

**VILLAGE OF FONTANA ON GENEVA LAKE
WALWORTH COUNTY, WISCONSIN**

(Official Minutes)

MEETING of the COMMUNITY DEVELOPMENT AUTHORITY

Wednesday, October 22, 2014

CDA Chairman Robert Chanson called the meeting of the CDA to order at 6:00 pm in the Village Hall, 175 Valley View Drive, Fontana, Wisconsin.

CDA members present: Bob Chanson, Skip Bliss, Gail Hibbard, Jay Hicks, Trustee Dave Prudden

CDA members absent: Jeff Fisk, President Arvid Petersen

Also present: Library Director Nancy Krei, Administrator Dennis Martin, Micki O'Connell, Trustee Rick Pappas, Lidia and Nicolae Pastiu, David Patzelt, Cindy Wilson

Visitors Heard

Nicolae Pastiu stated that he and his wife Lidia recently purchased the former Fontana Outdoor Sports and adjacent property to the north from Bob Hutchinson, and he has been busy cleaning up and working on the landscaping on the former miniature golf course parcel. Nicolae Pastiu stated that they will be operating their business Nick's Upholstery, Inc., in the former Outdoor Sports building. Nicolae Pastiu stated that they offer custom upholstery furniture sales and services, and Lidia also is an interior designer. Nicolae Pastiu stated that he is not sure of what will be the final plan for the mini-golf course parcel; however, he will continue to clean up the lot and maintain the large frog, light house and little shed located on the lot. Pastiu stated that he thinks there will be a demand for the upholstery business and the store space should work well. Pastiu stated that although the TIF District is currently distressed and the Village can't offer financial assistance and TID incentives at this time, he could use any possible assistance from the Village in cleaning up the mini-golf course lot. The CDA members welcomed Lidia and Nicolae Pastiu, thanked them for investing in the Village, and wished them good luck with the business. Cindy Wilson stated that the village is fortunate that Lidia and Nicolae Pastiu have purchased the property, and the former mini-golf course parcel is the last piece of the Van Slyke Creek restoration project. Wilson stated that the former mini-golf course still has large cement pads that have to be removed and maybe the Village DPW can assist in getting them removed. Wilson stated that cleaning up and restoring the lot will be a tough task. Wilson stated that she also suggested to Lidia and Nicolae Pastiu that they contact Village of Fontana Park Commission contractor Roy Diblik at Northwind Perennial Farms for assistance with the landscaping plan for the miniature golf course lot.

General Business

Approval of Minutes for May 5, 2014

Commissioner Bliss/Commissioner Hicks 2nd made a MOTION to approve the minutes as submitted, and the MOTION carried without negative vote.

Shodeen Construction Company Development Proposal for 100 Block of Second/Third Avenues

Dave Patzelt of Shodeen Construction Company, LLC, Geneva, IL, presented the proposed general development plan for a townhome development at 180 and 190 Third Avenue. Martin stated that the application for a zoning code and zoning map amendment from the Village Center Zoning District to Planned Development has to be presented to the Plan Commission and scheduled for a public hearing. Martin stated that there is no TIF assistance being sought; however, the property is located in the TID and the proposal will cost more than \$10,000, so the CDA board has to make a recommendation on the appropriateness of the development concept with relation to the overall TID plan and on the proposed architecture. Patzelt stated that the proposal is for a total of four, three-story townhome buildings, two with four units and two with five units, for a total of 18 units. There would be one four-unit and one five-unit building facing both Second and Third Avenues, and the construction materials will include a mixture of shakes, masonry bricks and siding. The units will have front porches and there will be sidewalks along Second and Third Avenues and Douglas Street; parking will be behind the buildings. Patzelt stated that the individual

townhome units will feature two and three bedrooms and the price point will be the high \$300,000 to \$400,000 range. Patzelt presented the three versions of the general development plan and the proposed elevations, which have been amended twice following meetings with the Plan Commission staff members. In response to questions, Patzelt stated that the average building height is 33 feet, and the Municipal Code has a 35-foot maximum average; and the highest peak on one of the roof lines is 35-feet, 7.5-inches-tall. Following further discussion, the CDA members stated that they would like to see a color, three-dimensional depiction of the proposed buildings in order to get a better idea of the architecture and design elements. Bliss stated that it is hard to visualize the proposal from flat, black and white images. Following further discussion, the CDA members reached the consensus that they all favor the overall concept and the townhome plan is an appropriate proposal for that area of the TID; however, they would like to review a full color computer image or three-dimensional model of the proposed building architecture and design elements. The next meeting for the CDA was scheduled for Wednesday, December 3, 2014 at 5:30 pm. Martin stated that if the Plan Commission and Village Board favor and approve the zoning amendment proposal prior to the next CDA meeting, the approvals can be made contingent on the CDA architecture review.

General Fund Debt Service Reimbursement Interest Rate Recommendation

Martin stated that the Finance Committee consulted with Jim Mann of Ehlers Associates and approved a motion at its June 26, 2014 meeting to recommend an increase to 1.2 percent for the interest rate the Village has established for TIF District debt service payments that have been and will be funded by the General Fund for the next several years. Martin stated that with the TIF District being declared distressed, the Village eventually will be able to recoup all of the TIF debt service payments being made with General Fund allocations; and the committee recommended the increase to help recoup the interest the village is paying on the additional borrowing required because of the TID increment shortfall. Bliss stated that he does not think the Village should charge more interest on the current TID debt service funding being allocated from the General Fund, and the Finance Committee and Village Board members should find a different solution for its budgeting concerns. Martin stated that he can request Mann to update the TID debt service payment schedule with the current and proposed interest rates, and he can supply more information for the CDA members at the next meeting. Martin stated that when the TIF District was declared distressed earlier this year, Mann projected that at the current level of equalized valuation for the TID the village would only need about three to four additional years of increment to recoup the debt service payments and interest.

Commissioner Chanson/Trustee Prudden 2nd made a MOTION to table the item, and the MOTION carried without negative vote.

TID Equalized Value Increase Report

Martin stated that the Wisconsin Department of Revenue increased the equalized value of the TID by \$6 million this year, which will reduce the debt service payment shortfall that has to be covered by the General Fund by about \$125,000. Martin stated that Mann has reported that the shortfall to be covered by the General Fund budget in 2015 will be about \$430,000; the initial projection was about \$550,000.

2015 Budget Planning

Martin stated that as part of the TID distressed declaration approval process, the Village indicated to the Joint Review Board that an annual budget will be adopted by the CDA even though there are not current projects or expenditures for anything other than administration and debt service. Martin stated that staff is waiting for Mann to provide the updated TID increment projections and financial statement to draft a 2015 budget.

Adjournment

Trustee Prudden/Commissioner Hicks 2nd made a MOTION to adjourn the CDA meeting at 7:07 pm, and the MOTION carried without negative vote.

Minutes prepared by: Dennis Martin, village administrator

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: 2/4/2015