

Affordable Housing Committee

Monday, June 17, 2024 8:30 a.m.
Eagle River City Hall, Council Chambers

Meeting Minutes

1. Call to Order. The meeting was called to order at 8:30 a.m.
2. Roll call. The following members were recorded present:
Scott Foster, Jim Holperin, Kent Kohn, Rachel Martin, Joe Schwartz.
3. Minutes of the May 13, 2024 meeting were distributed in advance but, lacking a quorum, no motion to accept them would be official. Holperin noted that last month's presenter, Krystal Westfahl from the Minocqua Chamber, contacted him recently to say that construction of a J-1 Visa worker dormitory would not be starting in August as she had reported. The builder, Holtz Companies, apparently took on a new investor for the Minocqua project and the company is now requesting an additional "developer's incentive" (over and above no-cost land) so there is now some uncertainty regarding the project's future.
4. a. Holperin said 33 J-1 Visa surveys of local businesses have been completed. (The number is actually somewhat higher since several respondents own two or more businesses.) About 80% of those expressed strong (60%) or likely (20%) interest in interviewing/hiring J-1 applicants, if housing were available for them. The remaining 20% said they were not interested in participating in the program. The survey will continue until the goal of 50 businesses is reached.

b. Holperin observed that the Committee is may be at a crossroads, with declining interest and attendance. This is likely based on an apparent lack of options for any meaningful progress, given the realities of the economy, interest rates, disinterest by local government in providing subsidies, the lack of easily obtainable grant or loan programs and other obstacles.

Since there seems to be a local need for J-1 workers, one path forward may be to choose a multi-room "dormitory model", or the smaller "residential house" model and develop a detailed cost analysis which could be used to interest investors or to qualify for grant/loan/tax credit government subsidies. If there is no interest in pursuing any J-1 housing options, the Committee should disband.

Foster observed that a continued focus on J-1 workers seems more like an economic development issue rather than a housing issue, and that it should be addressed more broadly by the business community. Kohn agreed that organizations like the Vilas County Economic Development Corporation are perhaps better positioned to take on the challenge.

Schwartz said if further work on the "dorm model" involves Holtz Companies, he would be skeptical given previous work with them and now the Minocqua experience. He feels the same way about government subsidies which require major control over projects while providing only a fraction of project costs. It may be better to seek out investors whose top priority is the success of the community and not maximum return on investment. Kohn added that he did not feel a Holtz project would offer truly "affordable" housing.

Foster said the more critical piece of the J-1 puzzle may be management of whatever type of housing can be found. If an individual or company or other management entity can be identified, perhaps builders and/or building owners would be more amenable to developing properties for J-1 use. Maybe the Committee could play a role in collecting data that would attract a management "partner"?

c. Kohn mentioned that the Wisconsin Housing and Economic Development Authority has a new housing grant program available. The Committee will seek more information. A "public input" session on the state's 2025-2029 Consolidated Housing Plan will be held in Crandon on Tuesday, June 25th from 1 to 3p.m. at the Crandon Public Library. The Plan guides the distribution of federal and state funding for a variety of housing-related programs.

d. Robin Ginner was unable to attend the meeting, but reported that the company which had an interest in developing acreage near the intersection of Hwys 70 and 45 on the City's east end is back in communication with the City, even after learning that the City is unable to offer any financial or other incentives at this time. The company had initially talked about 3 buildings with about a dozen units each. Also, a small development of 4 single bedroom units in one building near the intersection of Mill and Red Fox Streets may be in the works.

5. The next meeting is set for Tuesday, July 30 at 8:30a.m. Schwartz has invited representatives from the Spirit Cultural Exchange agency to address the Committee and interested businesses regarding the J-1 program. The meeting was adjourned at 9:10a.m.