

VILLAGE OF FONTANA ON GENEVA LAKE
WALWORTH COUNTY, WISCONSIN
(Official Minutes)

MONTHLY MEETING of the COMMUNITY DEVELOPMENT AUTHORITY

Wednesday, January 5, 2011

Village Clerk Dennis Martin called the monthly meeting of the CDA to order at 6:00 pm in the Village Hall, 175 Valley View Drive, Fontana, Wisconsin.

CDA members present: Roll call: President Arvid Petersen, Cindy Wilson, Gail Hibbard, Jeff Fisk

CDA members absent: Skip Bliss, Bob Chanson, Bill Turner

Also present: Administrator/Treasurer Kelly Hayden, Library Director Nancy Krei, Margaret Labus, Village Clerk Dennis Martin, Eric Nyman, Building Inspector/Zoning Administrator Ron Nyman, Director of Public Works Craig Workman

Elect Chairman Pro-Tem

Commissioner Hibbard/Commissioner Fisk 2nd made a MOTION to elect President Petersen the chairman pro-tem for the meeting since Chairman Turner and Vice Chairman Bliss were both absent, and the MOTION carried without negative vote.

Visitors Heard

None

Announcements

1. Village Hall Open for Customer Service – Saturdays, January 8, 15, 22 & 29, 2011, 8:00 am to Noon
2. Village Board Monthly Meeting & Joint Public Hearing with Plan Commission – Monday, January 10, 2011, 6:00 pm
3. Human Resources Committee Meeting – Wednesday, January 12, 2011, 5:30 pm
4. Protection Committee Meeting – Monday, January 17, 2011, 5:45 pm
5. Library Board Meeting – Wednesday, January 19, 2011, 10:00 am
6. Park Commission Meeting – Wednesday, January 19, 2011, 6:00 pm
7. Evening Book Club at Public Library – Thursday, January 20, 2011, 5:30 pm
8. Lakefront and Harbor Committee Meeting – Wednesday, January 26, 2011, 4:30 pm
9. Finance Committee Meeting – Thursday, January 27, 2011, 6:00 pm
10. Plan Commission Monthly Meeting – Monday, January 31, 2011, 5:30 pm

Approval of Minutes for November 10, 2010

Commissioner Wilson/Commissioner Fisk 2nd made a MOTION to approve the minutes for the meeting held November 10, 2010 as submitted, and the MOTION carried without negative vote.

Approval of Current Payables

Hayden stated that the payables included a \$6,547 invoice from Foley and Lardner for the legal review of the Lake Street road width and riparian rights issues. Hayden stated that about \$1,500 is for the Title Company's record research, and the balance is for Attorney Hank Gempeler's review. In response to questions, Hayden stated that the budget for the project was set at \$5,000; and that cash flow for the TID is currently very low, and short-term borrowing will have to take place from the General Fund until the CDA adopts its 2011 budget. Hayden stated that as soon as the Village receives its new debt schedule from the state, the 2011 CDA budget will be drafted. Hayden stated that as well as the two payables distributed, the Village received that day an invoice from Graef for \$2,105 that was being held as a retainer for the Shabbona Pedestrian Path contract. Workman stated that the project was completed several months ago and the retainer balance is included in the budget. Commissioner Wilson/Commissioner Hibbard 2nd made a MOTION to approve the payables as distributed and presented at the meeting, and the MOTION carried without negative vote.

Finance Report – Administrator/Treasurer Hayden

Update/Review – Full Accounting Statement & TIF Revenue Increment Projections

Hayden stated that since the Village has not yet received the new debt service payment schedule from

the state, the full accounting statement and TIF revenue increment projections have not been updated and the 2011 CDA budget has not been completed. Hayden stated that the updated statement, TIF projections and preliminary 2011 budget will be distributed later in the month.

Withdrawal of TIF Increment Appeal to Wisconsin DOR

Hayden stated that although the appeal has been officially withdrawn, the Village is still working with Ehlers and Associates and other municipalities for some type of relief on the negative impact created by the DOR decision to change the increment calculation methodology this year. Hayden stated that while the appeal was still on file, the DOR would not discuss the situation with the Village. Hayden stated that TIF financing and related issues will be discussed at the annual conference hosted by Ehlers and Associates in Wisconsin Dells. Hayden stated that she is attending the conference and she will distribute the conference flyer to the CDA members in case they are interested in attending.

Arbitrage Rebate Calculation

Hayden stated that a requirement of a bond that was issued to the CDA five years ago is the completion of an arbitrage rebate calculation report, which will cost about \$5,900 according to the two quotes that the Village has received. Hayden stated that the Village is required to submit the arbitrage report every five years for the bond; however, the bond was recently retired when the Village approved the borrowing from the State Trust Fund, so this will be the only arbitrage report required now that it has been paid off. Hayden stated that she is still seeking one more quote to determine if the Village can get a lower cost than \$5,900 for the report. The report is required to make sure municipalities are not earning more on interest for borrowed funds than the total amount of interest that they are paying on the bonds.

President Petersen/Commissioner Hibbard 2nd made a MOTION to authorize staff to have the arbitrage rebate calculation report completed by the low bidder for a cost not to exceed \$5,900, and the MOTION carried without negative vote.

TID #1 Projects – Public Works Director Workman

TIF Project Maintenance Activity Report

Workman updated the report with the projects that have been completed during the last few months. Workman stated that new items were added for the maintenance projects being funded by the Park Commission at the Hildebrand Nature Conservancy and for the installation of a new safety railing along the Shabbona Pedestrian Path. Hibbard stated that a controlled burn will be scheduled for late March at the Oak Savannah area at the Duck Pond Recreation Area.

General Business

RFP for 138 Fontana Boulevard

Hayden stated that the only RFP submitted was from Brian Pollard of Fairwyn Development Corporation and Westover Real Estate, LLC. Pollard stated that he is working with local residents Eric Nyman and Margaret Labus on the proposal to purchase the property from the village, raze the existing building, and construct a mixed-use, 2-story or 2.5-story building on the property. Pollard stated that the proposal is for the new building to feature commercial space on the first floor and condominium units on the upper floor or floors. Pollard stated that the developer will lease or sell the residential and commercial units as condominiums. Pollard presented conceptual architectural plans drafted by Ken Etten of McCormack & Etten Architects, LLP, Lake Geneva. The architectural style of the building will be “contemporary lake cottage” and it will feature natural or natural-appearing materials such as cut stone, composite siding to mimic the appearance of cedar plank or shake siding, architectural-grade composite roofing and a natural color scheme. Pollard stated that commercial space will be available for lease, divided into a number of separate units to be determined. The residential space will be divided into condominium units. Pollard stated that since the current real estate market is not booming and he does not have an anchor tenant secured, he would like to propose an 18-month option on the purchase of the property from the CDA, with a financial and development agreement similar to the one used for the Mill Street condominium and retail building development. Pollard stated that if approved, they can begin working on securing an anchor tenant and marketing the condominium units. In response to questions from Wilson, Pollard stated that the preliminary concept for the new building only features one driveway onto the site off Fontana Boulevard, but he would be interested in pursuing an entrance from Highway 67 if possible;

and he has had brief discussions with the neighboring property owners about purchasing the adjacent properties and developing a bigger project. Pollard stated that there are obvious economic concerns that would have to be worked out if a bigger project is pursued. Petersen stated that the developers may want to consider planning for a sidewalk café for the corner of the new building at Fontana Boulevard and Highway 67, similar to the Potbelly restaurant located in the building at the northeast corner of Main and Cook Streets in Lake Geneva. Hayden stated that the next step if the CDA favors the proposed development is to make a decision on the request to enter into an 18-month option to purchase and the work out a development agreement. Fisk stated that if there were no other proposals submitted, there is no reason to delay consideration of the Fairwyn Development Corporation and Westover Real Estate, LLC proposal. Fisk stated that the preliminary plans look great. Pollard stated that a best case scenario with all the issues worked out and an anchor tenant secured, it will take six months to one year for the planning process before construction could commence. Pollard stated in order to help keep project costs down, he would like to use the same financial and legal framework that was drafted and approved for the Mill Street project. Hayden stated that staff can work with the developers on plugging the new information and financial figures into the Mill Street development agreement documents, which then can be reviewed by the village attorney prior to being considered for final approval by the CDA and Village Board.

Commissioner Fisk/Commissioner Wilson 2nd made a MOTION to approve the RFP as submitted by Fairwyn Development Corporation and Westover Real Estate, LLC and to direct staff to work with the developers to draft the paperwork with an 18-month option to purchase the property at 138 Fontana Boulevard. The MOTION carried without negative vote.

RFP for Duck Pond Development Site Update

Wilson stated that the RFP will be tweaked one more time with new aerial images and a more precise description of the building envelope prior to being issued. Wilson also provided Martin with a list of potential developers that she obtained at a recent conference in Chiagao featuring “green” industries and firms. Martin will use the list for distribution of the RFP, which will be finalized and reviewed by staff prior to being issued. Wilson stated that initial research has indicated that some type of health care or “green” industry may be the most attractive for the site. Petersen stated that the electronics industry is also doing well and there may be some interest for a development in that field. Wilson stated that it is her goal to attract a development that we can all live with. A meeting was scheduled for the next day to add the new aerial images and an exhibit with the building envelope depicted and to review the RFP one more time before it is issued.

Big Foot Country Club Development Agreement Update

Petersen stated that an agreement has not been reached and meetings will continue. The Village received a letter from Big Foot Country Club that stated the village’s initially proposed remedies for the stormwater problems in the area are not adequate. Petersen stated that the Public Works Committee will explore other options for addressing stormwater runoff concerns and meetings will continue with the country club representatives to come up with a cost effective proposal.

Village Board Report – President Petersen

Petersen stated that the Village Board and Plan Commission members have stated that they favor the enactment of a moratorium on the acceptance and review rezone and land division applications during the project to rewrite Chapters 17 and 18 of the Municipal Code, and a public hearing on the proposed moratorium is scheduled for Monday, January 10, 2011 beginning at 6:00 pm. Petersen stated that the proposed moratorium would not include routine Building Permits or property located in the TID.

Lakefront & Harbor Report – Commissioner Chanson

Chanson was not able to attend the meeting, and the committee has not met since the last CDA meeting.

Park Commission Report – Trustee Wilson

Update on Hildebrand Nature Conservancy Projects & Shabbona Path Railing Project

Wilson stated that the Park Commission allocated budgeted funds for maintenance projects in the Hildebrand Nature Conservancy and to install a safety railing along the Shabbona Pedestrian Path.

Hibbard stated that old pier wood donated by Larry Quist will be used for the Hildebrand projects to repair the boardwalk and railing.

Confirm Quorum & Dates for Upcoming Meetings

The next monthly meeting date is scheduled for Monday, February 2, 2011, beginning at 6:00 pm.

Agenda Item Requests

None

Adjournment

President Petersen/Commissioner Wilson 2nd made a MOTION to adjourn the CDA meeting at 6:41 pm, and the MOTION carried without negative vote.

Minutes prepared by: Dennis L. Martin, village clerk

Note: These minutes are subject to further editing. Once approved by the CDA, the official minutes will be kept on file at the Village Hall.

APPROVED: 5/4/2011