



11333 N. Cedarburg Road
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www.cityofmequonwi.gov

ECONOMIC DEVELOPMENT BOARD
Tuesday, October 28, 2025
8:00 AM
North Conference Room

Agenda

- 1) **Call to Order, Roll Call**
- 2) **Approval of Meeting Minutes from August 25, 2025.**
Action requested: review and approve
- 3) **REVPAR Hotel Development Feasibility Analysis**
- 4) **Central Residential and SW Industrial Development**
- 5) **Community Survey Results**
- 6) **Staff Updates**
- 7) **Announcements**
- 8) **Adjourn**

Dated: October 24, 2025

/s/ Tim Carr, Chairman

.....
Notice is hereby given that a quorum of other governmental bodies may be present at this meeting to present, discuss and / or gather information about a subject over which they have decision making responsibility, although they will not take formal action thereto at this meeting.

Any questions regarding this agenda may be directed to the Dept. of Community Development office at 262-236-2903, Monday through Friday, 8:00 a.m. – 4:30 p.m.



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ECONOMIC DEVELOPMENT BOARD
Monday, August 25, 2025
8:00 AM
North Conference Room
Minutes

1) Call to Order, Roll Call

Present:

Chair Timothy Carr – joined remotely (non voting)
 Alderman William Gebhardt
 Board Member Dennis Engel
 Board Member Daniel Gannon
 Board Member Michael Kramer
 Board Member Tracy Johnson
 Board Member Jeff McLean
 Board Member Colin Boyd -- **Absent**
 Board Member Inge Plautz -- **Absent**

Acting Chair Jeff McLean called the meeting to order at 8:00 a.m.

2) Approval of Meeting Minutes from July 29, 2025

RESULT: **Approved [Unanimous]**
MOVED BY: Board Member Kramer
SECONDED BY: Board Member Engel

AYES:	Gebhardt, Engel, Gannon, Kramer, Johnson, McLean
ABSENT:	Boyd, Plautz

3) Hotel Development Feasibility Contract Award Closed Session

Action

Ald. Gebhardt made a motion to go into closed session.
 Board member Johnson seconded the motion.
A voice vote was taken; vote passed (6-0)

The Board met in closed session to discuss the hotel feasibility contracts .

Action

Ald. Gebhardt made a motion to come out of closed session.

Attachment: EDB_08.25.25_DRAFT (10748 : Meeting Minutes from August 25, 2025)

Board member Gannon seconded the motion.
A voice vote was taken; vote passed (6-0)

4) Hotel Development Feasibility Contract Award

Action

Board member Johnson made a motion to recommend REVPAR be awarded the contract for the hotel development feasibility study.

Board member Kramer seconded the motion.
A voice vote was taken; vote passed (6-0)

5) Staff Updates

Director Kim Tollefson stated that the Committee of the Whole was presented with the Port Washington Road rezoning modifications and the recommendations from Planning Commission. The Common Council feedback included:

- Set aside the residential discussion so not to delay other decisions as it is controversial and it merits more discussion.
- Split opinion regarding the 3-story, greater massing.
- Address options for non-conformities.
- Staff to meet with property owners to provide them with additional options, create a greater value for their properties and gain their support for the zoning changes.

She commented that Planning Commission has reviewed the zoning changes twice and will recommend changes before year end.

Dir. Tollefson stated that the community survey responses have been received but have not yet been shared with staff, but she hopes to have this information for the Board at the next meeting.

6) Announcements

The Ozaukee Economic Development annual awards and breakfast is scheduled for Tuesday, September 30th. Board members are invited to sit at the city table and this breakfast will take the place of the regularly scheduled EDB September meeting. The next Board meeting will be Tuesday, October 28th at 8:00 a.m.

7) Adjourn

Action

Board member made a motion to adjourn the meeting.
 Board member Kramer seconded the motion.
A voice vote was taken; vote passed (6-0)

Respectfully Submitted,
Kim Tollefson
Director of Community Development



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Office of Community Development

TO: Economic Development Board
FROM: Kim Tollefson, Director of Community Development
DATE: October 28, 2025
SUBJECT: RevPar Hotel Development Feasibility Analysis

Background

The Common Council, at its meeting in September 2025, awarded the Hotel Development Feasibility contract to REVPAR, Inc. as recommended by the Economic Development Board. As a reminder the proposal has multiple phases of work, and the contract requires city authorization to proceed with subsequent phasing to ensure a cost-effective and efficient approach to the market analysis findings.

Progress to date includes a kick-off project discussion to review the objectives, phase 1 work and timing as well as a site visit by REVPAR. The site visit includes a meeting with staff to review local data, corridor conditions, local and regional development activity, and major infrastructure projects. The REVPAR team shared insight into the hotel industry and the structure of ratings, average construction costs, typical hotel room numbers and rates as well as product offerings and service levels. Mequon is a subset of one of three Milwaukee markets. The REVPAR team spent time in Mequon and the surrounding communities evaluating conditions as well as conducting interviews with a variety hotel representative and demand generators.

REVPAR Inc. and staff expect to meet during the first half of November to discuss early market conditions and findings.

END OF MEMO



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Office of Community Development

TO: Economic Development Board
FROM: Brian Sajdak, City Attorney
DATE: October 28, 2025
SUBJECT: Central Residential and SW Industrial Development

Introduction

I have been asked to provide an update with respect to the consideration of the southwest industrial zoning, and more specifically, the status of the Milwaukee Water agreement.

Discussion

You will recall that last year, I completed an analysis of the existing agreement with the Milwaukee Water Works (“MWW”) for the provision of water service to the City. That review identified three primary issues with existing contract which could be impediments to the southwest industrial zoning: (i) the total amount of water to be provided under the agreement; (ii) the limitation on two connection points between the communities; and (iii) a limit on the amount of new development within the City.

After this review, I prepared a revised version of the contract which eliminates the limit on development, adds a third connection point (with associated volume increase), and otherwise cleaned up the agreement. After some discussions with my counterpart with the Milwaukee City Attorney’s office, they eventually requested that the City submit a formal request to negotiate the agreement. On July 15, that formal request to negotiate was submitted to Patrick Pauly, Utility Superintendent of MWW.

MWW responded with an initial request to calculate and provide numbers related to the development clause in the contract. In short, this clause limited customer growth to undeveloped or unimproved properties as of November 16, 1998, to 20% of the total service connections. Staff calculated the development clause ratio and provided it to MWW. As of 2024, 24% of the total service connections in the utility were to properties that were undeveloped or unimproved as of November 16, 1998. After their review of the submission, we were informed that Milwaukee would commence its process to negotiate the agreement, which begins with the introduction of a resolution with the Common

Council. Because of the time crunch experienced during municipal budget season, Superintendent Pauly indicated that the resolution would likely be introduced in late October.

Upon introduction of the resolution, the MWW, the Department of City Development, and the Legislative Reference Bureau are directed to examine the request and to prepare a report on the request. This report includes an analysis by MWW of the feasibility of the sale of water, demographic information from the Legislative Reference Bureau, and an economic and land use analysis by the Department of City Development. Mequon will also be provided with an opportunity to address its comprehensive plan and its impacts on housing and transportation.

Under the current Milwaukee Resolution establishing this process, Milwaukee's negotiating team will include the Mayor, City Attorney, MWW Superintendent, Common Council President, Comptroller, Director of Budget and Management, and a Legislative Reference Bureau representative. The Resolution further directs that a component of the negotiations will be to obtain an economic development provision (a "Cleveland Agreement") to compensate for lost economic development, although the precise amount is dependent on the circumstances and negotiation.

Given that this request is not to serve a completely new municipality, we anticipate that the reporting and negotiations will be completed fairly quickly. Having a final agreement prepared and presented to the respective utilities for consideration and approval during the first quarter of 2026 remains a realistic goal.



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Office of Community Development

TO: Economic Development Board
FROM: Kim Tollefson, Director of Community Development
DATE: October 28, 2025
SUBJECT: Community Survey Results

Background

The City's 2025 Community Survey is complete, and the results were shared with the Common Council Committee of the Whole at their September meeting. The report which summarizes the findings can be found in the following link:

[<https://www.cityofmequonwi.gov/community/page/2025-community-survey>](https://www.cityofmequonwi.gov/community/page/2025-community-survey)

The survey addresses specific work program elements for the Board's review and discussion including zoning for Port Washington Road, residential development in the south and central portion of the city and the southwest industrial development the city would like to pursue.

END OF MEMO