



**Community Development Authority**  
**Meeting Minutes**  
**Friday, June 5, 2020 at 8:00 a.m.**  
via Tele/Video-Conference

Present: Chair Peter Hammond, Tr. Kathy Stokebrand, Michal Dawson, Joe LeSage and Desty Lorino

Also present: Village Manager, Rebecca Ewald, Finance Director Mark Emanuelson, BID Director Steph Salvia, Planning and Development Director Bart Griepentrog.

**1. Call to order.**

The meeting was called to order at 8:03 am.

**2. Consider May 12, 2020 meeting minutes.**

Ms. Dawson motioned to approve the minutes as drafted; seconded by Mr. Lorino. Vote 5-0.

**3. Annual election of CDA Chair and Vice-Chair**

Chair Hammond stated that he was happy to continue as Chair. He also mentioned that he talked with current Vice-Chair Dawson and member Jon Krouse about the position of Vice-Chair. He noted that Vice-Chair Dawson was willing to step down and that Mr. Krouse was willing to take over that position. Chair Hammond believed this was smart succession planning.

Tr. Stokebrand motioned to re-elect Peter Hammond as Chair and Jon Krouse as Vice-Chair; seconded by Ms. Dawson. Mr. LeSage stated enthusiasm for the proposed nominations and was impressed with recent accomplishments during the pandemic. Vote 7-0.

**4. Review of 2019 TID reports.**

Chair Hammond referenced the annual reports included within the meeting packet. Director Emanuelson provided an overview of the report's contents.

With respect to TID 1, Director Emanuelson noted that in rough numbers there were \$3.5 million of future expenses projected in 2020 and 2021, with \$4.5 million of expected revenue, which would leave a surplus of approximately \$1 million upon closure. Chair Hammond questioned what the exempt computer aid revenue related to, and Director Emanuelson noted that it related to a classification change adopted by the State.

Chair Hammond questioned why TID 3 had a negative beginning balance. Director Emanuelson answered that the District was created when the economy tanked, and the prospective development timeline was not realized. Since that time, both Harbor Chase and the Sherman development have been completed. The increment shown does not reflect increment from the Sherman project because it was not completed at the time of the reporting period. He stated that approximately \$855,000 of additional increment would be reported in 2021. Director Emanuelson noted that the numbers are moving in the right direction, and the TID is currently projected to close in 2027.

Chair Hammond pointed to the charts beginning on page 22, which included future projections of closure for each district. He noted that they were all lining up with expectations. Mr. Emanuelson noted that some of the numbers are slightly different from earlier projections, but all of the districts were moving along. He noted that these charts provided an expectation for when the districts would close and the corresponding increase in tax revenue that would be provided to the Village to help shift the tax burden from residential property owners. Chair Hammond questioned if anything in the current economic environment could impact the projections. Director Emanuelson suggested that if rent rates fell, so too could assessed values. He suggested a modest impact, if any.

#### **5. Review of option for TID 1 extension for affordable housing.**

Chair Hammond noted that the Village has the ability to extend the life of TID 1 for one year to support affordable housing. He referenced Director Emanuelson's memo provided on page 26 of the meeting packet. He suggested that the CDA would need to make a recommendation to extend the district by the end of 2020. He noted that the current meeting was intended to start that conversation and provide a timeline for decisions.

Director Emanuelson noted that this concept has been discussed in the background for years, but that a decision must be made shortly. He suggested that any decision to extend the district must be accompanied by a use or uses for the funds with defined program parameters. He stated that understanding those details will take some time to work through and expected further direction to emerge from the results of CDA and Village Board's ongoing strategic planning. Manager Ewald noted that a poll to confirm the next date of strategic planning would be sent out shortly.

Chair Hammond questioned if details of the program would need to be provided within the recommendation to the Village Board. Director Emanuelson replied that details of how the funds would be used need to be submitted to the State. He also noted that up to 25% of the money could be used for other housing improvements. He stated that an extension could provide approximately \$2 million for any program or incentive.

Ms. Dawson questioned how much time was projected for the next strategic planning session. Chair Hammond suggested that a couple of hours could be necessary, but noted that it is hard to keep people engaged virtually. Mr. LeSage questioned the origin of strategic planning. Chair Hammond noted that this was an option for the CDA. He stated that they were currently at the stage of investigation, but that heavy lifting on the topic may soon be needed.

Tr. Stokebrand noted that the housing study showed that affordability was a concern. She stated that any extension would need support and agreed to go down this path to understand the options. She also noted that the extension did not need to take place.

#### **6. Update on communication with Wisconsin Women's Business Initiative Corporation (WWBIC).**

Manager Ewald provided an update to the CDA on recent discussions. She noted that Chair Hammond, Directors Griepentrog and Emanuelson and herself have talked with WWBIC about possible loan administration. She provided a brief history of the currently frozen program, noting that a previous BID Director was highly involved, but that person no longer works for the BID. As a result, a third party administrator is the current desire. This would alleviate the difficulties of maintaining records that could be subject to open records research and utilize the expertise of someone who administers loan on a day-to-day basis. She noted that funds are still in the account.

Chair Hammond noted that potential collaboration with WWBIC was discussed. He mentioned that WWBIC was requested to provide an outline for how the collaboration would work. He noted that they typically charge a 15% administration annually fee per loan. He also noted that many other

communities utilize CDBG funding to administer loan programs. Director Griepentrog provided a brief overview of the Village's CDBG program, noting that Shorewood is part of a county-wide consortium, so administration fees would likely not be available. Manager Ewald noted that a request for costs on a per loan basis were also requested.

Chair Hammond noted that WWBIC could provide both loan underwriting and administration, but that they also provide business consultation to each loan applicant. They serve as advisors to their businesses, which would need to be valued into any cost comparison. Chair Hammond also noted that WWBIC could help with recruiting the availability of the loan.

Tr. Stokebrand asked if it would be new for the CDA to farm out loan administration. Manager Ewald noted that the BID utilized SEWRPC to process loans with the previous program. However, she noted that their participation was not to the level currently being contemplated. However, the BID is no longer able to perform the upfront work they previously did and requested that a third party who could handle all of the documents be considered. Tr. Stokebrand questioned the cost, and Manager Ewald restated that WWBIC has suggested a 15% administration fee on an annual basis, but we have asked them to provide a cost per loan. Chair Hammond noted that a 15% annual fee would not work and would deplete the loan fund quickly.

Chair Hammond noted that beyond finding a new administrator, the program would also need to be rewritten.

## **7. Review of PDD and BID monthly reports.**

Director Griepentrog referenced his report within the packet materials.

Director Salvia thanked the CDA for the Emergency Business Grant support and noted that the recipients were both excited and thankful. Manager Ewald questioned how the Shorewood Foundation grant program was going. Director Salvia stated that \$25,000 was received to help support businesses who did not qualify for the CDA's program. Each recipient was to be capped at \$2,500. She noted that there had not yet been a huge response for the grants and that the grant may be opened to more recipients. Chair Hammond expressed appreciation for the BID's work administering the CDA's program. He questioned the current tone of the business community. Director Salvia noted that other business districts were jealous of the support that Shorewood had shown and were complimentary of the program. She mentioned that businesses were looking forward to re-opening direction from the Village and were hopeful. Tr. Stokebrand questioned how much funding was left from the Shorewood Foundation, and was informed that \$10,000 had been given out and that \$15,000 remained.

## **8. List of CDA Emergency Business Grant recipients.**

Chair Hammond noted that the CDA desired to see a list of the final recipients of the Emergency Business Grants, which has been provided in the meeting packet. He noted that requests were funded at 64% of their original amount, based on available funding. He stated that the list provided visibility to those that were funded and evidenced a broad businesses support.

## **9. Date for Strategic Planning Meeting #2.**

Manager Ewald stated that a poll would be sent to members to confirm an upcoming date for the next meeting.

## **10. Adjournment.**

Ms. Dawson moved to adjourn the meeting at 9:02 am; seconded by Mr. LeSage. Vote 5-0.

Respectfully submitted,



Bart Griepentrog, AICP  
Planning & Development Director