City of Mequon

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ECONOMIC DEVELOPMENT BOARD
Tuesday, April 27, 2021
8:00 AM
Virtual Meeting

Minutes

1) Call to Order, Roll Call

Present:
Chair Timothy Carr
Alderman Brian Parrish
Board Member James Baka
Board Member Daniel Gannon
Board Member Michael Kramer
Board Member Bruce Sipiora
Board Member Andrew Petzold **-- Absent**
Board Member Rick Shneyder **-- Absent**

2) Approval of Meeting Minutes from March 23, 2021

Action
Mr. Gannon made a motion to approve the meeting minutes from March 23, 2021.
Mr. Kramer seconded the motion.
A voice vote was taken; vote passed (6-0)

RESULT:	**Approved [Unanimous]**
MOVED BY:	Board Member Gannon
SECONDED BY:	Board Member Kramer
AYES:	Carr, Parrish, Baka, Gannon, Kramer, Sipiora
ABSENT:	Petzold, Shneyder

3) Port Washington Tax Incremnet District (TID) No. 5 Incentive Request

1. Port Washington Road Tax Increment District (TID) No. 5 Incentive Request for property located at 10448 N. Port Washington Road.

Dir. Tollefson gave some background on the TIF district for the new Board members joining the call. She explained that there are two TIF districts along Port Washington Road and both are located south of Mequon Road. The property requesting the TIF Incentive is in TID District #5.

The proposed new construction value for this project is approximately $4.7M which is a substantial net value increase compared to what is currently there. Because the proposed project will only remove portions of the building and will use the majority of the existing structure, staff worked with the developer and builder to evaluate the loss of the improvement value based on what portions of the building are being removed. The eligible incentive available is a little more than $462,000. Based on the estimated new value, the tax revenue generated from it and the city returning 100% of that revenue; the payback period will be just over 6 years. This falls with the 15-year criteria for paying back the developer as well as within the time frame of paying back the TID before it is closed. Staff recommends approval of the incentive because the proposal meets the standards to qualify for TID funds under the approved Fast Track Formula as well as the project will generate a net financial benefit to the TID and sponsors the redevelopment at a high visibility location.

Dir. Tollefson explained that if the Board recommends approval of the incentive request, the item will be forwarded to the Finance and Personnel Committee as well as the Common Council at their May 11th meeting and it will be supplemented with a Development Agreement ("DA") which aligns with this projects' rezoning request.

The applicant, Michael Kelly from Blue Ribbon Management, stated that the property is scheduled to be fully vacant in May and they are ready to start construction this summer to convert it to a class-A storage facility. Life Storage will most likely be the operator; they are a national company with around 1,000 locations across the country. Based on feedback from the Planning Commission, the hours of operation have been changed from 24-hours to operating between 6:00 a.m. to midnight and there will be an interior loading area with a glass door, and it will be a fully contained use.

Based on questions from the Board, Mr. Kelly answered that the color of the building will be changed to a natural palate, 4 bump outs will be incorporated on the building facade, and glass features will be added. The dock area will be filled in and a glass wall will be added there. Additionally. a significant amount of green space will be given back to this site as much of the parking lot area will be removed.

There were questions and discussion from the Board and the applicant regarding the incentive process and the redevelopment and improvements that are proposed.

Action
Mr. Baka made a motion to make a recommendation of approval of the TIF incentive to the Common Council.
Ald. Parrish seconded the motion.
A voice vote was taken; the vote passed (5-1) (No Vote: Sipiora).

RESULT:	**Approved**
MOVED BY:	Board Member Baka
SECONDED BY:	Alderman Parrish
AYES:	Carr, Parrish, Baka, Gannon, Kramer
NAYS:	Sipiora
ABSENT:	Petzold, Shneyder

4) Port Washington Road Redevelopment

Asst. Dir. Zader stated that at the last meeting the Board discussed different scenarios throughout the city of developments that went well and developments that could have been done better and the level of city involvement in those projects. Staff is providing recommendations for the approach moving forward regarding incentives and what will help to spur redevelopment along the Port Washington Road Corridor (south of Mequon Road). Included in the packet (page 19) is a matrix with blue highlights of areas where changes could be made to further spur redevelopment. One example is Economic Tools and staff will look to modify the current incentive or create a new incentive for applicability on what projects would qualify for an incentive. The Fast-Track Formula currently in place does not work for some projects and staff will work to modify it as well as look to possibly create specific incentives for targeted properties.

Asst. Dir. Zader stated that at the next meeting a visual graphic will be provided that will show both of the TIF districts, the boundaries, the parcels, which buildings in the boundaries have been redeveloped and which have not been redeveloped yet and areas where there may be some opportunity for targeted investments.

Asst. Dir. Zader explained that an ad hoc committee has been formed to review and modify the architecture design guidelines and the Board will review the guidelines as well.

Finally, the topic of beautification will need to be addressed. There are excess funds in both TIF districts that can be used towards these efforts. Staff has considered hiring a design consultant to help recommend and adopt a plan for beautification and enhanced aesthetics of the area.

He asked for feedback from the Board on the proposed plan to review and evaluate this area. There was discussion amongst the Board regarding whether the best approach is to focus on the whole area or on a site-by-site review. There was a suggestion to incentivize assemblage of parcels to allow for more buildable areas. Overall, the Board supports the course of action recommend by staff.

5) Overview of Town Center TID Workshop on May 4, 2021

Dir. Tollefson stated that the presentation will be given to the Committee of the Whole on Tuesday, May 4th and this virtual meeting is open to the public to attend. She explained that staff is also reaching out to developers, property owners, business owners and residents that have invested in the neighborhood over the last several years for their feedback on what they believe the city needs to do to protect the investment they have made, what their ideas are about continuing the economic growth momentum and what services or amenities in their daily life they feel are missing or could be enhanced. She stated that the type of projects that can be done with the TIF funds are limited but the feedback from the stakeholders is important and they are expressing their interest in continuing to invest in the neighborhood. Other feedback from the stakeholders includes the importance of connectivity among the sites as well as continuing to enhance the features in the unique spaces in this neighborhood (riverfront, inter urban trail, civic campus).

Dir. Tollefson gave a brief overview of her presentation. She stated the goal of the presentation to the Council is to get some consensus from the Council on their level of funding as well as a priority list of projects.

6) Staff Updates

Dir. Tollefson stated that there has been some increase in Planning Commission applications as well as an increase of activity at the Community Development counter for inspections and permitting at City Hall.
Asst. Dir. Zader stated that ICAP Development will be proposing a new multi-tenant building at the May Planning Commission.

7) Announcements

The next meeting is Tuesday, May 25th at 8:00 a.m.

8) Adjourn

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

Respectfully Submitted,

Kim Tollefson
Director of Community Development