



## CITY OF BURLINGTON

ADMINISTRATION DEPARTMENT  
300 N. Pine Street, Burlington, WI, 53105  
(262) 342-1161 – (262) 763-3474 fax  
[www.burlington-wi.gov](http://www.burlington-wi.gov)

**AGENDA**  
**COMMUNITY DEVELOPMENT AUTHORITY (CDA)**  
**Tuesday, May 3, 2016**  
**224 East Jefferson Street, Burlington, WI**  
**Council Chambers**  
**5:30 p.m.**

Bil Scherrer, Chairman  
Jeannie Hefty, Mayor  
Bob Grandi, Aldermanic Representative  
Jack Eckola  
Chuck Rule  
Jim Spiegelhoff  
Thomas Wiemer

1. Call to Order
2. Roll Call
3. Approval of Minutes from March 1, 2016 and April 6, 2016
4. Persons desiring to be heard
5. Review and Consideration of Resolution Number 117 “A resolution to authorize a \$70,000 Tax Incremental District Revolving Loan Fund (TID RLF) to Musicology LLC to be located at 452 N. Pine Street”.
6. Adjournment

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**Note:** Notice is hereby given that a majority of the members of the Common Council may be present at this meeting. Although this may constitute a quorum of the Council, the Council will not take any action at this meeting.

**Note:** If you are disabled and have accessibility needs or need information interpreted for you, please call the City Clerk’s Office at 262-342-1161 at least 24 hours prior to the meeting.



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**CITY OF BURLINGTON  
COMMUNITY DEVELOPMENT AUTHORITY  
MEETING MINUTES  
Tuesday, March 1, 2016 at 5:30 p.m.  
224 E. Jefferson Street**

**1. CALL TO ORDER**

Chairman Bil Scherrer called the meeting of the Community Development Authority to order at 5:30 p.m.

**2. ROLL CALL**

The following commissioners were in attendance: Alderman Bob Grandi, Tom Wiemer, Chuck Rule, and Jim Spiegelhoff. Excused: Mayor Bob Miller, Jack Eckola

Also in attendance: Director of Administrative Services Megan Watkins, Attorney John Bjelajac, Racine County Economic Development Center Business Finance Manager Carolyn Engel, Tom Stelling and Bill Stone of CORE Upgrades, LLC, and Shad Branen of WIN Properties, LLC.

**3. APPROVAL OF MINUTES FROM FEBRUARY 2, 2016**

A motion to approve the minutes from February 2, 2016 was made by Alderman Grandi with a second by Commissioner Rule. With all in favor, the motion carried.

**4. CITIZEN COMMENTS**

There were no citizen comments.

**5. TOPIC: Review and Consideration of Resolution 115, “A Resolution to authorize a \$140,000 Revolving Loan Fund to WIN Properties, LLC.”**

A motion was made by Alderman Grandi, with a second by Commissioner Wiemer to approve Resolution 115.

Roll call Aye: Scherrer, Grandi, Rule, Spiegelhoff and Wiemer. Nay: None.

With all in favor, the motion carried 5-0.

**6. TOPIC: Review and consideration of Resolution Number 116, “A Resolution approving the acceptance of an Offer to Sell Real Property to Burlington Core Upgrades II, LLC”**

A motion was made by Commissioner Spiegelhoff, with a second by Commissioner Rule to approve Resolution 116.

Roll call Aye: Scherrer, Grandi, Rule, Spiegelhoff and Wiemer. Nay: None.

With all in favor, the motion carried 5-0.

7. **TOPIC:** Discussion regarding the request for developer proposals of the vacant lot located on the corner of East Chestnut and Dodge Street.

Attorney Bjelajac explained the document before them was drafted as a good effort on the city's part to make other realtors and developers aware of the available property and to see if there is interest from other parties. Bjelajac further stated that this is not a listing contract, but more of a direct mailing effort seeking others who might be potentially interested in talking to the City further about the property. Bjelajac directed the board to make a motion to approve the draft, if so desired.

A motion was made by Alderman Grandi, with a second by Commissioner Weimer to approve the draft for a Request for Proposals for vacant property located on the corner of East Chestnut and Dodge Street.

With all in favor, the motion carried 5-0

8. **ADJOURNMENT**

Chairman Bil Scherrer adjourned the meeting at 5:59 p.m.



Recording Secretary  
Diahm C. Halbach  
Burlington City Clerk



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## CITY OF BURLINGTON COMMUNITY DEVELOPMENT AUTHORITY MEETING MINUTES

Wednesday, April 6, 2016 at 5:30 p.m.  
224 E. Jefferson Street

### 1. CALL TO ORDER

Mayor Robert Miller called the meeting of the Community Development Authority to order at 5:30 p.m.

### 2. ROLL CALL

The following commissioners were in attendance: Mayor Robert Miller, Alderman Bob Grandi, Jack Eckola, Chuck Rule, and Jim Spiegelhoff. Excused: Bil Scherrer, Tom Wiemer

Also in attendance: City Administrator Carina Walters, Attorney John Bjelajac, Alderman Jon Schultz, Tom Stelling and Bill Stone of CORE Upgrades, LLC, and Environmental Manager Linda Fellenz

### 3. CITIZEN COMMENTS

There were no citizen comments.

### 4. TOPIC: Discussion regarding the Environmental Site Investigation and possible remediation of 249 E. Chestnut Street (formerly Milo property) and 261 E. Chestnut Street (formerly Redi-Bake property) at the corner of Dodge Street and Chestnut Street.

Walters summarized the history and background of the property and stated there are three options: 1. The CDA could choose to sell the property for the \$70,000 and release the RFP “as-is”, highlighting the open environmental file and have the potential developer complete the site investigation and closure process. 2. The CDA could choose to complete the site investigation and sell the property for the full appraisal amount, thus having the property ready for development. 3. The CDA could choose to reduce the sale price by the total cost of site investigation and submit closure documentation to the DNR and that this would be reflected this information in the RFP.

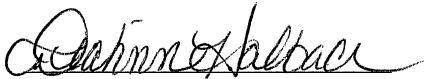
Linda Fellenz, Environmental Manager for LF Green Development, LLC, further explained that the initial investigation for contamination was done during the hotel development and that these two parcels were part of that, however, were part of a separate development, which was never developed due to the recession. When the grant application was filed for the hotel, all of the sites had some minimal investigation done and some contamination was identified and reported to the DNR and considered to be an “open case”. The investigation now needs to be completed so that a “path to closure” can be established.

A motion was made by Alderman Grandi, with a second by Commissioner Eckola to authorize staff to move forward with applying for a Remediation Grant for Site Investigation and Closure for the property located at 249 and 261 E. Chestnut Street.

With all in favor, the motion carried 5-0.

**5. ADJOURNMENT**

Commissioner Rule motioned to adjourn. Commissioner Spiegelhoff second the motion. The meeting was adjourned at 5:59 p.m.



Recording Secretary  
Diahn C. Halbach  
Burlington City Clerk

**COMMUNITY DEVELOPMENT AUTHORITY  
OF THE CITY OF BURLINGTON  
RACINE COUNTY, STATE OF WISCONSIN**

**May 3, 2016**

**Resolution No. 117**

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**A RESOLUTION AUTHORIZING A \$70,000 TAX INCREMENTAL DISTRICT  
REVOLVING LOAN FUND (TID RLF) TO MUSICOLOGY, LLC**

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**WHEREAS**, the City of Burlington operates a Tax Incremental District Revolving Loan Fund (TID RLF) Program for the purposes of economic development; and,

**WHEREAS**, Musicology, LLC, owned by Summer Street and Joel Drouin, is a start-up retail music store to be located at 452 N. Pine Street, Burlington, WI; and,

**WHEREAS**, a Tax Incremental District Revolving Loan Fund Loan in the amount of \$70,000 will be used by Musicology, LLC to assist in the inventory purchases and matched with other start-up costs related to the establishment of this business; and,

**WHEREAS**, the Racine County Economic Development Corporation Loan Committee has reviewed and recommended this loan under the terms and conditions listed in the Loan Officer Write-Up attached hereto and made a part hereof.

**NOW, THEREFORE, BE IT RESOLVED** that the Community Development Authority of the City of Burlington, Racine County, State of Wisconsin does hereby approve a Tax Incremental District Revolving Loan Fund Loan in the amount of \$70,000 to Musicology, LLC to be used to assist in the inventory purchases and matched with other start-up costs related to the establishment of this business to be located at 452 N. Pine Street.

**BE IT FURTHER RESOLVED** that the Community Development Authority Executive Director is hereby authorized and directed to execute this agreement on behalf of the City.

Dated this 3rd day of May 2016.

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William Scherrer, Chairman

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Carina G. Walters, Executive Director



**TO:** City of Burlington Community Development Authority

**FROM:** Carolyn Engel, Business Finance Manager

**RE:** TID – RLF Loan Application  
Musicology LLC

**DATE:** May 3, 2016

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The purpose of this memorandum is to request final approval for a business loan to Musicology LLC from the Tax Incremental District Revolving Loan Fund (TID RLF).

Musicology LLC, owned by Summer Street and Joel Drouin, is a start-up retail music store to be located at 452 N. Pine Street. The store will offer musical instruments for sale and rent, music accessories and rental music rooms for music lessons to be offered by professionals in the industry. RLF funds will be used for inventory purchases and matched with other start-up costs related to the establishment of this business. There are several benefits to the local community to support use of TID RLF funds for this project including:

- Improvement and occupancy of a vacant storefront;
- Woman owned business;
- Creation of 1 job; and
- Need for this type business in downtown Burlington as reflected in a recent study of the market.

To the last point above, the City's Retail Market Analysis which was recently completed identified opportunities for businesses to locate in Burlington since the analysis indicated residents are leaving the area to purchase certain products and services. Music Stores were identified as one opportunity for the area but the study was not specific on the type of music store the area could benefit from. Additionally, a survey of Burlington Chamber members reflected that 41% identified the need for a music store and finally, a study of sixty other communities similar to Burlington reflected that on average those communities had 1.15 music stores compared to zero in Burlington.

The RCEDC Staff and Loan Committee have reviewed the financing structure and the project, including:

- Management experience of the applicant;

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May 3, 2016

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- Projected financial performance of the applicants proposed business;
- Strength of the owners personal credit;
- Collateral being offered to secure the loan; and
- Cash flow coverage for repayment of the proposed financing.

Following this review, the RCEDC staff and Loan Committee are making a recommendation for approval of a \$70,000 TID RLF loan for this project. The Community Development Authority is being requested to approve this loan request for Musicology LLC.