



Whitewater CDA –Board of Directors

Thursday August 15, 2013

Immediately following Seed Accelerator Fund Finance and Investment Committee meetings which will begin at 4:30 PM on August 15, 2013

Room 105

Innovation Center

1221 Innovation Drive

Whitewater, WI 53190

AMENDED

1. Call to order and roll call.
2. **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.*
3. **Action on Request to Waive 72 Hour meeting notice as required by Chapter 2.62.060 of the Whitewater Municipal Code.**
4. **Approval of agenda**
5. **Approval of Minutes**
 - a. **June 27, 2013**
 - b. **July 5, 2013**
6. **Acceptance of Financial Statements**
 - a. **June, 2013**
7. **Adjourn into closed session per Wisconsin State Statutes 19.85(1)(e) "Deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business , whenever competitive or bargaining reasons require a closed session".**
 - a. Discussion of a Capital Catalyst grant request for a software development company located at the Innovation Center.
 - b. Discussion of a loan/equity request for a software company.
 - c. Discussion of sale of land in Business Park (all or part of Parcel Number 292-0515-3423-002)
8. **Return to open session for possible action on closed session items.**
9. **Consideration and discussion of changing the monthly meeting nights for August through December, 2013**
10. **Consideration and discussion of the establishment of a non-profit non-governmental corporation to assist with equity investments under the Capital Catalyst Fund**
11. **Consideration and discussion of collateralization requirements for start-up businesses utilizing the Capital Catalyst Fund programs.**
12. **Consideration and discussion of a Resolution Establishing A Fund To Be Used For Indemnification Of Walworth County, If Necessary, Concerning The Elkhorn Road Venture, LLC, Settlement Payments.**
13. **Consideration and discussion of a Resolution Transferring From TID 4, To A Separate Account, Monies Paid To The City Of Whitewater For Settlement Of Special Charges Related To The Elkhorn Road Venture, LLC.**
14. **Consideration and discussion of renting CDA owned property located at N9601 Howard Road.**
15. **Consideration and discussion of the 2014 budget process and strategic goals.**

16. Future agenda referrals.

17. Adjourn

*It is possible that a quorum of Common Council and Technology Park Board members may attend this meeting.
Even if a quorum is present, no Common Council and/or Technology Park Board business will be conducted at this meeting.
Anyone requiring special arrangements is asked to call the office of the
City Manager/ City Clerk at least 24 hours prior to the meeting.*

*Amended August 13, 2013
To include items
#3, #12, #13*

Whitewater Community Development Authority
Meeting Minutes
June 26, 2013

1. Call to order and roll call

The meeting was called to order by Vice Chair Donna Henry at 4:40 p.m. The meeting was held at the Innovation Center, Room 105, 1221 Innovation Drive, Whitewater, WI 53190

Present: Henry, Kachel, Knight (via phone), Meyer, Winship

Absent: Allen, Singer

Also: Cameron Clapper, Patrick Cannon, Anna Schwarz

Guest: Dr. Richard Telfer

2. Hearing of Citizen Comments

None

3. Approval of the Following Minutes

a. **May 23, 2013**

b. **June 5, 2013**

The minutes were approved as presented.

Meyer (1); Kachel (2)

Aye: Henry, Kachel, Knight, Meyer, Winship

Nay: None

4. CDA April 2013 Financials

The Financial Statements were presented by Staff. The Board expressed concerns about the outstanding loan to DR Plastics, Inc. Staff has contacted them to insure payments are being made. It was also noted that a balloon payment is due from Walenton-Learning Center. Staff is to contact them to begin discussions.

The Financial Statements were accepted as presented.

Winship (1); Kachel (2)

Aye: Henry, Kachel, Knight, Meyer, Winship

Nay: None

5. Innovation Center May 2013 Financial Statements

Included in the packet were the May, 2013 Financial Statements for the Innovation Center. These statements have been reviewed and accepted by the Tech Park Board at their meeting earlier this month.

To date the Tech Park Board has encumbered \$17,500.00 to be applied to the PILOT charges. The balance of \$75,000 will need to be funded during the balance of the year.

6. Consideration and discussion of a Fiber Optic project to extend services to TIF Districts and the Business and Technology Parks.

This item was on the agenda for the prior month. However, due to the absence of several members no action was taken at that meeting. The Board requested that it be placed on the agenda for June.

Staff noted that the City Council recently approved an agreement with WIN regarding the installation of a limited amount of fiber near the university. Mr. Knight had asked originally that this item be discussed.

Staff noted that a survey is being drafted for the businesses located in the parks. The intent is to determine their respective needs and desire for a faster service. The Board asked that the survey be completed in order to be discussed at the July meeting.

In addition, staff was directed to determine an approximate cost for the installation of conduit throughout the parks. The dark fiber ownership and costs would also need to be determined.

7. Consideration and discussion of an Option to Purchase land by the CDA regarding the Business Park and Technology Park.

At the May meeting, the Board had indicated their desire to have the lands transferred into the name of the CDA. They had forwarded the request to the City Council for their consideration. At the City Council meeting, in principal they agreed to the concept. However, they asked that several items also be included in the agreement. They asked that the document be fairly straight forward and that the City have an option to repurchase the property after three years. They felt this would protect the City's interest.

In addition, they asked that the distribution of the funds be equally divided by the City and CDA. If the CDA had a desire to use some of these funds for enhancements throughout the City, the City Council would have a consultation role in the process. The CDA members indicated that they would like to use the funds to purchase additional properties in the future.

8. Consideration and discussion of a marketing program for the CDA

Staff noted that the University is currently working with their students to evaluate and develop a marketing plan for the Innovation Center. Staff also noted that it would be in everyone's best

interest to work together on this project. The efforts being put forward by the students should be used as the cornerstone for addition plans. It was requested that Ms. Denise Ehlen attend the next meeting to demonstrate their work to date. Dr. Telfer indicated that this is a work in progress and it may not be ready for the July meeting. The Board asked that when ready they would like to have a presentation.

It was also noted that last year, the City hosted Mr. Roger Brooks who is a consultant in this area. They wanted to know the status and follow up on his presentation. They would like the CDA to take a leadership role in the project.

- 9. Adjourn to closed session per Wisconsin State Statute 19.85(1)(e) "Deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business, wherever competitive or bargaining reasons require a closed session"**
- a. Confidential discussion regarding potential business developments**
 - 1. Restaurant to locate on Main Street**
 - 2. Manufacturing Company lease at the Innovation Center**
 - b. Consideration and discussion of a request to continue exclusive brokerage services for the Business Park and Technology Park**
 - c. Consideration and discussion of strategies for Potential Lease Negotiations for Innovation Center**

Motion to go into closed session as per state statutes and to allow Dr. Telfer and Staff to remain in the closed session portion of the meeting.

Winship (1); Kachel (2)

Aye: Henry, Kachel, Knight, Meyer, Winship
Nay: None

6:00 PM Mr. Knight leaves the meeting.

- 10. Return to open session for possible action on closed session items, including possible direction to staff on Brokerage Services for the Business Park and Technology Park.**

A motion was made to return to open session.

Meyer (1); Winship (2)

Aye: All via voice vote
Nay: None

In open session:

Motion: To approve a loan of \$40,000 to LLP LLC DBA the Sweet Spot Coffee Shoppe for the purchase of certain equipment to be located at 1185 E Main St. The interest rate is not to exceed 4% per annum. The term is not to exceed 7 years with a 1 year deferral period. The CDA Executive Director is to negotiate the term and interest rate.

Winship (1); Kachel (2)

Aye: Henry, Kachel, Meyer, Winship

Nay: None

Motion: To direct staff to work with the Tech Park Board on financing asset improvements at the Innovation Center.

Winship (1); Meyer (2)

Aye: Henry, Kachel, Meyer, Winship

Nay: None

Motion: To not extend the Brokerage contract with NAI MLG for the Business Park and to direct staff to go forward and seek proposals for an independent non-exclusive agreement.

Winship (1); Meyer (2)

Aye: Henry, Kachel, Meyer, Winship

Nay: None

11. Future agenda referrals

None

12. Adjourn

A motion to adjourn the meeting was made at 6:42 pm

Meyer (1); Kachel (2)

Aye: All via voice vote

Nay: None

The minutes were reviewed and approved by the CDA at its meeting on:

Donna Henry

Vice- Chairperson

Patrick Cannon

Recorder

Whitewater Community Development Authority
Meeting Minutes
July 5th, 2013

1. Call to Order and Roll Call

The meeting was called to order by Chairman Jeff Knight at 4pm. The meeting was held at the Innovation Center, Room 105, 1221 Innovation Drive, Whitewater, WI 53190.

Present: Kachel, Knight, Meyer, Singer, Winship, Henry (4:03pm)

Absent: Allen

Also: Patrick Cannon (via phone), Anna Schwarz

2. Hearing of Citizen Comments

None

3. Action on Request to Waive 72 hour meeting notice as required by Chapter 2.62.060 of the Whitewater Municipal Code

As required by the City Ordinance, the CDA must take affirmative action in an open meeting to waive the notice requirement as set forth in the City's Ordinance. The CDA must still maintain compliance with State Statutes regarding the posting of an agenda for a public meeting.

A motion was made to waive the 72 hour notice requirement as set forth in Whitewater Municipal Code Section 2.62.060

Winship (1); Singer (2)

Aye: Kachel, Knight, Meyer, Singer, Winship

Nay: None

4. Adjourn into closed session per Wisconsin State Statutes 19.85(1)(e) "Deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session"

a. Item to Be Discussed: Discussion of a loan request for a software development company located at the Innovation Center.

Motion to go into closed session as per state statutes and to allow Patrick Cannon and Anna Schwarz to remain in the closed session portion of the meeting

Knight (1); Kachel (2)

Aye: Kachel, Knight, Meyer, Singer, Winship

Nay: None

Ms. Henry enters the meeting at 4:03pm

5. Return to open session for possible action on closed session items.

A motion was made to return to open session.

Winship (1); Singer (2)

Aye: All via voice vote (6)

Nay: None

In open session:

A motion was made:

Directing the CDA Director to prepare a loan for Slipstream LLC., preferably out of the CDBG fund, second preference would be out of the Capital Catalyst Fund.

Winship (1); Singer (2)

Aye: Henry, Kachel, Knight, Meyer, Singer, Winship

Nay: None

6. Future Agenda Referrals

Mr. Knight suggested that research be done regarding Eau Claire's process for loans and report be made in the future.

7. Adjourn

A motion to adjourn the meeting was made at 4:12pm.

Kachel (1); Singer (2)

Aye: All via voice vote (6)

Nay: None

The minutes were reviewed and approved by the CDA at its meeting on:

**CITY OF WHITEWATER
BALANCE SHEET
JUNE 30, 2013**

CDA FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>				
900-11100 CASH	26,484.26	(16,630.57)	(29,117.25)	(2,632.99)
900-11200 GENERAL CHECKING-1ST-100-722	20,629.60	1.95	122.72	20,752.32
900-11300 INVESTMENTS	50,011.85	6.61	44.25	50,056.10
900-18400 OFFICE EQUIPMENT	12,629.44	.00	.00	12,629.44
TOTAL ASSETS	109,755.15	(16,622.01)	(28,950.28)	80,804.87
<u>LIABILITIES AND EQUITY</u>				
<u>LIABILITIES</u>				
900-21100 VOUCHERS PAYABLE	6,229.20	.00	(6,229.20)	.00
900-22000 ACCUM DEPR - EQUIPMENT	11,344.84	.00	.00	11,344.84
900-25101 DUE TO 910	15,711.04	.00	.00	15,711.04
TOTAL LIABILITIES	33,285.08	.00	(6,229.20)	27,055.88
<u>FUND EQUITY</u>				
900-34300 PROPRIETARY CAPITAL	76,470.07	.00	.00	76,470.07
UNAPPROPRIATED FUND BALANCE: REVENUE OVER EXPENDITURES - YTD	.00	(16,622.01)	(22,721.08)	(22,721.08)
BALANCE - CURRENT DATE	.00	(16,622.01)	(22,721.08)	(22,721.08)
TOTAL FUND EQUITY	76,470.07	(16,622.01)	(22,721.08)	53,748.99
TOTAL LIABILITIES AND EQUITY	109,755.15	(16,622.01)	(28,950.28)	80,804.87

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING JUNE 30, 2013

CDA FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>MISCELLANEOUS REVENUE</u>					
900-48100-56 INTEREST INCOME	8.56	60.75	25.00	(35.75)	243.0
900-48600-56 MISC INCOME	.00	106.22	.00	(106.22)	.0
TOTAL MISCELLANEOUS REVENUE	8.56	166.97	25.00	(141.97)	667.9
<u>OTHER FINANCING SOURCES</u>					
900-49264-56 TRANSFER-FD 910-CDA PROGRAMS	.00	.00	42,668.00	42,668.00	.0
900-49290-56 CITY TRANSFER INCOME	.00	20,000.00	61,803.00	41,803.00	32.4
900-49300-56 FUND BALANCE APPLIED	.00	.00	25,000.00	25,000.00	.0
TOTAL OTHER FINANCING SOURCES	.00	20,000.00	129,471.00	109,471.00	15.5
TOTAL FUND REVENUE	8.56	20,166.97	129,496.00	109,329.03	15.6

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING JUNE 30, 2013

CDA FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>CDA</u>					
900-56500-115	57.50	2,494.80	12,480.00	9,985.20	20.0
900-56500-151	4.55	501.20	986.00	484.80	50.8
900-56500-158	.00	.00	5,000.00	5,000.00	.0
900-56500-210	.00	28.80	1,500.00	1,471.20	1.9
900-56500-211	6,922.50	22,415.52	71,400.00	48,984.48	31.4
900-56500-212	250.00	1,370.00	5,000.00	3,630.00	27.4
900-56500-219	550.00	550.00	1,000.00	450.00	55.0
900-56500-223	8,500.00	8,925.00	20,000.00	11,075.00	44.6
900-56500-224	.00	6,137.00	5,755.00	(382.00)	106.6
900-56500-225	.14	1.55	850.00	848.45	.2
900-56500-310	51.74	71.35	800.00	728.65	8.9
900-56500-311	19.14	117.83	650.00	532.17	18.1
900-56500-320	.00	.00	800.00	800.00	.0
900-56500-321	.00	.00	275.00	275.00	.0
900-56500-330	.00	.00	2,000.00	2,000.00	.0
900-56500-341	275.00	275.00	1,000.00	725.00	27.5
TOTAL CDA	16,630.57	42,888.05	129,496.00	86,607.95	33.1
TOTAL FUND EXPENDITURES	16,630.57	42,888.05	129,496.00	86,607.95	33.1
NET REVENUE OVER EXPENDITURES	(16,622.01)	(22,721.08)	.00	22,721.08	.0

**CITY OF WHITEWATER
COMMUNITY DEVELOPMENT AUTHORITY
INVESTMENT SCHEDULE**

FUND	BANK	ORIG DATE	DUE DATE	TERM	AMOUNT	INT RATE	NUMBER	NOTES
Façade Loan	First Citizens	07/24/2012	01/22/2013	182 days	\$25,000.00	0.45%	3307054	Replaces 3306791
Façade Loan	First Citizens	01/22/2013	01/22/2014	365 days	\$25,000.00	0.50%	3308087	Replaces 3307054
TOTAL					\$25,000.00			

General-Investments-Fund 900	Associated			Daily rate	\$50,056.10	0.15%		
TOTAL					\$50,056.10			

Business Development	Commercial	12/12/2012	12/19/2013	364 days	\$175,000.00	0.50%	210312	replaces 209902
Business Development	Commercial	08/02/2012	01/31/2013	182 days	\$100,000.00	0.46%	209993	replaces 209646
Business Development	Commercial	02/02/2012	02/06/2013	369 days	\$100,000.00	0.70%	209645	replaces 208938
Business Development	Commercial	02/05/2013	02/05/2014	365 days	\$100,000.00	0.50%	210376	replaces 209645
Business Development	First Citizens	08/23/2012	02/21/2013	182 days	\$200,000.00	0.45%	3307354	replaces 3307068
Business Development	First Citizens	02/21/2013	02/21/2014	365 days	\$200,000.00	0.45%	3308110	replaces 3307354
Business Development	Commercial	01/31/2013	01/31/2014	364 days	\$100,000.00	0.50%	210373	replaces 209993
TOTAL					\$575,000.00			

Economic Development Loan	First Citizens	11/06/2012	11/06/2013	12 months	\$50,000.00	0.55%	3308022	replaces 3307057
Economic Development Loan	First Citizens	06/25/2012	06/25/2013	12 months	\$152,100.00	0.60%	3307168	RENEWED
Economic Development Loan	First Citizens	05/25/2013	05/25/2014	12 months	\$152,100.00	0.50%	3308214	RENEWED
Economic Development Loan	Commercial	03/29/2012	03/28/2013	364 days	\$81,910.05	0.65%	209758	replaces 208862
Economic Development Loan	Commercial	03/28/2013	03/27/2014	364 days	\$81,910.05	0.50%	210466	replaces 209758
Economic Development Loan	First Citizens	06/19/2013	06/19/2013	365 days	\$60,000.00	0.45%	3308253	replaces 3306522
Economic Development Loan	First Citizens	06/19/2012	06/19/2013	365 days	\$60,000.00	0.60%	3306522	replaces 3306522
Economic Development Loan	Commercial	08/02/2012	01/31/2013	182 days	\$100,000.00	0.46%	209994	replaces 209644
Economic Development Loan	Commercial	02/02/2012	02/06/2013	369 days	\$100,000.00	0.70%	209643	replaces 208937
Economic Development Loan	Commercial	02/05/2013	02/05/2014	365 days	\$100,000.00	0.50%	210377	replaces 209643
Economic Development Loan	First Citizens	10/09/2012	10/09/2013	12 months	\$75,000.00	0.50%	3307408	replaces 3306838
Economic Development Loan	Commercial	01/31/2013	01/31/2014	364 days	\$100,000.00	0.50%	210372	replaces 209994
TOTAL					\$619,010.05			

TOTALS BY FUND

FUND 900 \$50,056.10
FUND 910 \$1,219,010.05
Total: \$1,269,066.15

CITY OF WHITEWATER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING JUNE 30, 2013

CDA PROGRAMS FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET AMOUNT	VARIANCE	% OF BUDGET
<u>MISCELLANEOUS REVENUE</u>					
910-48101-00 INTEREST INCOME-BUSINESS DEV	10.34	1,515.53	3,400.00	1,884.47	44.6
910-48102-00 INTEREST INCOME-ECONOMIC DEV	387.02	2,976.31	6,200.00	3,223.69	48.0
910-48103-00 INTEREST INCOME-FACADE	10.74	152.85	700.00	547.15	21.8
910-48104-00 INTEREST INCOME-HOUSING	2.51	36.94	125.00	88.06	29.6
910-48105-00 INTEREST INCOME-ED DEV	1.39	11.81	20.00	8.19	59.1
910-48106-00 INTEREST INCOME-MORAIN VIEW	.25	2.14	4.00	1.86	53.5
910-48108-00 INTEREST INCOME-SEED FUND	20.45	103.53	.00	(103.53)	.0
910-48604-00 RENTAL INCOME-HOWARD ROAD	700.00	4,200.00	8,400.00	4,200.00	50.0
910-48605-00 RENTAL INCOME-CROP LEASES	.00	14,790.00	6,090.00	(8,700.00)	242.9
910-48645-00 LOAN INTEREST-LEARNING DEPOT	.00	.00	3,240.00	3,240.00	.0
910-48647-00 LOAN INT-TOPPERS--\$115,659	.00	55.25	103.00	47.75	53.6
910-48648-00 LOAN INT-TOPPERS--\$33,960	.00	23.75	9.00	(14.75)	263.9
910-48649-00 FACADE LOAN-INT-TOPPERS-15K	.00	.00	96.00	96.00	.0
910-48651-00 FACADE-INT-WALTON DIST-30K	.00	162.24	360.00	197.76	45.1
910-48653-00 LOAN INT-RR WALTON-15K-HOTEL	.00	174.83	392.00	217.17	44.6
910-48658-00 LOAN INT.-960 E. MILWAUKEE LLC	.00	1,802.91	4,494.00	2,691.09	40.1
910-48663-00 LOAN INT-BLACK SHEEP-1/20/12	58.45	362.09	697.00	334.91	52.0
910-48664-00 LOAN INT-DR PLASTICS-2/27/12	.00	1,714.31	4,659.00	2,944.69	36.8
910-48665-00 LOAN INT-BICWISE-\$62,600-4%	.00	1,029.12	2,409.00	1,379.88	42.7
910-48680-00 ADMINISTRATION FEE-LOANS	.00	.00	2,000.00	2,000.00	.0
TOTAL MISCELLANEOUS REVENUE	1,191.15	29,113.61	43,398.00	14,284.39	67.1
<u>OTHER FINANCING SOURCES</u>					
910-49100-00 TRANSFER-TO EST SEED FUND	.00	150,000.00	.00	(150,000.00)	.0
910-49300-56 FUND BALANCE APPLIED	.00	.00	(31,898.00)	(31,898.00)	.0
TOTAL OTHER FINANCING SOURCES	.00	150,000.00	(31,898.00)	(181,898.00)	470.3
TOTAL FUND REVENUE	1,191.15	179,113.61	11,500.00	(167,613.61)	1557.5

CITY OF WHITEWATER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING JUNE 30, 2013

CDA PROGRAMS FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET AMOUNT</u>	<u>VARIANCE</u>	<u>% OF BUDGET</u>
<u>CDA PROGRAMS</u>					
910-56500-212 LEGAL/PROFESSIONAL/MARKETING	.00	4,769.00	5,000.00	231.00	95.4
910-56500-295 ADMINISTRATIVE EXPENSE	.00	.25	5,000.00	4,999.75	.0
910-56500-404 HOUSING LOANS	.50	3,142.77	1,000.00	(2,142.77)	314.3
910-56500-408 RENTAL EXPENSES	.00	275.00	500.00	225.00	55.0
910-56500-450 SEED FUND GRANTS	10,000.00	30,000.00	.00	(30,000.00)	.0
910-56500-550 TRANSFER-SEED FUND-ASSOC BK	.00	150,000.00	.00	(150,000.00)	.0
TOTAL CDA PROGRAMS	<u>10,000.50</u>	<u>188,187.02</u>	<u>11,500.00</u>	<u>(176,687.02)</u>	<u>1636.4</u>
TOTAL FUND EXPENDITURES	<u>10,000.50</u>	<u>188,187.02</u>	<u>11,500.00</u>	<u>(176,687.02)</u>	<u>1636.4</u>
NET REVENUE OVER EXPENDITURES	<u>(8,809.35)</u>	<u>(9,073.41)</u>	<u>.00</u>	<u>9,073.41</u>	<u>.0</u>

**CITY OF WHITEWATER
BALANCE SHEET
JUNE 30, 2013**

CDA PROGRAMS FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>ASSETS</u>				
910-11101	135,034.44	10.74	2,067.58	137,102.02
910-11102	251,662.98	675.62	36,295.15	287,958.13
910-11103	278,929.01	710.34 (	169,138.47)	109,790.54
910-11104	14,816.59	1.39	11.81	14,828.40
910-11105	57,233.99	102.01 (	26,765.83)	30,468.16
910-11106	2,698.42	.25	2.14	2,700.56
910-11110	.00 (	9,979.55)	120,103.53	120,103.53
910-11303	619,010.05	.00	.00	619,010.05
910-11305	25,000.00	.00	.00	25,000.00
910-11310	575,000.00	.00	.00	575,000.00
910-14310	80,704.27	.00	.00	80,704.27
910-14337	9,121.56	.00 (	1,482.67)	7,638.89
910-14339	6,084.59	.00 (	6,084.59)	.00
910-14340	2,243.91	.00 (	2,243.91)	.00
910-14341	2,403.03	.00	.00	2,403.03
910-14342	9,066.10	.00 (	2,298.12)	6,767.98
910-14345	146,325.77	.00 (	5,262.14)	141,063.63
910-14346	18,673.18 (	230.15) (	1,369.51)	17,303.67
910-14347	132,153.98	.00 (	9,573.93)	122,580.05
910-14348	62,600.00	.00 (	2,139.83)	60,460.17
910-14349	.00	.00	34,600.00	34,600.00
910-14350	8,220.00	.00	.00	8,220.00
910-14351	10,203.84	.00	.00	10,203.84
910-14353	18,420.02	.00	.00	18,420.02
910-14356	8,062.00	.00	.00	8,062.00
910-14359	10,818.00	.00	.00	10,818.00
910-14361	11,000.90	.00	.00	11,000.90
910-14363	11,000.00	.00	.00	11,000.00
910-14366	12,504.15	.00	.00	12,504.15
910-14368	15,517.48	.00	.00	15,517.48
910-14371	1,900.00 (	100.00) (	600.00)	1,300.00
910-14375	18,422.00	.00	.00	18,422.00
910-14378	34,448.00	.00	.00	34,448.00
910-14379	12,630.00	.00	.00	12,630.00
910-14380	90.00	.00 (	90.00)	.00
910-14381	7,595.00	.00 (	390.00)	7,205.00
910-14384	38,095.00	.00 (	300.00)	37,795.00
910-14387	60.00	.00	25,160.00	25,220.00
910-14388	60.00	.00 (	60.00)	.00
910-14389	60.00	.00 (	60.00)	.00
910-14554	750,000.00	.00	.00	750,000.00
910-15208	15,711.04	.00	.00	15,711.04
910-15521	275,171.53	.00	.00	275,171.53
910-15531	6,087,994.00	.00	.00	6,087,994.00
TOTAL ASSETS	9,776,744.83	(8,809.35)	(9,618.79)	9,767,126.04

LIABILITIES AND EQUITY

**CITY OF WHITEWATER
BALANCE SHEET
JUNE 30, 2013**

CDA PROGRAMS FUND

	BEGINNING BALANCE	ACTUAL THIS MONTH	ACTUAL THIS YEAR	ENDING BALANCE
<u>LIABILITIES</u>				
910-21100	545.38	.00 (	545.38)	.00
910-21200	900.00	.00	.00	900.00
910-22000	121,759.88	.00	.00	121,759.88
	123,205.26	.00 (	545.38)	122,659.88
<u>FUND EQUITY</u>				
910-30110	456,815.37	.00	.00	456,815.37
910-34300	8,559,759.27	.00	.00	8,559,759.27
910-35000	174,316.71	.00	.00	174,316.71
910-35100	433,615.17	.00	.00	433,615.17
910-35160	29,033.05	.00	.00	29,033.05
UNAPPROPRIATED FUND BALANCE:				
REVENUE OVER EXPENDITURES - YTD	.00 (	8,809.35)	(9,073.41)	(9,073.41)
BALANCE - CURRENT DATE	.00 (	8,809.35)	(9,073.41)	(9,073.41)
TOTAL FUND EQUITY	9,653,539.57	(8,809.35)	(9,073.41)	9,644,466.16
TOTAL LIABILITIES AND EQUITY	9,776,744.83	(8,809.35)	(9,618.79)	9,767,126.04

ECONOMIC DEVELOPMENT		Original Loan				June 30,2013		
CLIENT	AMOUNT	May 31,2013 BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE	Current	
DR Plastics-2/24/12	\$153,235.00	\$122,580.05	\$0.00	\$0.00	\$0.00	\$122,580.05	<i>N-April,May,June;pd Apr on July 8</i>	
Toppers---115k	\$115,659.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	<i>FINAL-4/26/13</i>	
Toppers---33k	\$33,960.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	<i>FINAL-4/26/13</i>	
Walenton/Learning Depot	\$101,925.00	\$80,704.27	\$0.00	\$0.00	\$0.00	\$80,704.27	<i>Paid up thru May-2013-Pat contacted them</i>	
Walton Rental-Hotel	\$15,000.00	7,638.88	\$0.00	\$0.00	\$0.00	\$7,638.88	<i>Y-Paid July 8</i>	
960 East Milwaukee	\$204,611.00	\$141,063.63	\$0.00	\$0.00	\$0.00	\$141,063.63	<i>Y-Paid July 1</i>	
Black Sheep-1/20/2012	\$21,114.00	\$17,533.82	\$230.15	\$58.45	\$288.60	\$17,303.67	<i>Y</i>	
Bikewise-12/27/2012	\$62,600.00	\$60,460.17	\$0.00	\$0.00	\$0.00	\$60,460.17	<i>Y-Paid July 8</i>	
TOTALS	\$708,104.00	\$429,980.82	\$230.15	\$58.45	\$288.60	\$429,750.67		

UDAG-BUSINESS DEV		Original Loan				June 30,2013		
CLIENT	AMOUNT	May 31,2013 BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE	Current	
DP Electronic Recycling-3/27/13	\$34,600.00	\$34,600.00	\$0.00	\$0.00	\$0.00	\$34,600.00	<i>Y</i>	
TOTALS	\$34,600.00	\$34,600.00	\$0.00	\$0.00	\$0.00	\$34,600.00		

FAÇADE		Original Loan				June 30,2013		
CLIENT	AMOUNT	May 31,2013 BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE	Current	
Walton Distributing	\$30,000.00	\$6,767.97	\$0.00	\$0.00	\$0.00	\$6,767.97	<i>Y</i>	
Toppers (Nov 1 Annual)	\$15,000.00	\$2,403.02	\$0.00	\$0.00	\$0.00	\$2,403.02	<i>Y</i>	
TOTALS	\$45,000.00	\$9,170.99	\$0.00	\$0.00	\$0.00	\$9,170.99		

HOUSING		Original Loan				June 30,2013			Loan Type
CLIENT	AMOUNT	May 31,2013 BALANCE	PRINCIPAL	INTEREST	TOTAL	BALANCE	Current		
A8416	\$10,203.84	\$10,203.84			\$0.00	\$10,203.84		0-deferred	
B935	\$18,420.02	\$18,420.02			\$0.00	\$18,420.02		0-deferred	
B0803-0901	\$34,448.00	\$34,448.00			\$0.00	\$34,448.00		0-deferred	
C021	\$15,517.48	\$15,517.48			\$0.00	\$15,517.48		0-deferred	
C932	\$8,062.00	\$8,062.00			\$0.00	\$8,062.00		0-deferred	
G0107	\$8,000.00	\$1,400.00	\$100.00	\$0.00	\$100.00	\$1,300.00	<i>Y</i>	<i>0%-Monthly</i>	
HO #1	\$0.00	\$12,630.00			\$0.00	\$12,630.00		<i>IN PROCESS</i>	
HO #2	\$0.00	\$0.00			\$0.00	\$0.00		<i>No Loan-Written off</i>	
HO #3	\$0.00	\$7,205.00			\$0.00	\$7,205.00		0-deferred	
HO # 4	\$0.00	\$37,795.00			\$0.00	\$37,795.00		0-deferred	
HO # 7	\$0.00	\$13,095.00			\$0.00	\$25,220.00		<i>IN PROCESS</i>	
HO # 8	\$0.00	\$0.00			\$0.00	\$0.00		<i>No Loan-Written off</i>	
HO # 9	\$0.00	\$0.00			\$0.00	\$0.00		<i>No Loan-Written off</i>	
HO # 10	\$0.00	\$60.00			\$0.00	\$60.00		<i>IN PROCESS</i>	
J8802	\$10,818.00	\$10,818.00			\$0.00	\$10,818.00		0-deferred	
M8501	\$10,621.42	\$11,000.90			\$0.00	\$11,000.90		0-deferred	
M0301	\$8,220.00	\$8,220.00			\$0.00	\$8,220.00		0-deferred	
M0801	\$18,422.00	\$18,422.00			\$0.00	\$18,422.00		0-deferred	
P954	\$11,000.00	\$11,000.00			\$0.00	\$11,000.00		0-deferred	
V902	\$12,504.15	\$12,504.15			\$0.00	\$12,504.15		0-deferred	
TOTALS	\$166,236.91	\$230,801.39	\$100.00	\$0.00	\$100.00	\$242,826.39			

Memorandum

To: Community Development Authority Board

From: Patrick Cannon
Executive Director 

RE: Creation of a non-profit non-governmental entity

Date: August 8, 2013

Included on the agenda for the August 15, 2013 CDA meeting is a discussion for the creation of a non-profit non governmental entity. I wanted to give some background information on the item.

As you know, we have been working with a local company to complete an equity investment as authorized in our agreement with the Wisconsin Economic Development Corporation (WEDC). While WEDC has given us authority to complete this type of an investment, State Statutes does not clearly allow for this type of investment by a local government. Statues only permit certain types of government back or fully collateralized investments by a local government. A Housing Authority (which we technically are) does have the authority to hold investments that a "Savings Bank" is permitted to hold under state law. However, the Statutes are quite clear on what a Saving Bank can invest in too. Unfortunately, the investment in questions does not meet the allowable statutory language. Our Legal Counsel (Quarles and Brady) has researched this topic and come to this conclusion.

It was also determined that we have two options to be able to create an equity investment or an investment that has a higher yield than a normal loan agreement. One would be a "Royalty Agreement". Under this type of an investment, in exchange for our contribution, the borrower would in turn give us a predetermined percentage of their annual gross revenues. The terms and condition of the Royalty Agreement would all need to be negotiated and agreed to by both parties prior to exchange of funds. We would have no collateral under this type of an agreement.

The other alternative is the creation of a non-profit non-governmental corporation. This corporation would hopefully be a tax exempt entity with 501(c)3 status. The CDA could then contract with this entity to make the equity investment and hold it in their name rather than the CDA's. Payments would be received by the 501(c) group, who in turn would pay the CDA the money. This is a very over simplified version of what would happen, but the initial step is the creation of the non-profit entity. I have already secured some Articles of Incorporation and By-laws that could be used to start the entity.

My desire would be to get the authorization from the CDA Board to begin starting the non-profit entity. We could then begin to offer additional equity investments to companies who meet the criteria.

Please let me know if you have any questions.

Memorandum

To: Community Development Authority Board

From: Patrick Cannon 
Executive Director

RE: Howard Road
Rental property

Date: August 8, 2013

The current tenant who is renting the house owned by the CDA on Howard Road has given notice of ending their lease at the end of August. I believe they have rented the house for approximately 7 years. They just completed building a house for themselves.

I wanted to make sure that it was the intent of the CDA to again rent out the house. He current rent was \$700.00 per month. That amount did not change during the period they occupied the house.

Assuming that we will place this back on the market, I believe we should also inspect the house and see if the carpet or appliances are in proper working order or if they should be replaced. I am not sure what is required of us as a landlord.

We will also need to determine a fair monthly charge for the house and what is expected of the tenant who is occupying it. I will do some research to see what the market is charging these days for this type of a unit.

If you have any questions, please let me know.