

Great Day in the City of Lancaster Committee Minutes

Aug. 23, 2024 / City Hall

1. Call to order: 8:10 a.m.
2. Roll call
Members present: Rick Benson, Jessica Hermsen, Les Mack (Quorum present)
Members absent: Adam Fecht, Bart Straka
Others present: Michael Kuchta, Ted Schacht
3. Approval of minutes
M/S/C to approve minutes of Dec. 6, 2023 as presented (Mack, Hermsen)
4. Review investment report
As of July 31, 2024, fund balance is \$498,928. Questions were raised about the date of the Endres disbursement (*note: draws were made in June and July*), the interest rate Endres is paying (*note: 4% per annum beginning the date of the occupancy permit*), and if there are personal guarantees as part of the loan (*note: yes*).
5. Snug as a Bug
The child-care center expects to receive \$75,000 (to cover unanticipated construction expenses) through the revolving loan fund administered by Southwest Wisconsin Regional Planning Commission. If the loan is approved, the center will not need additional financial support from the committee at this time. The center has not yet tapped the \$50,000 grant approved by the city council in December 2023. The City anticipates replenishing the Great Day fund through tax increments generated by the center.
6. Builder Risk Reduction Program/Other Housing Initiatives
Discussion about an idea raised in 2021, in which the Fund partners with investors to front about 80% of the capital (at a below-market interest rate) to cover construction costs to build spec housing in Lancaster. The Fund would be replenished when a house is sold; that money then could be turned around for another house. Questions raised about builders who might participate, how to pre-qualify them, available lots, the types of housing that would be supported, and how many units to sponsor at the same time. Consensus to develop a more detailed proposal, contact potential builders, etc. before making a recommendation to the City.
General discussion about pursuing other municipal incentives (such as a land buy-down) for housing development in the city.
7. Adjourn at 9:06 a.m.

Michael Kuchta
City Administrator