LA CROSSE COUNTY ECONOMIC DEVELOPMENT FUND, INC.
March 6, 2014
Administrative Center – Room 3220

MEMBERS PRESENT: Tara Johnson, Sharon Davidson, Dirk Gasterland, Karin Johnson, Megan DeVore for David Lange, Debra McKenney, Steve O’Malley, Michael Richards, Laurie Strangman (exc. 8:38 a.m.), Joe Veenstra (arr. 7:38 a.m.), John Wettstein

MEMBERS EXCUSED: Sharon Hampson, Patti Balacek, Ray Ebert, Tina Wehrs

OTHERS PRESENT: Brian Fukuda, Charlie Handy, Karl Green, Amy Peterson, Jim Hill, Greg Flogstad, Peg Jerome, Pat Kucera, Terri Urbanek, Zach Arndt, Chris Hubbuch, Terri Pavlic

CALL TO ORDER
The meeting was called to order at 7:31 a.m.

PUBLIC COMMENT
There was no public comment.

APPROVAL OF ECONOMIC DEVELOPMENT FUND MINUTES FROM FEBRUARY 6, 2014
MOTION by K. Johnson/McKenney to approve the La Crosse County Economic Development Fund minutes of February 6, 2014. Motion carried unanimously (Hampson, Balacek, Ebert, Veenstra and Wehrs excused).

PURPOSE, STRUCTURE, AND REVIEW OF BUSINESS ASSISTANCE GRANT PROGRAM
After a discussion at last month’s Economic Development Fund meeting, staff is suggesting an edit to the program purpose statement in the application as follows: “The program will give preference to projects that are focused on increasing sales outside of our region and that show minimal adverse affects on other local businesses.” Patti Balacek is getting feedback from previous applicants in regard to requesting financials, and making a few changes on the application. This will be brought back to the EDF at a future meeting. MOTION by Richards/Veenstra to add the above sentence in the program purpose of the Business Assistance Grant Program. Motion carried unanimously (Hampson, Balacek, Ebert & Wehrs excused).

CONSIDERATION OF BUSINESS ASSISTANCE GRANT APPLICATION FROM COULEE REGION DRUG TESTING LLC
This agenda item was referred from January. Included in the packets was the scoring sheet and brief summary regarding the application from Coulee Region Drug Testing LLC. There were questions from the committee in January if La Crosse County does drug testing. After researching this, Brian Fukuda informed the committee that La Crosse County does not do drug testing but does contract with drug testing services. Staff does not feel that this would be a conflict of interest. This application is for $10,000 and would help the business owner expand by bringing in new equipment and tools, as well as build out in the new lease space. It would potentially create 1 to 2 full time jobs to the business. MOTION by Veenstra/ Gasterland to approve. Motion failed on a 10/0 vote with 1 (Richards) abstaining; (Hampson, Balacek, Ebert & Wehrs excused).

CONSIDERATION OF BUSINESS ASSISTANCE GRANT APPLICATION FROM DIGGITY DOG DAYCARE
MOTION by Gasterland/Veenstra to deny the grant application from Diggity Dog Daycare. Pat Kucera, owner of Diggity Dog Day Care was present to discuss the grant application. This grant would be for new folding kennels technology to meet the demand for overnight...
boarding of dogs. The project is expected to create 1-2 new full time jobs and at least 2-3 additional part time jobs. **Motion to deny grant carried unanimously;** Hampson, Balacek, Ebert & Wehrs excused.

The County Administrator requested to put the Business Assistance Grant Program on the agenda for next month so the committee can revisit what the purpose of the program is.

**PARAMETERS FOR HOUSING PROJECTS FUNDING**
The Economic Development Budget has $25,000 for Housing Projects. Included in the packets were 16 line items for the Board to consider as minimum standards. Discussion ensued. It was suggested combining #3, #10 and #11 into one. It was also suggested to combine #5 and #13 into one. Staff recommends using “challenged neighborhoods in the City of La Crosse” as the priority in #16 at this time. **MOTION by Veenstra/Richards to use “challenged neighborhoods in the City of La Crosse” as the annual priority for housing project funding. Motion carried unanimously** (Hampson, Balacek, Ebert & Wehrs excused).

**REVOLVING LOAN FUND FINANCIAL REPORTS**
Included in the packets were updated financial reports on each of the three revolving loan funds, as well as a summary report of the loans that have been made from these funds. Grand Bluff Running is not on the list yet. Brian Fukuda noted that there are significant cash balances in all three of these funds. State of Wisconsin Community Development Block Grant Fund has a cash balance of $575,000. Fund 1, which is the County Fund that was capitalized through county land sales at one point has a cash balance of $111,000. Fund 2, U.S. Department of Commerce Economic Development Administration has a cash balance of $120,000. It was noted that La Crosse Day Care Center is back on track with their loan.

**CONSIDERATION OF LOAN WRITE-OFFS FOR TRUCK PARTS LLC & AIRBORN DATALINK**
There are two loans – Truck Parts Distributor, LLC & Airborn Datalink- on the books that are long in default, so staff is requesting that these be officially written off. It is doubtful that we will receive payment on them and it would help clean up the financial sheets. This action was requested by the auditors. **MOTION by Gasterland/Veenstra to write off the loans from Truck Parts Distributor, LLC and Airborn Datalink. Motion carried unanimously** (Hampson, Balacek, Ebert & Wehrs excused).

**COMPARISON OF HOME OWNERSHIP COSTS IN LA CROSSE COUNTY**
Karl Green presented his report on Comparison of Annual Costs Associated with Home Ownership in La Crosse County. This report calculates and considers the true costs of home ownership in various municipalities throughout La Crosse County. Municipalities considered were: City of La Crosse, City of Onalaska, Village of Holmen, Village of West Salem, Town of Onalaska (urban) and Town of Farmington (rural).

Homeownership costs considered:

- Property taxes
- Municipal sanitary sewer costs
- Private septic system annualized costs
- Municipal water system costs
• Private well system annualized costs
• Storm water user rates
• Garbage/recycling costs
• Other costs – (transportation)

Summary of findings: Total residential living costs varied depending on location. The high value of $11,950.58 was found in the City of La Crosse. The lowest value calculated of the municipalities considered was the Village of West Salem at $10,305.25, a difference of $1,645.32 annually. Monthly, this equates to approximately $137.11. Note: transportation costs are not taken into consideration.

Final considerations:
• More costs associated with homeownership than just taxes
• Transportation costs may easily over-ride tax cost savings – depending on work location and # of drivers
• User charges are not tax deductible; however user charges are more equitable way to assess costs, as they are based on use, not value of home.
• Private expenses on infrastructure (well, septic) are not tax deductible
• Home insurance rates were considered, and showed fluctuations based on municipality, but need to standardize request better (in process)

UPDATE & DISCUSSION ON COUNTY PROPERTIES
• Park Plaza – written updates were included in packet
• Administrative Center/Downtown Campus - written updates were included in packet
• Lakeview Health Care Center – written updates were included in packet

NEXT MEETING: APRIL 3, 2014

FUTURE AGENDA ITEMS
• Business assistance grant program
• Economic development partners re: synergy conversation

ADJOURN
There being no further business, MOTION by McKenney/Richards to adjourn the meeting at 9:00 a.m. Motion carried unanimously (Hampson, Balacek, Ebert, Wehrs & Strangman excused).

Approved April 3, 2014 – Recorded by Terri Pavlic