



Community Development Authority
Meeting Minutes
June 3, 2016

3930 N. Murray Avenue, Shorewood, WI 53211

1. Call to order.

The meeting was called to order at 7:32 a.m. Members present: Chairman Peter Hammond, Andrea Roschke, Pete Petrie, Tr. Allison Rozek, John Florsheim and Tr. Tammy Bockhorst. Member not present: Michal Dawson. Also present: Village Manager Chris Swartz and Planning Director Ericka Lang.

2. Consideration of May 6, 2016 meeting minutes.

Item deferred.

3. Consideration of February 17, 2016 joint CDA and Village Board Tax Increment District meeting minutes.

Ms. Dawson moved to approve, seconded by Ms. Roschke. Vote 6-0.

4. Further discussion of business incentive loan program.

John Meland from Southeastern Wisconsin Regional Planning Commission was present who administers the loan program for the Village.

Mr. Meland reviewed the proposed CDA subcommittee changes and the program as a whole. Key points of discussion included:

- Current loan is maxed at \$100,000. Other similar programs range from \$25,000 to \$50,000. The CDA could lower the standard maximum while still allowing for larger loans that would undergo greater review and scrutiny.
- The CDA should consider the proportion of private sector contribution. Mr. Meland suggested that the public sector contribute less than private sector, such as 30% - 40%.
- Mr. Meland discussed how to better secure loans.
- Mr. Meland noted that many loans do cover working capital, such as for payroll and inventory. However, he suggested this be kept at a lower threshold.
- Mr. Meland believed it was reasonable to advance loan proceeds before the review process was fully completed but that strict limits should be placed on this option including meeting certain pre-approvals.
- Mr. Meland believes the existing 18-month deferral period is too long. Most programs require interest-only payments during that period.
- Mr. Meland suggested the Village speak with Menomonee Falls that has a successful revolving loan program.

Members briefly discussed if certain types of businesses should be ineligible.

To ease the application process, it was suggested to provide a sample application packet to new applicants and put all information online.

The loan subcommittee will incorporate items discussed for the subsequent meeting and present back to the CDA at a future meeting.

5. Consideration of façade grant request: 4517 N. Oakland.

Three Lions Pub business owner David Price was present and described the proposed façade improvements for the portion of the building that the business expanded into over a year ago. The business previously received two façade grants for original building façade.

In a memorandum from BID Director Jim Plaisted, the proposed façade improvement costs total \$46,380 and the grant request if \$23,190.

Ms. Rozek feels the amount is too high for a single storefront and would like to see the maximums per storefront lowered in the future.

Mr. Price noted that this grant program allows small business owners to do improvements beyond the bare minimum required to merely maintain a business.

Ms. Bockhorst moved to approve the façade grant application for business Three Lions Pub located at 4517 N. Oakland Avenue in the amount of \$23,190 or 50% of the actual façade cost, whichever is lower. Seconded by Ms. Dawson. Vote to approve 7-0.

6. Consideration of façade program funding.

Mr. Hammond reviewed the program fund balance from the program project spreadsheet. To date, four projects were approved in 2016 totaling \$61,100, leaving an overall fund balance of \$12,084.10. The Business Improvement District Director Jim Plaisted is requesting \$50,000 in funding transferred from the Village.

Mr. Petrie reminded members that at the end of this year, any façade funds in the BID will transfer to the CDA because the Tax Increment District #1 spending period is ending.

Ms. Rozek requested the CDA to hold any future façade grant applications until the CDA completes an additional façade program review.

Ms. Rozek then revised her request that the CDA place a condition on the transfer that no further transfer can occur until the façade program has been reviewed and changes approved.

Ms. Dawson moved to approve the recommendation to the Village Board to move \$50,000 into the façade program fund with the condition that there is no future transfer on any further

funding applications for small façade projects until Façade Program is re-discussed and changes made, seconded by Ms. Rozek. Vote 6 yes and 1 abstention.

7. Update on neighborhood and housing health.

Mr. Swartz noted that a CDA member requested to have this item on the agenda. He reminded members of the Neighborhood Assessment Report completed four years ago that was a comprehensive evaluation of Shorewood's residential neighborhoods. Last year staff completed a draft residential inspection program. The inspection program was tabled because of the 2015 State statute that terminated the ability for local governments to have proactive interior inspection programs.

Property enforcement is the strongest tool the village currently has to help keep neighborhoods maintained and property values higher, especially without the Code Compliance Program that was also terminated by the State in 2015.

Shorewood's Neighborhood Loan Program started in 2009 is an incentive for home improvements and attracting families with down payment assistance. The attic improvement and duplex conversion loans allow families to grow in place. The duplex conversion loan also aids in increasing home ownership in the village.

Ms. Lang reminded members that the loan program originally included exterior maintenance loans. This loan type was removed because those that needed it the most did not meet loan underwriting standards that are in place to reduce the village's risk. Staff suggested offering grants instead.

8. Update on CDA working groups.

Ms. Roschke leads the Communication Outreach working group. She noted that it has been working to understand and improve how the village communicates to residents regarding CDA activities and to know how items move between village committees. The working group has spoken with several marketing professionals to gather information and identify potential additional communication vehicles. Ms. Roschke noted that communications have improved with putting more materials on the village website. Some additional ideas generated: place controversial items on the village's web homepage; need to discuss how to post meeting agenda's sooner than the typical five days; improve and clarify how CDA agenda items are stated and include future actions.

Ms. Bockhorst suggested having a high school reporter from Ripples newspaper to attend meetings to help communicate CDA activity.

9. Discussion of the CDA Project List and associated initiatives as required.

Mr. Swartz noted that the Sherman apartments off of Capitol Dr. are waiting for the results of soil review by the DNR before construction can start.

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Mr. Swartz will provide and update on the loan status for the mixed use development at Oakland Av and Olive St.

10. Future agenda items.

- a. Mixed use loan status
- b. Discuss incubator programs
- c. Review façade grant program
- d. Retail vacancies
- e. Neighborhood report.

11. Scheduling of future meetings.

The next CDA meeting is scheduled Wednesday July 6th.

12. Adjournment.

The meeting was adjourned at 9:25 a.m.

Recorded by,

A handwritten signature in cursive script that reads "Ericka Lang". The signature is written in black ink and is positioned below the text "Recorded by,".

Planning Director Ericka Lang