



City of Reedsburg
134 South Locust Street, P.O. Box 490
Reedsburg, WI 53959
Ph. 608-524-6404 Fax. 608-524-8458
www.reedsburgwi.gov

Community Development Authority Agenda
February 16, 2021
Reedsburg City Hall Council Chambers
6:00 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 17, 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. Per section 19.85(1)(e) of the Wisconsin statutes, the CDA will consider entering closed session for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, specifically, to review business plan for startup business under the Business Incubator Program.
- B. Reconvene into Open Session.
- C. Consider first-year funding for CraDee's Shop under the Business Incubator Program.
- D. Consider first-year funding for The Little Corner under the Business Incubator Program. Allan Martinez.
- E. Discuss possible amendments to Incubator Plan.
- F. Updates on current budget and CDA projects.

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.

Community Development Authority

Meeting Minutes

November 17, 2020

Meeting called to order by Alder Dave Moon at 6:18 PM.

Present: Alder Jason Schulte, Matt Smuksta, Richie Strutz

Absent: Kristina Rego, Megan Cowan, Darren Frye

Staff: Brian Duvalle

Motion by Schulte, seconded by Strutz to approve the 5/19/20 minutes.

Motion approved

Closed Session per sec. 19.85(1)(e), Stats., conducting specified public business requiring a closed session, for competitive reasons, to review business plan for startup business under the Business Incubator Program.

Motion by Schulte, seconded by Strutz to move to closed session.

Motion approved

Reconvene into Open Session.

Motion by Schulte, seconded by Strutz to move to open session.

Motion approved

Consider second-year funding for Lucy's Main Street Mercantile under the Business Incubator Program.

Motion by Strutz, seconded by Smuksta to approve \$1000 per month for six months.

Motion approved

Updates on CDA projects.

Discussion on current incubators Walker Family Day Care (operating and being kept clean), TNT Bounce (looks to be closing soon – Covid difficulties) and Language Services Del Norte (Covid difficulties).

Motion by Schulte, seconded by Strutz to adjourn at 6:33 PM.

Motion approved

Respectfully submitted,

Brian Duvalle
Planner/Building Inspector



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Reedsburg Business Incubator

Prepared by:

Community Development Authority
134 Locust Street
Reedsburg, Wisconsin

September 19, 2017

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Mission Statement, Vision, Key Objectives

Mission Statement:

The City of Reedsburg will foster the creation and growth of startup businesses and promote the redevelopment of the business districts through the use of business startup programs.

Vision:

Stimulate the redevelopment of the business area through the use of a business incubation program.

Key Objectives:

- * Assist entrepreneurs to create successful new businesses.
- * Help to keep the City vital through the introduction of new businesses.
- * Minimize empty commercial spaces.
- * Attract innovative companies that can add value back to the City.
- * Create exponential value to the other businesses.
- * Create employment opportunities for area residents.
- .

Program Concept

The Reedsburg incubator program will work as a partnership with existing property owners. The City, under authority of the Community Development Authority (CDA), may co- sign a lease agreement with new business startups with the existing property owners. Any commercial space in Reedsburg is eligible to participate in the Incubator program. The City may pay for one year of rent and may subsidize a second year if needed. The City will not pay any cost associated with remodeling, utilities or repairs. The City will not be responsible for damage caused by the lessee. If the business operation is also the Business building owner the application for CDA Incubator space program funds will be considered on a case by case basis.

Organizational Structure

Administration:

The Reedsburg Incubator Program will be administered by the Community Development Authority. Any lease agreements must be approved by the Community Development Authority. The Community Development Authority will meet in closed session to review business plans to maintain proprietary information.

Ownership:

The incubator spaces will be owned and maintained by the private owners. The City of Reedsburg, under authority of the CDA, may co-sign lease agreements with the lessee.

Marketing:

City staff, under direction of the CDA, will market the incubator program within the budgetary parameters allowed by the City Council. A brochure should be developed promoting the program. Print advertising, mailings, web links, and window signage will be developed or used as needed.

Lease Details

Existing Businesses Not Eligible:

Existing business operations in Reedsburg are not eligible for relocating or opening a second location in the incubator space. Businesses that have gone out of operation within the past three years, or substantially identical businesses, are not eligible for the incubator program. Businesses relocating from outside the City of Reedsburg will be considered eligible on a case by case basis.

Lease Length:

The business locating into the incubator space will have one year to establish itself. The lease will commence the first or fifteenth of the month in which they enter the premises, whichever comes next. The lease shall be twelve months in length maximum.

Graduation Policy:

The lease may be extended upon approval by the Community Development Authority. Consideration will be given for lease extensions based upon the occupancy of the other incubator spaces, waiting list to enter the incubator, the progress of the company and their ability to survive outside the incubator. The lease on any extensions will have a cost share of at least 50%, depending on the reason for the extension. No lease subsidy will be provided past two years for any reason.

Security Deposit:

A security deposit equivalent to one month's rent will be due prior to occupancy and payable by the lessee business to the property owner. The City will not be held responsible for any damages caused by lessee.

Utilities:

Utility costs will be the responsibility of the lessee business. If the business ceases to exist prior to the end of the lease agreement, utility cost will revert back to the property owner for the empty space.

Lease Agreement:

Lease agreements will be reviewed by the City Attorney. Leases will be negotiated by the applicant and approved by the Community Development Authority.

Insurance:

The City will not be responsible for building or renters insurance.

Application Process

The success of the incubator program will be measured by the quality and long term success of the businesses selected to participate in the program. The application, screening and selection process are important in setting the incubator program on a path to success. The City should recruit and select businesses with the best chance of success and that provide added value to the City. The City will seek to attract a diverse range of companies to increase synergy and diminish direct market competition between client companies to the extent possible.

Application:

Since the selection of businesses is a critical factor in the ultimate success of an incubator, it is important to carefully screen, evaluate and select companies. Screening includes assessment of a number of factors, ensuring that businesses are entering the incubator at an appropriate time in their development, and that the businesses will add value to the City.

The screening and selection process involves submission of the application material and possible interview with the Community Development Authority. The application should be in the form of a business plan, but a written description of the business may be sufficient if it covers the basic elements of a business plan.

Business Plan

Elements of a Business Plan

1. Cover Sheet
2. Statement of Purpose
3. Table of Contents
 - I. The Business
 - A. Description of business

- B. Marketing
 - C. Competition
 - D. Operating procedures
 - E. Personnel
 - F. Business insurance
- II. Financial Data
- A. Loan applications
 - B. Capital equipment and supply list
 - C. Balance sheet
 - D. Break-even analysis
 - E. Pro-forma income projections (profit & loss statements), three year summary detailed by month the 1st year, detailed by quarters 2nd & 3rd years with assumptions upon which projections are based
 - F. Pro-forma cash flow
- III. Supporting Documents
- A. Tax returns for principals for last three years
 - B. Personal financial statements
 - C. Franchise agreements if applicable
 - D. Copy of licenses and other legal documents
 - E. Copy of resumes of principals
 - F. Copies of letters of intent from suppliers, etc.

Screening and Selection Process

The business plan or business summary will be reviewed and accepted based on the following criteria:

- * Business Potential - includes quality of business plan, assessment of product being proposed, clarity of market focus, assessment of competition and other business factors.
- * Commercial Viability - assessment of commercial market opportunities.
- * Quality of Management Team - business and/or technical experience related to the focus of the startup.
- * Need - demonstrated need for assistance at startup.
- * Economic Impact on Community - includes job creation potential and economic benefit to contractors and vendors.

In addition to the business plan or summary, each business must meet the following criteria to be accepted into the incubator; and may be required to participate in an interview with the Community Development Authority:

1. Be a business complimentary to the existing business community.
2. Be in the early stages of development as a business.

3. Show the ability to develop a positive cash flow and start paying rent.
4. Identify a product or service that can be developed into a successful business.
5. Have the potential to generate economic benefits by creating jobs, producing work for vendors in the community or developing a service deemed to have a potential impact in the marketplace.
6. Preferences will be given to unique businesses.
7. The CDA will review the business' status after six months.

Property Selection

Property owners interested in participating in the program should contact City Hall to be included on the list of available spaces. The final decision, on which property is selected, will be based upon rent amount, space desirability, and individual business needs. Ultimately both the new business and the Community Development Authority and the property owner will need to agree on a specific space at a specific rental rate. The City will not discriminate against any property owner or provide preferential treatment, but will make the best business decision under the terms of this program.

		12/31/2020 (13/20) Period Totals and Balance	13.98 *	.00 *	41,851.55
01/01/2021	AP	83 TRAEDER RENTAL	1,000.00		
**VendorNo: 263408 **Inv. No: LMM0121 **Desc: INCUBATOR MONTHLY PAYMENT - JANUARY 2021 **Inv. Date: 1/1/2021 **PO No: **Remit Name: TRAEDER RENTAL **Merchant Vendor No: 263408 **Merchant Vendor Name: TRAEDER RENTAL **Invoice Created By: Anita					

City of Reedsburg	Detail Ledger - with Comments	Page: 12
	Period: 00/20 - 02/21	Feb 09, 2021 08:17AM

Date	Journal	Reference Number	Payee or Description	Account Number	Debit Amount	Credit Amount	Balance
01/18/2021	AP	102	ALLIANT ENERGY/WP&L **VendorNo: 10024 **Inv. No: 4175177410-0121 **Desc: GAS- VINE ST **Inv. Date: 1/18/2021 **PO No: **Remit Name: ALLIANT ENERGY/WP&L **Merchant Vendor No: 10024 **Merchant Vendor Name: ALLIANT ENERGY/WP&L **Invoice Created By: Anita		489.32		
01/20/2021	AP	151	REEDSBURG UTILITY **VendorNo: 180906 **Inv. No: 23786-0121 **Desc: BASIC TELEPHONE - FOOD PANTRY **Inv. Date: 1/20/2021 **PO No: **Remit Name: REEDSBURG UTILITY **Merchant Vendor No: 180906 **Merchant Vendor Name: REEDSBURG UTILITY **Invoice Created By: Anita		31.73		
01/31/2021 (01/21) Period Totals and Balance					1,521.05 *	.00 *	1,521.05
01/26/2021	AP	6	ALLIANT ENERGY/WP&L **VendorNo: 10024 **Inv. No: 6250757162-0121 **Desc: GAS- EAGLE ST **Inv. Date: 1/26/2021 **PO No: **Remit Name: ALLIANT ENERGY/WP&L **Merchant Vendor No: 10024 **Merchant Vendor Name: ALLIANT ENERGY/WP&L **Invoice Created By: Anita		59.67		
01/22/2021	AP	50	REEDSBURG UTILITY **VendorNo: 180905 **Inv. No: RUC 0121 **Desc: CDA **Inv. Date: 1/22/2021 **PO No: **Remit Name: REEDSBURG UTILITY **Merchant Vendor No: 180905 **Merchant Vendor Name: REEDSBURG UTILITY **Invoice Created By: Anita		22.31		
02/01/2021	AP	102	TRAEDER RENTAL **VendorNo: 263408 **Inv. No: LMM0221 **Desc: INCUBATOR MONTHLY PAYMENT - FEBRUARY 2021 **Inv. Date: 2/1/2021 **PO No: **Remit Name: TRAEDER RENTAL **Merchant Vendor No: 263408 **Merchant Vendor Name: TRAEDER RENTAL **Invoice Created By: Anita		1,000.00		
02/28/2021 (02/21) Period Totals and Balance					1,081.98 *	.00 *	2,603.03

YTD Encumbrance	.00	YTD Actual	2,603.03	Total	2,603.03	YTD Budget	38,000.00	Unexpended	35,396.97
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Number of Transactions: 91	Number of Accounts: 1	Debit	Credit	Proof
Total GENERAL FUND:		45,454.58	1,000.00-	44,454.58
Number of Transactions: 91	Number of Accounts: 1	Debit	Credit	Proof
Grand Totals:		45,454.58	1,000.00-	44,454.58