



Community Development Authority Meeting – 06/01/2020

The City of Oconomowoc will be holding this meeting via Webex

There are **two (2)** ways to View and/or Participate in this meeting as an **attendee**:

1. Join Electronic meeting via Computer/tablet/phone:

Instructions on joining the meeting on PC

1. Please click on this meeting link:

<https://oconomowoc.webex.com/oconomowoc/onstage/g.php?MTID=e86469ad4d1a85fe97024ac56caeea4a2>

2. Fill out your information: First Name, Last Name, Email Address. If the meeting hasn't started, please try refreshing the page.
3. Click *Join by browser*
4. Click on the Phone Icon to connect to your computer's audio or to show a dial in number.

2. Call in number to join the meeting via landline

Audio Conference Number: 1-408-418-9388

Access Code: 964 557 105

****NOTICE: The City Webex Licensing allows up to 200 participants for an electronic meeting. In the event that the City logs in 197 participants, we will assume that there are more people that want to participate than we are currently licensed for. In that situation, the City must cancel the meeting and reschedule after the City has obtained additional licensing to accommodate the increased public audience.**

**City of Oconomowoc
Community Development Authority**

Monday, June 01, 2020 - 4:00 PM



Notice: If a person with a disability requires that the meeting be accessible or that materials at the meeting be in accessible format, call the City Clerk at least 48 hours prior to the meeting to request adequate accommodations. Tel: 569-2186.

WebEx Virtual Meeting Access:

<https://oconomowoc.webex.com/oconomowoc/onstage/g.php?MTID=e86469ad4d1a85fe97024ac56caeea4a2>

1. Call meeting to order
2. Comments from audience
3. Review CDA Mission
 - a. Establishing Oconomowoc as the best small city
 - b. The Community Development Authority (CDA) will:
 1. Define short and long term strategies that respect the stakeholders of Oconomowoc
 2. Implement an environmentally-friendly revitalization plan that fosters economic stability
 - c. The focus of the CDA shall be to:
 1. Revitalize the strategic areas
 2. Encourage diversity in commerce, employment and housing types
 3. Identify and select immediate short term projects which serve as a foundation for long term solutions
 4. Foster trust and confidence within the Oconomowoc community
 5. Seek fair and equitable public/private partnerships
4. Approval of Meeting Minutes -
 - a. Minutes of February 4, 2020
5. New Business:
 - a. Discussion /Action: Downtown Business Loan - Scarpa Belle - 119 E. WI Ave
6. Old Business:
 - a. Discussion: Development Updates
7. Comments from CDA Members
8. Adjourn



Diane Coenen, City Clerk
City of Oconomowoc

Notice is hereby given that a majority of the Common Council and Plan Commission may be present at the above-noticed meeting to gather information about a subject over which they have decision-making responsibility. This constitutes a meeting of the Common Council pursuant to State ex rel. Badke v. Greendale Village Board, 173Wis. 2d 553, 494 N.W. 2d 408 (1993) and must be noticed as such, although the Common Council will not take any formal action at this meeting.

COMMUNITY DEVELOPMENT AUTHORITY MEETING

February 4, 2020

Blaska called the meeting to order at 6:00 pm and confirmed that appropriate notice was given.

Members Present: Ald. Blaska, Nold, Vande Zande and Kowieski
Members Excused: Kozinski, Manke and Carlson
Staff Present: Duffy, Gallo, Kitsembel and Wallace
Others Present: Aids. Rosek and Shaw

Comments from audience: None.

Review CDA Mission: Blaska read the CDA mission statement.

Minutes of October 15, 2019: Motion by Kowieski to approve the October 15, 2019 minutes as presented; second by Nold. Motion carried 4-0.

New Business:

Discussion/Action: Berkshire HUD Amendment to Restrictive Covenants: Duffy stated when the Berkshire was built, it was built as a housing tax credit project. The entity that was the investor is now done with this investment. General Capitol is taking ownership and refinancing the note. In 2004 the CDA lent its name for tax exempt financing purposes. In order for their HUD refinancing, they need the CDA to approve the amendment to the restrictive covenants. This does not encumber the City or the CDA in any way. Attorney Riffle has reviewed this, and staff recommends approval.

Motion by Nold to approve the HUD Amendment to the Restrictive Covenants and authorize the CDA Chairperson to sign and execute the necessary documents; second by Vande Zande. Motion carried 4-0.

Discussion/Action Business Loan – CoCo's Seafood and SteakHouse: Duffy stated CoCo's is anticipating opening at 151 St. Paul St. He stated they are making interior improvements to the space that they have purchased. They have supplied a business plan. Staff has reviewed the business plan with First Bank and recommends approval. The applicant anticipates opening at the end of February.

Motion by Kowieski to approve the Downtown Business Development Loan for CoCo's Seafood and SteakHouse located at 151 St. Paul Street; second by Vande Zande. Motion carried 4-0.

Discussion/Action: E. WI Avenue Site Design RFP: Duffy stated the CDA was authorized by Council to move forward with an RFP to get ideas and concepts for the E. Wisconsin Avenue area consistent with what Planning staff put together related to design guidelines. We received 5 different proposals. Duffy referred to the spreadsheet in the packet. This exceeds what was in the CDA budget. Duffy stated he doesn't know if there is Council support. He stated he brought this forward to CDA to see what the next steps the Members are interested in pursuing. Whether that's additional discussion with Council or a wait and see approach. Members discussed the area, the RFP's and the next step. The Members all agreed on reviewing and evaluating the RFP's and then sending certain questions to the top few. Duffy stated he will email the RFP's to the Members. No action was taken.

Old Business:

Discussion/Update – Downtown Oconomowoc: Duffy reported North 48 is anticipating opening in March in the Mann Building. Gordy's had their grand opening this past weekend and Cornerstone will be doing the bar shift to the new space, and the restaurant will be closed. They will be reopening entirely in April/May.

Discussion/Update: Olympia Area Update: Duffy reported that the Committee-of-the-Whole met on January 21, 2020 which Wangard came in and talked about their trial and tribulations at Olympia. He stated from the City's perspective we are waiting on the developer's projections from a development perspective. Staff will need to look at their final development proposal, public infrastructure costs necessary to bring public utilities, public roadway to that area and to evaluate on a TIF request. Staff will need to look at the cost benefit related to infrastructure investment and overall development potential. Duffy stated that Wangard has attempted multiple times to make offers to Magna LLC. He said the 11-acre piece is critical. It is right off the extension of Pabst Road where the entrance and infrastructure need to go through. This will continue to be evaluated.

Comments from CDA Members: Blaska asked about downtown parking. Duffy stated this is a continued conversation. He shared a spreadsheet comparing the City parking with other communities. He stated we are comparable. Duffy stated staff and Council continue to have conversation. Nold stated he enjoyed working with everybody and thanked them for their time. Members thanked him for his time.

Motion by Nold to adjourn; second by Kowieski. Motion carried 4-0. The meeting adjourned at 6:30 PM.

Tina Wallace, Deputy City Clerk



May 28, 2020

Oconomowoc Community Development Authority
174 E. Wisconsin Avenue
Oconomowoc, WI 53066

RE: Business Development Loan Approval

Dear Community Development Authority Members:

The Business Development Loan Committee met to review the Application of Jennifer Miller to purchase the Old Town Comfort Shoes at 119 E. Wisconsin Avenue and rename Scarpa Belle in Downtown Oconomowoc.

The committee is recommending loan approval for the expansion, renovation and remodeling costs to accommodate the operation based on the following factors:

- An established business with the opportunity for expansion through a new operator;
- The applicants years of experience in being an entrepreneur;
- A strong potential for success through a focused business plan;
- New energy into a downtown business that will result in increased activity.

The recommended loan amount is \$25,000 and terms are 1% interest with a 10 year payoff.

It is also our belief that this is the type of loan that the Business Development Loan Pool was intended as it assists in building ownership, an and expanded use and provides the funds for reinvestment into a downtown building.

The Committee would request the Oconomowoc Community Development Authority's approval for this loan application.

If you would like additional information, or would like to further discuss, please feel free to contact me at 262-569-2185.

Sincerely,
CITY OF OCONOMOWOC

Robert K. Duffy

Attachment A

APPLICATION
BUSINESS DEVELOPMENT LOAN POOL

I. APPLICANT INFORMATION

Name Jennifer Miller Telephone 414-628-4371
Home Address 11767 County Rd EE Neosho, WI 53059
Social Security Number: _____

II. PROPOSED PROJECT

Full Legal Name of Borrower: Jennifer Lynn Miller
Address: 119 E. Wisconsin Ave Oconomowoc, WI 53064
Street City State Zip

Contact Person: Jennifer Miller Phone Number 414-628-4371
Type of Business: Shoe Store

Year Business was Established: _____
Years Under Current Management: _____
Number of employees Currently _____ Proposed _____

Business Ownership:
 Sole Proprietorship Corporation General Partnership
 Limited Liability Co. S Corporation Limited Partnership

Landlord Information: Name _____
Phone Number _____
Lease Expiration: _____ Annual Rent: _____

Any relationship between the business and the Landlord? Yes No

III. LOAN REQUEST

Amount Requested \$25,000 Term Requested _____

For what purposes will this credit be used? _____

Business Signage, roof repair, exterior improvements

How will business repay this credit? _____

Is business subject to either seasonal or cyclical cash flow variations? ____ Yes ____ No

If yes, please explain _____

IV. PURPOSE OF LOAN

Describe the scope of work which the Business Development Loan Pool funds are proposed for, and the anticipated benefits to be realized from the proposed project. Example:

- * Benefits low income employees, youths, minorities, handicapped, veterans, elderly
- * Local economic benefits
- * Impact on the environment (if any)
- * Community benefits
- * Financial impact on local government

Please be as specific as possible by presenting a detailed outline of all proposed work, including all renovations, equipment, start-up costs and training costs, etc. If applicable, the design proposal should accompany the application.

Please read this:

The information contained in this application is provided to induce Business Development Loan Pool to extend credit to you. You acknowledge and understand that BDLP is relying on the information provided in this application in deciding whether to extend credit to the applicant. Each of you represent, warrant and certify that the information provided in this application is true, correct and complete. Each of you agree to notify BDLP immediately of any materially adverse change in (1) any of the information contained in this application or (2) you or any proposed guarantor's financial condition. BDLP is authorized to make all inquiries it deems necessary to verify the accuracy of the information contained in this application. You authorize any person or credit reporting agency to give BDLP any information it may have about you. Each of you signing below do authorize BDLP to obtain credit checks on you, including consumer credit checks through credit reporting agencies and direct inquiries of business(es) where you have accounts, where you worked, or other sources; (b) to contact these sources at any time whether before, during or after the term of any agreement between you and BDLP to update information or to assist BDLP in enforcing any obligations you owe to BDLP; and (c) to properly report any performance with regard to credit extended to any one who may properly receive such information.

Please sign here:

Corporation or partnership applicant: Individual, Sole Proprietor, and Guarantors:

_____	X _____
Name of Entity	Authorized Signature
X _____	Jennifer Miller
Authorized Signature	Print Name
_____	2-24-2000
Print Name	Date
_____	X _____
Print Name	Authorized Signature
_____	_____
Title	Print Name
	Date
	X _____
	Authorized Signature

	Print Name
	Date

Scarpa Belle Boutique

Your Destination for Fine Footwear

CONFIDENTIAL BUSINESS PLAN

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PROJECT DESCRIPTION

Scarpa Belle Boutique LLC is in process of acquiring the existing building and inventory from Olde Town Comfort Shoes located at 119 E. Wisconsin Avenue, Oconomowoc to create a new retail experience for Oconomowoc and the surrounding communities. "Beautiful shoe" in Italian, Scarpa Belle will transform the current shoe retail experience by getting our customers what they want and when they want.

COMPANY OWNERSHIP

Jennifer Miller will be 100% owner of the Scarpa Belle and the store will remain at the same address at 119 E. Wisconsin Avenue, Oconomowoc, Wisconsin. The real estate is part of the purchase and will be registered under different LLC.

LOAN REQUEST / CASH SOURCES AND USES

The SBA loan will secure the real estate and asset acquisition with the owner's overall contribution of 10%

The company is requesting a bank loan in the amount of \$439,500 and the owner will invest cash in the amount of \$40,500 to complete the project. Use of proceeds detailed below.

CASH SOURCES AND USES:

Cash Sources:

Bank	\$ 414,500
Oconomowoc Fund	\$ 25,000
Other Financing Sources (list, if any)	\$ 0
Owner Equity	<u>\$ 40,500</u>
TOTAL CASH SOURCES	\$480,000

Cash Uses:

Existing Building	\$300,000
Fixtures, Furniture	\$10,000

Goodwill	\$60,000
Inventory	\$70,000
Working Capital	\$40,000
TOTAL CASH	\$ 480,000

BUSINESS HISTORY / BUSINESS DESCRIPTION

Existing/Old Business:

The Olde Town Comfort Shoes, is an existing shoe store in Downtown Oconomowoc focusing on comfortable footwear for the middle aged and older consumer. It does not have advertising, online or a social media presence. In addition, due to on-going health issues of the current owner the store has very inconsistent business hours and it is always closed during crucial holidays weekends where many residents are strolling around town.

New Business:

Mission Statement:

To provide the ultimate shopping experience with superior customer care, on-trend products at affordable prices, 24-hour shopping via online or in-store, and to build a connection with customers for a long-lasting relationship.

We will ensure that all of customers are given first class treatment whenever they visit our retail store. The key elements to success will include: a unique yet stylish collection of footwear and accessories that changes frequently and is on-trend, personal service, a friendly and relaxed atmosphere, with prices that won't break the bank.

An online shopping option will be offered as an alternative to help service our customers' needs. Our business hours will be consistent and will create a trusted relationship. A social media presence will be established and will broaden our customer base.

Social platforms such as Facebook and Instagram will be used as tools to communicate store offerings such as new style releases, store sales and promotions, and will connect the consumer with our website or the brick-and-mortar store.

The consumer will also be able to communicate with us directly through these platforms using the direct messaging option as a means of streamlining service and assisting in sales. Direct messaging is becoming one of the hottest digital marketing trends of 2020. It combines the convenience of text with the immediacy of a phone conversation in an environment that the

user is familiar with and will be effective in forging new relationships as well as taking sales orders.

We plan to inspire store visits with Birthday month rewards, end-of-season promotions, and sales during the downtown Oconomowoc special events throughout the year. These combined strategies will stimulate upwards growth in total revenue stream.

SB will be an active member of the Downtown Oconomowoc Business Association and take part in all the events and activities that make the downtown so unique and special.

With the nearest direct competitor being 21 miles away in Brookfield, WI, we are going to create an individualized consumer connection so that they have no need to look elsewhere.

Products and Services:

In addition to current store offering, Scarpa Belle will expand the product line to include adult sized footwear that will appeal to a wider range of consumer. A sampling of our brands would include

- Bed Stu
- Matisse
- Hunter Boots
- Frye
- Xena
- Slippers
- smart wool socks
- insoles
- shoe care
- belts
- additional accessories

MARKETING PLAN / STRATEGY

Our plan is to become integral part of Oconomowoc community as a reliable resource of shoes and accessories to residents as well as visitors. Being in the beautiful part of downtown area, we plan to participate support many chamber events and be open during various festivals in the summer.

Social platforms such as Facebook and Instagram will be used as tools to communicate promotions and new style releases and will connect the consumer with our website or the brick-and-mortar store.

While serving local residents in brick and mortar store, we will also establish on-line presence for shopping convenience. Directly through these platforms we will be using direct messaging as a means of streamlining service and assisting in sales. Direct messaging is becoming one of the hottest digital marketing trends of 2020. It combines the convenience of text with the immediacy of a phone conversation in an environment that the user is familiar with and will be effective in forging new relationships as well as taking sales orders.

We plan to inspire store visits with Birthday month rewards, end-of-season promotions, and sales during the downtown Oconomowoc special events throughout the year. These combined strategies will stimulate upwards growth in total revenue stream.

ASSET LIST AND FINANCIAL PROJECTIONS ASSUMPTIONS

	Purchase Price	Market Value	Current Amount Owed
Building/Land	\$269,500	\$269,500	0
Furniture	10,000	10,000	0
Inventory	100,000	100,000	0
TOTAL	379,000	379,000	<u>0</u>

ASSUMPTIONS

The current owner of the store is selling the business due to health reasons. She was unable to maintain consistent hours and the store was often closed, especially during many events held in Oconomowoc. Business although located in prime, downtown location was unable benefit from various events and celebrations held downtown and was also closed during holidays when people are out and about in the community.

The documentation with regards to past sales was also not readily available and was mostly documented based on verbal discussions and only very limited access to the financial documents. The current projections are based on predictable opening hours. Scarpa Bella is going to take advantage of people browsing and dining in downtown of Oconomowoc during events and holidays. It will also have on-line presence and ability to purchase products on-line. To become stable part of community, the business will be very active on social media and use push type advertisement to attract customers during special events. Please see the list of events attached on the end of the document or on this link:

<http://www.visitoconomowoc.com/calendar.aspx?Keywords=&startDate=1/1/2020&endDate=12/31/2020&CID=14&showPastEvents=true>

The current offering will be expanded by additional 5 new brands (for example Xena – women fashionable steel toe boots) as well as wide selection of accessories such as scarfs, gloves, hats, decorative items, purses and socks. Those types of products and accessories are currently very limited in the current offering.

Although the offering of new brands in addition to the existing product line-up will be greater, to be conservative, we project \$286k sales in 2020, which is bellow or equal to past sales. We expect the sales will be substantially higher than projected in year one. Example for additional sales in the projections are accessories that account for about \$5500 during the first year.

In year two we project realizing 5% increase in sales by additional brands and more accessories to the sales mix as well as launch on-line sales. The product pricing will remain the same. Details are in the marketing section of this plan.

In year 3 we project to maintain the same sales as during year 2, but the increase revenue is due to 1% price inflation of the merchandise.

RESUME OR PERSONAL HISTORY

Sales

Hair Club - Wauwatosa, WI 2008 to Present

Joined as an Administrative Assistant, promoted rapidly to Image Consultant, based on strong communication, sales, operating and team leadership performance. Managed new sales and membership that included 430 clients at Wisconsin branch. Coached and managed stylist staff alongside director. Educated customers on product line and provided customized solutions for increased sales and retention. Drove growth by focusing on customer service, problem resolution and teamwork.

- Increased growth annually amid tough economic pressures.

- Developed successful strategies to retain and promote client growth.
- Inspired and implemented change to multiple procedures.
- Increased annual revenue for 6 consecutive years.
- Primary contact for existing and new clients.
- Generated enthusiasm with clients by identifying needs and wants and providing solutions to concerns.
- Responsible for retention, growth and sales stimulation.
- Ensured client satisfaction with products and services through continual client management.

Real Estate Agent

First Weber - Wauwatosa, WI 2006 to 2008

- Worked primarily outside sales. Working to convert "For Sale by Owner" to listing with First Weber.
- Top Seller and Top Listing Agent

Skills

Financial

Planning and

Profit Analysis

Microsoft Office

Suite

Exemplary Written Communication

Skills Sales Coaching

Public Speaking

Punctual, Reliable, Confident and

Independent Customer Relations and

Negotiation

Experience with Financing and explanation of options