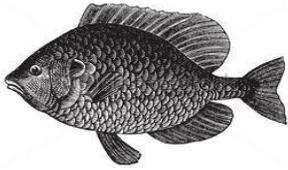


DEVELOPMENT & ANNEXATION MINUTES “With Full Board”

Wednesday – July 29, 2015

6:00 p.m. @Village Office

7505 Main Street West, Webster, WI



VILLAGE OF WEBSTER

- I. **CALL TO ORDER** – Village President, Jeff Roberts; called the meeting to order at 6:00 p.m.
- II. **PRESENT** – Village President, Jeff Roberts; Trustee, Tim Maloney; Trustee, Greg Widiker; Trustee, Darrell Sears and Trustee, Kelsey Gustafson. Also Present: Dave Rasmussen – MSA; and Clerk-Treasurer, Patrice Bjorklund. Absent: Trustee, Charlie Weis.
- III. **FUNDING POSSIBILITIES & DEMOLITION OF OLD HIGH SCHOOL** – Village President, Roberts welcomed Dave Rasmussen of MSA. The cost to demolish and abate the old high school came in with an estimated total of \$836,000.00. The Village of Webster retained MSA Professional Services to develop a plan and preliminary cost estimate associated with the demolition of the former Webster High School building complex (Site) and restoration of the property in anticipation of a future development of the Site. The board received the Preliminary Demolition Plan from Brian Hegge of MSA. Dave Rasmussen began to present several potential funding sources to financially assist the Village in the redevelopment of this site. Several of the programs are time sensitive. The primary sources of financing can be used in combination with each other. They are as follows:
- **Community Development Block Grant-Public Facilities for Economic Development (CDBG-PFED).** Dave noted that the WI Dept. of Administration hasn't really pushed this program. The premise of the program is job creation. The funding will be up to \$35,000 per job created. The difficulties associated with this program is it is hard to hire low to moderate individuals (which the funding requires.) Most individuals who fall under the criteria are unemployed or unemployable. St. Croix Regional Medical Center (who is wanting to build on the site after demolition) would have to provide financial records to the DOA. Maximum grant is \$500,000 or 50% of the project. Of that amount, the \$35,000 per job created would be divided by the \$500,000 amount. This would mean just over 14 jobs would have to be created for low to moderate income individuals. The individuals would be hired full time and stay employed for the 3 month time period after the grant is issued. If they do not stay, the money will have to be forfeited back to DOA.
 - **Community Development Block Grant-Public Facilities (CDBG-PF).** The Village has utilized this grant most recently a few times. This is administered by the WI Dept. of Administration. The CDBG program must meet at least one National Objective which include; 1) principally benefitting low to moderate income persons; 2) blight and slum removal/elimination, and/or, 3) urgent local need. The Village would apply under this program to eliminate a blighted building. The program will provide grant funds of up to \$500,000 or 50% of the project cost, however, this is an extremely competitive program because the Village would be competing with other projects such as water and sewer projects. The next application cycle will be in May of 2016. Dave stated there is less money available from this program. Mostly because 10% of all grant monies are only used for blight elimination. If the board does apply for this grant, the funds would be available

in August of 2016. If applying for grant towards the demolition costs, the board would have to wait until 2017 to do so.

- **Community Development Investment Grant (CDIG).** This program is administered by the Wisconsin Economic Development Corporation (WEDC). The program will fund up to \$500,000 or 25% of the project costs, however, the matching funds of 75% can come from the private investment, i.e., construction of a new clinic. This is also a very competitive program and the program is “up in the air” right now in terms of future funding. Dave noted that the board has the most ideal shot at obtaining funds through this program. Last year \$4 ½ Million was available. The amounts available for next year are questionable. If the board is interested in applying, St. Croix Regional Medical Center would have to come up with \$300,000 toward the cost of the project.
- **Tax Increment Financing (TIF).** This is a local development tool that is commonly used for the local or matching funds associated with grant programs. Tax increment financing uses the taxes on the increase in property values associated with new development in the District as another source of financing for the project. As new development occurs in the District, the taxes on that new development, is retained by the Village to pay back any investment by the Village. The Village should consider creating on this property as a way to recoup any investment the Village may have in this development. The Village’s investment in the redevelopment of this property could include; acquisition, demolition, environmental remediation, site preparation, utilities, etc. This program is based on the taxes generated on new development so discussions with the developer need to take place to determine the taxable value of the new development. Should the Village decide to create a Tax Increment Financing (TIF) District, Dave would recommend the following:
 1. TIF District #3 would be created as a “rehabilitation and conservation” or redevelopment TIF District which would have a maximum life of 27 years;
 2. TIF District should be created by October 1st of this year;
 3. If there is substantial new taxable property as a result of this development, the Village should consider “distressing” TIF #2 so that positive tax increments from the new TIF #3 could be used to assist in paying off TIF #2.

Dave also wanted the board to know that if a TIF District is created for the new clinic property it would be taxable. All property taxes from the clinic would go toward the TIF (not taxing authorities.) Those monies would be used to pay down the debt of the project.

And on a final note, Dave wanted the board to know the criteria for funding from the CDBG (Community Development Block Grant) is: Low to Moderate Residents, Blight Removal and Urgent Local Need. The board thanked Dave for his help in guiding them in their decision making process for funding of the demolition of the Old High School Building. Dave left at 6:40 p.m.

The board went on to discuss where do we go from here? Village President, Roberts did a draft to CEO Dave D. of St. Croix Regional Medical Center explaining what the costs for demolition would be and the possibility to meet with him to discuss further. It was the consensus of the board to have Village President, Roberts send an e-mail to him to set up a meeting to discuss the demolition and funding for the project. He will eventually send a letter to Senator, Sheila Harsdorf and Representative, Adam Jarchow to see if they can give the village guidance on this issue. When Village President, Roberts has a meeting date and time to meet with CEO, Dave D., he will have Clerk-Treasurer, Bjorklund notify all members of the board.

IV. MOTION TO ADJOURN – Motion to adjourn the Development and Annexation Meeting at 7:07 p.m. was made by Trustee, Maloney; seconded by Trustee, Sears. **Motion carried 6-0.**

Respectfully submitted,

Patrice Bjorklund

Clerk-Treasurer

July 29, 2015

***These minutes are subject to approval at next month's Regular Meeting.