



## REDEVELOPMENT AUTHORITY MEETING AGENDA

WEDNESDAY, DECEMBER 18, 2024 AT 6:00 PM

WATERTOWN CITY HALL, 106 JONES STREET, ROOM 2044

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**Virtual Meeting Info:** <https://us06web.zoom.us/join> Meeting ID: 617 065 5357 Passcode: 53094 One tap mobile +16469313860

<https://us06web.zoom.us/j/6170655357?pwd=96tcitGxXtZD4na19NqSUHQQuENC2yf.1>

All public participants' phones will be muted during the meeting except during the public comment period.

1. **PLEDGE OF ALLEGIANCE**
2. **ROLL CALL**
3. **DETERMINATION OF QUORUM AND CALL TO ORDER**
4. **APPROVAL OF PRIOR MEETING MINUTES**

A. RDA minutes from November 20, 2024

5. **OPENING FOR PUBLIC COMMENT**

*Each individual who would like to address the Committee will be permitted up to three minutes for their comments*

6. **OLD BUSINESS**

- A. Downtown River Corridor Planning
- i. Update of status
  - ii. Update on Marketing Scope Agreement

- B. Beltz Grants
- i. Update on Sassy Sweets grant

- C. 111 S. Water Street
- i. Status update

- D. Bentzin Family Town Square
- i. Update on Historic Art Wall

7. **NEW BUSINESS**

- A. Review and take action: WEDA membership
- B. Review and take action: Revolving Loan Fund mortgage position adjustment
- C. Review and take action: Reappointment of RDA Executive Director

8. **STATUS REPORTS**

- A. Housing Rehab Grants
- B. Social Media/messaging update (Famularo)
- C. Council update (Board/Lampe)
- D. Executive Director Update
- i. General development update
  - ii. Items for next agenda
  - iii. Next meeting: January 15, 2025 at 6pm.

## **9. ADJOURN**

*Persons requiring other reasonable accommodations for any of the above meetings, may contact the office of the City Clerk at [cityclerk@watertownwi.gov](mailto:cityclerk@watertownwi.gov) phone 920-262-4000*

*A quorum of any City of Watertown Council, Committee, Board, Commission, or other body, may be present at this meeting for observing and gathering of information only*



**Wednesday, November 20, 2024, 6:00 pm**

In-PERSON/VIRTUAL MEETING

Room 2044, City Hall

**By Phone or Zoom Meeting:**

<https://us06web.zoom.us/join>

For the Public, Members of the media and the public may attend by calling: (US) +1 (646)931-3860

Meeting ID: 617-065-5357

Pass Code: 959083

All public participants' phones will be muted during the meeting except during the public comment period where applicable.

**RDA STRATEGIC PRIORITIES**

~~1) 100 W. Main St. block demolition, Town Square design etc., and publicizing town square project for possible funding from sources other than the City.~~

2) Facilitating quality development in downtown, and

3) Creating an approach and working to attract development projects downtown.

1. Pledge of Allegiance
2. Roll Call
  - A. Present: Mason Becker, Ryan Nowatka, Ald. Lampe, Ald. Board, Ryan Wagner, Jacob Maas.
  - B. Virtual: Karissa Hurtgen (left at 6:45 PM), 1 resident
  - C. Absent: Dave Zimmermann
  - D. Other attendees Jess Wildes and Jay Shambeau from the City of West Bend. (virtual): RINKA & Kapur teams
3. Determination of Quorum and Call to Order at 6:03 pm
4. Approval of meeting minutes
  - A. Regular Board Minutes 10.23.24  
**Notwatka motioned to approve**  
**Board seconded the motion. Motion carried unanimously.**
5. **Presentation and Q&A with Jay Shambeau and Jess Wildes, City of West Bend**
  - A. Shambeau and Wildes presented on their city's downtown riverfront project and revitalization efforts. RDA members asked questions. The board thanks them for attending and presenting.
6. No public comment
7. Old Business:
  - A. **Downtown River Corridor Planning.**
    - a. Eric Mayne from RINKA gave an update on the status to the Rock River District Vision document, including some proposed nature enhancements.
    - b. **Review and possible approval:** Marketing scope of work add-on: Discussed proposed marketing/branding add-on contract from RINKA.  
**Nowatka motioned to approve the agreement for \$9,500.00.**  
**Wagner seconded. Motion carried with one opposed. (Lampe)**
  - B. **Beltz Grants.**
    - a. Review and possible approval of received application:  
**Nowatka moved to approve the application from Rafah Bowls at 120 W. Main St. which was recommended by the RDA's grant review committee.**

**Board seconded the motion. Motion carried unanimously.**

**C. 111 S. Water St.**

- a. Becker shared that a Predevelopment Agreement with Intrepid Investments will be coming to the Finance Committee on November 25<sup>th</sup>. For possible approval and will cover 111 S. Water St. and the N. First St. parking lot.

**D. Bentzin Family Town Square: Historic Art Wall & plaques**

- a. Becker shared that the pieces for the Historic Art Wall are scheduled to be delivered on Monday, November 25<sup>th</sup>. They will be temporarily stored and hopefully installed in the spring as the bridge project wraps up.

8. New Business: None

9. Status Reports:

**A. Housing Rehab Grants:**

- a. Becker shared an updated grant tracker and some more checks should be ready for release in the very near future, pending appropriate document submittals.

**B. Social media/messaging update:**

- a. The board discussed the included update and Becker spoke about planned TID education messaging he is working on with Famularo.

**C. Council update:**

- a. Lampe and Board spoke about the recent budget approval and discussed the newly released projections report from the school district. Becker will email a copy to the RDA members.

**D. Executive Director update:**

- a. Items for next agenda: members should email Becker with ideas.
- b. Next meeting is December 18, 2024 at 6 pm.

10. Adjournment at 7:20 pm

**Board motioned to adjourn.**

**Nowatka seconded the motion. Motion carried unanimously. Meeting adjourned.**



Hi Mason – great to hear!

I mapped out an initial pass at a timeline and corresponding deliverables for you to share with the RDA next week. We won't have any logo concepts prepared yet and I'd like to present those to the steering committee before the full RDA group, but open to your thoughts on strategy for that.

Based on the already established RDA meetings and the upcoming holidays, we'll have to adjust our proposed bi-weekly meetings. If the below timeline looks good to you, we can begin production internally on concepts and visuals so we can hit the ground running in the new year. Hopefully, you're taking some time off!

**1/6 – Client Meeting #1 w. Steering Committee**

- Present: initial logo / logo concepts and visual language

1/8 – Comments on initial logo concepts due from Steering Committee

**1/15 – Client Meeting #2 w. RDA Committee**

- Present: refined logo concepts, visual language, and initial style guide

1/17 – Comments due from RDA Committee

**1/29 – Client Meeting #3 (if needed)**

- Present final style guide document and packaged deliverables

Also, feel free to give me a call on my cell if that's easier to chat through any of this.

Thanks!

SARA

Sara Slowinski

svp, branding + marketing practice leader

**RINKA+**

MILWAUKEE

756 north milwaukee street suite 250 milwaukee wisconsin 53202  
414 431 8101 p

FORT LAUDERDALE

613 nw 3<sup>rd</sup> avenue suite 105 fort lauderdale florida 33311  
954 820 7500 p

414 310 8377 d

414 218 9343 c

[sslowinski@RINKA.com](mailto:sslowinski@RINKA.com)

[RINKA.com](http://RINKA.com)

THE COUTURE: BEHIND THE VISION [CLICK HERE](#)

**From:** Mason Becker <[MBecker@watertownwi.gov](mailto:MBecker@watertownwi.gov)>

**Sent:** Tuesday, December 10, 2024 8:50 AM

**To:** Eric Mayne <[emayne@rinka.com](mailto:emayne@rinka.com)>

**Cc:** Sara Slowinski <[sslowinski@rinka.com](mailto:sslowinski@rinka.com)>

**Subject:** RE: Watertown - Rock River District Branding

Eric/Sara, good morning. Just letting you know I am waiting for confirmation from our city attorney that we can move forward. I don't have major concerns, but need him to "sign off". I have a meeting with him on Monday where I will bring this up if I haven't gotten a response back by then.

We have an RDA meeting next Wednesday, December 18<sup>th</sup>. If there is anything you would want to share at that meeting, let me know. I plan to update the board on the status of this Branding Agreement.

Let me know if anything else is needed right now, and hope things are going well so far in December for your team!

Sincerely,

**Mason T. Becker**

*Strategic Initiatives and Development Coordinator*

Office: 920.206.4266

Cell: 920.567.8181



Beltz Foundation Grants	Received						
FY 2024	50,000.00						
Carryover from FY 2023	14,688.42						
<b>Total:</b>	<b>64,688.42</b>						
Applications	Requested	Approved	Disbursed	Event Date	Notes	Approve/Deny	
Town Square	10,000.00	10,000.00	10,000.00	Summer 2024	Covering summer bands, entertainment, etc	Check #1649 presented 5-8-24	
Jingle Bell on the Rock	6,177.00	6,177.00	6,177.00	12/7/2024	Watertown Main Street event	Check #1650 presented 5-8-24	Jody sending me final invoice copies for our records.
Sassy Sweets	5,000.00	5,000.00	0.00	Business opening	Hoping to open in summer. Signing lease.	Approved. Lease signed as of 9-16-24	Received final invoice. Will work to schedule photo-op.
Watertown Parade Comm.	5,000.00	5,000.00	5,000.00	July 4/December	Contribution to two annual parades	Approved. Check #1663 presented w/ photo op	
Drafty Cellar	10,713.66	10,713.66	10,713.66	Business addition	Deck addition project.	Project done. Check #1676 presented w/ photo-op 10-10-24	
Rejected application	11,758.11	0.00	0.00	Business addition	Application received 9-3-24	Part of application is for rent, which is not eligible. Waiting on re-done application.	Going to tell him can't move forward for now, recommend work with SBDC etc
Town Square	10,000.00	10,000.00	0.00	11/16/2024	Holiday tree lighting event	Approved. Need to schedule photo-op for check	
Rapha Bowls Café	9,721.73	9,721.73	0.00	Business opening	Looking for exterior paint, awnings, signage	Received application 10-11-24	Approved 11-20-24. Waiting for invoice to schedule check presentation.
Totals to date:	68,370.50	56,612.39	31,890.66				
	<b>Remaining Avail.:</b>	8,076.03					



October 18, 2024

Emily McFarland, Mayor  
Mason Becker, SIDC  
City of Watertown  
106 Jones Street  
Watertown, WI 53094  
Re: Pre-Development Agreement

Dear Mayor McFarland and Mr. Becker,

Thank you for the opportunity to partner with the City of Watertown regarding two of the properties the City owns in Watertown's historic downtown. The parcels are located at 111 Water Street and a portion of 204 North First Street. Conceptual site plans are attached and intended to be used as a reference. Intrepid Investments is excited to work with city staff to offer new and varied residential choices for the Watertown community.

This Pre-Development Agreement is intended to outline developer and municipal responsibilities between **November 25, 2024** and **March 1, 2025** with the goal of being able to engage in a formal developer's agreement at that time. We envision the following to take place beginning November 25, 2024 (pending approval by the City's Finance Committee):

- Intrepid will have exclusive rights to work with the City of Watertown on the two above-named properties during the Pre-Development time period
- At its own expense, Intrepid will engage in a formal market study including but not limited to:
  - Multi-Family facility – number of units, amenities, absorption rates, attainable rents, phasing
  - Owner Occupied – unit mix, housing types, absorption rates, sales price targets
  - Intrepid expects to have the results of the Market Study on or about December 15, 2024, pending consultant workload
- Intrepid and the City of Watertown will work together to formulate an overall project proforma, construction timeline, and phasing plan
- Intrepid will solicit preliminary civil engineering efforts and will work with consulting engineers regarding infrastructure design, lot size, and unit mix
- Using the above efforts, Intrepid will present design data, market study results, current market conditions and proformas to Watertown. This information is intended to be used as a basis for municipal incentive consideration
  - Intrepid is anticipating purchasing the properties for \$1 while also evaluating potential TID incentives, likely in a pay-go format
- The City of Watertown to provide reasonable access to its' consulting engineers, existing data related the project and access to city staff to facilitate the developer's agreement creation
- It is anticipated the March 1st deadline will be adequate for Intrepid and Watertown to complete the Pre-Development requirements. Intrepid and Watertown agree to utilize best efforts and operate in good faith toward the timeline and agree to extend the Pre-Development agreement in 45-day increments as needed assuming progress is being made toward the above benchmarks

Thank you again. We look forward to many successful projects together.

Sincerely,

Randy Schmiedel  
Intrepid Investments, LLC

Craig K. Sadownikow  
Intrepid Investments, LLC

Emily McFarland  
Mayor, City of Watertown





# INTREPID INVESTMENTS DEVELOPMENT PROPOSAL

Section 6, Item C.



## 1.) INTRODUCTORY LETTER

### WHO WE ARE

Intrepid Investments is a partnership between two strong development companies with decades of relevant experience in working with communities in a way that benefits all stakeholders. Intrepid is a joint venture combining the talents of American Construction Services, Inc. and Discovery Properties Management and Development to make bold, brave moves in the development world.

### OVERVIEW



#### [American Construction Services, Inc.](#)

Kons Sadownikow founded West Bend/American Building Systems, later American Companies, in 1980 during the time of double-digit interest rates and unemployment. Beginning with the construction of pole buildings and pre-engineered metal buildings, the company has grown the construction portfolio to focus on commercial, industrial, hospitality, senior living and multi-family design, construction, management and development. Kons' motto of "Work Hard, Work Honest...what else is there" has become the marching orders for everyone at American. Although retired, he is still an integral part of who we are and who we will be as an organization.

Kraig Sadownikow joined his father in business in 1997 as the company's first full-time hire and has since become President and CEO of the organization. His entrepreneurial spirit has led American Companies to add a design and engineering firm, carpentry team, and complete project management staff. Chief Operating Officer, Todd Weyker, began overseeing construction projects at American Companies back in 2002. Since, he has grown the operations division to its current staffing and injects foresight and experience into every project.

American has earned the Biz Times Future 50 Award every year since 2019, and the Best Place to Work Award from 2022 - 2024. Please visit the American Companies website at <https://www.teamacs.net>.



#### [Discovery Properties Management and Development](#)

Discovery Properties Management and Development was founded in 1992 by Randy Schmiedel, at that time the company was called Tri-Star Investments, and the very first investment was a duplex purchased on the UW Oshkosh campus, where he attended college. Over the years that company went on to be the 2nd largest student housing provider, only behind the university itself. As Randy moved the company forward, he discovered other opportunities and diversified in: off-campus housing, office, retail, senior housing, hospitality, historic developments, and most recently a golf course. Therefore, the reason for the name change to Discovery Properties Management and Development. Over the years Randy has owned, managed, and developed over \$200 million dollars' worth of real estate. His expertise in his field led him and his company to three prestigious awards: the Historic Preservation Award given to him in 2018, the Congressional Commendation Award given to him by the 6th Congressional District of Wisconsin in 2024, and the Horizon Award in 2023 in recognition of his commitment to building community. Please visit the Discovery Properties Management and Development website at <https://www.discovery-properties.com>.



## OVERVIEW



*Kraig Sadownikow- CEO/ President of American Construction Services, Inc.*



**KRAIG  
SADOWNIKOW**

**AMERICAN  
COMPANIES**



DESIGN | BUILD | DEVELOP | REAL ESTATE

In addition to leading the core business, Kraig has worked to develop and coordinate multiple real estate investment groups throughout Wisconsin and the Midwest. He feels investing directly in projects with trusted equity partners has been valuable for all involved.

A West Bend native, Kraig graduated from West Bend East, UW-Madison and worked for Hershey Chocolate Corporation in Sales and Sales Management before joining Kons at American in 1997. Both he and Jo wanted their children to know “where the Christmas Tree goes” and felt raising a family in a community and state they support was critical to their mission in life. Relocating from Minneapolis back to West Bend was a decision they do not regret. Community involvement is very important to Kraig: he is a graduate of the Leadership Greater West Bend Program, a past board member of the YMCA, Boys & Girls Club, West Bend Athletic Association, West Bend School District Foundation, the West Bend Waterways Foundation, Chamber of Commerce Board and past chairman of the Urban Design Committee and the West Bend School District Private Task Force.

Kraig believes those with the ability to lead have the responsibility to do so. Kraig proudly served as the Mayor of West Bend from 2011 to 2019 with the mission of ‘asking questions that have never been asked before’.

Kraig lives in West Bend with Jo, his wife of over 25 years. Together they have 4 daughters. Kraig enjoys time with his family, the outdoors, traveling, skiing, biking, an occasional round of golf and debating politics.



*Randy Schmiedel- Principal of Discovery Properties Management & Development*



**RANDY  
SCHMIEDEL**



DISCOVERY PROPERTIES  
— MANAGEMENT & DEVELOPMENT —

In addition to leading the Discovery team Randy has been instrumental in leading numerous people into financial freedom through investing in real estate. He was born and raised in Oshkosh and graduated from Oshkosh West High School, he then attended the University of Wisconsin Oshkosh. He is also a graduate of the Oshkosh Leadership program. Randy was on the YMCA board for 13 years, 3 of those years he served as board president. During his tenure as president, he was part of a team that oversaw a new \$16 million dollar downtown YMCA. Randy was also a board of trustee for the Paine Art Center and Gardens for 17 years, a Rotarian for 19 years, and delivered meals on wheels for the aging that could not cook or obtain food. Randy was also one of twenty people that organized a highly successful community bank called Choice Bank back in 2006. He was an active part of that board and the loan committee. Since then, Choice Bank has been acquired by Nicolet Bank. Through the years at no cost or minimal cost, his company has housed many families from the Boys and Girls Club, Christine Ann Center, or the Oshkosh Area School District that have fallen on hard times until they could get back on their feet. He believes very strongly in giving back to his community that has been so generous to him.

Randy has lived his entire life in Oshkosh and is married to the love of his life Jane and together they have 2 adorable kids Veanna and Caden. They love to hang out with their kids, travel, run, be active gym rats, and follow their kids’ sporting events wherever that may lead them.



## 2.) SUMMARY OF RELEVANT EXPERIENCE

### TRAIL'S EDGE APARTMENTS



202,013 SQ. FT.

\$19 Million

120 UNITS

3 FLOORS

1 OR 2 BED & 1 BATH

UNDERGROUND PARKING

COMPLETED IN 17 MONTHS

Trail's Edge Apartments in West Bend, Wisconsin is a welcome home to many of West Bend's newest residents. Being in close proximity to Historic Downtown West Bend, and the Riverwalk & Eisenbahn Trail drew many new residents to the area. They enjoy the underground parking, the dog and car wash stations, the workout facility, and the spacious community room with an outdoor terrace for entertaining.

### SPRINGHILL SUITES BY MARRIOTT



65,065 SQ. FT.

\$12.4 Million

103 UNITS

4 FLOORS

WOOD FRAME CONSTRUCTION

COMPLETED IN 18 MONTHS

The Springhill Suites by Marriott in Menomonee Falls, Wisconsin beckons travelers and business people to rest their heads and enjoy a home away from home. Located on a convenient frontage road, this location gives a restful stay while not being too far from entertainment or business in downtown. Equipped with a fitness center, breakfast bar, comfortable lobby, a pool, and outdoor entertainment area including grills and an outdoor firepit; it is a great and much needed addition to Menomonee Falls.

### NORTH TOWN APARTMENTS



279,231 SQ. FT.

\$37.8 Million

170 UNITS

4 FLOORS

1, 2, OR 3-BED & 1 OR 2 BATH

TIMELINE 19 MONTHS

North Town Apartments in Sheboygan, Wisconsin is currently under construction. When completed, it will be much needed housing in the Sheboygan area. With 170 families able to call these apartments home, it is designed with families at the center of it, with a 'town square' of green space in the middle of the development for residents to enjoy. They will also have underground parking, a workout facility, and a multi-use community room for entertaining. The apartments are located with easy access to the highway for an efficient commute for the future North Town Apartments residents.



## 2.) SUMMARY OF RELEVANT EXPERIENCE

### THE RIVERS SENIOR LIVING FACILITY



OSHKOSH, WI

90,000 SQ. FT.

\$12 Million

60 UNITS

3 FLOORS

1 OR 2 BED & 1 OR 2 BATH

UNDERGROUND PARKING

TIMELINE 12 MONTHS

The Rivers Senior Living Facility for those 55 or better is uniquely situated on the Fox River in Oshkosh, Wisconsin. The residents that call The Rivers home enjoy spacious living, along with access to the river for relaxation or recreation. They also utilize the fitness room, community center, arts and crafts room, and the hair salon, all accessible to residents inside the building. They also enjoy the free underground parking.

### WASHINGTON PLACE HISTORICAL FLATS



OSHKOSH, WI

28,000 SQ. FT.

\$4 Million

20 UNITS

3 FLOORS

1, 2, OR 3 BED & 1 OR 2 BATH

TIMELINE 10 MONTHS

The Washington Place Historical Flats in Oshkosh, Wisconsin is a unique home for residents of Oshkosh. This adaptive reuse project gives its residents spacious and inviting apartments, showcasing the beautiful architecture both inside and out. Historic Oshkosh is only a walk away, and offers easy access to local restaurants, the library, YMCA, and the Fox River. The residents enjoy the detached garages for parking and for storage.

### LAKEVISTA ESTATES



ALGOMA, WI

SUBDIVISION DEVELOPMENT

\$50 Million

135 UNITS

CURRENTLY UNDER CONSTRUCTION

80% COMPLETE

STARTED 3.5 YEARS AGO

Lakevista Estates in Algoma, Wisconsin is a subdivision with a mix of single family, condos, twin-condos, and townhomes that give the current and future residents of Algoma a place to call home. This subdivision allows them to decide what they would like their new home to look like, and work with builders to obtain their ideal home. This subdivision, which is now 80% complete, is sure to be a cornerstone of Algoma.





PROPOSED BUILDING

# Watertown Multi-Family

111 South Water Street  
City of Watertown, Jefferson County

Issue Date:  
10 / 03 / 2024  
NOT FOR CONSTRUCTION

Revision:

Project Number:  
24001

Sheet Title:  
CONCEPT SITE PLAN  
OPTION B AND  
PARKING GARAGE  
PLAN

Sheet Number:

# A-100





3350 SOUTH RIVER ROAD  
WEST BEND, WI 53095-7884  
(262) 334-3811 FAX: (262) 334-4990



3350 SOUTH RIVER ROAD  
WEST BEND, WI 53095-7884  
(262) 334-3811 FAX: (262) 334-4990



PROPOSED BUILDING

# Watertown Townhomes

1st Avenue  
City of Watertown, Jefferson County

Issue Date:  
10 / 03 / 2024  
NOT FOR CONSTRUCTION

Revision:

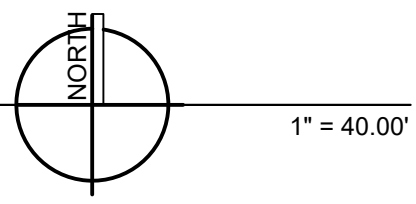
Project Number:  
24001

Sheet Title:  
CONCEPT SITE PLAN

Sheet Number:

# A-100

CONCEPT SITE PLAN



# MEMO

## Redevelopment Authority (RDA)

To: RDA Board

From: Mason T. Becker, RDA Executive Director

Date: 12-18-24

Subject: WEDA membership opportunity

### Background

As board members may recall, I have had a personal student membership with the Wisconsin Economic Development Association (WEDA) for the past year. I have found this membership beneficial in allowing me to attend conferences and networking opportunities, as well as learn more about economic and community development here in Wisconsin. Members may also recall that I attended the WEDA Fall Best Practices Conference in late September and shared an update on information gathered at the October 23, 2024 RDA board meeting. As I have since graduated from the MPA program at UW-Oshkosh I am no longer eligible for the student membership rate.

*“The Wisconsin Economic Development Association (WEDA), founded in 1975, is a statewide non-profit organization dedicated to expanding Wisconsin’s economy. Driven by the needs of our 450-plus members, we represent the economic development interests of both the private and public sectors through leadership on statewide initiatives to advance economic development in Wisconsin.*

*Through advocacy, networking, and education, we provide members with the resources and tools to strengthen their skills in economic development, help achieve their professional goals, and promote economic growth in communities throughout the state.”*

The RDA is eligible to join WEDA as a Small Organization Member (less than six employees). Two individual memberships are included. One could be assigned to the Executive Director and one could perhaps be assigned to the RDA Chair. Memberships are tied to the organization and not the individuals. Members receive access to industry training opportunities, member services, networking events, reduced fees for conferences and training opportunities, etc.

### Financial Impact

The total cost of the Small Organization Membership would be \$600.00, which could be renewed on an annual basis. This amount can be covered by the RDA’s marketing account, which has ample remaining balance at this time.

# MEMO

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## Recommendation

There are three options, though I would recommend the first one as being the most beneficial to the RDA:

1. Join WEDA as a small organization member at a cost of \$600.00/yr
2. Pay for the RDA Executive Director to join WEDA at a cost of \$350.00/yr
3. Decline to join WEDA at this time

Thank you for your consideration.

# MEMO

## Redevelopment Authority (RDA)

To: RDA Board

From: Mason T. Becker, RDA Executive Director

Date: December 18, 2024

Subject: Revolving Loan Fund Mortgage Position

### Background

For several years, the RDA has operated a Revolving Loan Fund, which was designed to offer fixed-term, low-interest loans to local businesses and property owners within the City's downtown area. The RDA partners with three local banks to provide funding for these loans: Bank of Lake Mills, Bank First, and Ixonia Bank. The RDA also carries a primary checking account at Bank of Reeseville, from which we write draw checks given to borrowers for specific amounts when requested.

The RDA is currently administering eight separate loans through this program (six of these are through the original program and two newer loans are through the modified version when the RLF was re-launched in 2023). Loans are secured through a mortgage on the property.

One of the current borrowers, Deerfield Properties (Dan Rahfaldt), is working with another bank, Premier Bank, to secure an additional line of credit for business purposes. Premier Bank is requesting that the RDA consider subordinating and taking a 3<sup>rd</sup> position on the property located at 118 N Water St. Premier Bank would hold the first two positions. A letter from Premier Bank explaining this is included in your agenda packet.

Mr. Rahfaldt has made timely repayments on the current loan and has successfully utilized the Revolving Loan Fund with three other loans in the past which were all since paid off.

After speaking with two former RDA board members to gain further understanding of the background in creating the Revolving Loan Fund, I feel comfortable with the RDA accepting this request. It should be noted that these past members were speaking from personal history and opinion, and not offering professional or legal advice to the RDA.



# MEMO

## Financial Impact

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There is no direct financial impact to this change. While the RDA may bear a small additional risk, there is already a certain amount of risk in loaning out funds. The current balance on this loan is \$52,816.73.

## Recommendation

I would recommend that the RDA board agree to the modified position on the loan.



December 10, 2024

RE: Deerfield Properties, LLC

Current Situation:

- Deerfield Properties has an existing property improvement line of credit with PremierBank, secured by a first mortgage on the property located at 118 N Water Street, Watertown, which was originated in December 2021.
- Deerfield Properties requested an increase of \$50,000 to support future projects. To avoid refinancing the original mortgage, PremierBank approved filing an additional mortgage of \$50,000, making the total line of credit \$450,000.

Watertown Redevelopment Authority (RDA):

- During underwriting, it was discovered that the Watertown Redevelopment Authority (RDA) holds a second mortgage on the same property.
- PremierBank, however, will not allow the \$50,000 increase to be secured by a third-position mortgage. This is because lenders typically want to have a higher priority claim on the property in the event of default. The presence of a second mortgage complicates this situation.

Request for Subordination:

- To proceed with the \$50,000 increase, PremierBank and Deerfield Properties are seeking a subordination agreement from the RDA.
- Subordination means that the RDA would agree to take a lower priority in the event of a foreclosure or liquidation of the property. In essence, the RDA would agree to subordinate its second-position mortgage to the new third mortgage that PremierBank would hold for the \$50,000 increase.

If the RDA agrees to the subordination, the priority of liens would be:

- PremierBank's original first mortgage (at the highest priority),
- PremierBank's additional \$50,000 mortgage (now in the second position),
- RDA's second mortgage would be in the third position.

**MAIN OFFICE:** 70 N. Main Street • Fort Atkinson, WI 53538 • 920-563-6616

**FORT ATKINSON • JANESVILLE • JEFFERSON • JOHNSON CREEK • SULLIVAN • WHITEWATER**

**bankwithpremier.com**

# MEMO

## Redevelopment Authority (RDA)

To: RDA Board

From: Mason T. Becker, RDA Executive Director

Date: December 10, 2024

Subject: Reappointment of RDA Executive Director

### Background

Since the establishment of the Redevelopment Authority of the City of Watertown (RDA), which was approved by the Common Council on December 20, 2016 and chartered by an organizing resolution on May 9, 2017, the RDA has had an Executive Director to administer the organization and its activities under the direction of the RDA board members (who are appointed by the mayor).

Originally, a hired consultant served in the Executive Director role. The City later created the full-time position of Strategic Initiatives and Development Coordinator (SIDC). The description of that position includes serving as the RDA Executive Director. Currently, the SIDC is a City employee, and wages and benefits are provided 100% by the City. The SIDC works under and reports directly to the mayor.

It has been requested that the RDA engage in re-appointment of the Executive Director on an annual basis as a matter of best practice.

### Financial Impact

There is no financial impact to this item.

### Recommendation

Re-appoint Mason Becker as the RDA Executive Director for the year 2025.



ARPA Monies Budgeted		Received					
FY 2024		City transferred money to RDA		100,000.00			
Property Address	Project Description	Requested	Approved Amount (Thrive ED	Disbursed	Status	RDA Approve/Deny	CHK #
408 Baxter St	Replace windows, enclose screen porch structure	10,000.00	3,000.00	3,000.00	Agreement signed. Invoice and photos showing completion received 12-4-24	Approved March 26, 2024	Invoice received. Check #1682 mailed 12-5-24
313 N Montgomery St	Concrete replacement for steps	10,000.00	0.00	0.00	Still debating if will move forward. Haven't heard from in some time. Considering closed. 120524 Thrive getting more info from homeowner.		
513 S Seventh St	Siding/sealing, possible new roof	10,000.00	0.00	0.00			
206 N Eighth St	Replace front steps	3,000.00	0.00	0.00			
915 N Second St	Exterior pressure wash & paint, gutter replacement	13,350.00	9,345.00	9,345.00	Agreement signed. Paint job finished.	Approved June 19, 2024	#1665 (Heuel Painting), #1666 Midwest Repair Svcs
512 Pearl St	New windows, entry door, roof repair	10,000.00	10,000.00	0.00	Agreements have been signed 11-12-24. Signed agreement w/ MTB 11-27-24	Approved June 19, 2024	
702 S Tenth St	Porch and stairway repair, roof and railing repair.	10,000.00	10,000.00	8,500.00	Agreement signed. Roofing contractor (Kent Const.) said roof be finished first thing in spring. Eligible for 70% but doesn't have funds to cover rest, won't be moving forward.	Approved June 19, 2024	Complete Roofing (Jesus Garcia) finished roofing portion. Chk #1683 mailed 12-5-24
1415 Schuman	Bathroom floor repair/remediation	10,000.00	0.00	0.00		N/A	
218 S Montgomery St	Drainage upgrades, interior/exterior repairs	10,000.00	10,000.00	0.00	Approved. Agreement signed 10-11-24.	RDA approved 10-2-24	
410 Baxter St	Replace windows	10,000.00	5,460.18	0.00	Approved. Agreement signed 10-24-24.	RDA approved 10-2-24	Windows are done, waiting for pics/invoices.
208 S 8th St	AC replacement/chimney rehab	1,817.70	1,817.70	1,817.70	Approved. Agreement signed 10-8-24. Work completed, inspection done.	RDA approved 10-2-24	#1657 Daizy Sweeps
310 E Green St	New roof and possibly some windows	10,000.00	0.00	0.00	Received 10-3-24. Can't move forward due to lack of other funds		
209 College Ave	Porch/deck replacement, general restoration	6,000.00	0.00	0.00	Applicant getting bids as of 10-10-24		
Totals to date:		114,167.70	49,622.88	22,662.70			

is list does not include applications rejected or still under initial evaluation.



# MEMO

## Redevelopment Authority (RDA)

To: RDA Board

From: Mason T. Becker, RDA Executive Director

Date: 12-18-24

Subject: Development Update

Dear RDA Board members,

Commented [EM1]: i think it makes sense for this to be plan commission

I am providing this memo as a short update on various developments within the City of Watertown.

### Residential:

*Intrepid Investments:* The City recently approved and signed a Pre-Development Agreement with Intrepid Investments for two sites: 111 S Water St and a portion of the N First St parking lot. There is further detail about this in your agenda packet. These sites were both identified as catalytic redevelopment sites in the Rock River District Vision plan we have been working on with RINKA and Kapur.

*Loos Homes* is moving forward with Edge Field, a new subdivision located just south of Hepp Heights and west of Milford St/Hwy A. As part of the planning for this subdivision, a new public park will be created within the existing Hepp Heights. Parks, Rec, & Forestry Director Kristine Butteris and other key staff were consulted on this matter. Loos plans to break ground at Edge Field this spring. At Plan Commission, it was determined that River Road should be extended across Milford St to provide another point of access for this subdivision.

*Bielinski* has been moving through the platting process for The Enclave, a new subdivision within Hunter Oaks on the west side of the City and south of Clausen Quality Chocolates. These new single-family homes will be on smaller lots, each home around 1,500 sq ft to be offered at a more attainable price point. Work has already begun on the first four lots. Belmont Drive will be fully constructed as part of this process (the developer previously planned to vacate the undeveloped portion of Belmont, but plans changed due to wetlands discovered on the western portion of the development).

*Rock River Ridge/Lumin Terrace:* The development agreement for Lumin Terrace, consisting of 92 new apartment units, was completed recently. Site work is well underway for the entire development, which is located just south of the new Tom and Mary Schultz Family YMCA (also currently under construction). Take the time to drive by if you haven't...there is a massive amount of dirt being moved right now! As a reminder, Rock River Ridge will include a mix of



# MEMO

single-family homes constructed by Harbor Homes, and White Oak Builders will be constructing nine twin-home builds (18 units total).

## Commercial:

*Downtown Activity:* I continue to speak to and work with downtown property owners regarding future plans for their businesses. The building that was formerly home to Watertown Siding recently was sold, and a new business, Rafah Bowls, will be located on the first floor. The RDA recently awarded a Beltz Foundation Grant to this project.

*Sassy Sweets* is also currently under construction, located in the former location of Elegant Arrangements. This business was another Beltz Grant recipient.

*Church Street Corridor:* A large amount of activity has been happening here lately. I was recently informed that another restaurant brand will be locating in the space that KFC recently vacated (more details forthcoming). I have also been working with someone representing another national QSR (quick service restaurant) looking at a new construction infill project along this corridor. The search for an appropriate site took a long time for this project, but I think residents will be pleased when they learn more.

*A Nicaraguan grocery store* and market is also coming to the former Pizza Hut location (located next to Sake House). City staff are currently assisting them with the permitting process for this new business. You may have noticed the new flags they have hanging outside the windows for the time being already.

**Industrial:** Watertown currently has somewhat limited options for industrial/manufacturing growth at this time. This is a challenge. Further challenging is our lack of currently vacant existing industrial space. Many companies are looking for available existing space first, due to high construction costs and interest rates.

*Hwy A:* This year, the City paid for various services to get 63 acres of City-owned land, located along Hwy A/Milford St ready for future development. Phase I and II ESAs (environmental site assessment) and a Phase I Archeological studies were all completed, with no concerning items found. A certified survey map (CSM) was also completed to separate the buildable portion of the property from a larger piece that will be retained by the City for wetlands/conservation. I will be working with Thrive ED to get this land ready for marketing. We anticipate bringing forward options at a future Plan Commission meeting. We had a productive discussion with the Plan Commission about this site in November.

Last week I was able to attend the BioForward end of year celebration with Deb Reinbold from Thrive ED. This was a great opportunity to network with people involved in the biotech industry in our state. Wisconsin was recently designated as a Tech Hub, and federal investment in this sector should be continuing for the foreseeable future. I can share that there was much buzz about Jefferson County at this event.



# MEMO

Nearby Jefferson continues to enjoy industrial growth in their FaB (food and beverage) park. The Jefferson County Board of Supervisors last week approved a potential sale of land to a Finnish company, Onego Bio. This continued investment and job growth in Jefferson County is a positive that communities such as Watertown can build upon.

Dodge County also just announced a new grant program designed to promote housing development in Dodge County. I will be attending a session in January to learn more about this new program, which is being funded by a portion of the county's sales tax.

Please let me know if you have any additional questions.

Sincerely,

A handwritten signature in cursive script, reading "Mason T. Becker".

Mason T. Becker  
RDA Executive Director

[https://wiscnews.com/dodge-county-community-development-fund/article\\_7223b400-ab4b-11ef-8682-f36605c5535d.html](https://wiscnews.com/dodge-county-community-development-fund/article_7223b400-ab4b-11ef-8682-f36605c5535d.html)

FEATURED TOP STORY EDITOR'S PICK

## Dodge County communities can benefit from new development fund

Terri Pederson

Nov 26, 2024



Morgan Muche, Dodge County community development marketing and communications manager, and Nate Olson, community development administrator, look over the application process for the county development fund grant. The funds will assist communities in Dodge County to complete nee  
Terri Pederson

Our tuition  
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Terri Pederson

**D**odge County has a new program to assist communities in the county with a community development fund grant that will allow the county to invest \$2 million of sales tax revenue to go to cities, towns and villages for needed infrastructure improvements.

“What we have going on in different communities is there are some really good initiatives underway,” said Nate Olson, Dodge County community development administrator. “Some of the local leaders are trying to make things happen whether it is industrial developments, commercial or other needs such as housing or childcare. All these different activities are going on in different communities. The roadblock is the resources to help get them across the finish line.”

In the economic financing world, it is called a gap in financing, Olson said. The county created the Dodge County Developmental Fund to bridge that gap, “to work with our communities to try to get some of these projects across the finish line,” Olson said.

## People are also reading...

- 1 **2 horses killed, 5 people displaced in Minnesota Equestrian Center fire**
- 2 **Mauston School District could dissolve in 2027: 'We are going to run out of money,' superintendent says**
- 3 **What to know about Wisconsin men's basketball's first road trip opponent, UCF**
- 4 **Packers 'are definitely hungry' to face team that ended 3 of their last 5 seasons**

The fund is a grant program specifically for cities, towns and villages, Olson said.

One example of how the funds could be used is in industrial park where the money could be used for infrastructure such roads, water and sewers.

“That is typically the responsibility of the community,” Olson said. “This is something that could help them with that infrastructure. To be honest, I first see this program mostly financing infrastructure because it is so expensive. It is a Dodge County grant program just for our communities.”

The Dodge County Board approved the program during its budget meeting on Nov. 12 and will use \$2 million of sales tax revenue to fund the program, Olson said.

“To my knowledge, I don’t know of another program like this in Wisconsin,” Olson said. “There might be some variations of it.”

Dodge County had a revolving loan fund a few years ago that funded businesses, Olson said. That program went away, but started Olson thinking about what Dodge County might really need.

“I saw a need,” Olson said. “Maybe we don’t need a loan program for businesses, but more so the need was for our communities and helping the communities with those projects.”

Olson said the idea was to become more of a resource to the communities to make things happen, and he talked to different people in his field as well as county staff to help shape a program that would work.

“Dodge County Board of Supervisors are very supportive,” Olson said. “They hear from their communities that they need help and assistance to make some things happen, and we hope this new initiative program will do just that and get things going.”

Olson said there will be an application process and an advisory committee of economic development people from other areas of the state will be assessing the projects for approval.

“We are pulling in people who work in this field but not in Dodge County,” Olson said. “They will be the ones to actually review the projects.”

The Dodge County Executive Committee will approve the projects, Olson said.

There will be a formal kick off this winter at the Dodge County Administration Building for community leaders to find out more about the program, Olson said. The first round of applications will most likely come in during the spring.

“Many communities are already aware of it and they are looking forward to it,” Olson said. “This is also something they have been asking for. They are already going after grants, donations, and utilizing the tools they have, but they are maxed out. They need help. This isn’t just Dodge County’s idea. This has come from our communities as well. They have said they need help for quite a while now.”

Olson said he is looking forward to seeing what communities can do now that they have the program.

“It is nice now that Dodge County can be more of a proactive partner with them,” Olson said.

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**GALLERY: Dodge County Rodeo fills the stands**