

Economic Development Committee
Tuesday, September 29, 2015 – 4:30 p.m. - City Council Chambers

Members present: Morack, O’Connell, Steinhorst, Schirpke, Romberg and Tate. Bishop and Shaw excused.

Also present: Mayor Henke, Administrator Hager, Paul Hanlon, John Faucher, Colleen Merrill, and Kitty Johnson.

1. The meeting was called to order by Chairman Morack at 4:30 p.m. Tate/Steinhorst to adopt the agenda. Carried unanimously.
2. The Committee welcomed Kitty Johnson, and Colleen Merrill. Kitty is the Business Development Coordinator for CAP Services and is based out of Appleton. Colleen is the Director of the Wisconsin Small Business Development Center and has her office on campus at the University of Wisconsin Oshkosh. Both Kitty and Colleen explained what their respective offices do. They both primarily assist small business develop. There is no charge for their services. They work with all people including those that have an idea that they want to pursue to those that are in business and need assistance going forward. Kitty at CAP Services principally helps individuals with low to moderate incomes and Colleen assists all segments of the business community. The new video for New London titled “We’ve Got It” was played and both Kitty and Colleen shared their opinions regarding the video. They observed many things regarding the video including the following: the reference to 170 acres should be explained further that there are anywhere from one to one hundred and seventy acres available, there seems to be a lack of an emotional tie in the video, the shot of people around the table is all men, and we need to emphasize the “can-do” attitude perhaps by doing a ribbon cutting.

Both Kitty and Colleen observed that we have a very supportative business community. People are working together and that is an obvious benefit. We have an attitude of “What can we do for you and not too you.” We need to get our message out and the video will help. Our best resources are the businesses that are already here. What do they like about being here in New London? What keeps them here in this community? They applauded the Economic Development Committee for being pro-active like no other community that they know of. The Committee thanked Kitty and Colleen for their time and critical comments.

3. The Committee discussed the recent proposal by Keystone Development for the City owned river front property. A group representing the City traveled to De Pere and toured a development very similar to the one proposed by Keystone for New London. Their proposal is for a group of two-story townhomes. The development is a tax credit assisted housing development, principally for low and moderate income families. They have an on-site manager, a common area for meetings along with a weight room. While at the tour of the De Pere development, a representative from Keystone, Andy Dumke,

explained to the group how a development proposal is scored for tax credit funding consideration by the state. While nearly 50 applications for funding are received annually by the state, typically only twelve are funded. Last year Keystone was awarded the maximum allowable number of projects, that being three tax credit projects. Andy noted that one of the more heavily weighted scoring criteria is to what extent there is financial participation by the community. The City had offered to contribute the land at no cost, however, Keystone is also asking for the development of a Tax Increment Finance (TIF) District. The TIF district would collect approximately \$49,000 in taxes a year from the development and return \$41,500 of the taxes back to Keystone for 15 years or over \$600,000. The City TIF consultant was contacted and they noted that there is a very tight timing window to get a TIF in place this year in order to benefit the proposed development and be able to meet the January deadline for the tax credit financing application. The Committee agreed that now is not the time to further consider the Keystone development but perhaps next year if the proposal is still an option.

4. The Committee discussed at length the proposed tax credit housing proposal from Commonwealth Development. Last year, Commonwealth had proposed a development on property and City land that lies off East Beacon Avenue on a portion of the former Simmons property. Commonwealth is now working on a similar application but they are including the addition of another possible property that has historic aspects to it. A motion was made by Steinhorst and seconded by Romberg to authorize Administrator Hager to offer to negotiate a development agreement for final Council approval with Commonwealth Development for a maximum City contribution of \$65,000 to facilitate construction of multifamily rental housing units dependent on successful acquisition of the tax credit funding assistance and to be under contract to expend the funds by the end of this year. O'Connell asked for a roll call vote: Romberg, aye, Tate, aye, O'Connell, no, Schirpke, aye, Steinhorst, aye, Morack, aye. Motion passed 5 to 1.
5. Administrator Hager's report was reviewed.
6. The next regular Committee meeting is scheduled for October 27th. Terry Bomier is scheduled to visit the Committee at that time. Jessica Beckendorf the Community Resource Development Agent from UW Extension will be invited to a future meeting. Jessica replaced Mike Koles at the Waupaca County UW Extension office.
7. There being no public comment, a motion was made by O'Connell/Steinhorst to adjourn. Carried unanimously. The meeting adjourned at 6:00 pm.

Kent Hager
City Administrator