



CITY OF ANTIGO

COMMITTEE OF THE WHOLE MEETING

COUNCIL CHAMBERS

Wednesday, February 20, 2019

CITY HALL, 700 EDISON STREET

5:30 PM

Call to Order

Discussion and Action May Occur on Any of the Following Agenda Items:

1. Buy-out of the State of Wisconsin's Department of Administration Community Development Block Grant (CDBG) Revolving Loan Fund (RLF) under the Closeout Program to Achieve the Defederalization of Funds, to Identify an Eligible CDBG Non-Compete Project, and to Re-establish a Monthly RLF Program for the Langlade County Economic Development Corporation
2. Closed Session: Pursuant to Section 19.85(1)(e), Wisconsin Statutes, and upon proper motion, the committee will convene into closed session to consider the purchase of property located at 313 E. 5th Avenue. Upon completion of discussion in closed session, the committee will reconvene into open session to act on matters discussed, if necessary, and to proceed with the regular order of business.

Any Other Matters Authorized by Law to be Considered

Adjournment

Upon reasonable notice, efforts will be made to accommodate disabled individuals through appropriate aids and services. For additional information, contact Jaime Horswill, 700 Edison Street, Antigo, Wisconsin 54409. (715) 623-3633 extension 100. Members of and possibly a quorum of members of other governmental bodies may be in attendance to gather information. Any governmental body other than that specifically referred to above will take no action.

DATE MAILED: February 15, 2019

BILL BRANDT



To: Mayor and City Council

From: Mark Desotell, Director of Administrative Services

Date: February 20, 2019

Re: Buy-out of the State of Wisconsin's Department of Administration Community Development Block Grant (CDBG) Revolving Loan Fund (RLF) under the Closeout Program to Achieve the Defederalization of Funds, to Identify an Eligible CDBG Non-Compete Project, and to Re-establish a Monthly RLF Program for the Langlade County Economic Development Corporation

Working jointly with our counterparts at Langlade County, the Mayor, Kaye Matucheski and I met with Angie Close of the Langlade County Economic Development Corporation (LCEDC) to explore local options for compliance with the Wisconsin Department of Administration's (WDOA) Community Development Block Grant Revolving Loan Fund (aka CDBG Close Program). As of February 1, 2019 WDOA initiated a 2-year process to dissolve the current Revolving Loan Fund Program (RLF).

In order to be eligible for the designated funds, a "buy-out" of outstanding local loans (currently \$638,964) from the LCEDC portfolio must be pre-paid to the State and can be added to the "cash-on-hand" balance (\$739,301) for use locally on WDOA pre-approved projects under a Non-Compete program for a total amount of \$1,378,265. However, please keep in mind that the final numbers will be adjusted slightly depending on the time frame of any final local action on this matter.

Several potential local projects were discussed in a joint review by the County & City resulting in the recommendation for the reconstruction of 5th Avenue from Highway 45 (Superior Street) to Lincoln Street as a strong candidate project under the WDOA Close Program guidelines. Initial discussions with WDOA representatives indicate a similar conclusion on their part as well. In fact, we believe that the decision to utilize RLF Close funds will enhance the chances for success under a separate application for the 5th Ave. project seeking a Community Development Block Grant - Public Facilities (CDBG-PF) grant. This application is currently being completed by MSA Professional Services on our behalf (seeking an additional \$1,000,000 towards the project) and will be submitted by May.

While the 5th Avenue project is considered a viable project, there were other plans discussed anticipating that when they develop each could bring much needed success or improvements within Langlade County and the City. With that being said, it is the group's consensus that \$300,000 should be set aside by the City of Antigo (over a 2-year period) for the creation of a joint City/County project development fund that will be invested in equally by both agencies. The \$300,000 amount provides assurance that the entire value of the CDBG Close Program is not solely invested into the 5th Avenue project.

The 5th Avenue project is being highlighted as a project capable of being completed within the required WDOA timeline and requirements. It solidifies the more recent private investments into the corridor while addressing the needs of the long-term business tax base. To accomplish this effort the City of Antigo will need to pre-pay the State of Wisconsin the estimated \$638,964 “buy-out” of outstanding local loans contingent upon the WDOA’s approval of the 5th Avenue corridor project.

The estimated \$638,964 will be derived from TIF funding that has already been established by Council action for the 5th Avenue project and **will not be paid** out until the project receives approval by the WDOA. As a result, the impact of designating the current monthly RLF loan payments to the Langlade County Economic Development Corporation works to sustain the LCEDC without the previously required Federal & State guidelines.

Balance to be Funded

With Top Performance & Northern Steel			
12/31/2018			
\$ 739,301.00		RLF Cash on Hand Bank Balance	
\$ 1,074,202.00		+ Current RLF Accounts Receivables	
\$ 435,237.74			
\$ 1,378,265.26	Potential Project(s) Amount Non Compete		
\$ 638,964.26	Buy out to state for defederalize		
\$ 19,026.74	Current RLF Monthly Income		



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Information relative to this topic will be presented during the Closed Session for your consideration.



City of Antigo GIS



SCALE: 1" = 40'



DISCLAIMER: The City of Antigo does not guarantee the accuracy of the material contained here in and is not responsible for any misuse or misrepresentation of this information or its derivatives.

Print Date: 2/13/2019