

**VILLAGE OF GRAFTON**  
**COMMUNITY DEVELOPMENT AUTHORITY**  
**PUBLIC HEARING AND MEETING MINUTES**  
**MAY 2, 2012**

The Community Development Authority meeting was called to order at 6:15 p.m. by Chair John Gassert.

CDA members present: Alan Kletti, Dan McKelvey, Jim Brunnuell, Roger Kirgues, Al Richards, Jim Grant, John Gassert

Staff present: Village Administrator Darrell Hofland, Director of Planning and Development Michael Rambousek, Village Clerk Teri Dylak

Others present: Todd Taves Financial Advisor/Executive Vice President-Ehlers, Wayne Wiertzema/Wangard Partners, Roberta Campbell and Gary Heckendorf/PWSB, Sue and Bill Hass, and Trustee Lisa Harbeck

**COMMENCE PUBLIC HEARING / STATEMENT OF PUBLIC NOTICE BY VILLAGE CLERK**

The purpose of this public hearing is for public review and comment regarding the proposed amendment of the boundaries of and Project Plan for Tax Incremental District No. 2

Todd Taves identified that TID No. 2 is the area of the Grafton Business Park north of WIS 60. This district was created in 1996. Amendments occurred to the district in 2006 and 2009. This district is a donor district to TID No. 3.

The plan amendment includes the addition of a 6.13 acre parcel immediately adjacent to the current boundary of the District. There are additional expenditures anticipated to accommodate the development. The District has a mandatory statutory life of 23 years and must close no later than June 3, 2019. The final year for increment resulting from this district will be budget year 2020. The proposed amendment will not change the anticipated close date of this district

The proposed development is a 45,000 square foot single story office building. The expenditure includes approximately \$128,000 to cover: the administrative costs of the amendment, payment of a developer incentive, and the cost of related financing. The necessary financing of this project has been initiated through the issuance of Taxable General Obligation Bonds

The Village of Grafton will be designing and constructing Badger Court to accommodate the development. The project will be special assessed to the adjacent benefitting property owners. The road project will be bid in June, with completion anticipated in early October. Due to soft soil conditions on a part of the parcel, the cost of construction will be higher. The developer, Wangard Partners has requested \$100,000 in incentive funding to offset the higher construction costs and remain competitive in their lease price to the building tenant.

Administrator Hofland identified that the project site plan will be reviewed at the May Plan Commission meeting. The developer anticipates construction to start upon receipt of all necessary

approvals. The tentative timeline for completion is late 2012. With final construction occurring in 2012, the 2013 tax roll will include the full value of the project. The Village will begin receiving increment from the project in 2014.

The Joint Review Board met earlier this evening to discuss the plan amendment. There were no negative comments on the proposed amendment.

There was a brief discussion on the proposed amendment by the CDA members.

Several members questioned the economic health of TID No. 3 since TID No. 2 is projected to donate approximately \$4 million to that district over its remaining TID life . Todd Taves responded the district is doing better; however, is not economically strong.

Dan McKelvey questioned why the Village financed the \$100,000 instead of using existing cash for the incentive funding. Mr. Taves responded that the amount was rolled into a planned borrowing instead of using extra TID No. 2 increment that is needed for TID No. 3

Administrator Hofland stated that the Village is in the process of making application to the DNR to fill a small wetland area on the property to accommodate the public street. The building was moved to the south and west to allow the placement of the street at the northern edge of the parcel.

Roger Kirgues commented that this could be the final project in this District. Mr. Taves responded that no new projects can occur after June 3, 2014. .

Dan McKelvey questioned the status of the property to the north of the parcel being added to the District. He asked if it is likely that the owner will request this parcel be added to the District in the future to accommodate a development.

Administrator Hofland responded that the District would only be amended for a unique situation. It is his hope that this area will develop without financial assistance from the Village.

There being no further discussion on the matter, the public hearing was closed at 6:38 p.m.

The regular CDA meeting immediately commenced.

## **MINUTES**

Motion by Jim Grant, seconded by Alan Kletti, to approve the April 4, 2012 Community Development Authority meeting minutes, as presented. Approved unanimously

## **PERSONS REQUESTING TO BE HEARD**

None

Resolution No. 001, Series 2012 / Designating Proposed Amended Boundaries and Approving a Project Plan Amendment for Tax Incremental District No. 2, Village of Grafton, Wisconsin was offered by Jim Grant.

Motion by Jim Brunnquell, seconded by Alan Kletti, to adopt Resolution No. 001, Series 2012 and recommend that the Village Board adopt a similar Resolution approving the project plan amendment of TID No. 2. Approved unanimously.

## **CONSIDERATION OF A FACADE GRANT REQUEST FOR THE RENAISSANCE HAIR SALON LOCATED AT 1207 BRIDGE STREET**

Director of Planning and Development Mike Rambousek briefly reviewed a façade grant request from Nancy Mahloch, owner of the Renaissance Hair Salon, 1207 Bridge Street. Architect Mark Paschke, Uihlein-Wilson was present to answer questions on the request.

Ms. Mahloch is requesting a full matching facade grant in the amount of \$20,000. Director Rambousek identified that it is possible that the total cost of the exterior renovation project may exceed \$40,000; however, the exact cost is not known at this time. The project includes painting, carpentry, awnings, siding, roofing, windows, lighting, and general remodeling work. Ms. Mahloch anticipates to begin construction this summer with completion in the fall of 2012.

Staff has worked very closely with the architect and owner to ensure that the project meets the downtown design standards for a store front. The final result is a high quality design that will enhance the downtown.

There was minimal discussion on the grant request by the CDA members. It was the consensus of the members that the final project will be an asset to the downtown.

Motion by Jim Grant, seconded by Dan McKelvey, to approve the facade grant for Renaissance Hair Salon located at 1207 Bridge Street requested by Nancy Mahloch in the amount of \$20,000, subject to final review of the projects itemized costs by the Director of Planning and Development.

Jim Brunnuell commented that there are two façade projects in this area. He questioned if the projects were being coordinated. Director Rambousek stated that the two projects were looked at together for continuity since the buildings are together. The façade improvements will be distinct for each building but are very compatible.

Mark Paschke identified that it is hoped that the masonry under the Riebe Law Office building's existing exterior surface will be able to be utilized.

Roger Kirgues questioned the total amount available for façade grants in 2012. The annual budget includes a total of \$40,000 for 2012 grants.

Dan McKelvey questioned how it was that these two projects are being completed at the same time. Mr. Paschke responded that Mr. Riebe began the process in 2008, and then put the project on hold. When Ms. Mahloch decided to begin her project, the two property owners decided they may be able to save money by completing the projects simultaneously.

John Gassert questioned if Mr. Paschke has completed a computer markup showing the two completed projects together. Mr. Paschke responded no.

It is anticipated that upon approval, the two projects will commence with a tentative timeline of completion in late summer.

The motion to approve the facade grant for Renaissance Hair Salon located at 1207 Bridge Street requested by Nancy Mahloch in the amount of \$20,000, subject to final

review of the projects itemized costs by the Director of Planning and Development was approved unanimously.

### **CONSIDERATION OF A FACADE GRANT REQUEST FOR THE MICHAEL J. RIEBE LAW OFFICE BUILDING LOCATED AT 1211 BRIDGE STREET**

Director Rambousek briefly summarized a request from Michael Riebe for a \$20,000 matching facade grant for the property located at 1211 Bridge Street. The total cost of the exterior renovation project is anticipated to exceed \$40,000. The project includes painting, carpentry, tuck pointing, brick facade restoration, new cornice work and flashing, windows, lighting, and general remodeling work. The project will begin construction this summer and should be completed in the fall of 2012.

There was limited discussion on the request by the CDA.

Motion by Alan Kletti, seconded by Al Richards, to approve the facade grant request for the Michael J. Riebe Law Office building located at 1211 Bridge Street by Michael Riebe in the amount of \$20,000, subject to final review of the projects itemized costs by the Director of Planning and Development. Approved unanimously.

### **CONSIDERATION OF CAPITAL IMPROVEMENT PROGRAM FOR TID NO. 3 AND TID NO. 4 FOR 2013-2017**

The CDA briefly discussed the capital improvement program items for TID No. 3 and TID No. 4.

Director Rambousek identified that there are a total of nine projects for TID No. 3, and four projects for TID No. 4. He stated that the majority of the expenditures for both districts have been pushed to the year 2017, due to the continued financial condition of these two districts.

Director Rambousek reviewed the three projects for TID No. 3 that are proposed for 2013 and 2014. The projects include: Downtown Parking Lot, Seventh Avenue Storm water Relay and the Overlay of 13th Avenue from Washington Street to North Street. All of the projects in TID No. 4 are associated with street reconstruction and/or beautification (streetscaping) and most are identified as possible expenditures in 2017.

Motion by Jim Grant, seconded by Jim Brunnquell, to recommend that the Finance Committee recommend to the Village Board approval of the Capital Improvement Program 2013 - 2017 for TID No. 3 and 4, as submitted. Approved unanimously.

### **SOUTH COMMERCIAL DISTRICT DEVELOPMENT LOAN PROGRAM**

Director Rambousek informed the CDA that Port Washington State Bank (PWSB) has notified the Village that they would like to fund a Development Loan Program for the South Commercial District. The program mirrors the program recently approved with First Bank Financial Centre for the downtown area. The PWSB program is in the amount of \$350,000. The maximum loan amount is recommended to be \$50,000 maximum, \$ 5,000 minimum per property. The larger loan amount was chosen due to the larger properties and leased space in the South Commercial District (The Downtown Loan Program has a \$25,000 maximum loan amount). The goal of the program is for PWSB to partner with the Community Development Authority (CDA) to help fulfill the applicable goals and objectives of the South Commercial District Master Plan and to fill vacant tenant spaces that may have prohibitive constraints without inexpensive capital.

Roberta Campbell and Gary Hackendorf, Port Washington State Bank were present. It was identified that if the program goes well, the bank may be willing to increase the loan pool funding level above the planned amount of \$350,000.

Village Administrator Hofland commended PWSB for coming forward with this program. It will be an asset to the South Commercial District.

The program will be offered to businesses and property owners at a very low interest rate of 1 percent at a maximum term of 10 years. Similar to the Downtown program, each loan application will be reviewed by a sub-committee of the CDA.

Roberta Campbell of PWSB identified that the goal is to have the new loan program begin accepting applications after the introduction of the loan program at a planned South Commercial Business District meeting on Thursday, May 22, 2012. Program applicants will also be able to use this loan to help match the grant funds for the South Commercial District Façade Grant Program.

Administrator Hofland stated that Director Rambousek and he have already received inquiries from several South Commercial District businesses regarding the program.

PWSB will be creating literature to promote the loan program.

Administrator Hofland identified that loan applicants are not required to transfer existing accounts to PWSB in order to obtain a loan. This provision is also in place for First Bank Financial Centre's applicants.

Alan Kletti questioned if any other banks have come forward to implement this type of loan program. Administrator Hofland responded that local banks were approached several years ago regarding a similar program that there was no interest, at that time.

Administrator Hofland stated that the utilization of the loan program would be ideal for applicants wishing to complete façade projects.

Motion by Jim Grant, seconded by Roger Kirgues, to recommend the Village Board approve the South Commercial District Development Loan Program as presented. Approved unanimously.

### **CONVENE TO CLOSED SESSION**

Motion by Jim Grant, seconded by Alan Kletti, to convene to closed session, at 7:04 p.m., pursuant to Wisconsin Statutes 19.85(1)(e) for Real estate and competitive bargaining matters (acquisition of industrial site for redevelopment purposes, development incentive agreements with UPAD, Heritage Real Estate Partners LLC, and Grafton Cheyenne, LLC). Approved unanimously by roll call vote.

### **RECONVENE TO OPEN SESSION AND THE REGULAR ORDER OF BUSINESS**

Motion by Jim Grant, seconded by Roger Kirgues, to reconvene to open session and the regular order of business, at 8:21 p.m. Approved unanimously by roll call vote.

### **OLD BUSINESS**

None

## **NEW BUSINESS**

Village Administrator Hofland presented two of the completed “guitar art” pieces that will be placed in the Paramount Plaza. The guitar shaped instruments will replace the existing canvas banners. The guitars will be clear coated and will have a three year life. The Village is looking for sponsors for the guitars. The cost to sponsor a guitar is \$500 and after three years, the guitar will go to the sponsoring entity/person. Administrator Hofland identified that Heinz and Sons 57 Auto Body is the first sponsor. This business is providing an in-kind contribution of completing the clear coat on all of the guitars.

## **ADJOURN**

Motion by Roger Kirgues, seconded by Jim Grant, to adjourn at 8:25 p.m. Approved unanimously.