

**COMMUNITY DEVELOPMENT AUTHORITY MEETING
CITY OF WISCONSIN DELLS
OCTOBER 23, 2017**

Chairperson Borchert called the meeting to order at 5:00P.M. Notice of the meeting was provided to the *Dells Events*, WNNO Radio, and posted in accordance with State Statutes.

1. Present: Chairperson Ben Borchert, Ald. Mike Freel, Ald. Jesse DeFosse, John Campbell, Shaun Tofson and Joan Ragan

Excused: Lisa Delmore

Others: Ald. Ed Wojnicz, Ald. Ben Anderson, Ald. Brian Holzem, City Clerk/Coordinator Nancy Holzem, City Planner Chris Tollaksen, Nick Morse, Jim & Tina Moritz and Ed Legge from the *Dells Events*.
2. Motion by John Campbell seconded by Ald. Freel to approve the April 24, 2017 meeting minutes. Motion carried unanimously.
3. Holzem Façade Grant Amendment.
Motion by Ald. Freel seconded by Campbell to approved the amended Façade Improvement Grant request submitted by Brian Holzem for 230 Broadway. The original grant was for \$12,500 however additional façade repairs made per the request of the Design Review Committee increased the total project cost by an additional \$3747.68. Holzem is requesting that the original 50/50 grant awarded be increased by \$1867. Motion carried unanimously.
4. Morse Façade Grant Extension.
Motion by Ald. Freel seconded by Tofson to approve an extension on the Façade Improvement Grant awarded to Nick & Jackie Morse for MACS at 208 Broadway until the end of this year. The committee was aware when the grant was awarded in April that the façade work would not start until after the summer season. Motion carried unanimously.
5. Moritz Economic Development Loan Application.
The committee reviewed a \$100,000 loan application submitted by Jim and Tina Moritz to be used towards the purchase of 321 Broadway (former Subway Restaurant). The applicant also has a pending \$100,000 loan application with the Bank of Wisconsin Dells to be used towards the purchase of the property. This would put the city as a second position lien holder. The applicant would be paying the remaining \$65,000 towards the \$265,000 purchase price. The applicant would also be paying for improvements to the building such as electrical and plumbing repairs, in addition to \$12,000 for roof repairs. He noted that he would have an additional \$20,000 in reserves for unforeseen costs. Ald. DeFosse expressed his concerns with the request and questioned why the bank wouldn't just loan them the full \$200,000. Ald. Freel also expressed his concerns regarding the amount of the loan stating he would feel more comfortable if the request were for \$50,000. The applicant stated that the building, which would be used as collateral, was

appraised at \$287,000 so the bank and the city would be protected. Ald. Holzem, who is not a member of the committee, questioned the lack of a business plan and the assumption of the lease revenue that the building will generate. The applicant stated that currently there are two residential renters upstairs and he has two interested commercial tenants looking at the first floor. Ragan made a motion to approve the \$100,000 loan contingent upon receiving confirmation that the bank loan was approved. Motion failed for lack of a second. Ald. DeFosse requested that the application be tabled for more information and expressed his concerns with the bank asking them to come to the city for the other half of what they needed. The applicant stated that the risk to the city and bank is very low and the he has a lot to lose if he defaults on the loan since the bank and the city would have first and second position on the building. He added that he has until November 3rd to close on the property. Some committee members expressed their concerns with not knowing what businesses were planned for the building as is a tough community to make a year-round business succeed. Ald. Holzem stated that he used to lease that building and was unable to keep the business in there open during the winter months. The applicant was confident that the potential businesses looking to lease will succeed. After the lengthy discussion it was motioned by Ragan seconded Ald. DeFosse to approve the \$100,000 loan application, contingent upon receiving a commitment letter from the Bank of Wisconsin Dells. Motion carried 5-1 with Ald. Freel voting no.

6. Update on Mercedes McCoy Economic Development Loan.

City Clerk Nancy Holzem stated that Mercedes Mc Coy, who received a \$40,000 loan from the CDA for her parent's Home Spun Heart business at 514 Broadway, was six months behind in loan payments. Her bank was notified and the parents were sent notice of today's meeting. They brought in a check this morning bring the account up to date. No additional action is needed at this time.

7. Update on Façade Improvement Matching Grant Program.

City Clerk Nancy Holzem stated that there will be \$9,940 remaining in the façade grant program after the grants for Macs and River Inn are paid. Committee members commented on how well the improvements look so they would like the program to continue. Motion by Ald. Freel seconded by Ragan to approve allocating an additional \$50,000 into the façade grant program contingent upon the city matching the \$50,000. Motion carried unanimously.

8. There were no items for referral.

9. Motion by Ald. Freel seconded by Campbell to adjourn. Motion carried unanimously and the meeting adjourned at 6:00pm.

Nancy R. Holzem
City Clerk/Coordinator