CITY OF PLATTEVILLE
REDEVELOPMENT AUTHORITY (RDA)

Monday, February 24, 2020
5:00 p.m.

Mound City Bank Motor Branch Meeting Room
90 S. Second Street

MEETING AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. MINUTES
   a. November 18, 2019
4. CURB APPEAL GRANT
   a. 110 W. Main Street
5. ANNOUNCEMENTS
6. PUBLIC COMMENTS
7. ADJOURN

It is possible that members of, and possibly a quorum of members of, other governmental bodies of the municipality may be in attendance at the above-mentioned meeting to gather information. No action will be taken by any governmental body at the above-mentioned meeting other than the Redevelopment Authority.
A regular meeting of the City of Platteville Redevelopment Authority was held at 5:00 p.m. in the meeting room at the Mound City Bank Motor Branch.

PRESENT: Karen Lynch, Valerie Stackman, Sheila Kelley, Eileen Nickels, Roger Dammen
EXCUSED: John Zuehlke
ABSENT: None
OTHERS PRESENT: Joe Carroll, Jack Luedtke, Robin Cline, Chad Cline, Royal Palmer, Jake Rivard, Judy Wall

MINUTES:

October 28, 2019

Motion by Dammen to approve the minutes. Second by Lynch. Motion approved.

MODIFICATION TO EXISTING LOAN – 25 E. Main Street

LMN Investments has two loans from the RDA/City to assist with the renovations of the building at 25 E. Main Street. One loan was originally for $80,000 and the other was for $172,000, and both of these loans are secured by a mortgage on the property. The current balance on the loans is $64,626.75 and $144,133.89. These loans are in a second position to a private loan on the property that is secured by a $320,000 mortgage. LMN Investments would like to increase the amount of the private mortgage on the property by $100,000 to a total of $420,000. The additional funds are being obtained from the private lender to assist with the costs of finishing the project. Benton State Bank has agreed to provide the additional financing.

Installing the fire hydrant and relocating the hydrant connection and water service to the back of the building required additional expenses that were not anticipated. The request would allow the applicant to obtain additional funds necessary to finish the building project, including the installation of the fire hydrant. Some additional work also needs to be done to the front of the building, approximately $5,000.

As reported at the last meeting, Judy thought the bank would be doing a new appraisal, but they just verified the existing appraisal. The existing is $687,000.

The property has adequate cash flow and should increase about 30% over the next few years. City debt has dropped from 49% to 24.8%. There has been strong interest in the apartments, and they are all leased for next year. Demand for 1-BR units has been particularly strong. The loan to value basis is about 51% for the bank and 24.8% for the RDA/City, for a total of 76%.

Some of the expenses that were required to be made will not be reflected in the appraised value of the property, such as the hydrant. The anticipated income is the most relevant factor for determining the value of the property.

Motion by Lynch to approve increasing the first position mortgage on the property $100,000 to $420,000. Second by Kelley. Motion approved.
BUSINESS PURCHASE ASSISTANCE – 95 W. Main Street

Tony and Royal Palmer and Robin and Chad Cline are interested in purchasing the Driftless Market. They are looking for assistance with the purchase of the business at this time and may be working toward the building purchase later.

The applicants have been working with the bank to gather additional information and more accurate numbers. They think there is potential for expanding sales through beer and alcohol sales and catering.

The requested assistance is for a $100,000 loan at a rate of 1% and a term of 10 years, amortized over 20 years.

There was a question at the last meeting regarding Building Platteville – are they able to provide any assistance? This has not been directly investigated, but Jack didn't think they had funds available at this time.

Any personal guarantee or other security? Personal guarantees will be included. Personal property and vehicles of the applicant would be included with the bank loan. The RDA would have the inventory and equipment for the business. Equipment is valued at $45,000 and inventory is valued at $85,000. The bank loan is $80,000.

There was some concern about the 20-year amortization and some concern regarding how long the funds will be tied up and not available for assisting other projects. There was some discussion regarding a 15-year amortization or a higher interest rate. The numbers show that it will cash flow at 10 years without a longer amortization.

Motion by Dammen to approve the loan request for a $100,000 loan at a rate of 1% and a term of 10 years, with a lien on business assets and personal guarantees. Second by Lynch. Motion approved.

ANNOUNCEMENTS / PUBLIC COMMENTS

Jack provided an update on the status of business vacancies in the downtown area.

ADJOURNMENT

Motion by Lynch to adjourn. Second by Kelley. Meeting adjourned.

Submitted by Joe Carroll
Community Development Director
Application for Assistance

Curb Appeal Grants
Property Improvement Program

City of Platteville Redevelopment Authority

Owner/Applicant Information

Name of Property Owner: Joseph & Rita Udell
Mailing Address: 6861 N Rd, Platteville, WI 53818
Contact Information: Phone 608-348-7637 Fax 63-580-5893
Name of Applicant (if different than owner):
Mailing Address:
Contact Information: Phone Fax Email

Property Information

Address of Property: 110 W Main Platteville, WI
Present/Former Use of Property: House in Town
Proposed Use of Property:

Description of Project. Briefly describe proposed work and materials to be used.

Replace Front Awning Cover with New

Project Budget. 1700.00

Total Project Cost: 1637.10 Requested Grant Amount (50% of Project Cost, $1000 max): 818.55

Attachments. The following information should be submitted with the application:

Before and after photographs of the property are preferred. Scaled sketches, drawings, plans and/or annotated photographs indicating the work completed would be acceptable. Invoices or other documentation indicating the project costs and what the funds were used for are required.

Signature. The undersigned person(s) certifies that the information in and attached to this application is true to the best of their knowledge and belief. and hereby request the Platteville Redevelopment Authority to provide assistance for the project described above.

APPLICANT: DATE: 12-10-19
OWNER: DATE:

Submit to: Community Planning & Development Department, 75 N. Bonson Street, Platteville, WI 53818
Jim Runde Upholstery Inc.
5255 Pennsylvania Ave.
Dubuque, IA 52002
563-584-0922
563-588-2158-fax

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Total

Thank you.

$1,637.10
RITA M. UDELHOVEN OR JOSEPH L UDELHOVEN
RENTAL PROPERTIES
6861 NORTH SECOND ROAD
PLATTEVILLE, WI 53818

DATE 10-10-19

PAY TO THE ORDER OF: Jim Anle Upholstery

One Thousand Six Hundred Thirty Seven 10/60

FOR 30813

CLARE BANK
Serving Southwest Wisconsin
PLATTEVILLE, WI 53818

79-205759

DOLLARS

$1,637.10
Platteville, Wisconsin

Google
Street View

https://www.google.com/maps/@42.7343615,-90.4795215,3a,75y,28.86h,82.95/data=13m61e1f13m4f1skSjzu1Bg1_j6FlEAq8ELHQI2e0I7I133121816656