

**VILLAGE OF PLEASANT PRAIRIE
COMMUNITY DEVELOPMENT AUTHORITY
Village Hall Auditorium
9915 39th Avenue
Pleasant Prairie, WI
October 21, 2009
4:30 p.m.**

A regular meeting of the Pleasant Prairie Community Development Authority was held on Wednesday, October 21, 2009. Meeting called to order at 4:30 p.m. Present were Monica Yuhas, Larry Nelson, Gary Hutchins and Tom Reiherzer. John Steinbrink, Kate Jerome and Phil Godin were excused. Also present were Mike Pollocoff, Executive Director, Kathy Goessl, Treasurer and Jane Romanowski, Secretary.

1. CALL TO ORDER

2. ROLL CALL

3. MINUTES OF MEETINGS – FEBRUARY 18, MARCH 18 AND JUNE 17, 2009.

REIHERZER MOVED TO APPROVE THE MINUTES OF THE FEBRUARY 18, MARCH 18 AND JUNE 17, 2009 CDA MEETINGS AS PRESENTED IN THEIR WRITTEN FORM; SECONDED BY NELSON; MOTION CARRIED 4-0.

4. CITIZEN COMMENTS - None.

5. COMMISSION COMMENTS – None.

6. CONSIDER ENTERING INTO EXECUTIVE SESSION:

- A. Pursuant to Section 19.85(1)(e) Wis. Stats. to deliberate or negotiate the purchase of public property, investing of public funds, or conduct other specified public business, whenever competitive or bargaining reasons require a closed session.**

Mike Pollocoff:

Tonight I am requesting the Authority to enter into Executive Session pursuant to Section 19.85(1)(e) Wis. Stats. to deliberate or negotiate the purchase of public property, investing of public funds, or conduct other specified public business, whenever competitive or bargaining reasons require a closed session. One property is located in south Kenosha and the other is located in the middle of the Village, and I cannot disclose more information as it would harm the ability of the Authority to negotiate a purchase if necessary.

REIHERZER MOVED TO ENTER INTO CLOSED SESSION; SECONDED BY NELSON; ROLL CALL VOTE – YUHAS – YES; HUTCHINS – YES; REIHERZER – YES; NELSON – YES; MOTION CARRIED 4-0.

Monica Yuhas:

We will return to open session for the purposes of adjournment. No other business will be conducted.

CLOSED SESSION

Mike Pollocoff, Executive Director, indicated the Community Development Authority (CDA) discussed in closed session February 18, 2009 the purchase of the old Manu-Tronics building located at 9115 26th Avenue. At that meeting, the CDA authorized the Executive Administrator to purchase the site for a price not to exceed \$300,000. Mike indicated there have been two offers on the property, and an offer of \$400,000 has been turned down by the seller. He indicated there may be Federal Emergency Management Agency (FEMA) money available and other money to create an incubator for start up businesses. The Village could provide rent at a reduced rate to help get smaller businesses started. There is money to help facilitate that and pay for professional oversight and guidance. The Village has had meetings with UW Parkside and Gateway Technical College who have indicated they will help put a program together.

Tom Reiherzer asked if the Village would have to fix up the place.

Mike stated he talked with Larry Nelson, who built the building, and feels we could get it set up so it is usable and durable without too much cost. The Village could store a lot of things there like lawn mowers and such as it is running out of room at the Prange Center. The building is 21,000 square foot.

Monica Yuhas asked if the one side of the building would be taken down.

Mike indicated yes so the drainage could be corrected to get the water to the back of the property. The Village could mill up the asphalt and make a park. They could also take the scrub out to prevent vandalism and maybe cut in a garage door for Public Works.

Gary Hutchins asked if the other offers were submitted independently.

Mike indicated no. The MLS shows that offer was received and not taken. The property has been on the market three years. The CDA could be a cash buyer and the only contingency would be the Phase 1 Environmental Study and he has looked at that and it is clean. The building inspector looked at the property and there are a couple electrical issues and a few other minor items to be fixed.

Gary Hutchins asked if the primary reason to acquire the property was for drainage.

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Mike indicated it was as there are a lot of flooding problems as was discussed in an earlier meeting. A storm sewer was put in but built over. The plan would be to take the north side of the building out and get the drainage corrected. The Village replaced a culvert on 24th Avenue about five years ago.

Discussion took place on the drainage in the area referring to maps handed out at the meeting.

Mike indicated the seller is willing to deal if the broker gets a good offer. We could offer what it is assessed at and close the deal right now.

Larry Nelson asked what the property is assessed at.

Mike indicated \$477,000 and it is a good size parcel of land. The Village has had inquiries about putting in a church and other businesses and we do not want that. The ultimate plan would be to take the building down and develop it as a park, but the first priority would be to acquire the building and fix the drainage.

Gary Hutchins stated a cash buyer is attractive.

Mike indicated the Village will get some FEMA money to fix the drainage in the area.

Tom Reiherzer asked what amount would FEMA fund?

Mike indicated there is talk of 50-80% of the project as when the area floods, the sanitary sewers also back up, and this is an older area where limited plans could be implemented. Conservatively, the Village could receive 50%.

Monica Yuhas asked if the CDA acquires the property now, will the Village work on the drainage right away?

Mike indicated the necessary improvement would be made next spring. He also indicated there is a program the Economic Development Administration (EDA) is working on and we may be able to use the building in the interim. We will need to be sensitive to the neighborhood.

Tom Reiherzer asked what notice would need to be given to the tenants that are currently in the building.

Mike indicated one month. The Village would schedule a meeting with the neighborhood to get more information to submit to FEMA.

REIHERZER MOVED TO AUTHORIZE THE ADMINISTRATOR TO PURCHASE THE PROPERTY LOCATED AT 9115 26TH AVENUE FOR A PRICE NOT TO EXCEED \$550,000; SECONDED BY HUTCHINS; MOTION CARRIED 4-0.

Mike indicated the second item to discuss is the start up of a biomedical incubator. John Steinbrink worked to get legislation attached to the budget that would give the Village \$700,000,

and Governor Doyle cut that to \$70,000. The United States Department of Commerce has \$380 million available as part of the Auto Recovery Act. The Village will partner with the Kenosha Area Business Alliance (KABA) to help put together what it would take to construct a biomedical incubator. There have been some success stories. The Village is strategically located for some kind of training and skills in those areas.

Mike indicated he talked to Todd Battle of KABA. The Village needs some people to help us. We talked to Abbott and they have indicated they will help us in two ways. They will sit on the board and review plans and will make some recommendations of people they know. Without question, we would take that. Abbott also indicated they would help involve Takeda in that. They will help get a program together and will submit it to the Abbott Foundation for contributions. We talked to both UW Parkside and UW Whitewater and they are both really interested in the project. We have someone from Gateway Technical College who is good at programs and what they would need. We have presented the concept to the EDA. Riley Construction has given us an estimate for the construction of a 40,000 sq. foot building. We have talked to both Forth Collins and Milwaukee County with respect to their success stories.

Mike indicated they have talked about locating the building in the LakeView Corporate Park or maybe using the CDA land east of the Interstate. Then decided a building and use such as this would be a good anchor in the Village Green area. The building would be 3-4 stories high. Both UW Parkside and UW Whitewater are interesting in moving into the building. The building would be designed with wet and dry labs and would be estimated to cost \$6-\$7 million dollars. KABA would contribute \$2 million and the EDA \$4 million but those numbers just get us the building. There will be some ongoing expenses for managing professional consultants. We will apply along with a consortium including Janesville, Beloit, Whitewater, Rockford and two counties in Illinois for the grants. Two million dollars over five years would be operating budget.

This would take an amendment to Tax Increment District #2 creating a barbell so there would be an amended area and bike path from the Village Green downtown area to the corporate park.

Larry Nelson asked what the makeup of the land would be.

Mike referred the Authority to the handout. The developer would give it to us for \$750,000 and that would be the local match. We would use TIF monies to construct the public improvements for a circle drive and main street.

Larry Nelson asked what the proposed classification of the building would be.

Mike indicated same as Abbott. First floor would be educational and a public meeting room. The building needs common space to make it affordable to share and there could be up to 100 people in the building. Mike referred to the Greensburg redevelopment after being hit with a F5 tornado. The building proposed would be built to LEED standards, and the developer is open to that concept. Mike stated his proposed plan would be for the CDA to take ownership of this parcel as redevelopment and be the owner of the incubator. Once the building is up and running we would get rentals from the universities and manage the building so that process does not

involve politics. The board would consist of members from the Authority, Abbott, Takeda and the Universities. The Board would make the decision on who goes into the building. The TID would be the source of financing to make the initial improvements. We will need about \$4 million of improvements over a six-year period. That state is doing some work on STH 165 and once the two roundabouts at 39th and Springbrook Road are constructed, then we will be ready to go with the plan. My hope is the Authority can get this together and create some equity for ongoing sources to make loans and invest in other businesses.

Mike indicated the developer will donate the land in turn for an amendment to the TID. If the Authority likes the concept, we will put the application together on the 30th, and it takes six months to review. The Village can submit this application and then get a Certified Survey Map for the property and the Authority can take ownership and get the grant from KABA.

HUTCHINS MOVED TO APPROVE THE CONCEPT OF THE CDA TAKING OWNERSHIP OF THE LAND THAT WILL BE DONATED BY LAND OF LAKES LOCATED AT THE NORTHWEST CORNER OF MAIN STREET AND THE NEW SPRINGBROOK ROAD IN THE VILLAGE GREEN AREA AND OWN THE INCUBATOR SITE AS DISCUSSED; SECONDED BY NELSON; MOTION CARRIED 4-0.

7. RETURN TO OPEN SESSION

After discussion was held, **REIHERZER MOVED TO RETURN TO OPEN SESSION; SECONDED BY HUTCHINS; ROLL CALL VOTE – YUHAS – YES; HUTCHINS – YES; YES; REIHERZER – YES; NELSON – YES; MOTION CARRIED 4-0.**

8. ADJOURNMENT

REIHERZER MOVED TO ADJOURN THE MEETING; SECONDED BY NELSON; MOTION CARRIED 4-0 AND MEETING ADJOURNED AT 5:40 P.M.

Approved November 18, 2001

Approved with closed session minutes 3-25-10