



11333 N. Cedarburg Road
Mequon, WI 53092
Phone: 262-236-2903
Fax: 262-242-9655

www.ci.mequon.wi.us

ECONOMIC DEVELOPMENT BOARD

Tuesday, May 25, 2021

8:00 AM

Virtual Meeting

Agenda

ELECTRONIC MEETING NOTICE: Pursuant to the current recommendation of the CDC limiting the size of public gatherings and the various federal and state orders implementing that recommendation, and to help protect our community from the Coronavirus (COVID-19) pandemic, this meeting will be held virtually through the GoToMeeting platform with each member accessing the meeting remotely. Citizens may join the meeting online or by phone. Please go to <https://global.gotomeeting.com/join/156685141> to join the meeting online or call into the meeting by dialing 1.877.309.2073 and enter access 156-685-141

WRITTEN PUBLIC COMMENTS may be made in writing in advance of the meeting. Written comments should be directed to the Department of Community Development at least 2 hours prior to the meeting by email at DCD1@ci.mequon.wi.us addressed to the intended committee. Written public comment may also be deposited in the drop box at City Hall on 11333 N. Cedarburg Road, Mequon at least 2 hours prior to the meeting. Comments received timely will be forwarded to all members of the body for their consideration.

VERBAL PUBLIC COMMENTS will be accepted only from members of the public who register in advance. Registration shall be made by sending an email to Robin Buzzell at rbuzzell@ci.mequon.wi.us or by leaving a message at 262.236.2902 no later than 2 hours prior to the meeting.

- 1) Call to Order, Roll Call**
- 2) Approval of Meeting Minutes from April 27, 2021**
Action requested: review and approve.
- 3) Introduction of Board Members**
- 4) Port Washington Road Redevelopment**
- 5) Recap of Town Center TID Workshop on May 4, 2021**
- 6) I-43 Construction Update**
- 7) Staff Updates**

8) Announcements

The next meeting is Tuesday, June 29, 2021 at 8:00 a.m. *(this is a schedule change)*

9) Adjourn

Dated: May 21, 2021

/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.



See Agenda Packet for
Login and Complete Packet Details
Mequon, WI 53092
Phone:
Fax: 262-242-9655

www.ci.mequon.wi.us

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)

MOVED BY: Board Member Gannon

SECONDED BY: Board Member Kramer

RESULT: **Approved [Unanimous]**

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 Increment 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.

Attachment: EDB_04.27.21_DRAFT (6277 : Meeting Minutes from April 27, 2021)

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: Sipiara).

RESULT: **Approved [Unanimous]**
MOVED BY: Board Member Baka
SECONDED BY: Alderman Parrish
AYES: Carr, Parrish, Baka, Gannon, Kramer, 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

TO: Economic Development Board
FROM: Jac Zader, Assistant Director Community Development
DATE: May 25, 2021
SUBJECT: Port Washington Road Redevelopment

Background

At the April 27th meeting, staff identified priority objectives based on the four categories of tools that can be leveraged to encourage redevelopment of the Port Washington Road corridor (see attached matrix). Based on feedback from the Board, the public improvements along Port Washington Road and a modification to the Tax Increment Districts' incentive formula are viewed as the two top priorities. The detailed matrix provided to the board last month is included in the packet for reference. Other priorities include updated design standards and new zoning districts which staff will address opportunities for action for these priorities at a future meeting.

Staff has created a story map which can be accessed [Story Map](#) that shows the current properties and conditions within the two TIF Districts along Port Washington Road to help guide the Board further refine their recommendations related to these two priority objectives. The story map is interactive and allows the user to scroll through the presentation, zoom in on pictures and select parcels from the map.

Analysis

While staff will be giving a presentation at the meeting of the information in the story map, it would be beneficial for the Board members to review the information ahead of time to be prepared to answer questions outlined below.

Public Improvements along Port Washington Road

The city initiating public improvements along Port Washington Road corridor is complicated by the fact that is under the jurisdiction of Ozaukee County. The County in the past has resisted beautification improvements which may result in an increase of future maintenance efforts by their staff. Most recently the city has attempted to create an adopt a median program to allow business owners along the corridor the ability to install and maintain landscaping in selected medians along the corridor. The County has not approved any agreements with the city to date although negotiations are occurring and on-going. Any improvements proposed by the Board would also need approval of the County.

This section of Port Washington Road has a very wide cross section with very little trees and landscaping within the right of way despite having large grass filled medians. In addition, the west side of the road has overhead power lines that run almost the entire length of the corridor as well as very tall outdated light fixtures within the center medians. The combination of these factors makes the roadway appear stark and even wider that it is. In order to create significant aesthetic change, staff believes that a comprehensive approach is necessary. This would include median improvements, street trees, and updated lighting along the entire corridor. In order to move forward staff is requesting the board address the following questions:

1. Is the Board supportive of wholesale streetscape improvements to the PW road corridor?
2. Does the Board support the use of existing TIF cash reserves (\$711,000) to pay for such improvements?

3. Are there certain types improvements or geographic locations that are a higher priority than others?

Modifying the Incentive

The current fast track formula was intended to be used primarily for redevelopment involving razing of existing structures to be replaced by new structures. The intent was to provide incentives for properties to treat them as they were a green field development. For redevelopment that involves improvements to an existing building it does not work as well. This is due to several reasons including the stipulation that the improvement value must increase by at least \$1.5M and the strict reliance on the pay as go formula. The option to address specific targeted sites with a custom approach may be necessary. After reviewing the information provided in the story map staff is requesting that the board respond to the following questions:

1. Is there support for a modified incentive based on specific targeted properties?
2. Should incentives be used for minor improvements such as site plan updates or façade improvements?
3. Is there consensus on which parcels are considered the highest priority?
4. Should the incentives include using existing cash reserves or continue to rely on the PAYGO method?

Once the Board formulates recommendations on these tools/objectives staff will bring forward other priority tools/objectives from the chart for the Board to review. Once all of the recommendations are finalized, they will be presented to the Council for review and approval.

Attachments:

Copy of Chart (XLSX)

	Reaction/Lower Risk/Slow Results	Middle Point	Proactive/Higher Riask/Greater Impact/Quicker Results
<u>Objectives:</u>			
1. Economic Tools TIF RLF	Current Incentive Current Loan Program Based on Job Creation	Modify Incentive for Expanded Applicability	Target Priority Sites Consider Assemblage & Acquire Market Case by Case Incentive Modify for Target Priority Sites Assess Other Neighborhoods In Need
2. Regulatory Zoning	Update Technical Standards Require Consistency: Specified Waivers	Modify to Create Distinction by Use / Location	Evaluate Market Need / Trends / Hire Analyst
3. Design Guideline / Zoning Site Plan Approvals	Update Architecture Update Site Design Require Consistnecy: Specified Waivers	Form Based: Heirarchy Based on Location Create Design Board	Offer Matching \$ Program
4. Beautification TIF Comminuity Orgs		Develop Streetscape & gateway features by location Encourage Project/Fundraising	Hire Design Consultant
Examples:	Donges Bay & Cedarburg Road Neighborhood	Port Zedler Motel	Town Center Central Growth

Police & Fire Station: early assessment suggests if a new facility is desired/needed, then a joint facility on the east side is better positioned

Park N Ride: an Intergovernmental Agreement mandates a City responsibility for a park-n-ride

Attachment: Copy of Chart (6278 : Port Washington Road Redevelopment)

I-43 Construction Packages

#	Segment	ID	Letting Month	Construction Years
1	Work Zone Prep	1229-04-70	July 2021	late 2021
2	North End	1229-04-76	Nov 2021	2022-2023
3	County Line Rd/ Port Rd Interchange	1229-04-74	Dec 2021	2022 to mid-2023
4	Port Washington Rd	1229-04-71 (tied w/ 72/73)	Oct 2022	2023
5	UPRR Bridge	1229-04-72 (tied w/ 71/73)	Oct 2022	2023
6	South End	1229-04-73 (tied w/ 71/72)	Oct 2022	2023-2024
7	Mequon Rd Interchange	1229-04-75	July 2023*	mid-2023 to 2024

*design schedule unchanged, package advanceable to earlier FY '23 letting if needed

