



Whitewater CDA

MINUTES

Monday, June 1, 2009
4:30 PM – CDA Board of Directors
2nd Floor - Cravath Lake Front Conference Room
Whitewater Municipal Building
312 W. Whitewater Street
Whitewater, WI 53190

1. Call to order and roll call

Tom Miller called the meeting to order at 4:30PM.

Present: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Al Stanek, Jim Stewart, Marilyn Kienbaum

Absent: None

Others: Mary Nimm, Doug Saubert, David Zepecki – Equity Real Estate, Keith Burich – Keller Construction

2. Approval of the Agenda

Al Marshall motioned to approve the agenda. Knight seconded.

Ayes: Allen, Knight, Marshall, Miller, Stanek, Stewart, Kienbaum

Nays: None

The motion to approve the agenda passed unanimously on a voice vote.

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.*

No Citizen Comments

4. Approval of the April 27, 2009 CDA Minutes and May 11, 2009 Joint CDA & CC Minutes

Jim Stewart motioned to approve the April 27, 2009 CDA Minutes and the May 11, Joint CDA & CC Minutes. Marshall seconded.

Ayes: Allen, Knight, Marshall, Miller, Stanek, Stewart, Kienbaum

Nays: None

The motion to approve the agenda passed unanimously on a voice vote.

5. April 2009 Financial Reports

Saubert noted that the CDA is collecting payments timely on loans through the 910 fund.

Stanek questioned the report and fund 900 as the report shows the fund having a negative fund balance.

Saubert commented that this shows the City's advance of money to the fund, City pays expenses for the CDA general fund and the two parties settle-up once or twice through year. Have not used any CDA funds in the 900 to date in 2009. No interest is charged to CDA.

6. TID Quarterly Report

Saubert noted that he created a package of information which will also go to City Council. The information is looking at TID 4 borrowings for projects in TID 4 – purpose and amount listed as well as what was done with the money.

Stewart – balance is lower than available funds available. When do we start to prioritize projects?

Saubert – we don't have enough \$\$\$ to do all the projects as listed if the bids come in at the totals listed. There is hope that some of the projects listed may be funded through grants that have been applied for. Increments to TID 4 = \$23m & \$53m, value above the base values. \$1.4 will be coming into TID 4 to make general debt payments. Resolution will go to CC tomorrow to close-out to TID 3.

Stewart – typo on page 2. Knight – value of TID's 1, 2 & 3 – final presentation on success to the community?

Nimm – there is a meeting on Friday with Brunner, Nimm, Saubert and the City Manger Intern to discuss the presentation on the value of the TID's to the community.

Saubert – cumulative expenses by large categories TID 4 2005 bond issue and 2008 by category with brief description on what \$ was spent on. \$6.4m spent on all projects listed. Next, cumulative through 3/2009.

\$14,000 grant through DTW. \$26,000 design engineering. Next quarter will have more spending.

Knight – Prairie Village?

City of Whitewater

TID #4 Expenditures

Related to 2005 Bond Issue/2005,2006 & 2008 STF loans/2008 Bond Issue

Commulative thru December 31,2008

DESCRIPTION	10/2005 thru 12/2006	2007 Expenses	Commulative thru 12/2007	2008 Expenses	Commulative thru 12/2008
Wage/Benefits(115-155) Public Works employee-curb/gutter/ stamped concrete/downtown/ Fremont/Whitewater St./ Culvert work-Bluff Rd.	15,784	4,914	20,698	23,374	44,072
Legal(212) Harrison/McDonell-review development agreements/4th St. appraisals/Misc	15,064	19,346	34,410	17,040	51,450
Marketing/Professional Services(219) Audit Services/surveying/boundary amendments/appraisal-Kienbaum/ Applied Research/Retail Market Study	6,528	800	7,328	55,477	62,805
Assessments-due to Townships(223) Due for 5 years/T.Cold Springs/Whitewater	-	7,595	7,595	4,121	11,716
Administration Expenses(648) Reimbursement to General Fund for staff time spent on TID #4 issues/ Bond issue expenses	42,158	47,828	89,986	55,000	144,986
Reimburse CDA-Admin. Expenses(680)	-	58,635	58,635	-	58,635

City of Whitewater

TID #4 Expenditures

Related to 2005 Bond Issue/2005,2006 & 2008 STF loans/2008 Bond Issue

Commulative thru December 31,2008

DESCRIPTION	10/2005 thru 12/2006	2007 Expenses	Commulative thru 12/2007	2008 Expenses	Commulative thru 12/2008
Grant Program(805) Downtown WW office/WW hotel/	116,287	446,280	562,567	82,947	645,514

operating grant-D-T WW/Topper's/
 Kelly Law/Walton Dist/Triple J/
 Generac/KJN Dev/Saalsaa/Liggett/
 Hughes/Hantropp/

Land/Easement/Relocation(810-813)	235,235	62,486	297,721	330,161	627,882
Main st/Reed/Krueger/Other					
Capital Equipment(820)	27,500	-	27,500	-	27,500
1/2 of dozer					
Design/Engineering/Construction(295,820,821)	1,081,295	2,163,421	3,244,716	1,392,656	4,637,372
Prairie Village/Roundabout/Fremont St./ Main-Wisc-Milw intersection/Corporate Drive/ 4th St./Fremont-North St./James St. Parking/ WW St. Plaza/Business Park Grading/Stormwater Benches/Signage/Sidewalks/Culverts					
Brownfield Redevelopment(825)					
Alpha Cast site	15,156	74,011	89,167	-	89,167

TOTAL	1,555,007	2,885,316	4,440,323	1,960,776	6,401,099
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City of Whitewater

TID #4 Expenditures

Related to 2005 Bond Issue/2005,2006 & 2008 STF loans/2008 Bond Issue

Commulative thru March 31,2009

DESCRIPTION	Commulative thru 12/2008	2009 Expenses	Commulative thru 3/2009
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Wage/Benefits(115-155)	44,072	-	44,072
Public Works employee-curb/gutter/ stamped concrete/downtown/ Fremont/Whitewater St./ Culvert work-Bluff Rd.			

Legal(212) Harrison/McDonell-review development agreements/4th St. appraisals/Misc	51,450	-	51,450
Marketing/Professional Services(219) Audit Services/surveying/boundary amendments/appraisal-Kienbaum/ Applied Research/Retail Market Study	62,805	-	62,805
Assessments-due to Townships(223) Due for 5 years/T.Cold Springs/Whitewater	11,716	-	11,716
Administration Expenses(648) Reimbursement to General Fund for staff time spent on TID #4 issues/ Bond issue expenses	144,986	-	144,986
Reimburse CDA-Admin. Expenses(680)	58,635	-	58,635

City of Whitewater

TID #4 Expenditures

Related to 2005 Bond Issue/2005,2006 & 2008 STF loans/2008 Bond Issue

Commulative thru March 31,2009

DESCRIPTION	Commulative thru 12/2008	2009 Expenses	Commulative thru 3/09
Grant Program(805) Downtown WW office/WW hotel/ operating grant-D-T WW/Topper's/ Kelly Law/Walton Dist/Triple J/ Generac/KJN Dev/Saalsaa/Liggett/ Hughes/Hantropp/ 2009-Jim Gage	645,514	14,000	659,514
Land/Easement/Relocation(810-813) Main st/Reed/Krueger/Other	627,882	-	627,882
Capital Equipment(820)			

	27,500	-	27,500
1/2 of dozer			

Design/Engineering/Construction (295,820,821,830,831,832,833,834,838)	4,637,372	26,817	4,664,189
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Prairie Village/Roundabout/Fremont St./
Main-Wisc-Milw intersection/Corporate Drive/
4th St./Fremont-North St./James St. Parking/
WW St. Plaza/Business Park
Grading/Stormwater
Benches/Signage/Sidewalks/Culverts

Brownfield Redevelopment(825)

Alpha Cast site	89,167	-	89,167
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TOTAL	6,401,099	40,817	6,441,916
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7. Presentation, Discussion and Possible Action on Spec Building Concept by Keller Planners, Architects, & Builders

Keith Burich, project manager with Keller started by reporting that he met with Dave Zepecki and Kevin Brunner a few weeks ago.

Zepecki noted that several months ago, Keller contacted their office and Zepecki presented Keller with opportunities in Whitewater and suggested Whitewater may be a place to look for spec buildings. Proposal = if CDA might share some risk on a spec building. Keller has done projects in similar communities that could “work” in Whitewater. There is a lack of available lease space in Whitewater this equals a prolonged period of between 6-8 months for a business to locate and build new which is not quite the same as having space available if someone is out looking and ready to move now.

Burich – success that others communities have had =’s the reason that companies were looking to have space ready and communities having space open now. Other communities have lost businesses as they have not had space ready. The idea is that Keller makes spaces ready at lower costs. At construction, Keller will leave space details un-done until tenants are ready to move-in and modify at tenants needs. Flexibility in set-up. Want to partner in investors and developers. Keller, puts up \$, CDA would cover closing costs for a period of time, and costs would reduce as space is leased. Other investors will be involved. Company has been around for nearly 60 years. 20-year roof warranty. Keller also incorporates windows in roof, reducing costs for lighting. Will do site plan for marketing.

Burich – closing costs as well as costs of land to be paid back at end, real estate taxes deferred for term on contract, normal length is 18-24 months depending on investors, loan rate.

Zepecki – 18-24 months?

Burich = 18-24 is build to complete, approx 5-6 months.

Knight – rental rate?

Burich – depends on what “city” gets on current rents

Knight – is there a way the City can be made whole after the 24 months?

Stanek – if property goes longer than 24 months, how are the buildings appraised at partially built-out structure?

Knight – what happens to outside infrastructure after 24 months?

Burich – could be done at a cost however Keller is still working to attract businesses. Most of past projects are close to capacity. Keller does not target any other near-by communities for a similar building.

Stanek – what would the cost for a built-out per foot generally?

Burich – approx another \$10-\$20 per ft sq.

Knight – can we get copies of financial models based on a 40k ft sq building? In the \$165,000 does that include the cost of the land?

Burich – cost of land is re-paid at the end.

Knight – like concept, please submit proposal.

Zepecki – currently asking \$34,900 per acre in Whitewater Business Park, need for this building would be approx 5 acres = \$140-\$150k land price for total acreage.

Knight – requested Keller work on a long-term strategy to get \$\$\$ back at end. Would like deliverables that perform on behalf of CDA.

Stanek – what is the current market need for ft sq?

Burich – depends on company needs. Will do site plan for marketing.

Stanek – more discussion at next meeting on amount of sq footage to consider, economies of scale.

Knight – motion the city follow the concept on a 40k ft sq bldg and bring models back to the board at the June 22 meeting. Marshall second.

Ayes: Allen, Knight, Marshall, Miller, Stanek, Stewart

Nays: None

Undecided: Kienbaum

The motion to have Brunner and Nimm follow the concept on a 40k ft sq building passed on a 6-1 voice vote.

8. Discussion and Possible Action on Entering into Contract for Architectural Services for the University Technology Park Innovation Center

Knight the Tech Park Board received 10 proposals at the Request for Qualifications. Four of the proposals stood-out based on what was asked and qualifications and skill-sets and with experiences with tech parks and LEED certifications. Brunner, Gayhart, and Knight served as the interview committee. The committee narrowed down its selection to Eppstein Uhen. The committee took their recommendation to the Tech Park Board last week Friday, and the Tech Park Board makes a recommendation to the CDA that a contract with Eppstein Uhen is entered upon for Architectural Services for the University Tech Park Innovation Center. Expenditure authority will come from CDA 910 funds.

Stewart – fees?

Knight – fees are \$62,000. Eppstein Uhen will serve as the construction manager as well. Adopt the \$62k today for the Architectural piece. Fees are coming in at below industry standards.

Marshall – motioned to approve the \$62,200 for Eppstein Uhen arch fee. Knight seconded.

Ayes: Allen, Knight, Marshall, Miller, Stanek, Stewart, Kienbaum

Nays: None

The motion to approve the contract with Eppstein Uhen at \$62,000 for Architectural Services for the University Technology Park Innovation Center passed unanimously on a roll-call vote.

9. CDA Coordinator

- a. **Web Site Update** Nimm reported the new site is live. She is working through, teaching herself how to edit.
- b. **Marketing Campaign Update** Nimm reported the first two postcards have been sent. The first went out on Tuesday, May 26th, the second was sent on June 1. She have been address labeling and stamping each of the cards by hand and has approved using the remainder of our intern budget to help finance the City Manager Intern for the remainder of the summer. Kayla and others in City Hall and at the Senior Center have been more than gracious in the offers to help. By the time we are finished, we will have labeled and stamped over 30,000 postcards.
- c. **Dark Fiber/Broadband Update** Nimm reported she is trying to coordinate a meeting to include representatives from the Eau Claire/Chippewa Falls area project. She is also working with the UW-W to watch for the Broadband grant opportunities

10. Adjourn to closed session at approximately 6:15PM to reconvene at approximately 6:30 PM Per Wisconsin Statute 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

- a. **Whitewater Tech Park Site Acquisition**
- b. **Downtown Eastgate Redevelopment**

11. Reconvene and Roll Call

Jim Stewart motioned to reconvene to open session at 6:18PM. Stanek seconded.

Present: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Al Stanek, Jim Stewart, Marilyn Kienbaum

Absent: None Others: Mary Nimm, David Zepecki – Equity Real Estate

12. Discussion and Possible Action on Whitewater Tech Park Site Acquisition

No action taken.

13. Discussion and Possible Action on Downtown Eastgate Redevelopment

No action taken.

14. Confirm June Meeting Date of Monday, June 22 @ 4:30PM

15. Future Agenda Items

TID Presentation
Eastgate Redevelopment
Keller Construction

16. Adjourn

Knight motioned to adjourn at 6:21PM. Stewart seconded.

Respectfully Submitted,

Mary S Nimm
Coordinator, CDA