

CITY OF ANTIGO
ECONOMIC DEVELOPMENT COMMITTEE
MINUTES OF MEETING HELD
AUGUST 06, 2018

Economic Development Committee of the City of Antigo met in Regular Meeting on the above date at 6:00 PM in the Multi-Purpose Room, City Hall, Alderperson, Ward 4 Tom Bauknecht presiding.

Attendee Name	Title	Status	Arrived
Tom Bauknecht	Alderperson, Ward 4	Present	
Glenn Bugni	Ward 7	Absent	
Reinhardt Balcerzak	Member	Present	
Bill Brandt	Mayor	Absent	
Andrew Hessedal	Member	Present	
Gary Voytovich	Member	Present	
Brad Henricks	Member	Present	

Others in attendance: Mark Desotell, Director of Administrative Services; Angie Close, Langlade County Economic Development Corporation; Marie Sery and Pete Dzondziakowski, Peaceful Valley General Store; and Jaime Horswill, Utility/Clerical Assistant.

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

1. Approval of the Minutes from the May 7, 2018 Meeting

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Andrew Hessedal, Member
SECONDER:	Reinhardt Balcerzak, Member
AYES:	Bauknecht, Balcerzak, Hessedal, Voytovich, Henricks
ABSENT:	Glenn Bugni, Bill Brandt

2. Facade Grant and Downtown Business Entrepreneurs Grant Program Registers
(Information Only)

Angie Close, Langlade County Economic Development Corporation, provided Grant Registers for both the Facade Grant and Entrepreneurs Grant. The Facade Grant shows a balance available as of today of \$19,705.62. The Entrepreneurs Grant has an available balance as of today of \$55,741.18.

Ms. Close advised that there is one Facade Grant that has not been completed and if it is not completed by September 6, 2018 the \$1,227.81 will revert back into the fund balance.

Upon inquiry by Alderperson Bauknecht, Ms. Close explained that the Entrepreneurs Grant was established in 2014. As part of the agreement with Langlade County, the funds must be utilized within five years. The program is on its fourth year. There was initially \$75,000 in the grant fund and there have been three applicants approved to this point. Ms. Close is confident after tonight's meeting that the majority of the funds will be utilized. She and Mark Desotell, Director of Administrative Services, have discussed replenishing the grant between the City of Antigo, Langlade County and CoVantage Credit Union. The goal is downtown revitalization.

INFORMATION ONLY

RESULT:	PLACED ON FILE-NO VOTE
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3. I Stitch & Print Facade Grant Request

Alexander Mak, I Stitch & Print, provided a Facade Improvement Grant Program Application. His project budget is approximately \$13,000 for repair of doorways, display window, paint and signage.

Alderperson Balcerzak noted that the signage is not an approved item allowed within the grant. Ms. Close concurred.

Upon inquiry by Alderperson Balcerzak, Ms. Close explained that for reimbursement, the project must be completed and paid receipts must be provided. She then does look at the eligibility list for the program.

Mr. Desotell noted that if work is done by the owner, the program will look at material reimbursements.

Motion to approve the Facade Improvement Grant Program request up to a maximum of \$3,000 for eligible expenses.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Reinhardt Balcerzak, Member
SECONDER:	Brad Henricks, Member
AYES:	Bauknecht, Balcerzak, Hessedal, Voytovich, Henricks
ABSENT:	Glenn Bugni, Bill Brandt

4. I Stitch & Print Downtown Entrepreneur's Grant Request

Alexander Mak, provided an Entrepreneur's Grant Program Application for his I Stitch & Print company to be located at 729 Fifth Avenue. Mr. Mak provided a Business Plan Outline along with anticipated business startup costs.

Gary Voytovich questioned the amount of the grant being approximately 30% of the applicant's income for the year. He questions if there are other projects that may be able to use some of the grant money rather than spend \$25,000 on one business.

Ms. Close advised that according to Mr. Mak's Business Plan, this is what he is currently doing in California. Ms. Close further explained that the grant is to help with building updates and startup costs. Most applicants do not share how much their annual income is, however, Mr. Mak provided a lot of information.

Mr. Desotell further commented that the figures provided are not Mr. Mak's numbers, rather industry numbers.

Brad Henricks spoke about his personal experience with grants obtained by Bremax Insurance. He noted that money will have to be spent in these buildings. It is impossible to get a large loan to make repairs when the equity is not available within the buildings. The committee's goal is to improve the downtown.

Andrew Hessedal commented that someone is investing in the downtown rather than letting the building continue to deteriorate.

Mr. Desotell indicated that this will create jobs and there is value in employment as well.

Upon inquiry by Mr. Henricks, Mr. Desotell advised that the eligible expenses for the grant does include equipment in the startup costs. An example is Belle's Smoke House.

Ms. Close advised that initially when speaking with Langlade County, the City of Antigo and CoVantage Credit Union downtown revitalization was key. The other part was giving

opportunities to start businesses, such as Langlade County Economic Development Corporation's Entrepreneur's Class. This request does appear to be a little heavy on the equipment expenses, but they are eligible expenses.

Mr. Desotell noted that over \$65,000 does meet eligible expenses without equipment.

Mr. Henricks noted that the grant request was increased from \$15,000 to \$25,000. People do appreciate the fact that money is being spent in the downtown area.

Approval of a maximum of \$25,000 of eligible expenses from the Entrepreneur's Grant Program for I Stitch & Print.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 9/12/2018 6:00 PM
MOVER:	Andrew Hessedal, Member
SECONDER:	Tom Bauknecht, Alderperson, Ward 4
AYES:	Bauknecht, Balcerzak, Hessedal, Voytovich, Henricks
ABSENT:	Glenn Bugni, Bill Brandt

5. Nortec USA LLC Facade Grant Request

Dennis and Michele Pecha provided a Facade Improvement Grant Program Application. Their project budget is \$9,503.85 for exterior repair and finish/painting, exterior lighting, awning and entrance door.

Alderperson Bauknecht noted that this is out of the facade grant request eligible area, but exceptions have been made in the past.

Mr. Desotell noted that Two Angels, Roseann Hoffman's building, the former Super America building (Draeger), etc. have been previous exceptions and he does not see any difference in this application.

Upon inquiry by Mr. Voytovich, Ms. Close noted that this will be a research and design facility. They will be bringing in clients for conferences, etc. rather than equipment.

Mr. Desotell commented that some equipment may come in for show or repair, but this will not be a sales or production facility.

Motion to approve the Facade Improvement Grant Program request up to a maximum of \$3,000 for eligible expenses.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Reinhardt Balcerzak, Member
SECONDER:	Gary Voytovich, Member
AYES:	Bauknecht, Balcerzak, Hessedal, Voytovich, Henricks
ABSENT:	Glenn Bugni, Bill Brandt

6. Nortec USA LLC Downtown Entrepreneur's Grant Request

Dennis and Michele Pecha provided an Entrepreneur's Grant Program Application to be located at 525 Fifth Avenue. Mr. and Mrs. Pecha provided anticipated business startup costs as well as some information about Nortec USA.

Mr. Desotell commented that when speaking with Mr. and Mrs. Pecha, they did not have all of their research completed. Based on their discussions Mr. Desotell anticipates Mr. and Mrs. Pecha spending approximately \$10,000 of qualifying expenses.

Mr. Desotell noted that they intend on painting, insulating, as well as signage. They will be meeting with the Building Inspector in the future.

Approval of a maximum of \$2,500 of eligible expenses from the Entrepreneur's Grant Program for Nortec.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 9/12/2018 6:00 PM
MOVER:	Brad Henricks, Member
SECONDER:	Reinhardt Balcerzak, Member
AYES:	Bauknecht, Balcerzak, Hessedal, Voytovich, Henricks
ABSENT:	Glenn Bugni, Bill Brandt

7. Peaceful Valley General Store Downtown Entrepreneur's Grant Request

Marie Sery, provided an Entrepreneur's Grant Program Application for her Peaceful Valley General Store located at 533 Fifth Avenue. Ms. Sery provided a Business Plan Outline along with anticipated business startup costs.

Mr. Desotell advised that this location is out of the eligible area as well but for all the same reasons he recommends this application be strongly considered.

Ms. Close advised that a lot of remodeling and money has been put into the building to revitalize the store.

Marie Sery, owner of Peaceful Valley General Store, advised that she is cleaning, painting, putting in steps, railings, drywall, moving furnace, replacing shelving, and overall rejuvenating the store.

Upon inquiry by Alderperson Balcerzak, Ms. Sery explained that she has been selling via the Internet for approximately five years. They are going to incorporate the Internet sales with the store business.

Upon inquiry by Alderperson Balcerzak, Ms. Sery noted that the \$36,000 expense shown on her paperwork is for storage fees. This amount will be decreased significantly.

Ms. Sery advised that some of the Purchase Plan has changed as she was originally going to take out a loan. This plan has changed and she will now be a land contract.

Ms. Close further noted that she chose to go ahead with the request even though the store is not vacant. The former owner was going to retire and if Ms. Sery did not purchase the store, it would have ended up vacant because of the retirement.

Upon inquiry by Alderperson Balcerzak, Mr. Desotell noted that he has spoken with the City Attorney regarding the grant and the land contract. It is his opinion that the land contract is still considered a contracted sale.

Approval of a maximum of \$10,000 of eligible expenses from the Entrepreneur's Grant Program for Peaceful Valley General Store.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 9/12/2018 6:00 PM
MOVER:	Tom Bauknecht, Alderperson, Ward 4
SECONDER:	Andrew Hessedal, Member
AYES:	Bauknecht, Balcerzak, Hessedal, Voytovich, Henricks
ABSENT:	Glenn Bugni, Bill Brandt

Any Other Matters Authorized by Law to be Considered

Mr. Desotell commented that before the meeting, the balance on the Entrepreneur's Grant was \$55,741.18, after the meeting if all the grant funds that have been requested are used, the balance will be \$18,241.18. The Facade Grant balance will be brought to \$13,705.62.

Ms. Close discussed future funding with regards to the Entrepreneur's Grant. She advised that building upgrades help revitalize the downtown and increase the tax roll. This is one of the largest items on the Summit from downtown business owners. This is important to the community.

Mr. Desotell commented that decisions need to be made regarding investing in certain businesses and not in buildings that do not warrant investment such as the purchase of the former laundry mat next to the Post Office by the City. This has been scheduled for demolition.

INFORMATION ONLY

Adjournment

1. **Motion to:** Adjourn at 6:40 PM

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Tom Bauknecht, Alderperson, Ward 4
SECONDER:	Gary Voytovich, Member
AYES:	Bauknecht, Balcerzak, Hessedal, Voytovich, Henricks
ABSENT:	Glenn Bugni, Bill Brandt

Tom Bauknecht, Chairperson

Date