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ECONOMIC DEVELOPMENT BOARD

Tuesday, February 21, 2023

8:00 AM

North Conference Room

Minutes

1) Call to Order, Roll Call

Present:

Alderman William Gebhardt
Board Member Dennis Engel
Board Member Tracy Johnson
Board Member Michael Kramer
Board Member Inge Plautz
Board Member Bruce Sipiora
Board Member Timothy Carr – virtual attendance
Board Member Jeff McLean – virtual attendance
Board Member Daniel Gannon -- **Absent**

2) Appointment of a Chair pro tempore

Action

Board member Johnson made a motion to appoint Board member Mike Kramer Chair pro tempore.

Board member Sipiora seconded the motion.

A voice vote was taken; vote passed (6-0)

3) Approval of Meeting Minutes from January 24, 2023

Action

Board member Engle made a motion to approve the meeting minutes from January 24, 2023.

Alderman Gebhardt seconded the motion.

A voice vote was taken; vote passed (6-0)

RESULT:	Approved [Unanimous]
MOVED BY:	Board Member Engel
SECONDED BY:	Alderman Gebhardt
AYES:	Gebhardt, Engel, Johnson, Kramer, Plautz, Sipiora
ABSENT:	Gannon

4) P2 Development - DA Extension

Director Tollefson stated that the request is for the P2 Development project that is currently under construction on Buntrock Avenue consisting of 42 townhomes. The developer assembled two dilapidated, underutilized parcels for this new development. They have a TC TIF Incentive, which was recommended by the Board, and advanced through the approval process of both the Finance and Personnel Committee (“F&P”) and the Common Council. The incentive is pay-as-you-go and there is a projected project value anticipated and documented as part of the Development Agreement (“DA”) as well as a construction time frame agreed upon by the developer and the city. Upon completion of the project, final costs vetted, after the first year of assessment and the first year of taxes are paid, at that point the city starts reimbursing at a percentage point for just the cost of the cleanup and demolition.

The original DA anticipated the project would be completed by June of 2023, and a 90-day extension is being requested until September 2023. The Board packet details some of the delays incurred by the developer. There is no financial impact to the developer or the city because of the timing within the calendar year.

The DA also contemplates the changes in potential value; the agreed upon costs for demolition and the agreed upon projected estimated project value, both values are revised and vetted for a final dollar amount and the incentive is adjusted accordingly.

Staff recommend approval of the extension request as there is no financial impact to either entity. EDB recommendation will be advanced to F & P in March and the Common Council will also take action on it that same night.

A representative for the applicant answered that there are no additional delays are expected.

Action

Board member Engle made a motion to recommend the approval of the requested extension until September 2023.

Board member Plautz seconded the motion.

A voice vote was taken; vote passed (6-0)

RESULT:	Recommended [Unanimous]
MOVED BY:	Board Member Engel
SECONDED BY:	Board Member Plautz
AYES:	Carr, Gebhardt, Engel, Johnson, Kramer, McLean, Plautz, Sipiora
ABSENT:	Gannon

5) Industrial Land Use

Dir. Tollefson stated that based on the previous meeting the mayor has communicated that he would like the EDB to focus on this policy item. Last month a land use chart of industrial uses was provided and both Menomonee Falls and Germantown have been added to that chart per the request of the Board.

She explained that the Board was requested to vet through the uses to determine two factors:

1. Which uses would exceed the tolerability in the city so they can be eliminated from the chart.
2. The marketability and whether the uses should be classified as conditional (use can be denied, staff and the Planning Commission can vet the type of use and mitigate potential negative impacts) or permitted (no application, use not vetted).

She talked about the context of the surrounding area and the potential impact of the Ozaukee Washington land (“OWLT”) parcel to potential users. She explained the different zoning of the neighboring parcels in the nearby area. She mentioned that excluding OWLT, there is about 200 acres of possible land available for industrial users.

Dir. Tollefson stated that a next step is for staff to reach out the existing property owners in that area to learn more about their future plans for the next 5-10 years. She has reached out to Ozaukee Economic Development to discuss what interests they are receiving for possible industrial users in Ozaukee County, and she will reach out to M-7 and WEDC as well.

The Board discussed this new area including advantages and disadvantages to this location, different levels of manufacturing and what level should be allowed in this new area, what level of uses are allowed by the neighboring communities, infrastructure concerns, road conditions in the area, creating the new zoning district and controlling operational issues for the neighbors.

The Board voiced a preference for light-medium manufacturing but do not want to eliminate the option of heavy use, they are interested to hear the feedback from M-7 and WEDC. They believe it is critical to have the availability of infrastructure there. There was some discussion about conditional vs permitted uses. The Board talked through the chart of uses included in the packet and learned that each use will eventually be classified as permitted, conditional or prohibited.

Dir. Tollefson outlined the next steps:

- The uses need to be put into categories.
- Neighboring property owners will be contacted.
- Better understand market conditions with other entities.

She offered the idea of hiring a broker later in the process to conduct a small market analysis to better understand the market so that appropriate decisions can be made for this new zoning district. The Board supports this due diligence.

6) Staff Updates

Dir. Tollefson stated that the Common Council approved the TIF expenditures from Town Center for just over \$5M. The improvements will begin this spring.

7) Announcements

The next meeting is Tuesday, March 21, 2023, at 8:00 a.m.

8) Adjourn

Respectfully Submitted,

Kim Tollefson
Director of Community Development