



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

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

Thursday, April 18, 2024 - 5:30 PM

MINUTES

CALL TO ORDER. Interim Chair Joe Kromholz called the meeting to order at 5:30 p.m. New Board Members Neil Hicks and Greg Majkrzak representing the Common Council were introduced and welcomed to the Board. Moved by Knight and seconded by Kachel to waive the 72-hour notice required by the City of Whitewater Transparency Ordinance to amend the Agenda to add one additional item: Consideration and Election of CDA Chair and Vice-Chair. Motion passed by unanimous voice vote (6).

ROLL CALL. PRESENT: Joe Kromholz, Jon Kachel, Neil Hicks, Christ Christon, Greg Majkrzak, Jeff Knight. ABSENT: Thayer Coburn. STAFF: John Weidl (City Manager), Taylor Zeinert (Interim Economic Development Director), Bonnie Miller (CDA Administrative Assistant). OTHERS: Elizabeth Thelen (Executive Director of Whitewater University Tech Park), Dr. Russell Kashian (UW-Whitewater Department of Economics).

APPROVAL OF AGENDA. Moved by Hicks and seconded by Kachel to approve the Agenda as amended. Motion passed by unanimous voice vote (6).

CONSIDERATION & ELECTION OF CHAIR & VICE CHAIR.

Kromholz nominated Greg Majkrzak to be the CDA Chair; seconded by Christon.

Neil Hicks nominated Jeff Knight to serve as CDA Chair; seconded by Kachel.

Roll Call Vote in favor of Greg Majkrzak to serve as CDA Chair. AYES: Christon, Kromholz, Majkrzak; NOES: Kachel, Hicks, Knight; ABSENT: Coburn. Vote resulted in a tie.

Roll Call Vote in favor of Jeff Knight to serve as CDA Chair. AYES: Knight, Kachel, Hicks; NOES: Kromholz, Christon, Majkrzak; ABSENT: Coburn. Vote resulted in a tie.

Kromholz proposed operating without a Chair or Vice-Chair and have the elections next month when we have a full Board.

Knight nominated Neil Hicks to serve as CDA Chair; seconded by Kachel.

Kromholz nominated Greg Majkrzak to serve as CDA Chair; seconded by Christon. City Manager Weidl asked if there were any further nominations. Hearing no further nominations, roll call votes were taken.

Roll Call Vote in favor of Neil Hicks to serve as CDA Chair. AYES: Knight, Kachel, Hicks; NOES: Kromholz, Christon, Majkrzak; ABSENT: Coburn. Vote resulted in a tie.

Roll Call Vote in favor of Greg Majkrzak to serve as CDA Chair. AYES: Kromholz, Christon, Majkrzak; NOES: Knight, Kachel, Hicks; ABSENT: Coburn. Vote resulted in a tie.

After further discussion regarding various options to break the tie, the Board failed to reach a resolution.

It was moved by Majkrzak to table this item until the May meeting; seconded by Kromholz. Roll Call: AYES: Kromholz, Christon, Majkrzak; NOES: Knight, Hicks, Kachel; ABSENT: Coburn. Motion failed.

Hicks nominated Jon Kachel as President; Kachel withdrew.

Kromholz moved to table the consideration of election of Chair and Vice Chair until the May meeting; seconded by Majkrzak. Roll Call Vote: AYES: Kromholz, Christon, Majkrzak; NOES: Kachel, Hicks, Knight; ABSENT: Coburn. Motion failed.

After discussing the merits of each of the candidates, Kachel proposed electing Co-Chairs. City Manager Weidl stated that the Ordinance provides for election of a Chair and Vice Chair. Kachel proposed nominating Chair and Vice Chair together under one vote.

Majkrzak nominated Kromholz to serve as Interim Chair for one meeting to allow the Board to proceed with this meeting; seconded by Christon.

Roll Call Vote on Majkrzak nomination of Kromholz. AYES: Majkrzak, Christon, Kromholz; NOES: Hicks, Knight, Kachel. ABSENT: Coburn. Nomination failed.

Knight moved that because two members of the City Council were both nominated and each received three votes, we will decide between Hicks and Majkrzak with a flip of a coin. AYES: Kachel, Knight, Hicks; NOES: Christon, Majkrzak, Kromholz; ABSENT: Coburn. Motion failed.

Kromholz moved to table the election of CDA Chair and Vice Chair until the next meeting when a full panel of Board Members are present. Roll Call Vote: AYES: Christon, Kromholz, Majkrzak; NOES: Kachel, Knight, Hicks. ABSENT: Coburn. Motion failed.

City Manager Weidl proposed moving the election of Chair and Vice Chair to the end of the meeting in order to move the meeting along. It was moved by Knight to take up Item 3 immediately; seconded by Hicks. Motion passed by unanimous voice vote (6).

PRESENTATION

3. Interim Economic Development Director Zeinert introduced Chuck Saul and Mary Jane Pyszka representing Habitat for Humanity of Walworth County who accepted a check from the CDA in the sum of \$25,000 representing a developer incentive under the City's Affordable Housing Fund Policy. Habitat recently dedicated a newly-built house located at 896-A3 South Franklin Street which is now the home of a family of five. Mr. Saul congratulated the City of Whitewater for their efforts to promote affordable housing and looks forward to working with the City in the future.

Moved by Hicks to take a five-minute recess; seconded by Kromholz. Motion approved by unanimous voice vote (6).

Following the brief recess, Kromholz moved to nominate Neil Hicks as Interim Chair for this meeting and table the election of Chair and Vice Chair to the May CDA Meeting; seconded by Christon. Motion passed by unanimous roll call vote. Kromholz turned the meeting over to newly-elected Interim Chair Neil Hicks.

DECLARATION OF CONFLICT OF INTEREST. None stated.

HEARING OF CITIZEN COMMENTS

Lisa Dawsey-Smith (247 N. Fremont St.) stated that the Common Council has officially allowed her to participate in a county-wide housing task force and will report back to the Board.

APPROVE MINUTES

4. Moved by Knight and seconded by Kromholz to approve the Minutes of the March 21, 2024 CDA Board of Directors Meeting. Motion passed by unanimous roll call vote (6).

ACKNOWLEDGE FINANCIAL STATEMENTS

5. Moved by Kromholz and seconded by Hicks to acknowledge Financial Statements from period ending March 31, 2024. Motion passed by unanimous roll call vote (6).

ACTION ITEMS

6. **Discussion and possible action regarding Memorandum of Understanding - Whitewater Innovation Center (Kromholz), including discussion regarding FERC's Assessment of the Innovation Center (Dr. Kashian).** Ms. Elizabeth Thelen (Executive Director of the Whitewater University Tech Park) provided a chart reflecting current Innovation Center governance structure and a proposed reconfiguration of documents and responsibilities. Dr. Russell Kashian (UW-Whitewater Economics Department) offered a presentation summarizing the history of the Innovation Center and discussed the most recent FERC Assessment of the Center. Board Member Knight offered remarks on the restrictions with regard to sale of the building pursuant to the original Federal grant document. City Manager Weidl requested information as to determining the "graduation" level of participants from the Innovation Center. Ms. Thelen summarized the current availability of space at the Center and the status of "anchor" tenants. Board Member Knight remarked that there are current tenants that could potentially be located in other available spaces in the City to ensure space is available at the Innovation Center for new startups. For the record, Dr. Kashian stated that the three groups he had an interest in at the Innovation Center are Scanalytics, Meeper and Pinpoint Software (note that Dr. Kashian later stated that there were two others). After further discussions regarding rent revenues required to support the building and other issues, Board Member Kromholz moved to table Action Item 6 for further discussion at a future meeting; motion amended by Board Member Knight to include an additional new agenda item regarding graduation of businesses from the Innovation Center; seconded by Kachel. Motion passed on unanimous roll call vote (6).

7. **Discussion and possible action regarding transfer of funds from Action Fund Account to Façade Loan Fund Account.** Interim Director Zeinert summarized the need for a transfer of funds into the Façade Loan Fund from the Action Fund. Moved by Knight to approve; seconded by Kromholz. Motion passed upon unanimous roll call vote (6).
8. **Discussion and possible action with regard to Request for Proposal (RFP) for legal counsel to represent the interests of the CDA.** Moved by Greg; seconded by Kromholz to approve and publish the RFP. Motion passed upon unanimous roll call vote (6).
9. **Discussion and possible action regarding selection of a judge for the WindUp competition.** Interim Director Zeinert summarized the status the WindUp competition and asked for a volunteer from the Board to act as a Judge, noting that Neil Hicks is the Common Council representative as a judge. Board Member Knight nominated Board Member Christon; seconded by Kromholz. Motion passed upon unanimous roll call vote (6).

UPDATES & DISCUSSION

10. **Discussion regarding draft of Reimbursement Agreement between the City and the CDA with respect to the Whitewater WindUp Business Competition.** City Manager Weidl summarized the intent of the Reimbursement Agreement. Moved by Greg to recommend referral to the Common Council for approval; seconded by Knight. Motion passed by unanimous roll call vote (6).
11. **Update regarding April 25, 2024 Housing Roundtable.** Interim Director Zeinert reported that 58 individuals have indicated they will attend, of which 10 individuals are private landowners. City Manager Weidl stated that there will be an individual there with updates to recent legislative changes affecting housing. Members of the Board recognized staff efforts to put the program together.
12. **Update regarding the status of renovation of the property located at 108 W. Main Street (Tax Parcel No. /WUP 00257A).** Interim Director Zeinert summarized the issues that need to be addressed at the site and stated that staff is ready to move forward with drafting a Request for Proposal (RFP) to be considered by the Board at the May CDA Meeting.
13. **Economic Development Activities Update.** City Manager Weidl and Interim Director Zeinert attended the Kenosha Area Business Alliance (KABA) and presented updates regarding ongoing housing activities in Whitewater. Ms. Zeinert confirmed that staff has completed 12 business retention visits, with the first manufacturing business scheduled this month. Ms. Zeinert next updated the Board regarding the status of the WindUp business competition. Ms. Zeinert concluded with an update on new businesses opening and a business re-opening. Board Member Knight offered an apology to Staff for the record regarding a previous misunderstanding on the part of Mr. Knight and comments he made regarding future development of the Hale Property located on Warner Road.

EXECUTIVE SESSION

Moved by Interim Chair Hicks and seconded by Board Member Knight to adjourn to Closed Session, TO RECONVENE, pursuant to Wisconsin Statutes 19.85(1)(e) "Deliberating or negotiating the purchasing of

public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. Item to be discussed: Update and possible action regarding Offer to Purchase from Quality Industries, Inc. for the acquisition of a vacant parcel of land located on Starin Road for development of residential housing (Tax Parcel No. /WUP 00018D). Motion passed upon unanimous voice vote (6).

RECONVENE INTO OPEN SESSION

15. Reconvene to Open Session for possible action regarding Offer to Purchase from Quality Industries, Inc. for acquisition of vacant parcel of land located on Starin Road for development of residential housing (Tax Parcel /WUP 0018D). Moved by Kromholz to terminate the Agreement with Quality Industries, Inc. for the acquisition of the vacant parcel of land failure to comply with the terms of that Agreement. Seconded by Knight. Motion passed upon unanimous roll call vote (6).

FUTURE AGENDA ITEMS

16. Update regarding status of Action Fund Loan Loss Reserves.
Update regarding why Meeper Loan was written off.
Update regarding status of Scanalytics Capital Catalyst Loan.
Follow up on summary of Capital Catalyst original loan amounts.
Cost of amending a TIF District.
Update regarding any ongoing litigation, if any.
Supreme Court recent ruling with regard to payment of real estate brokerage commissions.
Request for Proposal regarding redevelopment of property at 216 E. Main St.
Graduating businesses from the Innovation Center.

ADJOURNMENT. Moved by Kachel and seconded by Kromholz to adjourn the meeting. Motion passed by unanimous voice vote. Interim Chair Hicks adjourned the meeting at approximately 7:35 p.m.

Respectfully submitted,

Bonnie Miller, Recorder

Minutes approved at June 20, 2024 CDA Meeting.