



Council Agenda Item

Meeting Date: April 20, 2026

Agenda Item: Resolution to approve borrowing from Stormwater Utility

Staff Contact (name, email, phone): Mason Becker, mbecker@whitewater-wi.gov

BACKGROUND

(Enter the who, what when, where, why)

The attached resolution is necessary to approve the proposed internal borrowing from the city's stormwater utility. The city's Finance Director has prepared a spreadsheet showing different interest rate terms and considerations, which will be reviewed during this meeting.

The spreadsheet prepared by the Finance Director compares the interest rates in the original request, with scenarios that would increase the amount returned to the utility and the interest rate charged to the developer. Information on the current money market rate of return at 3.50% is also included.

Staff is not making a recommendation on what interest rate to choose. This is a council policy decision. For comparisons, the most recent loans given out by the Whitewater CDA for the Façade Loan Program and Capital Catalyst Loan Program were at a 4.00% interest rate.

If the council approves the Development Agreement with Stonehaven Development, the proposed borrowing resolution will need approval to facilitate the proposed Revolving Loan Fund component of the agreement.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

- The Development Agreement is up for approval at this same meeting

FINANCIAL IMPACT

(If none, state N/A)

- The Finance Department and Ehlers have both reviewed this proposed borrowing and have not expressed concerns with moving forward, given the terms outlined in the Development Agreement
- The addition of much needed single-family owner-occupied housing will represent significant improvement to these currently undeveloped properties, two of which that are currently tax-exempt

STAFF RECOMMENDATION

- City staff recommends approval of the drafted resolution

ATTACHMENT(S) INCLUDED

(If none, state N/A)

- Draft of Borrowing Resolution
- Draft of Promissory Note