



**Community Development Authority**  
**Special Meeting Minutes**  
**Thursday, April 2, 2020 at 6:00 p.m.**  
via Tele/Video-Conference

Present: Chair Peter Hammond, Tr. Davida Amenta, Tr. Wesley Warren, Michal Dawson, Jon Krouse and Desty Lorino (left the meeting during item 3)

Also present: Village President Allison Rozek, Tr. Jessica Carpenter, Tr. Michael Maher, Tr. Ann McKaig (arrived after roll call), BID President Arthur Ircink, Village Manager, Rebecca Ewald, Finance Director Mark Emanuelson, BID Director Steph Salvia, and Planning and Development Director Bart Griepentrog.

**1. Call to order.**

The meeting was called to order at 6:03 pm.

**2. Consider deferral of the remaining Northwoods loan payment due dates by six months effective immediately.**

Chair Hammond provided a brief overview of the topic by summarizing the memo drafted by Mr. Emanuelson.

Chair Hammond moved to defer the remaining Northwoods loan payment due dates by six months effective immediately; seconded by Ms. Dawson. Vote 6-0.

**3. Consider establishment of a new Emergency Rent Assistance Program consistent with the proposed BID guidelines.**

Chair Hammond noted that the request for this program was coming to the CDA from the BID, based on the needs of businesses in relation to COVID-19 closures or disruptions. He stated that there were no right or wrong responses to the request and that program was being developed fluidly. On a broad level, the program would reallocate \$208,000 of funding currently reserved for the CDA's Façade Improvement Program and \$90,000 of the CDA's general activity funds. He clarified that the program was proposed as a grant, not a loan, due to needed timeliness and ease of administration.

The proposed program was detailed on page 24 of the CDA's packet and required eligible businesses to be closed or significantly impacted by COVID-19 measures. Significantly impacted was defined as a loss of 50% or more of normal operating revenues. The program would have a two week application timeline as opposed to be offered to the first come first served. The program would provide up to \$5,000 of rent assistance for up to two months. If demand exceeded available funding, the grants would be prorated. Payment would be provided directly to the business owner.

Tr. Warren questioned if this was modeled after other programs. Ms. Salvia informed that other programs were referenced, but that this program was structured specific to the needs of Shorewood businesses, based on response to the BID's poll.

Mr. Krouse questioned how many businesses were in the BID, and Mr. Emanuelson noted that there were over 100 properties in the BID, but that many properties had multiple storefronts. He also noted that this program would be available for all businesses, not just BID members. Mr. Krouse questioned if the number was between 180-200.

Tr. Amenta provided comments on the program's criteria, particularly on the definition of commercial retail space. She interpreted that the Metro Market, Walgreens and North Shore Bank would not qualify. She requested that stricter qualifications be considered, noting that the program should be

aimed at retail and not office space. She also stated that the rent payments would be provided to the landlords and banks, who would likely receive federal assistance anyways. She stated a preference for providing assistance to Shorewood-only, single-location retail businesses.

Chair Hammond restated that eligibility would be based on being closed or significantly restricted. He noted that the current Façade Improvement Program is broadly available and that is where this program was being structured from. Tr. Amenta stated that she understood the desire to move fast, but cautioned providing money without oversight or documentation. She noted that the CDA has been criticized in the past for giveaways and lack of oversight or objectivity. She was nervous this program would have the same perception. Chair Hammond noted that this grant money would be a giveaway, but stated that this is what is needed right now. He noted that keeping the program broad would keep it objective.

Tr. Carpenter questioned the timeframe of the grant and stated that she liked the two-week application window vs. a first-come, first served distribution. She stated that all businesses would likely be impacted not just small businesses. She suggested to look at eligibility for federal programs to help define parameters of the local program. She also asked that the number of locations and number of employees be added to the application. Lastly, she cautioned that life will eventually go back to normal and questioned if the CDA depleted their funds what would happen the next time funds are needed?

Chair Hammond noted that the Façade Improvement Program would go away, if this assistance were approved. He noted that the façade program helps the building, but if the building is vacant questioned how valuable it was. He also reminded the group that the CDA still had business loan funds to administer, but suggested that these grant funds could be distributed more quickly.

President Rozek reminded those on the call that she was not participating in the conversation regarding eligibility, but questioned why the CDA wasn't also looking at their loan and administration money, which have more than the façade grant allocation.

David Price, Three Lions Pub and BID Board member, suggested that the Façade Improvement Program did its purpose in attracting new businesses, but stated that the business district is full, so there was less of a need for it. He noted that if the Village cannot keep the businesses it attracted, it will need to spend more to attract the next ones. He requested that the CDA help the businesses that are currently here and pay taxes, not the next ones who are not.

Tr. Warren questioned if the criteria language referencing the State of Wisconsin order exempted certain people. Chair Hammond responded that the order listed specific businesses and industries. He offered that the insurance industry would not qualify. Mr. Emanuelson also clarified that the program would assist businesses who met the definition of significantly impacted.

Tr. Amenta suggested modifying the program to pertain to only food, drinking and retail. Ms. Dawson suggested that the funding be portioned into two categories and that 2/3 of the money be reserved for restaurants, bars and retail and the other 1/3 be set aside for the other business types. Mr. Krouse also suggested that since the intent of the program was to help Shorewood specific businesses that criteria stipulating that more than 50% of business operations be located in Shorewood be considered.

Chair Hammond summarized that the current discussion would allocate 2/3 of the \$300,000 to restaurants, bars and retail and 1/3 to other businesses. Tr. Warren cautioned that he would need to better understand the numbers before deciding. Tr. Amenta agreed and also suggested that she would like to see the results of the BIDs poll of business needs. Ms. Salvia cautioned that some of the information that was provided was sensitive and was promised to be kept confidential.

Chair Hammond once again noted that the program needed to be broad based because it is difficult to expect all of the details at this time. He stated that he was done with the façade program and wanted this program to be accomplished.

CDA members were asked whether or not they had any further thoughts on Ms. Dawson's suggestion of allocating 2/3 of the money to restaurants, bars and retail. Tr. Warren indicated that he was not in favor and wanted to see the applications. Mr. Krouse questioned if that decision could be pulled back based on actual applications. Tr. Amenta suggested that it could not because the program was designed to be administered by staff without coming back to the CDA. She stated that the lack of oversight was problematic. Chair Hammond noted that the CDA should commit to doing it. He pointed out that the façade program was the same, if you qualified, you got it. Those applications did not need to be individually reviewed by the CDA.

Mr. Krouse noted that if the CDA received 100 applications that the money would not go very far. Chair Hammond reminded that the CDA has other money to consider, if needed. President Rozek questioned why the CDA was not considering transferring any of its loan money to the program. Chair Hammond stated that he believed those funds were intended to be perpetual in nature and for the long term. He offered it was his fiduciary responsibility to keep them available. President Rozek questioned if there was any actual obstacle to using those monies, and Mr. Emanuelson stated that they could be repurposed. He suggested that the program start by utilizing the funds in the Façade Improvement Program and that other funds could be considered once those were expended. He noted that a second round of requests was possible.

Ms. Dawson moved that the call for applicants indicate that 2/3 of the awards be for restaurant and retail businesses in Shorewood and 1/3 for businesses that met the criteria; seconded by Tr. Amenta.

Mr. Krouse questioned what would be used to define retail and was informed that the definition provided by the State of Wisconsin's Department of Commerce would be utilized.

A roll call vote was taken on the proposed amendment: Ms. Dawson – Aye, Mr. Lorino – absent, Chair Hammond – Nay, Mr. Krouse – Aye, Mr. LeSage – absent, Tr. Amenta – Aye, Tr. Warren – Nay. Vote 3-2.

Chair Hammond also reiterated that the number of locations and employees be added to the application. Ms. Dawson agreed.

Tr. Amenta suggested that the grants should be approved by the CDA or a subcommittee. Tr. Warren requested that a list of applications be provided at a future meeting. Mr. Krouse agreed. Chair Hammond restated that the program was set up like the façade program where if you qualify, you get it; however, he agreed that providing a list of applications as a report back to the CDA was acceptable. Tr. Amenta stated that this proposal was not good practice from a fiduciary or risk management standpoint. She noted that things were being thrown together quickly and that a lot of responsibility was being placed on staff. She believed that greater objectivity would be good.

Tr. Warren moved that a subcommittee of at least one elected-official member of the CDA and the CDA Chair assist with the distribution and oversight of the grant program and that prior to disbursement any member of the Village Board could request a copy of the list; seconded by Mr. Krouse.

Tr. Amenta noted that this program has issues with transparency and potential conflicts of interest. President Rozek agreed.

The vote on the proposed program amendment passed 5-0 with Mr. Lorino and Mr. LeSage being absent.

Ms. Dawson moved to establish a new Emergency Rent Assistance Program consistent with the proposed BID guidelines and with the amendments proposed within this discussion; seconded by Mr. Krouse. A roll call vote was taken: Ms. Dawson – Aye, Mr. Lorino – absent, Chair Hammond – Aye, Mr. Krouse – Aye, Mr. LeSage – absent, Tr. Amenta – Aye, Tr. Warren – Aye. Vote 5-0.

4. **Consider closing the Façade Improvement Program to any new applications effective 4/2/20 and terminate the program, and recommend to the Shorewood Village Board to approve a similar action.**
5. **Consider redirection of remaining Façade Improvement Grant funding balances to fund the Emergency Rent Assistance Program, and recommend to the Shorewood Village Board to approve a similar action.**

Items 4 and 5 were discussed and considered together.

Tr. Amenta suggested that funds from the Façade Improvement Program simply be redirected rather than the program be closed altogether. She noted that the program could be kept for future consideration. Chair Hammond noted that if the program were suspended, it could be reopened in the future, at which point he suggested that it be looked at again. President Rozek agreed that transferring funds to defund it was better than derailing it. Mr. Krouse questioned if there was a suggested timeframe to suspend it. Tr. Warren suggested that it be suspended indefinitely.

Tr. Amenta moved to suspend the façade program to any new applicants effective 4/2/20 and transfer funds to the Emergency Rent Assistance Program and recommend that the Shorewood Village Board approve similar action; seconded by Ms. Dawson. A roll call vote was taken: Ms. Dawson – Aye, Mr. Lorino – absent, Chair Hammond – Aye, Mr. Krouse – Aye, Mr. LeSage – absent, Tr. Amenta – Aye, Tr. Warren – Aye. Vote 5-0.

6. **Consider apply \$90,000 of general CDA activity funds to support the Emergency Rent Assistance Program pending the Shorewood Village Board approval to redirect Façade Improvement Grant funding for the same.**

President Rozek questioned if the Village Board needed to approve the transfer. Mr. Emanuelson noted that the transfer of funds would be conditional upon the Village Board approving to redirect the Façade Improvement Grant funds to the Emergency Assistance Program. Chair Hammond stated that if the Village Board did not agree to redirect the \$210,000 transfer of funds from the façade program that the CDA would not transfer \$90,000 from their general activity funds. Mr. Emanuelson noted that the funds were allocated within the MOU associated with the original transfer of funds from the Village Board to the CDA, which would need to be amended.

Tr. Warren moved to apply \$90,000 of general CDA activity funds to support the Emergency Rent Assistance Program pending the Shorewood Village Board approval to redirect Façade Improvement Grant funding for the same; seconded by Ms. Dawson. A roll call vote was taken: Ms. Dawson – Aye, Mr. Lorino – absent, Chair Hammond – Aye, Mr. Krouse – Aye, Mr. LeSage – absent, Tr. Amenta – Aye, Tr. Warren – Aye. Vote 5-0.

7. **Reminder: 2nd Strategic Planning Session – TBD based on COVID-19.**

This item was not discussed.

8. **Adjournment.**

Tr. Amenta motioned to adjourn the meeting at 7:52 pm; seconded by Tr. Warren.

Respectfully submitted,



Bart Griepentrog, AICP  
Planning & Development Director