



Council Agenda Item

Meeting Date:	February 17, 2026
Agenda Item:	City of Whitewater oversight of Community Development Authority
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BACKGROUND

(Enter the who, what, when, where, why)

Under Wisconsin law, a community development authority operates as an independent, separate and distinct public body and a body corporate and politic, exercising public powers determined to be necessary by the state to protect and promote the health, safety and morals of its residents, and may take title to real and personal property in its own name. [Sonday v. Dave Kohel Agency, Inc., 2006 WI 92](#). Wis. Stat. § 66.1335(1) is the statute creating a Community Development Authority (“CDA”) which also permits a city to designate a CDA as its agent for purposes of planning and carrying out community development programs and activities approved by the common council under the Federal Housing and Community Development Act of 1974.

The City of Whitewater created the CDA by adopting a resolution on July 19, 1983 and in doing so elected to have it act as its agent under the discretionary authority. The resolution was amended by Charter Ordinance No. 7 on August 3, 2021. The Charter ordinance modified the members of the Community Development Authority, but did not change their authority or directions from the City. The oversight and control of the CDA is further complicated by the fact that the City of Whitewater has also created a Community Development Department (“CDD”) which is jointly overseen and directed by the City Manager and the CDA. While acting as an agent for the City, the CDA is restricted to acting based upon the approval of the Common Council. However, the CDA does have clear authority to independently take actions regarding the elimination of blight, slum clearance, urban renewal programs and projects and housing projects.

While creating the CDA the City reserved the authority granted to the City Plan Commission and the City council under Wis. Stat. §§ 66.40 – 66.431, 66.435 and 66.4325. This authority allows the City and Plan Commission to develop a comprehensive plan, which the CDA is to use as a guide for carrying out its projects while acting as an agent for the City. This means the CDA is able to independently give direction to its own employees, take out loans, as well as buy or sell land without the express approval of the Common Council in order to carry out its primary tasks. It may also be sued in its individual capacity should its actions cause damage to others. The CDA is not entitled to funding from the City, maintains separate finances under Funds 900 and 910, and receives most of its funding from economic development within the City. As the CDA is an independent entity, the City is not able to exercise direct control of the CDA’s day-to-day operations or decision-making process. The City can define and set goals for the CDA and limitations on development based upon the ordinances it adopts, as well as the City’s comprehensive plan. However, the CDA can recommend modification of those goals and limitations which are modified if adopted by the existing Common Council.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

At Council meeting on February 3, 2026 a question was raised about the City Council’s oversight of the CDA and why the City’s organization chart shows the CDA as reporting to the council.

FINANCIAL IMPACT
(If none, state N/A)

N/A

STAFF RECOMMENDATION

No Action is recommended as this memo is advisory only.

ATTACHMENT(S) INCLUDED
(If none, state N/A)

N/A