

LA CROSSE COUNTY ECONOMIC DEVELOPMENT FUND, INC.

La Crosse County Administrative Center, Rm. 3220

Thursday, September 2, 2010

7:30 a.m.

MEMBERS PRESENT: Steve Doyle, Jill Billings, Don Brenengen, Steve Burgess (7:41 a.m.), Dirk Gasterland, Gary Ingvalson, Tara Johnson, Audrey Kader, Dennis Manthei, Steve O'Malley, Bill Shepherd, Mary Jo Werner, John Wettstein

MEMBERS EXCUSED: Vicki Burke

MEMBERS ABSENT: None

STAFF & GUESTS: Brian Fukuda, Charlie Handy, Margaret Norden, Greg Flogstad, Karl Green, Jason Gilman, Jim Hill, Jenny Kuderer, Sharon Hampson, David Stickler, Nancy Gerrard

CALL TO ORDER/ROLL CALL

Chair Doyle called the meeting to order at 7:30 a.m.

PUBLIC COMMENT

None requested.

The Chair took the following item out of order:

SKIPPERLINER INDUSTRIES INC. – CHAPTER 128 BUSINESS LIQUIDATION

The meeting agenda provided for a closed session, but Chair Doyle noted that there did not appear to be a need for that. He stated that the Economic Development Fund was being asked to release the second mortgage on Noel Jordan's personal residence so the home could be sold to a potential buyer who needs to move at the end of September. The first mortgage is with Wells Fargo; the County has second position. Nancy Gerrard, real estate agent, explained that proceeds from the sale after commissions and title would leave very little, but they could pull together \$20,000 if the County would release the second mortgage. Discussion included questions about the length of time the home had been on the market, its assessed value, and prorated taxes. Chair Doyle pointed out that the sale of the home would not affect the County's ability to recover from the sale of business assets. **MOTION** by Kader/Shepherd to agree to the \$20,000 amount in exchange for releasing the second mortgage. **Motion carried unanimously.** Burke excused.

APPROVE MINUTES OF AUGUST 5, 2010

MOTION by Manthei/Johnson to approve the Minutes of August 5, 2010. **Motion carried unanimously.** Burke excused.

REVOLVING LOAN FUNDS – POLICIES AND PROCEDURES

As follow-up to previous discussions, staff provided a summary of options and recommendations for procedures and policies regarding job reporting, loan repayment, and loan incentives:

- **Jobs reporting:** Staff recommended a semiannual report, utilizing a signed form with attached proof, such as Form 941, UC 101, and/or payroll records. Discussion was held regarding the pros and cons of quarterly vs. semiannual reports. Among the benefits of a quarterly report is the ability to identify businesses that are in trouble earlier, and be able to assist them with being successful. **MOTION** by Kader/Ingvalson to follow quarterly job reporting procedure, including quarterly Federal Form 941 and the State Quarterly Contribution Report - UCT101 and its accompanying Quarterly Wage Report. **Motion carried unanimously.** Burke excused.

- Loan repayment: Staff recommended monthly portfolio updates, and phone call follow-up to businesses that are past due by more than 15 days, written notice of impending delinquency to businesses past due by more than 21 days, and discussion at LCEDF meetings regarding collections action for past due payments of more than 30 days. **MOTION** by Johnson/Manthei to approve staff recommendation. **Motion carried unanimously.** Burke excused.
- Loan incentives: Staff recommended continuing to provide flexible low interest loans and fixed term financing. Lengthy discussion followed regarding gap financing, progressive rates, forgivable rates for businesses meeting certain benchmarks, and balancing the philosophies of following common business practices with offering incentives to small start-up businesses. **MOTION** by Shepherd/Kader to approve staff recommendation. **Motion carried 10-3.** Brenengen, Burgess, Doyle opposed; Burke excused.

The Chair took the following item out of order:

AGENCY REPORTS

Jason Gilman, City of Onalaska, presented the city's waterfront plan. They have launched a website at www.greatriverlanding.com. Major initiatives include the following: Streetscaping, cultural and tourism center, community development authority, public market, railroad crossing evaluation, waterfront improvement feasibility study, and partnership with the US Fish and Wildlife Service on walking trails and boat landings. The project will begin in Fall, 2010, with razing of buildings west of the intersection of Main Street and Highway 35. Waterfront areas will follow the Harbor Plan that was recently approved by the County Board.

UPDATE ON VILLAGE OF ROCKLAND DEVELOPMENT

Charlie Handy reported that offers have been received on eight of the 11 lots in Meadow Park Estates that have been advertised. The offers are for the appraised value of \$17,000. Coulee Housing Development Corporation plans to have four homes built to be ready for occupancy by mid-October, 2010, and will move forward with four more homes when the initial four sell. Quality Woods is interested in a TIF grant to expand operations, and the Village of Rockland is working on that agreement. Handy stated that the home plans he has viewed are at slightly higher square footage than the average Rockland home and have attractive exterior features.

HISTORY OF LA CROSSE COUNTY'S ROLE IN ECONOMIC DEVELOPMENT

Brian Fukuda gave a Power Point presentation that showed the origins of the county's role in economic development dating back to the 1970s-1980s when the County farm herd, machinery, and some land was sold. In the 1990s, the County adopted its first development plan. Fukuda reviewed the current role of staff: Projects include the Lakeview Business Park, County Farm Master Plan, and the Annual Collaboration Conference; other activities include community development, planning, and assistance to municipalities, collaborating with other organizations and County departments, grant writing, and the revolving loan fund.

NEXT MEETING – OCTOBER 7, 2010, AT 7:30 A.M.

FUTURE AGENDA ITEMS

City of La Crosse housing study by Karl Green

ADJOURNMENT

MOTION by Manthei/Ingvalson to adjourn. **Motion carried unanimously.**
Meeting adjourned at 8:58 a.m.

Approved, October 7, 2010, Margaret Norden, Recorder