



City of Reedsburg
134 South Locust Street, P.O. Box 490
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www.reedsburgwi.gov

Industrial & Commercial Development Commission (RICDC) Agenda
January 20, 2021
Reedsburg City Hall Council Chambers
12:00 PM

DUE TO THE RESTRICTIONS CAUSED BY THE COVID-19 PANDEMIC, SOME VOTING MEMBERS MAY BE PRESENT VIA TELECONFERENCE OR VIDEO CONFERENCE, AS PROVIDED BY THE RECOMMENDATIONS OF THE WISCONSIN DEPARTMENT OF JUSTICE. [HTTPS://WWW.DOJ.STATE.WI.US/NEWS-RELEASES/OFFICE-OPEN-GOVERNMENT-ADVISORY-CORONAVIRUS-DISEASE-2019-COVID-19-AND-OPEN-MEETINGS](https://www.doj.state.wi.us/news-releases/office-open-government-advisory-coronavirus-disease-2019-covid-19-and-open-meetings)

NOTICE IS HEREBY GIVEN THAT A MAJORITY OF THE MEMBERS OF THE COMMON COUNCIL MAY ATTEND THIS MEETING TO GATHER INFORMATION ABOUT A SUBJECT OVER WHICH THE COMMON COUNCIL HAS DECISION-MAKING AUTHORITY. IF A QUORUM OF THE COMMON COUNCIL ATTENDS THIS MEETING, NO ACTION WILL BE TAKEN BY THE COMMON COUNCIL AT THIS MEETING.

CALL TO ORDER

APPROVAL OF MINUTES

I. APPROVE MINUTES FOR THE MEETING HELD ON NOVEMBER 18, 2020:

THE COMMITTEE WILL RECEIVE INFORMATION ON NON-AGENDA TOPICS BROUGHT BEFORE THE COMMITTEE BY MEMBERS OF THE PUBLIC. THE COMMITTEE WILL NOT DISCUSS THESE TOPICS, AND WILL NOT TAKE ACTION ON ANY OF THEM AT THIS MEETING

I. GENERAL BUSINESS:

- A. Review and consider approval of a Memorandum of Understanding with Muchow & South Central Heating & Cooling.
- B. Review & consider approval of an amendment to the Development Agreement with Sharratt Warehousing & Distribution, LLC.
- C. Review new 6,480 SF pole shed at Cellox.
- D. Update on land acquisition for the expansion of the Business Park.
- E. Update on Reedsburg Business Directory.

II. ADJOURN:



The City of Reedsburg does not discriminate on the basis of disability in the admissions or access to, or treatment of or employment in, its programs or activities. Disability-related aids or services, including printed information in alternate formats, to enable persons with disabilities to participate in public meetings and programs are available by calling (608) 524-6404. To be able to meet the needs of a request for a different format contact the City Clerk-Treasurer at 134 S. Locust Street, Reedsburg, WI at least 48 hours prior to the commencement of the meeting so that any necessary arrangements can be made to accommodate each request.

Reedsburg Industrial & Commercial Development Commission

Meeting Minutes

November 18, 2020

Meeting called to order by Chair Kurt Muchow at 12:00 PM in Reedsburg City Hall.

Present: Alder Mike Gargano, Alder Dave Knudsen, Missy Frenz

Absent: Jay Brunken, Blaine Albert, Dan DeBaets

Staff: Tim Becker, Steve Zibell

Motion by Knudsen seconded by Frenz, to approve the 9/15/20 minutes.

Motion Approved

Update on School to Work Initiative

Muchow stated RAHS is interested in joining and that they would like to see 90 students enrolled. The number of students for this year is down due to Covid so they can't go to the businesses and businesses cannot visit school. RICDC can serve as a conduit between businesses and school. Will discuss again at January meeting.

Update on Sauk County Development Corporation

Muchow invited SCDC director ED White but had to cancel and will try again next month. SCDC received \$25K from Sauk County, which is less than previous years. Muchow stated SCDC is not communicating effectively with what they are doing, such as helping businesses through Covid. There is now a transition to private funding but is a work in progress. A new business retention survey is important but not during Covid.

Update on workforce recruitment

Muchow and Becker met with Micro Technologies. They need to expand and hire workers. Discussion of employment barriers of housing, daycare, and transportation. Discussion on RICDC's role, such as advertising and promotions (social media, billboard, city website). A list is needed of industrial contacts.

Update on Development Projects

New housing numbers are coming back but more is needed. Marshall annexation is complete.

Tax Incremental Financing 101 Presentation

Will save presentation to next meeting.

Motion by Gargano, seconded by Frenz to adjourn at 12:52 PM.

Motion Approved

Respectfully submitted,

Brian Duvalle
Planning/Building

SHARRATT WAREHOUSING & DISTRIBUTION LLC

January 11, 2021

Mr. Kurt Muchow, Chair
City of Reedsburg Industrial & Commercial Development Commission
Vierbicher Associates Inc.
400 Viking Drive
Reedsburg WI 53959

Good Morning Kurt,

Please accept this letter in confirmation of our conversation January 7, 2021 regarding the Development Agreement entered into October 3, 2017 between the City of Reedsburg [City] and Sharratt Warehousing & Distribution LLC [SW&D].

The Development Agreement sets forth the understanding between the City and SW&D for the construction of a Public Refrigerated Warehouse in the TIF District of Reedsburg's South Industrial Park. This Warehouse was completed with operations commencing in May, 2018. A portion of the Development Agreement outlines the payment of Property Taxes by SW&D and the subsequent payment of TIF Funds by the City to SW&D. The Development Agreement states that the entire amount of Property Taxes must be paid before the City pays SW&D the TIF Funds.

The provision that the City will make their payment of TIF Funds to SW&D only after the entire amount of Property Taxes are paid by SW&D has proven too be difficult for SW&D. A case in point is the 2019 Property Taxes payable to the City in 2020 in the amount of approximately \$320,000. SW&D was unable to generate sufficient cash flow to pay the approximately \$160,000 on January 31, 2020. SW&D was able to pay the full \$320,000 by July 31, 2020 only with the cooperation of the City and timely payment of the \$145,000 TIF Payment from the City. Because of the inability of SW&D to pay our Property Taxes as scheduled, SW&D incurred significant Interest and Penalty costs in 2020.

To avoid a reoccurrence of this situation in 2021 and beyond, SW&D respectfully requests the City to modify the Development Agreement language pertaining to the timing of the TIF payment. Our request is to allow the payment by the City of one half of the TIF Funds to SW&D upon payment by SW&D of one half of the Property Taxes in January, with the other half of the TIF Funds being paid by the City to SW&D when SW&D makes the other half of the Property Tax payment in July.

Please convey this request to Mr. Tim Becker, Administrator of the City of Reedsburg, for his consideration and conveyance to the City of Reedsburg's Common Council, hopefully for their approval.

Cordially,

Richard & Dianne Sharratt



