty, staff, and student expertise. This ongoing collaboration supports the Center's broader mission of aligning university research and educational capacity with the City's economic development goals, including regional job creation and the retention of University alumni and talent in the Whitewater area.

TID Performance Overview

The 2025-for-2024 annual reports for the City's five active Tax Incremental Districts (TIDs), which were prepared by the city's TIF advisors (Ehlers), have been submitted per state statute and reviewed by the Joint Review Board (JRB), which met on December 3, 2025. This memo summarizes the key findings: status, cash flow, and projected closure dates.

Summary of Each TID

TID 10

- Created August 3, 2021 as a mixed-use district located within the northeast of the city.
- As of Jan 1, 2025: increment value of $15,370,900.
- 2024 year-end fund balance: $138,500.
- Based on current cash flow projections, closure is projected in 2036 (expenditure period end), although final year could be 2042 per statutory maximum.
- The cash flow schedule shows that the district is currently cash-flowing. For example, revenues significantly exceed expenditures in recent years and the fund balance is positive.

Conclusion: TID 10 is healthy with positive cash flow, growing increment value, and a mid-2030s projected close.

TID 11

- Also created August 3, 2021 as a mixed-use TID located within the southeast area of the city.
- As of Jan 1, 2025: increment value $4,726,900, with 2024 year-end fund balance $15,344.
- Projected closure (based on cash flow) is 2040, two years ahead of the 2042 statutory closure date.
- The cash flow projection indicates the district is generating some positive increments, with revenues exceeding administrative and project expenditures overall. Ending fund balance is small but positive.

Conclusion: TID 11 is modest in size but remains active and cash-flowing. There is a large amount of land available in this district that could support future development opportunities.

TID 12

- Created August 3, 2021 as a rehabilitation district, located in the city's downtown.
- As of Jan 1, 2025: increment value $19,007,800. 2024 year-end fund balance is $39,786.
- Projected closure (based on cash flow) is 2032, well ahead of the statutory closure date of 2049.
- The TID is currently cash-flowing: although there were property value adjustments due to demolitions and transfer to public ownership, the net impact has stabilized — 2024 shows positive values, and the fund balance remains positive.

Conclusion: TID 12 is performing adequately, with a relatively healthy increment base and a projected closure within the next decade.

TID 13

- Created August 3, 2021 as a mixed-use district in the southwest of the city.
- As of Jan 1, 2025: increment value $5,051,900. The 2024 year-end fund balance is slightly negative (– $813).
- Projected closure is 2042, the final year of increment collection.
- The negative fund balance signals a cash-flow shortfall — for 2024, expenditures appear to have outpaced revenue.
- This TID is not officially "distressed," but the negative ending fund balance is a slight concern.

Conclusion: TID 13 is the only district currently showing a negative fund balance. While not formally labeled distressed, the negative balance warrants monitoring. It should be noted that this TID includes over 330 acres of currently undeveloped ag land, allowing for ample future development opportunities which would help address the TID's cash flow.

TID 14

- Created August 3, 2021 as a mixed-use district in the city's northwest side.
- As of Jan 1, 2025: increment value $30,724,200. 2024 year-end fund balance is $230,926.
- Based on current cash-flow projections, projected closure is 2039, three years ahead of the statutory closure in 2042.
- The district is cash-flowing: the 2024 balance is positive, reflecting increment revenues exceeding expenditures, and projections show continued viability.
- It was noted in the JRB meeting that the Hale Farm project will likely require an amendment to this TID.

Conclusion: TID 14 is the largest of the five (by increment value) and appears stable, with healthy cash flow and a projected close date at the end of the 2030s.

Key Take-Aways & Council Observations

- Cash flow status: Four of the five TIDs (10, 11, 12, 14) are clearly cash-flowing, with positive fund balances and stable increment revenue. TID 13 is currently showing a negative fund balance, but there is ample opportunity for growth in this TID.
- Projected early closure: Based solely on current cash flow, four of the districts are currently projected to close ahead of their statutory maximum lifespans. This could allow the city to retire TID-related obligations sooner and return increment to the taxing jurisdictions earlier than planned.
- Overall health: The TID portfolio remains healthy. The aggregate increment across districts appears strong (with particularly robust performance in TID 14), and the majority of districts continue to deliver on expected cash flow.

Tax Increment Financing (TIF) remains a critically important tool for economic growth for municipalities in Wisconsin. Responsible use of TIF can help ensure that the City of Whitewater remains competitive in attracting and facilitating new development and redevelopment across residential, commercial, and industrial sectors.

Partnerships & Collaboration

ThriveED — ThriveED (Thrive Economic Development) is a regional economic development organization serving Jefferson County, including the City of Whitewater. The CDA continues to coordinate with ThriveED on shared regional priorities, including business attraction, workforce development, and housing growth initiatives that benefit the community.

WCEDA (Walworth County Economic Development Alliance) — WCEDA works with public and private partners across Walworth County — including Whitewater, Lake Geneva, Elkhorn, and Delavan — to support job creation and private investment through site selection assistance, workforce development, and access to capital. The CDA partners with WCEDA on countywide business recruitment and expansion efforts that complement the City's own development initiatives.

Wisconsin Economic Development Corporation (WEDC) — WEDC is the State of Wisconsin's lead economic development organization, providing grants, loans, tax credits, and technical assistance to support business expansion, workforce development, and community development across the state. The CDA works with WEDC on funding and incentive programs that support local business growth and development projects in Whitewater.

University of Wisconsin–Whitewater — UW-Whitewater remains a key partner in the City's economic and community development efforts, including through the Whitewater University Innovation Center and Whitewater University Technology Park, which support local startups and applied research, as well as broader collaboration on workforce development and student/community engagement initiatives.

Looking Ahead to 2026

As Whitewater continues to build on recent economic development successes, the Community Development Authority will focus on expanding housing opportunities, advancing strategic development sites, strengthening neighborhood investment, and accelerating downtown revitalization efforts.

Expanding Housing Production

Increasing the supply of quality housing remains a top priority. The CDA will work to identify and match the right development partners with the right sites, focusing on infill housing opportunities within existing neighborhoods while also preparing future subdivision sites for long-term residential growth. By supporting a diverse range of housing types and strategic development partnerships, the CDA aims to address community housing needs while strengthening the City's tax base and workforce attraction efforts. This will help ensure young talent and young families have more opportunity to remain here long term and build equity, while also enabling seniors to “age in place” in the city they call home.

Advancing the Home Renewal Program

The Home Renewal Program will move from policy development into full deployment in 2026. Efforts will focus on marketing the program to eligible homeowners, coordinating outreach with the Greater Whitewater Committee and Habitat for Humanity of Walworth County, and helping owner-occupants address major rehabilitation needs that improve housing quality, neighborhood stability, and long-term owner occupancy. The program represents a significant investment of $1.2 million in preserving and strengthening Whitewater's existing housing stock.

Strategic Development and Site Readiness

The CDA will continue advancing key development and redevelopment sites throughout the community. Particular emphasis will be placed on preparing strategic properties for future investment opportunities and pursuing tools that enhance Whitewater's competitiveness for private development. This includes exploring opportunities to reapply for federal Opportunity Zone designation through the Opportunity Zones 2.0 program, positioning Whitewater to attract additional investment capital and redevelopment activity. Key utilization of TIF will also be a critical tool for continued growth.

Revitalizing Downtown Whitewater

Downtown revitalization will remain a central focus of the CDA's work program. Existing CDA loan programs will continue to support building improvements, business growth, and redevelopment efforts throughout the downtown district. The CDA will also work to activate dormant and underutilized properties, while advancing redevelopment opportunity of the CDA-owned properties on Jefferson

Street through ongoing collaboration with Eminent Development Corporation (selected as the project developer in June 2026). These efforts are intended to increase property values, attract private investment, strengthen the downtown business environment, and enhance Whitewater's role as a regional destination.

Together, these initiatives position Whitewater for continued growth by expanding housing opportunities, supporting neighborhood reinvestment, attracting private development, and strengthening the vitality of the community's downtown and commercial corridors.

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