

**COMMUNITY DEVELOPMENT AUTHORITY MEETING MINUTES**

**Monday, January 27, 2020**

**6:30 pm**

**VILLAGE OF WHITEFISH BAY – Village Hall Historical Room  
5300 North Marlborough Drive**

**I. Call to Order and Roll Call**

Chairperson Ray Krueger called the meeting to order at 6:30 pm.

Present: Chairperson Ray Krueger, Village President Julie Siegel, Village Trustee Jay Saunders, Brian Vanevenhoven, Jim Roemer, Mike Harrigan, Sarah Malik

Also Present: Village Manager Paul Boening, Assistant Manager Tim Blakeslee, Hashim Zaibak and Tamir Kaloti – Hayat Pharmacy, Moshe Katz – Atid Properties

Absentee: Mike Dwyer

**II. General Business**

**1. Approval of Minutes from the meeting held on January 27, 2020.**

*Brian Vanevenhoven moved to approve the minutes of the January 27, 2020 meeting. Mike Harrigan seconded. Motion passed 7-0.*

**2. Continued review and action on Downtown Incentive Grant Application from Hayat Pharmacy – 424 E. Silver Spring Drive.**

Chairperson Ray Krueger recused himself. Jim Roemer provided a summary of the discussion at the last meeting and the applicants provided additional information for the CDA review. There was a discussion on if any of the improvements would be revenue generators, seating in the space, and lease term. There was a summary of general TID financing provided by Mike Harrigan. There was a discussion that the space had not been touched in 65 years. There was a discussion about the level of grant that should be provided to the applicants. This included project goals, business risk, and if the landlord was willing to contribute to the project. There was a discussion with the landlord regarding building valuation, sale price, and level of additional contribution.

*Mike Harrigan moved to recommended that the Village grants \$50,000 now toward eligible project expenses and another \$25,000 upon landlord and tenant delivering a*

*written letter agreement or lease modification within 90 days of Board approval of tenant's grant request evidencing that landlord and/or tenant will contribute additional equity of \$50,000 now toward eligible expenses.*

*It is acceptable that the landlord contribute \$25,000 now and then write a reimbursement check to the tenant for \$25,000 at another point in time during the first 8 years of the lease. However, in that case, if the tenant wants the Village to fund the additional \$25,000 grant, then the tenant will need to provide an additional \$25,000 of equity toward eligible project expenses so that the sum of landlord's and tenant's immediate additional equity contribution is \$50,000.*

*The Village grant, whether \$50,000 or \$75,000 is be subject to recapture over an 8-year straight-line amortization period. That is, if for any reason Hayat ceases operations as a Hayat-branded or other "independent" pharmacy reasonably acceptable to the Village, or sells itself to a publicly-traded pharmacy or to the subsidiary of a publicly-traded company, before the end of the 8-year primary term of its lease, (the effective date of which shall be defined as the "Business End Date") then the Village may in its sole discretion recapture the product of its grant amount multiplied by the quotient equal to the number of months remaining in the primary term of its lease as of the Business End date divided by 96. Jay Saunders seconded. Motion passed 6-0.*

**4. The CDA may convene into Closed Session pursuant to Wisconsin State Statute §19.85(1)(e) deliberating or negotiating the purchase of public property, investing of public funds, conducting other specified business whenever competitive and/or bargaining reasons require a closed session – specifically regarding the Incentive Grant Applications referenced in Item 3 above.**

Closed session was not held.

**5. Discussion and recommendation to Village Board regarding potential modifications to the Downtown Incentive Grant Program.**

Village Manager Boening provided a summary of the grant program to date and that now is a good time to provide a look back over the first 3 years of the program. Assistant Manager Tim Blakeslee provided several subjects that he's seen that could be improved as part of the program. There was a discussion about the percent match, consistency, and the dollar value of the TID fund balance. There was feedback about encouraging increased building value, if a maximum dollar request would work, and if this program should be used to upgrade a building or fill spaces. There was a discussion about the lease requirement and if a grant could be tentative on the final signature of a lease. It was noted that it would be good if a possible tenant could have a better idea as to what would be awarded. There was a thought to include a landlord contribution as part of the application.

Anthony Gibson (Co-Owner of Burn Boot Camp) – Noted that he supported the grant program and that it has really helped get his business in Whitefish Bay off the ground. He said it was hard to prove a gap in financing for a small business.

Jeff Commer (BID President) – Noted that the BID would be willing to help facilitate discussion with landlords and tenants to improve program communication.

Moshe Katz (Atid Properties) – Noted that he feels there should be categories of grants. Not all grants should be treated the same way.

There was discussion to direct staff to make some adjustments to the grant program based on the discussion.

**III. Adjourn: Mike Harrigan moved to adjourn at 8:48 pm. Jay Saunders Seconded. Motion passed 6-0.**

DRAFT