LA CROSSE COUNTY NOTICE OF MEETING

COMMITTEE/BOARD: LA CROSSE COUNTY ECONOMIC DEVELOPMENT FUND, INC.

DATE OF MEETING: THURSDAY, DECEMBER 5, 2019

MEETING PLACE: COUNTY ADMINISTRATIVE CENTER – ROOM 1107
212 6TH ST N, LA CROSSE, WI

TIME OF MEETING: 7:30 A.M.

PURPOSE OF MEETING:
1. Call to Order/Roll Call
2. Public Comment
3. Approve Minutes of November 7, 2019
4. Lakeview Business Park Option
5. Resolution: Approval of the Close of the Community Development Block Grant Funded Revolving Loan Fund and Application for Reuse of Funds
6. La Crosse Housing Statistics Updates
7. Agency Updates
8. Next Meeting – February 6, 2020 (we are not planning to have a January 2020 meeting)
9. Future Agenda Items
10. Adjourn

NEWS MEDIA
La Crosse Tribune
Other news media

COUNTY DEPARTMENTS
County Board Chair
County Administrator
County Clerk

OTHERS
Paul Gleason
Scott Heinig
Ryan Olson
Carl Colsch
Jim Speropulos
Chris Hardie
Vikki Markussen
Anne Hlavacka
Jason Gilman
Vikki Burke
Peg Isola
Robin Moses
Charley Weeth

COMMITTEE MEMBERS:
Tara Johnson, President
Monica Kruse, Vice President
Sharon Davidson, Secretary/Treasurer
Gibran Augustine
Patti Balacek
Megan DeVore
Mike Giese
Sharon Hampson
Debra McKenney
Laurie Miller
Joe Moua
Steve O’Malley
Doug Weidenbach
John Wettstein

MEMBERS: NEED A QUORUM TO CONDUCT BUSINESS If unable to attend, call County Board Chair Office at 785-9563.
PERSONS WITH DISABILITIES: If you need accommodation to attend this meeting, please contact County Board Chair Office at 785-9563 as soon as possible.

DATE NOTICE POSTED: December 2, 2019

This meeting may be recorded and any such recording is subject to Disclosure under the Wisconsin Open Records Law
#4 – Lakeview Business Park Option

Attached is an offer from the Village of West Salem for the purchase of an option on the remaining vacant property that is controlled by the County Economic Development Fund Board in the Lakeview Business Park. The Village has made a similar offer to the County Board for the rest of the County Farm land that is planned for business park development. This is part of the process of allowing the Village to take over the management, future development, and marketing of the business park, which has been the goal since the County first started that development. Staff is recommending approval of this offer.

#5 – Resolution: Approval of the Close of the Community Development Block Grant Funded Revolving Loan Fund and Application for Reuse of Funds

Attached is the resolution for your consideration. This resolution will ultimately go to the County Board for final approval, so we are asking for your recommendation. This resolution will allow us to close the CDBG-funded RLF, which is no longer able to be used for loans; pay the funds back to the State of Wisconsin; and apply for the reuse of the funds for the reconstruction of County Highway B through downtown Bangor. This action will maximize the grant funds that are able to be put into that important road project, and will also allow us to keep collecting the loan payments from Skipperliner Acquisitions, River Steel, S&S Cycle, and Lovechild Restaurant.

#6 – La Crosse Housing Statistics Updates

The City of La Crosse’s Housing values, while increasing due to an expanding housing market, illustrate significant pockets of poverty and lower value residential. This presentation expands the view of housing values to not only consider residential tax classification housing values, but also looks at commercial residential (apartments) by computing a unit value for each apartment building, providing a greater understanding of where people live, and the conditions of value within the City. The geographic breakouts are aligned to match La Crosse School District K-5 boundaries, capturing all parts of the city, not just within designated neighborhoods.
CALL TO ORDER
President Johnson called the meeting to order at 7:30 a.m.

PUBLIC COMMENT – there was no public comment.

APPROVAL OF MINUTES OF THE OCTOBER 3, 2019 LA CROSSE COUNTY ECONOMIC DEVELOPMENT FUND, INC. MEETING
MOTION by Giese/Kruse to approve the minutes of the October 3, 2019 La Crosse County Economic Development Fund, Inc. meeting. Motion carried unanimously; DeVore and Weidenbach excused.

LAKEVIEW BUSINESS PARK UPDATE
The Village of West Salem has contracted with Gerke Excavating to do their stormwater work, which is now complete. La Crosse County has one small project, which is raising a berm, behind the new Gundersen Facility (formerly River Steel), which should be completed by the end of the year. All of these projects should minimize the potential for any flooding in the future. We are negotiating with the Village of West Salem for an option to purchase so they would be the only governmental agency negotiating with potential developers for that site. A draft of this Option to Purchase will come before the EDF committee for consideration likely in December.

XCEL ENERGY CERTIFIED SITES PROGRAM
The Lakeview Business Park has been certified by Xcel Energy as one of their very first Certified Sites, similar to the Golden Shovel sites program. Charlie Handy passed around two plaques that were awarded to the La Crosse County Economic Development Fund for the Lakeview Business Park becoming the first certified site in the Xcel Energy Certified Sites Program.

REVOLVING LOAN FUND UPDATE
Included in the packets were the financial reports for the following revolving loan funds:

Federal EDA Fund: Fund balance of $73,925.14. There are two active loans: River Steel, which is current with their bankruptcy settlement payments, and Pearl Street Brewery, who is 17 days late in their payment, but they have been late before and have always caught up. Also, Pearl Street Brewery has met their employment requirements that are required in the Loan Agreement.

Community Development Block Grant Fund: We can no longer make loans out of this fund and at some point need to close. These funds will then be available for other CDBG eligible purposes in La Crosse County. In this fund, Skipperliner continues to make payments on their loan, and it is fairly well secured with the real estate; there is a balloon payment due in a couple of years, so hopefully will be paid off. River Steel (similar to the previous fund), per a Bankruptcy Agreement, makes quarterly payments. S&S Cycle and Love Child are both current in their loan payments. Staff is working with the Village of Bangor on the
project that will hopefully use those Close grant dollars. Staff will also be preparing to close the CDBG-funded RLF in early 2020 in accordance with the direction from the Wisconsin DOA.

**Micro Loan Fund:** All loans are current. The terms of the Craft and Vendor Marketplace loan were renegotiated, and they are working on their financial reporting. They will be closing their downtown location at the end of the year but will continue to operate the northside location. Holistic Home Care is paid up into January, however, they are out of business. The owner has assured us that she will continue to make the payments on the loan. Le Chateau has not opened the bakery yet but hopefully will open in the spring of 2020.

**CONSIDERATION OF VENDOR TO ADMINISTER CDBG SMALL CITIES PROGRAM**
La Crosse County is the lead county of an 11 county consortium for the Small Cities Housing Program. La Crosse County placed the administration of the CDBG housing for the next grant round out for RFP in October. We received one proposal from CouleeCap, who is also our current administrator (since 2011). Staff has gone over the proposals and the HUD rules and are recommending CouleeCap to administer this program for the next grant period. **MOTION** by Kruse/McKenney to approve continuing with CouleeCap as administrator of CDBG Small Cities Program. **Motion carried unanimously;** Weidenbach excused.

**AGENCY UPDATES:**
- Greg Flogstad introduced Abby Nicewater, the new Senior Planner at Mississippi River Regional Planning Commission.
- Chris Hardie updated on the following:
  - Annual State of the Region Event November 13th at UWL
  - December 4th Housing Summit at AmericInn re: housing in the region
  - 7 Rivers Alliance Board has approved a new strategic plan
  - Early in 2020 stakeholders in the Workforce Development Plan will regroup to discuss how they are doing.
- Sam Bachmeier updated on the following LADCO events:
  - Gathered community leaders to travel to the HoChunk Nation to discuss the diversification of their revenue portfolio aside from their traditional gaming.
  - Working with WEDC to get together a group of potential manufacturers to travel to Mexico for a foreign direct investment manufacturing export trade mission in February.
  - 2 week membership drive planned in December to meet with current members and make sure they are doing the BRE (Business Retention Expansion) visits and adding additional members
  - Finalizing speakers for their annual meeting
  - Continue to work on real estate solutions for various projects in the area

**NEXT MEETING:** December 5, 2019 at 7:30 a.m.

**FUTURE AGENDA ITEMS** – none noted.

**ADJOURN**
There being no further business, **MOTION** by Augustine/Moua to adjourn the meeting at 8:07 a.m.  **Motion carried unanimously;** Weidenbach excused.

The above minutes may be approved, amended or corrected at the next Committee meeting.

Terri Pavlic, Recorder
October 29, 2019

Steve O’Malley
La Crosse County Administrator

Re: Village of West Salem Option to Purchase

Dear Mr. O’Malley:

Enclosed is a draft Purchase Option Agreement as discussed from the Village of West Salem for both lands owned by La Crosse County and La Crosse County Economic Development Fund. Obviously, these are just working papers based on our rough discussions.

One thing we did not discuss is this whole issue of the County continuing to rent the land for agricultural purposes and how to handle that at closing. I know in talking to Jim Speropulos the County has some sort of formula under which they reimburse farmers in the event a crop is planted but is partially unable to be harvested due to sales. You need to advise on how you want to handle this.

Very truly yours,

HALE, SKEMP, HANSON, SKEMP & SLEIK

Bryant Klos
e-mail: bhk@haleskemp.com
direct dial: (608) 791-5162

BK:jdl

Enc.

cc: Charlie Handy
    Teresa DeLong
    Seth Hudson
(Print Name)

Notary Public, State of Wisconsin
My Commission expires:

THIS INSTRUMENT WAS DRAFTED BY
Attorney Bryant Klos
505 King, Suite 300
La Crosse, WI 54601
PURCHASE OPTION AGREEMENT

This Purchase Option Agreement (hereinafter "Agreement") is made between LA CROSSE COUNTY ECONOMIC DEVELOPMENT FUND, INC., a Body Corporate (hereinafter "Grantor" or "Party"), and VILLAGE OF WEST SALEM, a Wisconsin Municipality (hereinafter "Grantee" or "Party") (collectively hereinafter "Parties").

RECITALS

WHEREAS, Grantor is the owner of certain real estate and improvements described on Exhibit A attached hereto and incorporated herein by reference (hereinafter "Grantor's Property") (Exhibit A attached hereto currently only provides tax parcel numbers of the property the subject of this option. The parties agree that the Grantor shall arrange and for at its cost the La Crosse County Surveying Department to provide legal descriptions for these parcels and an amended option agreement will be executed by the parties incorporating these legal descriptions so that this option can be put in recordable form and then recorded.) (hereinafter known as "Option Premises"); and

WHEREAS, in the past the Grantor has owned these lands and marketed them in conjunction with West Salem Tax Incremental Finance District No. 1 with La Crosse County providing preliminary funding for infrastructure within the district and then being reimbursed under a municipal revenue sharing agreement; and

WHEREAS, La Crosse County has transferred the duty to complete additional infrastructure improvements in this area to the Grantee and the revenue sharing agreement has been amended; and

WHEREAS, the parties agree that it makes more sense for one entity to be in charge of both negotiating the sale of these lands and deciding and funding public improvements for the parcels sold.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants, promises and obligations contained in this Agreement, the Parties agree as follows:

1. Purchase Option.

   A. Grantor, in consideration of the sum of Five Hundred Dollars ($500.00) (hereinafter "Option Payment") and other good and valuable consideration, the receipt and sufficiency of
which is hereby acknowledged, irrevocably grants to Grantee the exclusive option to purchase, upon the following terms and conditions, the Option Premises.

B. It is recognized that over time the Grantee may desire to exercise an option over only certain parts of the entire Option Premises and may exercise that option on multiple occasions. The exact location of the Option Premises for each option exercise shall be determined by the Grantee and a survey will be conducted by the La Crosse County Survey Department. Grantor shall be responsible for timely providing that survey, at Grantor’s sole cost and expense, which is being reimbursed through the purchase price herein.

C. The term of the Purchase Option shall commence on the Effective Date which is the date the last party to sign this option signs the same and shall remain open through 5:00 p.m. on the 5 year anniversary of the effective date and this option shall automatically renew for successive 5 year periods of time thereafter without further notice unless the Grantor provides written notice to the Village Administrator by certified mail, return receipt that it is electing to terminate this option as of the upcoming 5 year anniversary date, which termination letter must be postmarked to the Grantee more than 6 months before the 5 year anniversary date which will serve as the termination date.

D. Grantee may exercise this Purchase Option on multiple occasions for specifically identified parcels at any time during the Option Period by providing Grantor with written notice by certified mail, return receipt sent to the County Clerk.

E. The purchase price for the Option Premises shall be $25,000.00 per acre, except any areas transferred which have been delineated wetland shall be transferred at $0.00 per acre. The Option Payment paid for this Purchase Option shall be credited against the purchase price of the first parcel purchased. Payment of the purchase price shall be in the form of cash.

F. If Grantee does not exercise the Purchase Option during the Option Period, Grantee shall retain the Option Payment and neither Party shall have any further rights or claims against the other by reason of this Agreement.

G. Closing of any transaction related to an exercise of an option for part of the real estate subject to this Purchase Option shall take place at the date and time selected by the Grantee but no later than 90 days after any 5 year anniversary date of this option, which anniversary date has been noticed by the Grantor as a termination date of this option.

H. By providing the notice of exercise of option under sub1(D), the Grantee is not obligated to close the transaction. It is recognized that the Grantor and Grantee are entering into this Option Agreement for purposes of facilitating the Grantee’s ability to negotiate the sale of these lands to third parties as part of future commercial and industrial development and is not entering into this Option to Purchase land for its own purpose. It is recognized that the Grantee only intends to close on options which it has exercised simultaneously with the sale of the same land to third party purchasers.

A. Grantor shall provide, at Grantor's expense, Grantee with a title insurance commitment, including GAP coverage, in the amount of the purchase price, written by an insurance company licensed by the State of Wisconsin, showing title as called for by this Agreement, at least thirty (30) days prior to the closing. Grantee shall provide Grantor written notice of any exceptions to the title which are unacceptable to Grantee within fifteen (15) days of receipt of the title commitment. Grantor shall have ten (10) days from the receipt of such list of exceptions, if any, within which to cure any matters excepted to. Failure of Grantee to give notice of exceptions shall constitute approval of conditions of title as set forth in the title insurance commitment. At Closing, Grantor shall execute and deliver to Grantee a Warranty Deed conveying the Option Premises to Grantee free and clear of all liens and encumbrances, except municipal and zoning ordinances, and title exceptions not objected to.

B. It is recognized that the Grantor has the right to lease the lands which are the subject of this option to one or more third parties for agricultural purposes. If the option granted hereunder is exercised and the transaction closes, the Grantor and Grantee shall prorate the rent for the growing season and to the extent that there is a crop in the ground on the real estate which is transferred under the option at the time of the transfer and the third party purchaser does not allow the third party farmer to harvest his crop in the normal course of harvesting, the Grantee of this option shall reimburse the Grantor/third party farmer in the amount as determined by the following formula: ________________________________


A. This Agreement shall be binding upon the Parties hereto and their successors and assigns. The preamble and Recitals to this Agreement are incorporated herein and made a part of this Agreement by reference.

B. All notices or communications required or permitted to be given by either Party to the other under this Agreement shall be in writing to the following addresses:

GRANTOR:  La Crosse County Economic Development Fund, Inc.
c/o La Crosse County Clerk
212 North 6th Street
La Crosse, WI  54601

GRANTEE:  Village of West Salem
c/o Village Administrator
175 South Leonard Street
West Salem, WI  54669

or such other place as such Party may subsequently designate in writing. Notice shall be deemed to have been received on the date of mailing if sent by registered or certified mail. For all other forms of transmission, notice shall be deemed received on the date of actual receipt.
C. Time is of the essence with respect to all aspects of this Agreement and with respect to closing.

D. This Agreement and any dispute arising from or related to this Agreement shall be governed by the law of the State of Wisconsin.

E. This Agreement and attached exhibits constitute the entire agreement between the Parties and shall supersede all previous communications and commitments, whether written or verbal, between the Parties regarding the subject matter of this Agreement. No agreement or understanding changing, modifying or extending this Agreement shall be binding on either Party unless in a writing signed by both Parties' authorized representatives.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly-authorized representatives.

GRANTOR:  
La Crosse County Economic Development Fund, Inc.

By: ____________________________
Name: __________________________
Title: __________________________
Date: __________________________

_______________________________
Title: __________________________
Date: __________________________

GRANTEE:  
Village of West Salem

By: ____________________________
Name: Teresa DeLong
Title: Village Administrator
Date: __________________________

_______________________________
Title: Village President
Date: __________________________

Dennis Manthei

STATE OF WISCONSIN
) ss.
COUNTY OF LA CROSSE
)

I HEREBY CERTIFY that on the ______day of ____________, 2019, before me, a Notary Public of the State of Wisconsin, personally appeared __________ and __________ who acknowledged themselves to be the __________________________ of La Crosse County Economic Development Fund, Inc. and that they, as the __________________________ of La Crosse County Economic Development Fund, Inc., being authorized to do so, executed the foregoing instrument for the purposes contained in that instrument, by signing the name of the body corporate by themselves as __________
__________.
IN WITNESS WHEREOF, I set my hand and official seal.

______________________________________________(Print Name)
Notary Public, State of Wisconsin
My Commission expires:

STATE OF WISCONSIN

) ss.

COUNTY OF LA CROSSE

I HEREBY CERTIFY that on the ____ day of __________, 2019, before me, a Notary Public of the State of Wisconsin, personally appeared Teresa DeLong and Dennis Manthei who acknowledged themselves to be the Village Administrator and Village President of the Village of West Salem and that they, as the Village Administrator and Village President of the Village of West Salem, being authorized to do so, executed the foregoing instrument for the purposes contained in that instrument, by signing the name of the municipality by themselves as Village Administrator and Village President.

IN WITNESS WHEREOF, I set my hand and official seal.

______________________________________________(Print Name)
Notary Public, State of Wisconsin
My Commission expires:

THIS INSTRUMENT WAS DRAFTED BY
Attorney Bryant Klos
505 King, Suite 300
La Crosse, WI 54601
Purchase Option Agreement
La Crosse County Economic Development Fund, Inc. and Village of West Salem

EXHIBIT A

16-1047-10
Parcel Identification Number
RE:  APPROVAL OF THE CLOSE OF THE COMMUNITY DEVELOPMENT BLOCK GRANT FUNDED REVOLVING LOAN FUND AND APPLICATION FOR REUSE OF FUNDS

WHEREAS, since 1997, La Crosse County has been operating a Community Development Block Grant (CDBG) funded revolving loan fund, which has been capitalized over the years with grants from the State of Wisconsin for the purpose of making loans to specific businesses within the County; and

WHEREAS, with the approval of the U.S. Department of Housing and Urban Development, the State of Wisconsin Department of Administration (DOA) has initiated a process to close all of the CDBG funded revolving loan funds across the State and repurpose the funds; and

WHEREAS, La Crosse County’s CDBG-funded revolving loan fund currently has approximately $670,000 in cash and approximately $780,000 in loans receivable in the fund, and the Wisconsin DOA is requiring the County to pay back all cash and to either assign the loans receivable to the State or buy-out the loans with cash from another source, prior to January 31, 2021; and

WHEREAS, all funds paid back to the Wisconsin DOA will be put into a designated CDBG-Close Grant Fund for the use of La Crosse County for other eligible projects within the next two years after closing the fund; and

WHEREAS, the reconstruction of County Highway B through the Village of Bangor commercial district has been identified as a CDBG-eligible project that could use this grant funding.

NOW, THEREFORE BE IT RESOLVED, that the La Crosse County Board hereby authorizes the closing of the La Crosse County Community Development Block Grant funded revolving loan fund, including paying all cash in the fund to the Wisconsin Department of Administration (DOA) and using excess sales tax to buy out the loans receivable in the fund; and

BE IT FURTHER RESOLVED, that the County Board authorizes the submission of a grant application to the Wisconsin DOA to use the CDBG-Close grant funding for the reconstruction of County Highway B through the Village of Bangor commercial district; and

BE IT FURTHER RESOLVED, that, after review by Corporation Counsel, the County Board Chair is hereby authorized to execute any documents necessary to complete the closing of the revolving loan fund and the application for the reuse of the funds.

FISCAL NOTE: The CDBG-funded revolving loan fund is Fund 280. There is approximately $670,000 in cash in that fund and approximately $780,000 in loans receivable. The actual dollar amounts will depending on the timing of the payment to the Wisconsin DOA, as the businesses are making monthly or quarterly payments. The funding to buy-out the loans receivable has been budgeted in the 2020 budget in account 280.685.1000-66000.05 CDBG Close.

Date:

EXECUTIVE COMMITTEE CHAIR

RECORDEING CLERK

Reviewed Only  Recommended  Not Recommended
Co. Admin.  
Fin. Director  
Corp. Counsel  
Board Chair  

Requested By: Brian Fukuda
Date Requested: November 27, 2019
Drafted By: Corporation Counsel

Adopted by the La Crosse County Board this _______ Day of ________________________________, 2019