

CITY OF VERONA
MINUTES
COMMUNITY DEVELOPMENT AUTHORITY (“CDA”)
October 3, 2019

1. **Call to order:** Mayor Diaz called the meeting to order at 5:07 pm.
2. **Roll call:** Dia Caulkins, Luke Diaz, Adam Frey, Steve Rudolph, and Christopher Zak were present. Also in attendance: Dayna Sarver, Economic Development Manager; and Ellen Clark, City Clerk. Katie Kohl and Errin Welty were absent and excused.
3. **Public Comment:** None
4. **Minutes:** Motion by Rudolph, seconded by Frey, to approve the minutes from the August 22, 2019 CDA meeting. Motion carried 5-0.

5. **Discussion and Possible Action: CDA Mission Statement**

Zak stated he believes the CDA should have a real purpose. A mission statement may steer the Authority in the right direction. The Authority is here to help the Council get some things done. He read “Duties of the Community Development Authority” from the Sun Prairie CDA. “The purpose of the CDA is to eliminate or prevent substandard, deteriorated, unsanitary, and blighted areas within the City; provide and retain gainful employment opportunities for citizens of the City; provide affordable housing in the City; encourage growth of the City’s tax base; and stimulate the flow of investment capital into the City resultant beneficial effects upon the economy in the City. The CDA’s primary roles are to facilitate borrowing for infrastructure and acquisition costs related to redevelopment project in the Tax increment Finance Districts, as well as reviewing and providing direction on specific redevelopment proposals in these areas. The CDA can sell and refinance debt relating to Tax Increment Finance Districts by means of the issuance and sale of Community Development Lease Revenue Refunding Bonds”. He asked if we can adopt a similar statement and have the authority to start doing the same sorts of things here in Verona.

Diaz stated that is something that should go before the Common Council. The City’s budget is extremely tight, and we will have a lot of debt over the next 20 years or so because of the new public works facility. Buying property is very expensive.

Zak asked if we are in a different position financially than Waunakee, Middleton and Sun Prairie. He stated there are some great things happening there, and he would love to see some of those things happen here.

Sarver stated matching funds are required for grants and other funding sources. An alternative is for the CDA to create its own TIF, bypassing the City’s budget.

Rudolph asked if any of the hotel tax can come to the CDA.

Sarver stated the City gets 30% of the hotel tax dollars. In the 2020 budget, some of that is allocated to items like the hanging flower baskets. The rest goes to the general fund. The Council decides how that money is used.

Diaz stated the room tax money is part of the budget, so if it were allocated to the CDA, there would have to be cuts elsewhere.

Calkins stated she would be happy to talk to some other communities where we think some good things are going on, as well as do some studying on her own.

Zak stated he likes the Sun Prairie language that was presented earlier.

Diaz stated the mention of TIF in the Sun Prairie language may not sit well with the Council. They have not been eager to start new TIDs.

Sarver suggested the Authority members create mission statement proposals for the City of Verona, and research how other communities are funding their CDA projects, and bring that information back to the Authority at a future meeting.

Zak does not want to remove the TIF language from the statement, as he believes that is the primary tool that other communities are using to get things done.

Sarver stated the language should take into consideration how it complements or conflicts with what the City and the Chamber are doing. We want to avoid having the missions overlap. We might want to insert language that is not included in the Sun Prairie statement.

Diaz stated the Verona Economic Development Commission (EDC) is very inactive. They do some things that may be better done by the CDA. They oversee the revolving loan fund for the City, which at this time contains approximately \$600,000.

Zak replied Waunakee is working hard to keep capital coming in to help develop their Main Street. They have an incredibly welcoming attitude toward developers and investors. He is not seeing that here.

Diaz stated there is some flexibility with the Authority. Any changes to the Authority would have to be approved by the Council, but changes could be made.

Rudolph is concerned about duplication and conflict between the EDC and the CDA, and asked if we would be better off merging the EDC and CDA.

Diaz stated that before the next meeting, he will talk to Staff about what is legally available to us. There is a lot of expertise on the Authority. He thinks a lot of progress can be made on this.

Zak stated he would like to see a City commission or authority or committee that has the money to get things done. The Sugar Creek Elementary School property is a good example. If someone could have been proactive earlier and had the funds, we may have been able to save some money by purchasing or putting an option on the property surrounding the school site.

Rudolph asked about using eminent domain to acquire property.

Diaz replied there is no stomach for that at the Council level at this time. The City has been invoking eminent domain in some areas of the CTH PD and M projects, and it is causing a lot of delay and unwelcome legal costs.

For the next meeting, the Authority will be looking at mission statements to take to a vote, and send the statement to the council for approval; have further conversation regarding the possible merger of the EDC and CDA; and Calkins will study economic tools used by other communities and present that information.

6. Discussion and Possible Action: CDA authority and funding to purchase properties

This item was not discussed separately, and no action was taken.

7. Reports and comments from CDA members.

None.

8. Reports and comments from City Staff.

None.

9. Adjourn: Motion by Rudolph, seconded by Zak, to adjourn at 5:51 pm. Motion carried 5-0.