



Community Development Authority Board of Directors

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

Thursday, April 17, 2025 - 5:30 PM

MINUTES

CALL TO ORDER

The meeting was Called to Order at 5:31 p.m. by Co-chair Joe Kromholz.

ROLL CALL

PRESENT

Board Member Thayer Coburn
Board Member Jon Kachel
Board Member Joseph Kromholz
Board Member Kelsey Price
Council Representative Orin O.Smith
Board Member Christ Christon

ABSENT

Council Representative Brian Schanen

APPROVAL OF AGENDA

A committee member can choose to remove an item from the agenda or rearrange its order; however, introducing new items to the agenda is not allowed. Any proposed changes require a motion, a second, and approval from the Committee to be implemented. The agenda shall be approved at each meeting even if no changes are being made at that meeting.

Motion to approve the agenda with the following changes: move ELECTION OF CHAIRPERSON and ELECTION OF CO-CHAIRPERSON to the beginning of the meeting, immediately following AGENDA APPROVAL. Motion by Board Member Kromholz; seconded by Board Member Coburn. Motion carried with a voice vote.

ELECTION OF CHAIRPERSON

Motion to elect Board Member Kromholz as CDA Chairperson.

Motion made by Board Member Coburn, Seconded by Board Member Christon.

Voting Yea: Board Member Coburn, Board Member Kachel, Board Member Kromholz, Board Member Price, Council Representative O.Smith, Board Member Christon

ELECTION OF CO-CHAIRPERSON

Motion to elect Board Member Coburn as CDA Co-Chairperson.

Motion made by Board Member Kachel, Seconded by Board Member Christon.

Voting Yea: Board Member Coburn, Board Member Kachel, Board Member Kromholz, Board Member Price, Council Representative O.Smith, Board Member Christon

CONFLICT OF INTEREST

Would any board member wish to declare any known Conflict of Interest with the items presented on today's CDA Board Agenda?

Board Member Kachel declared a conflict of interest regarding agenda item #15: Discussion and Possible Action on Stepmother LLC Offer to Purchase 1127 Bluff Road (/A405400001).

CONSENT AGENDA

Items on the Consent Agenda will be approved together unless any committee member requests that an item be removed for individual consideration.

EDD Zeinert provided a brief summary of the consent agenda items based on the memos included in the packet.

Motion to approve the consent agenda.

Motion made by Board Member Coburn, Seconded by Council Representative O.Smith.

Voting Yea: Board Member Coburn, Board Member Kachel, Board Member Kromholz, Board Member Price, Council Representative O.Smith, Board Member Christon

1. Approval of February Minutes
2. Approval of March Minutes
3. Approval of February Financials
4. Staff Update on the status of Black Sheep's - Lloyd's Liquor License
5. Legal Update on Black Sheep
6. Legal Update on Slipstream
7. Legal Update on Scanalytics

HEARING OF CITIZEN COMMENTS

No formal Committee action will be taken during this meeting although issues raised may become a part of a future agenda. Participants are allotted a three minute speaking period. Specific items listed on the agenda may not be discussed at this time; however, citizens are invited to speak to those specific issues at the time the Committee discusses that particular item.

To make a comment during this period, or during any agenda item: On a computer or handheld device, locate the controls on your computer to raise your hand. You may need to move your mouse to see these controls. On a traditional telephone, dial *6 to unmute your phone and dial *9 to raise your hand.

NONE

PRESENTATIONS

8. Presentation by LuLu's Cravings (**Lourdes Antonio.**)

Lourdes Antonio, owner of LuLu's Cravings, gave a presentation on her business. The presentation is included in the board packet. LuLu's Cravings is a small family-owned business that started nine years ago from home and over the years has been expanding. The business is located at 159 W. Main Street. The request for start-up funding will be discussed in Closed Session.

9. Presentation by Edgerton Hospital requesting funds for equipment for Whitewater Urgent Care (**Marc Augsburger**).

Marc Augsburger, President and CEO of Edgerton Hospital and Health Services (EHHS), presented information on the request for funding for equipment for their Whitewater Urgent Care location. The Urgent Care is at 757 E. Milwaukee Street. They have a long-term lease on the space. The intent is for the Urgent Care to be open seven days per week, ten hours per day. For that to be a useful service, an x-ray machine is required. EHHS is requesting \$140,000 for the purchase of that equipment. Financial documents and specifications on the x-ray machine are included in the Closed Session board packet.

CONSIDERATIONS / DISCUSSIONS / REPORTS

10. Discussion and Possible Action on Modifications to the "But For" Worksheet (**EDD Zeinert**).

In order to ensure that developments are providing significant local benefits, modifications to the "But For" worksheet are proposed. The "But For" worksheet was previously approved by the CDA and is used to evaluate TIF applications. Modifications are highlighted on the worksheet in the board packet.

DISCUSSION

Board Member Coburn asked about the genesis of this "But For" worksheet. EDD Zeinert and City Manager Weidl are in a Certified Public Manager Course and this worksheet was a result of one of their class projects. The intent was to increase transparency regarding the use of TIF.

Board Member Coburn asked if the local business and workforce contribution is covered in any other items on the worksheet. EDD Zeinert stated that there is no section that calls it out specifically. This modification gives the opportunity to prioritize it by adding 10 points to the score. With the modification, 110 points is the highest possible score, rather than 100.

Board Member Kromholz offered that it's not clear that giving this type of preference is helpful or that it is a positive addition to the analysis

Board Member Smith asked how this aligns with best practices and what is used in surrounding municipalities. EDD Zeinert explained that the basis of TIF is that a developer

needs to show a gap in financing. Most municipalities have some type of criteria developed based on community needs.

Board Member Coburn stated that he does not believe it is the job of the CDA to stack the deck in favor of certain developers.

Board Member Kromholz stated that we want development in this community, so we want to be inviting to people outside the community to come in and increase our tax base. If they know the deck is even a little bit stacked against them that is a disincentive for them to want to engage in projects here.

Board Member stated that buying local is great, but wondered how enforcement of this would be done.

No action was taken on this agenda item.

11. Discussion and Possible Action on Down Payment Assistance Loan Application **(EDD Zeinert)**.

The City of Whitewater has a Down Payment Assistance program to assist those that financially qualify to buy a home in Whitewater. The application is included in the board packet.

DISCUSSION

Questions were asked about the loan terms. EDD Zeinert redirected the conversation specifically to this down payment assistance request, as the loan terms are set by the lender. When the home is sold, the money comes back to the City.

Motion was made to approve this downpayment assistance loan.

Motion made by Board Member Kromholz, Seconded by Council Representative O.Smith.
Voting Yea: Board Member Coburn, Board Member Kachel, Board Member Kromholz, Board Member Price, Council Representative O.Smith, Board Member Christon

EXECUTIVE SESSION

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. Items to be discussed:

Adjourned to Closed Session at 6:14 p.m.

Items to be discussed are:

Discussion and Possible Action on allocating \$42,315.12 to LuLu's Cravings for start-up costs **(EDD Zeinert)**.

Discussion and Possible Action on Edgerton Hospital's Request for \$140,000 for equipment for Whitewater Urgent Care Site **(EDD Zeinert)**.

Discussion and Possible Action on deferring Stonegate Management LLC Facade Loan Payments for two years **(EDD Zeinert)**.

Discussion and Possible Action on Stepmother LLC Offer to Purchase 1127 Bluff Road (/A405400001) **(EDD Zeinert)**.

Board Member Kachel will recuse himself from discussion on Stepmother LLC Offer to Purchase due to a declared conflict of interest.

RECONVENE INTO OPEN SESSION

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12. Discussion and Possible Action on allocating \$42,315.12 to LuLu's Cravings for start-up costs **(EDD Zeinert)**.

No Action Taken. City staff was instructed to provide resources on business plan development and applicant was encouraged to return with a request when a business plan is in place.

13. Discussion and Possible Action on Edgerton Hospital's Request for \$140,000 for equipment for Whitewater Urgent Care Site **(EDD Zeinert)**.

Motion to take action on Edgerton Hospital's request for \$140,000 for equipment for Whitewater Urgent Care with the proviso that the loan will contain a clause that it reduces at 10% in principal over its ten year term with the provision for a security agreement including the X-ray machine and an interest escalator should take effect if they stop providing services in the community.

Motion made by Board Member Kromholz, Seconded by Council Representative O.Smith. Voting Yea: Board Member Coburn, Board Member Kachel, Board Member Kromholz, Board Member Price, Council Representative O.Smith, Board Member Christon

14. Discussion and Possible Action on deferring Stonegate Management LLC Facade Loan Payments for two years **(EDD Zeinert)**.

No Action Taken. Instructed staff to encourage Stonegate Management LLC to bring their financials to staff and CDA for further discussion.

15. Discussion and Possible Action on Stepmother LLC Offer to Purchase 1127 Bluff Road (/A405400001) **(EDD Zeinert)**.

No Action Taken. Instructed staff to request a presentation from the developer on intended use of the property.

FUTURE AGENDA ITEMS

Monthly Status Reports on Collections Actions

Revisions to RFP Process

Key Fobs at the Innovation Center

ADJOURNMENT

Motion to adjourn at 7:07 p.m. Motion carried by voice vote.

A quorum of the Common Council may be present. This notice is given to inform the public that no formal action will be taken at this meeting.

Anyone requiring special arrangements is asked to call the Office of the City Manager / City Clerk (262-473-0102) at least 72 hours prior to the meeting.