City of Mequon

Virtual Meeting
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ECONOMIC DEVELOPMENT BOARD
Tuesday, May 19, 2020
8:00 AM
Virtual Meeting

Minutes

1) Call to Order, Roll Call

Present:
Chair Timothy Carr
Alderman Kathleen Schneider
Board Member Andrew Petzold
Board Member Daniel Gannon
Board Member Michael Kramer
Board Member James Baka
Board Member Gloria Rosenberg
Board Member Rick Shneyder
Board Member Bruce Sipiora

2) Approval of Minutes from January 28, 2020

Action
Ald. Schneider made a motion to approve the minutes from January 28, 2020.
Ms. Rosenberg seconded the motion.
A voice vote was taken; vote passed (8-0)

3) Introduction of New Members

The three new members to the Board; Michael Kramer, Dan Gannon and Andrew Petzold, introduced themselves. The other members also gave a brief introduction of themselves.

4) Emergency Loan Fund Program

Dir. Tollefson stated the Revolving Loan Fund (RLF) has been available to the city for some time now for small business loans to bridge the gap for funding that cannot be achieved by conventional financing. These dollars were dedicated to the city several decades ago through HUD's Community Block Grant Program for $600,000; which Mequon would not qualify for in present times. This was the only economic tool for businesses to utilize until about 5-10 years ago as additional tools have been made available. A few years ago, there were some program modifications made due to the state and federal agencies loosening up regulations, but the program has always been tied to job creation.

Due to the pandemic and closure of businesses, Dir. Tollefson explained that she researched ways to leverage these dollars in different ways to help local businesses. She worked with Kathleen Cady-Schilling, Ozaukee Economic Development Director, to find a way to offer small business loans locally and get funds to them quickly so that they could stay open; or reopen after the restrictions were lifted. She made modifications to the RLF program and requested the Common Council approve $150,000 out of the fund balance to create an Emergency Loan Fund Program. The Council approved this request and the program became effective on May 5, 2020. Within the first day, 16 applications were received based on a first come, first serve basis. Loans are available up to $15,000. Two additional applications were received the second day and there have not been any additional applications to date.

The total request for funding from the 18 applications exceeded the allotted $150,000. Dir. Tollefson requested additional funding from the Council, which was granted for an additional $250,000; for a total of $400,000 of RLF funds available. The current 18 applications total $226,000 of the $400,000. The Emergency Loan Funds are a 5-year term and will be paid back by June 2025. There is a 1% interest rate. Both loan payments and interest rates are deferred until July 2021.

She explained that the 18 applications comprised a variety of users; a dentist office, retail service-oriented businesses, some restaurants and a few fitness businesses. Overall the business community provided great feedback and has been very appreciative of the quick response of the city to offer these loans.

Dir. Tollefson stated that the city reached out to the 5 businesses that have RLF loans with an offer to defer payments on the loans through June of this year and only 1 of the 5 businesses accepted the deferral offer as the other 4 businesses have continued to make their loan payments on time.

The Board asked a few questions about the program and the applicants and complimented Dir. Tollefson on recognizing the need for this type of program to the businesses in our community and for acting so quickly to execute the program.

5) CUW Marketing Project Update

Dir. Tollefson explained that there was a partnership between Vertz Marketing and a marketing class at Concordia University offering case work for a project to create a marketing plan for both the city website as well as a hard copy marketing piece available for distribution use.

Concordia University student, Thomas Hofer, showed a slide presentation which included the city website, the new brochure that was created and how social media can be utilized.

There was discussion from the Board regarding the suggestions and what can realistically be achieved. Dir. Tollefson stated that she wants the webpage to be updated and rebranded. She commented that the social media portion is a challenge as there is not currently a staff person available to manage this effort and that this is a broader organizational issue than just for EDB.

6) Work Program Prioritization

Dir. Tollefson stated that several years ago the Board discussed the distinction between an annual work program and a longer-range work program (5-10 years). There was a split opinion about which plan was a better fit. The agreement at the time was to create a 2-3-year work plan program. Last year the Board went through the previous 2-3-year work program and the Board identified that most of the objectives had been achieved. Some of the completed objectives included:

- Creating and establishing TIF districts along the Port Washington Corridor.
- Continued reinvestment in the Town Center to ensure financial success is occurring.
- Evaluate city-owned land and determine whether the land was necessary for city operations and if not determine if it should be flipped to the private market to create new tax-base on otherwise tax-exempt property (Spur 16, David Hoff duplexes).

She listed 10-12 objectives that need to be prioritized in order to create a new 2-3-year work program for the Board (packet page 8). Some of these objectives are left over from the previous work program as well as new objectives that have been initiated from Board members or from internal discussions from staff and new administration.

Dir. Tollefson asked that the Board provide feedback as to their preferences as to what objectives they consider priorities. Some of these may also require a budget request for 2021. The Board discussed some of the objectives to be considered for the work program. This work plan will be further discussed at the next Board meeting.

7) Staff Updates

8) Announcements

The next meeting will be Tuesday, June 30, 2020 at 8:00 a.m.

9) Adjourn

<u>Action</u>
Ald. Schneider made a motion to adjourn the meeting.
Mr. Baka seconded the motion.
A voice vote was taken; vote passed (8-0)

Respectfully Submitted,

Kim Tollefson