



Community Development Authority Board of Directors Meeting (In-Person & Virtual)

Whitewater Municipal Building Community Room,
312 West Whitewater St., Whitewater, WI 53190
*In Person and Virtual

Thursday, September 19, 2024 - 5:30 PM

MINUTES

CALL TO ORDER. Chair Greg Majkrzak called the meeting order at 5:30 p.m.

ROLL CALL: Present: Christ Christon, Neil Hicks, Jeff Knight, Jon Kachel, Greg Majkrzak, Thayer Coburn. Absent: Joe Kromholz. Staff Present: Taylor Zeinert (Executive Director), Rachele Blich (Finance Director), Bonnie Miller (CDA Administrative Assistant).

DECLARATION OF CONFLICT OF INTEREST. None declared.

APPROVAL OF AGENDA: Moved by Board Member Coburn to approve the Agenda; seconded by Board Member Hicks. Roll Call Vote: AYES: Majkrzak, Hicks, Christon, Coburn, Knight, Kachel. NOES: None. ABSENT: Kromholz.

HEARING OF CITIZEN COMMENTS: None.

APPROVE MINUTES: Moved by Board Member Hicks to approve the Minutes of the August 15, 2024 CDA Meeting; seconded by Board Member Kachel. Motion passed by roll call vote. AYES: Knight, Hicks, Coburn, Kachel, Christon, Majkrzak. NOES: None. ABSENT: Kromholz. .

KNOWLEDGE CDA FINANCIAL STATEMENTS: So acknowledged by Chair Majkrzak.

ACTION ITEMS

- Discussion and possible action regarding outstanding loan to Fine Food Arts LLC d/b/a The Black Sheep.** EDD Zeinert provided a summary of the background and prior events with regard to this loan. After evaluation and discussion of collateral by the Board, it was moved by Knight to approve the Assignment and Assumption Agreement; second by Hicks. Motion passed by roll call vote. AYES: Kachel, Knight, Hicks, Christon, Majkrzak, Coburn. NOES: None. ABSENT: Kromholz.

Moved by Knight to direct Staff to ask the attorney to investigate the pursuit of legal action against Jay Stinson and report back to the Board; seconded by Kachel. Motion passed by roll call vote: AYES: Kachel, Knight, Hicks, Christon, Majkrzak, Coburn. NOES: None. ABSENT: Kromholz.
- Discussion and possible action regarding status of Inventalator (f/k/a Ideawake) Capital Catalyist Loan:** Finance Director Blich provided a detailed summary of the history of the loan, amount of payments received to date, if any, and previous actions taken by Staff to collect the debt. Director Blich stated that it appears that the business is still active. It was noted that the business is a tech company (Idea Management Software). Following discussion among the body,

Board Member Hicks moved to direct CDA legal counsel to pursue collection of the loan; seconded by Board Member Kachel. Motion passed by roll call vote. AYES: Majkrzak, Hicks, Christon, Coburn, Knight, Kachel. NOES: None. ABSENT: Kromholz.

5. **Staff Update regarding Memorandum of Understanding (MOU) between CDA and City Water Utility.** Finance Director Blich provided a summary of the development of the MOU between the CDA and the City Water Utility regarding funds held by the CDA that were used by the Water Utility to partially fund the water tower project. Director Blich clarified that the source of the funds that were the subject of the MOU originated from a grant received by the City from the State. As a result, the City was under no obligation to return the funds to the CDA.
6. **Appointment to Tech Park Advisory Board.** EDD Zeinert requested that a Board Member be appointed to serve as the CDA Representative on the Tech Park Advisory Board as required by the Memorandum of Understanding. This Advisory Board will meet at the Innovation Center on the 2nd Tuesday of each quarter at 8:30 a.m. A virtual option via ZOOM will be available. Staff requested one Board Member to serve as the CDA representative on the newly-formed Tech Park Advisory Board. Board Member Coburn expressed an interest in serving in that capacity. Chair Majkrzak nominated Board Member Coburn to serve as the CDA representative to the Tech Park Advisory Board; seconded by Board Member Hicks. Motion passed by roll call vote. AYES: Kachel, Knight, Hicks, Christon, Majkrzak, Coburn. NOES: None. ABSENT: Joe Kromholtz.
7. **Discussion and possible action regarding approval of Subordination Agreement between th\$50,000 loan from the CDA to Shabani Investments, LLC, which loan would be in third position behind two loans with First Citizens State Bank (FCSB).** FCSB notified Staff that Shabani Investments, LLC was consolidating the two FCSB loans into one loan and requested that CDA enter into a Subordination Agreement listing the CDA in first position behind one consolidated FCSB loan. The result would be no actual change in the position of the CDA. It was moved by Coburn to approve the execution of the Subordination Agreement; seconded by Kachel. The Motion passed by roll call vote. AYES: Kachel, Hicks, Christon, Majkrzak, Knight, Coburn. NOES: None. ABSENT: Kromholz.
8. **Staff Update regarding sunk costs related to 108 W. Main Street Building.** EDD Zeinert provided an update with regard to the costs expended to date regarding the 108 W. Main Street Building, including purchase of the property at approximately \$90,000.
9. **Discussion and possible action regarding repair of the basement foundation wall at 108 West Main Street.** EDD Zeinert summarized the estimates that came in for the repair of the basement wall structure. The estimate from Acculevel came in at approximately \$58,000; the proposal from RR Walton & Company came in at \$30-35,000. Badger Basements did a preliminary inspection of the basement, however, they indicated that they may not want to do this job. The estimate for the roof from Badger Roofing at approximately \$19,000. Following discussion by the Board, the consensus of the Board was not to sink any more money into the building. Board Member Coburn moved to demolish the building; seconded by Board Member Kachel. Motion passed on roll call vote. AYES: Kachel, Christon, Hicks, Majkrzak, Coburn, Knight. NOES: None. ABSENT: Kromholz.

10. **Discussion and possible action regarding demolition of 126 North Jefferson Street Property.** EDD Zeinert summarized the status of the building and called attention to the pictures of the building. EDD Zeinert asked for a motion to approve the Request for Proposal regarding demolishing the building. After further discussion, Coburn moved to approve the RFP to demolish the 126 North Jefferson Street structure; seconded by Kachel. Motion passed by roll call vote. AYES: Christon, Knight, Kachel, Majkrzak, Coburn, Hicks.
11. **Discussion and possible action regarding continuation of Whitewater WindUp event in the future.** EDD Zeinert presented a proposed timeline for putting together another Whitewater WindUp business competition. The timeline for planning the project would be over a period of six months and would not include the participation from ENACTUS in the next WindUp. After further discussion, Chair Majkrzak moved to direct staff to move forward with organizing a WindUp 2025 and to bring back a proposal for review at a future meeting for and approval by the Board; seconded by Christon. Motion passed by roll call vote: AYES: Coburn, Hicks, Christon, Kachel, Majkrzak. Knight. None. ABSENT: Kromholz.

CONSIDERATIONS / DISCUSSIONS / REPORTS

12. **Economic Development Director Report.** EDD Zeinert presented a summary of current economic development activities, including the multi-family development on Moraine View Parkway, Neumann Developments construction of the road at Park Crest, Phase IV, the Food Truck Fest held last weekend with an estimated attendance of 3,000 people. On October 3, 2024, the CDA will conduct a Home Buyer 101 Workshop at the CEC, including a presentation by Roxanne Witte who will cover the Jefferson County assistance available to homebuyers. On November 1, 2024, the CDA will host a Developer Meet and Greet, including landowners, realtors, bankers and developers, including a coach bus tour of the available parcels of land in the City suitable for development.
13. **Presentation by Fire Department regarding development of a fire training facility.** Assistant Fire Chief Dion presented a conceptual plan for a fire training facility and how it will provide for robust training activity for our firefighters. This facility would also aid in requirement and retention of firefighters. Assistant Chief Dion is requesting the donation of a vacant located in the Industrial Park at the corner of Innovation Drive and Technology Way on which the training facility would be built. The Whitewater Community Foundation is holding donated funds in trust designated for use strictly by the fire department, including construction of a training facility to be named the Chief C.G. Hickey Training Facility. Assistant Chief Dion went on the described how the facility would be used and what type of material would be burned.

[Noted that Board Member Coburn left the meeting at approximately 6:55 p.m.]

Following the presentation, it was moved by Chair Majkrzak and seconded by Board Member Hicks to move Item 14 into Open Session. Motion passed by roll call vote. AYES: Majkrzak, Hicks, Christon, Knight, Kachel. NOES: None. ABSENT: Kromholz, Coburn.
14. **Discussion and possible action regarding Development Agreement for construction of a fire training facility to be located on vacant parcel of land owned by the City on**

Innovation Drive (Parcel No. /A455500001). EDD Zeinert stated that under the Development Agreement, the Fire Department would be required to hold two events per year at the Innovation Center (*i.e.*, regular meeting, internal training, etc.). Following brief discussion, it was moved by Chair Majkrzak to approve the Development Agreement and Offer to Purchase between the City of Whitewater and the Whitewater Fire Department for referral to the Common Council for consideration; seconded by Board Member Hicks. Motion passed by roll call vote. AYES: Knight, Hicks, Kachel, Christon, Majkrzak. NOES: None. ABSENT: Kromholz, Coburn.

EXECUTIVE SESSION

Moved by Board Member Hicks and seconded by Board Member Kachel to adjourn to Closed Session, TO RECONVENE, pursuant to Wisconsin 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. Item to be discussed: Discussion and possible action regarding Offer to Purchase vacant parcel of land located on Starin Road (Tax Parcel No. /WUP 00018D). Motion passed by roll call vote: AYES: Hicks, Christon, Kachel, Knight, Majkrzak; NOES: None. ABSENT: Kromholz, Coburn.

RECONVENE INTO OPEN SESSION

16. **Reconvene to Open Session for possible action on Closed Session item(s).** No action taken

FUTURE AGENDA ITEMS

17. Staff Report - How to do a TIF Calculation
18. Cost of Amending a TIF District
19. Update to Rules of Procedure Handbook.
20. Updates to Revolving Loan Program.
21. Updates to Facade Loan Program.

VIDEO PRESENTATION

22. **Open Meetings Law Compliance Training:** Open Meetings Law Compliance Training video was viewed in person by all Board Members present.

ADJOURNMENT: Moved by Kachel and seconded by Chair Majkrzak to adjourn the meeting. Motion passed by unanimous voice vote. Chair Majkrzak adjourned the meeting at 8:04 p.m.

Respectfully submitted,

Bonnie Miller, Recorder

Minutes approved at the _____ CDA Board Meeting.