City of Mequon

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ECONOMIC DEVELOPMENT BOARD
Tuesday, January 22, 2019
7:30 AM
North Conference Room

Minutes

I) Call to Order

Present:
Chairman Timothy Carr
Alderman Kathleen Schneider
Board Member Rick Shneyder
Board Member Matson Holbrook
Board Member Gloria Rosenberg
Board Member Jonathan Safran
Board Member Bruce Sipiora
Board Member Janette Braverman
Board Member James Baka **-- Absent**
Alternate Alderman Andrew Nerbun **-- Excused**

II) Approval of Minutes from November 27, 2018

Action
Ald. Schneider made a motion to approve the minutes from November 27, 2018.
Ms. Braverman seconded the motion.
A voice vote was taken; vote passed (8-0)

As a follow up to the last meeting, there was discussion regarding apartments in the city. There was support among the EDB of the apartments as another option to obtain future home ownership as well as to support the proposed retail. There was general consensus that the apartments should be available in a staggered time frame and that no one wants to see the apartments sitting vacant. Ald. Schneider stated that at this time, there is not a desire from the Common Council to approve additional apartments.

Ms. Tollefson stated that the Common Council (CC) took two steps within the last year as it relates to apartments:

1. Amended the Town Center zoning to allow for single family housing development (which was not previously allowed).
2. Tightened up the use of the fast track formula in the Town Center TIF district to not

provide an incentive to a development that is only multi-family residential.

RESULT:	**Approved [Unanimous]**
MOVED BY:	Alderman Schneider
SECONDED BY:	Board Member Braverman

AYES:	Shneyder, Carr, Holbrook, Rosenberg, Safran, Sipiora, Braverman, Schneider

III) Revolving Loan Fund

1. Revolving Loan Fund

Kathleen Cady-Schilling, Executive Director of Ozaukee Economic Development (OED), discussed the status of the Revolving Loan Fund (RLF) program. She explained in March of 2018 OED was notified that the state was being audited and the RLF reporting did not need to be done going forward. She explained the history of the program and that all RLF loans came from Housing and Urban Development (HUD) which is a federal agency that funds Community Development Block grants. The state gave each community money to be loaned out to individual businesses and then it would revolve within each community. It was determined that not all programs were following the rules. The state decided they were going to eliminate the RLF programs. Mequon has five active loans with a cash balance of $475K in the fund.

Because all of Mequon’s loans were originally received prior to 1992, it is a simple process of de-federalization. There is some paperwork to process and once all the funds are de-federalized, the funds can be used as desired. OED has updated some of the criteria required (included in packet) but the EDB should review the loan requirements and make any desired changes.

Some of OED recommendations include the following:

- Clean up the loan documents; eliminating all federal constraints
- 10 year maximum for all $25,000 loans
- 5 year maximum for loans less than $25,000 (match the bank loan terms)
- Make changes based on other recommendations from the EDB

The Board does wish to move forward with the process of de-federalization of the RLF program. The Board decided to adopt the changes suggested by OED (loan terms, loan fees and creation of job retention) and to continue to basically operate the RLF as it has been

Action
Ms. Braverman made a motion to approve the de-federalization of the RLF program.
Ms. Rosenberg seconded the motion.
A voice vote was taken; vote passed (8-0)

There was continued discussion about the available $475,000 funds and how the EDB wants to use and distribute the funds. The Board will continue to discuss additional changes at the February meeting.

Action

Ald. Schneider made a motion to approve the changes made by OED to the RLF program.
Mr. Shneyder seconded the motion.
A voice vote was taken; vote passed (8-0)

Ms. Tollefson stated that her memo included in the packet, staff offers suggestions of ways to utilize the funds and would like feedback from the Board. She stated that staff recommendations include:

- $25,000 as seed money for the transportation program that the EDB would like to facilitate between the Business Park and Riteway Bus Company. This could be a one-time economic development expenditure or a loan.
- Redevelopment between Donges Bay and Cedarburg Road area. Ms. Tollefson did do a market analysis with Colliers of this area. She will get the report to the EDB before the February EDB meeting.
- Maintain a minimum of three loans at $50,000 each with a total of $150,000.
- Redevelopment loan for five loans at $50,000/each for major site or building rehab.
- Five loans at $10,000 for minor site improvements.

The Board was instructed to bring all suggestions and any desired changes to the next meeting.

RESULT:	**Approved with Amendments [Unanimous]**
MOVED BY:	Board Member Braverman
SECONDED BY:	Board Member Rosenberg
AYES:	Shneyder, Carr, Holbrook, Rosenberg, Safran, Sipiora, Braverman, Schneider

IV) Plan for Transportation Coordination for Industrial Businesses

EDB's plan is to continue moving forward with the effort to facilitate a transportation program between the Business Park and Riteway Bus Company. The next step is for Kim Tollefson and Tim Carr to meet with Ron Bast at Riteway. It was suggested to include Jason from the county who has led the transit changes.

V) 2019 Business Outreach Planning

Ms. Tollefson stated that the Board should start to think about whether there is a specific sector they want to target or an event they are interested in hosting. The Board should begin to discuss what the outreach focus will be for 2019. Some suggestions discussed were small businesses, the retail sector and the Pavilions. This conversation will continue at a future meeting.

VI) Staff Updates

Ms. Tollefson stated the community survey will be out in May. It took a change in direction and is focused on recent development (apartments), retail and city service. It also includes some questions related to city objectives. The Common Council will determine how the results will be used.

In January the Common Council accepted the proposed measures for the moratorium, the Donges Bay and Cedarburg Roads area, and they voted to terminate the moratorium. There is one property that is an outlier and still needs to have the zoning decided. Staff has recommended that the zoning remain as it is and Planning Commission approved this last week. The Common Council will vote on this next month.

An analysis, workshop and market study was done of the East Growth; the area of Port Washington Road from Highland Road to Pioneer Road and I-43 to Olau Creek (roughly 750 acres), and a neighborhood land use plan was created. There was a high level of consensus about the desired land uses. Public Works needed to catch up with sewer and water infrastructure to the south which is currently taking place. One of the 2019 work programs initiatives for the Planning Department is to pick up the necessary zoning land use changes. The Common Council will need to have a financial and policy discussion about the infrastructure, but the Planning Department will begin to get ready for 2020 implementation.

VII) Announcements

VIII) Adjourn

Action
Mr. Carr made a motion to adjourn.
Mr. Safron seconded the motion.
A voice vote was taken; vote passed (7-0) (Shneyder left at 8:30 a.m.)

Respectfully Submitted,

Kim Tollefson