

Winnebago County Industrial Development Board

Minutes for October 16, 2019 Meeting

Room 119, Winnebago County Administration Building, 112 Otter Ave. Oshkosh, WI

Members Present: Rob Keller (Board Chair), George Dearborn (Board Vice-Chair), Mark Harris, Shiloh Ramos, Jim Wise, Joel Rasmussen, Linda Kutchenriter, Elizabeth Hartman, Mary Anne Mueller

Members Excused: Ken Robl, Mary Krueger

Others Present: Art Bahr, Ray Palonen, Audra Hoy

Meeting Called to order at 10:00 am by Chair Rob Keller.

Introductions were held.

1. Approval of Minutes from February 14, 2019 Meeting. Motion by Elizabeth Hartman to approve the meeting minutes as presented. Seconded by Joel Rasmussen. Motion passed 9-0.
2. Discussion and Board action on proposed use of County CDBG close funding. Jerry Bougie provided the Board with a summary on the history and status of the Community Development Block Grant Revolving Loan Fund program and the State's process to close down the program Statewide due to limited use of the funds throughout the State. He indicated the County returned its funding to the State Department of Administration in July in the amount of \$940,365.35, in which the County is now eligible to reapply for these same funds from the State for eligible projects. The Board reviewed a resolution detailing the proposed reuse of the funding and the stringent criteria that limits where in the County the funding can be used, i.e. only in Low and Moderate Income (LMI) census tracts outside of the Cities of Neenah and Oshkosh per the National objectives established by Federal HUD requirements.

The resolution identified two potential eligible projects, one is the reconstruction of County Road Y in an LMI census tract in the Town of Oshkosh which would absorb about \$807,000 of the funding and the remaining funding would go toward offsetting a portion of the cost for the City of Omro's well project. Discussion pursued. It was pointed out that utilizing the funding for the County Road Y project would save the county and its tax payers a like amount because the reconstruction of County Y is needed and was planned to be done in the next couple of years. Some Board members felt that because the original purpose of the CDBG Revolving Loan Fund program was for economic development purposes, there should be an economic development component to the Close funding. Further discussion pursued. Joel Rasmussen moved to approve the resolution that directs the use of the Close funding for the County Road Y project in the Town of Oshkosh between Highway 41 and County T, and the remaining funding to be used for the City of Omro well project. Motion seconded by Shiloh Ramos. Motion passed 9-0. Elizabeth Hartman made a motion to discuss at a future IDB meeting the concept of

reestablishing some type of economic development loan/funding program that would serve to replace the economic development opportunities lost due to the Close of the CDBG-ED RLF program. Mark Harris seconded the motion. Motion passed 9-0.

3. Review and Board action to transfer \$8000 from IDB Reserve fund balance to IDB Professional Services Account. Jerry Bougie indicated that due to the complexity and extensive work involved to make application for the County's Close funding, it requires the need to contract with a consulting firm that has prior experience and knowledge on CDBG close applications. He indicated that the Board's 2019 budget did not include any dollars for professional services. Entering into a contract will require about \$8000 of funding for such services based the estimate received and similar prior CDBG applications. Discussion pursued. George Dearborn made a motion to transfer \$8000 from the IDB's reserve funds to the IDB's Professional Services account for the 2019 budget. Mary Anne Mueller seconded the motion. Motion passed 9-0.
4. Review and Board action to enter into a contract with MSA Professionals to conduct grant application services for the CDBG Close funding. Jerry Bougie distributed a copy of the proposed professional services agreement with MSA Consulting for CDBG Close funding application services in the amount of \$7500 plus reimbursable expenses. He explained that these applications require an extensive number of steps and are very onerous to prepare them properly. Discussion pursued on the steps and documents that are required as part of the application process. Jerry further explained that MSA has a lot of prior experience in preparing these types of applications and recommended the Board enter into a contract for their services in preparing the County's application for Close funding. Art Bahr from MSA Consulting indicated it is anticipated the application will be ready to submit later this fall and the funding rewarded by January. Linda Kutchenriter made a motion to approve entering into a contract with MSA Consulting for CDBG Close funding application services in the amount of \$7500 plus reimbursable expenses. Seconded by George Dearborn. Motion passed 9-0.
5. Discussion and Board action to approve write-off of \$135,546.58 for the G&J Litho CDBG-ED defaulted loan. Jerry Bougie indicated the County Finance Department requested the IDB take action to write-off this defaulted loan to get it off the County books. He indicated that if the County were able to collect any future payments made on the defaulted loan those payments would be returned to the State as part of the State's closing of the CDBG loan funds. Joel Rasmussen moved to write-off the \$135,546.58 outstanding defaulted CDBG-ED loan for G&J Litho, motion seconded by Elizabeth Hartman. Motion passed 9-0.
6. Review and Board action on proposed 2020 IDB Budget. Jerry Bougie summarized the budget and mentioned that the IDB receives a lump sum allocation from the County Board at budget time for its operations. He indicated the requested allocation will be same as the past few years

which is \$209,000, and that most of this allocation is reallocated to local economic development efforts as part of the IDB's annual per capita economic development funding program.

Discussion also pursued on the professional services budget item. After discussion, the Board felt it best to leave the professional service request at \$10,000 for 2020, and can be adjusted higher by the IDB during the year if necessary. Motion by Shiloh Ramos to approve the 2020 IDB budget as presented, motion seconded by Jim Wise. Motion passed 9-0.

7. Next Meeting. The next meeting will be set as needed.
8. Adjournment. Motion by Joel Rasmussen, seconded by George Dearborn to adjourn the meeting. Motion passed 9-0. Meeting adjourned at 11:26 pm.

Submitted by,

Jerry Bougie, Recording Secretary