

MINUTES

Community Development Authority Meeting

June 5, 2019

Members Present: Ken Brost, Dan Kolk, Stephanie Brassington, Peter Bloechl-Anderson, Sue Smith, Jerry Dietzel

Members Absent: Toni Stolarik

Staff Present: Matt Schuenke, Pauline Boness, Karen Knoll

Others Present: Keith Turtenwald, Lincoln Contractors Supply; Brett Rieman, Brian Spanos, Lakestone Properties; Andrew Bremer, MSA; Ryan Quam, Quam Engineering LLC

1. Call to Order

Brost called the meeting to order at 7:00 p.m.

2. Public Appearances - None

3. Approval of Minutes

- a. Review and possible approval of the May 1, 2019 Community Development Authority minutes.

Smith moved to approve the minutes of May 1, 2019 Brassington seconded the motion. Motion carried 6-0.

4. BUSINESS.

- a. Review and possible recommendation to the Plan Commission regarding a request by Lincoln Contractors & Supply for a conditional use permit to allow outdoor storage at 4414 Terminal Drive, McFarland, WI. The property is located in TID #3.

Keith Turtenwald of Lincoln Contractors Supply indicated they are applying for a Conditional Use Permit for outside storage of commercial rental equipment at 4414 Terminal Drive. Turtenwald reviewed the plans identifying the access to their proposed site and how outside storage will be at the rear of the property. They have outgrown their current location of about 18,000 sq.ft. this building is about three times the size of their current one. In 2001, they formed an agreement with Fabco, now known as Fabick Supply to co-habit space, two separate businesses that operate under one roof. KS Energies will

also be a tenant at the site. Packets include an explanation of all three businesses, they have similar storage needs. Lincoln Contractors Supply is purchasing the property. In response to Boness's question, you might be able to see some of the lift equipment, if you looked for it; they are willing to keep the lift type equipment lowered on the site, when being stored. Boness summarized, this is before the CDA as this site is in TIF #3. The Triangle & Terminal District Plan Design Guidelines covers discussion of screened outdoor storage in the area. It appears the area they will be using as storage, is screened by the existing building as well as the distance from the street. Kolk inquired if they would be using the railroad spur, and if there would be any significant additional lighting. Turtenwald replied he presumed there is significant lighting on the site and it would be kept lit at night. He did not anticipate using the railroad spur.

Smith moved to recommend to the Plan Commission approval regarding a request by Lincoln Contractors & Supply for a conditional use permit to allow outdoor storage at 4414 Terminal Drive, McFarland, WI. The property is located in TID #3. Dietzel seconded the motion. Motion carried 6-0.

- b. Review and possible recommendation to the Plan Commission regarding a revised General Plan and Detailed Plan for Phase 1 Development. The property address is 4703 Terminal Drive, McFarland, WI. The property is located in TID #3.

Ryan Quam, of Quam Engineering identified the office space is now located on the top of the site, and he is not sure how it will work out depending upon finding a tenant for the site. Quam reviewed the process of laying out the mechanicals for the site, and how he has changed the design over time. He has cleared some trees, and is now proposing a four-story building, with a smaller footprint and a three story building on the site rather than two & three story buildings. The apartment will remain the same. The lot line on the CSM has moved slightly. He is here tonight to seek approval of the new general plan. Quam reviewed the storm water layout for the site, and changes made from his previous proposal. Boness inquired of the changes made to the storage building. Quam replied it was always discussed there would be a storage building to be used by the current owners who will in essence become tenants on the site until phase IV, they want to have a 40' x 72' storage shed on the site. The existing garage on site will be removed; they are also planning a house addition of approximately 1780 sq.ft. which will mostly be garage. Smith inquired will this be all indoor storage? Quam replied yes, both would be used for indoor storage, the house and addition will be removed in Phase IV, and he would like to keep the separate shed permanently for his use. There is currently a barn on the site, which will be removed by next year.

Smith is concerned about the four-story office building, and how close it is now going to be to Hwy. 51, this will make it much more noticeable than previously proposed. Is this the view you want when entering into McFarland, when in the past the discussion has always been about the look of the entrance to the community? Brassington felt it was more about what the potential tenants could see from their windows. Quam stated he envisions it being about the same height of the current oak trees, the site design may change and be further back, the realtor he is working with feels it is best closer to the highway. Quam

reviewed he is looking at possibly moving some of the trees from the dog park area to shield views at the north end of the parking lot. Boness asked why Quam decided to add an additional floor to the office building, when he has indicated his concern over being able to find a tenant for the property. Quam replied if he has a hard time filling one with four floors, he might be coming back with a proposal for a three story. If he can get an anchor tenant, he would like to build a four story. Quam reviewed the grading challenges to the property, the retaining wall and trees. He will have more surface parking than the original proposal, but will have enough for the size of the buildings.

Boness asked about traffic concerns on Terminal Drive. Quam replied in the past, there has been a lot of traffic; he would be in favor of improvements to the road. Quam advised he would be coming back with a detailed plan with more specific renderings for buildings.

Bloechl-Anderson moved to recommend to the Plan Commission regarding a revised General Plan and Detailed Plan for Phase 1 Development. Located at 4703 Terminal Drive, McFarland, WI. The property is located in TID #3. Brassington seconded the motion. Motion carried 6-0.

- c. Discussion and action to make a recommendation to the Village Board regarding the application for Tax Increment Financing from Lakestone Properties in order to redevelop the property at 4719 Farwell Street as a mixed-use residential and commercial facility (Phase 1). The property is located in TID #5.

Schuenke reviewed the process to date. They have been working to complete the TIF application, along with WEDC grant application. Once that process is completed, they move into the site design and review stage of the development, and later into the developer's agreement stage. Andrew Bremer has reviewed the application in the packet and has given a projection on the Performa.

Brett Reimen – The TIF application is for Phase I, the mixed-use building, it was originally a 44 unit, it is now a 47 unit with studios, one and two bedroom units along with service type office space. Borings indicate water levels in the area are high, so they are looking at how to handle it and have situated the buildings to reduce costs. They do not think they will have to do as extensive of work as originally thought, to deal with the water issues. The target market is 55 and older; they will have activities in the building, community room & fitness center geared for that age bracket. They will have Phase II, which will be a 12, 000 sq.ft. commercial building. They have not marketed that one to date. The first phase will have underground parking, and the commercial parking will be all surface parking. Reimen summarized by adding three units, reducing what they thought they would have to spend for water issues for underground parking, soil conditions and a few modifications to the site they were able to reduce the TIF request, and make the numbers work.

Andrew Bremer of MSI reviewed the memo he provided in packets reviewing the request versus the policy manual. The request is initially for the Phase I building.

Schuenke wanted to point out this is a much-improved picture over the last time they looked at the project. This avoids more general obligations, this falls in line with what we are looking for, and larger projects often need the full twenty years. We will look at each project on its own merit.

Spanos advised he feels this is a unique project, the cost of the land was an issue. Schuenke agreed that was an obstacle, the Village had to get involved. This also goes back to the RFP, the initial responses did not require any TID assistance, they were able to cash flow; but, there were certain things the Village wanted to see happen, and as they wanted to see change they were willing to pay for some of it. The grant will also help pay for part of this. This is the same concept you approved at the last meeting, you will be looking at the detailed plan at an upcoming meeting. Bremer pointed out with this particular TID the largest expenditure was set for development incentives

Brassington moved to make a recommendation to the Village Board regarding the application for Tax Increment Financing from Lakestone Properties in order to redevelop the property at 4719 Farwell Street as a mixed-use residential and commercial facility. Kolk seconded the motion. Motion carried 6-0.

- d. Discussion and action to make a recommendation to the Village Board regarding an application to the Wisconsin Economic Development Corporation (WEDC) for their Community Development Investment Grant Program for the redevelopment project at 4719 Farwell Street.

Schuenke informed this project is a viable candidate for a grant through the WEDC, who is trying to encourage infill development. They have utilized this program for a few years now. The grant can be up to \$250,000. Boness and Schuenke met with WEDC and they encouraged the Village to apply before the end of the State's fiscal year, which is June 30, 2019.

This is funding which helps both the Village and Developer for a project such as this. The Village should have a fair chance of receiving one. The Village will be the grant applicant, the dispersal of the funds could be part of the Development Agreement. Bremer pointed out one of the benefits of this program is it is not tied to any federal money; it is less competitive as you can submit at any time.

Brassington moved to make a recommendation to the Village Board regarding an application to the Wisconsin Economic Development Corporation (WEDC) for their Community Development Investment Grant Program for the redevelopment project at 4719 Farwell Street. Kolk seconded the motion. Motion carried 6-0.

- e. Discussion and presentation regarding the conceptual plan to create TID #6 as an overlay district.

Schuenke reviewed there was concern about projects not being able to receive payback due to the end of a TID. A suggestion was to create TID #6 as an overlay district. We have to

meet with the Joint Review Board who will ultimately decide. We want to present to them in June and they would then have until October to decide to follow through. This is not an action item, just a discussion and presentation at this time. It will be presented to the Joint Review Board to see what their feelings are on it.

Bremer stated you have until August 9, 2022 to incur any new capital expenditures; TID #3 is doing fairly well. The immediate need is what projects to you still want to do, what is the timeframe and can TID #3 fund it. The benefit of an overlay is it can be help; some of the costs for improvements can be split across the two TID's. If you maximize all of the cash in TID #3, it can also help TID #6 get off the ground. You also look at what parcels can benefit from being longer term in a TID.

As soon as TID #3 closes, the current value of property acts as the base for TID # 6. Kolk inquired if you are proposing taking out some properties. Bremer said he initially thought those on the east side which need work might be in TID #6. We still have to have continuity, there cannot be any islands.

4. SCHEDULE NEXT MEETING DATE.

- a. Wednesday, July 3, 2019 at 7:00 pm (The CDA may want to discuss rescheduling this meeting due to its proximity to the July 4th Holiday).

Brost pointed out next month July 3rd is a Wednesday, are there any issues with a meeting on that day. Members discussed the Fourth of July holiday, and potential issues with a Wednesday July 3rd meeting. Schuenke asked members if they could potentially move the meeting up one day, if they wanted to hold the meeting the week of July 1st, could we hold it on July 2nd. Brost would be unable to attend. Bloechl-Anderson informed this would be his last meeting; there is a possible replacement for him. Kolk preferred July 2nd, Brassington could meet either day, Dietzel preferred July 2nd, Smith was unsure at this time. Brost pointed out Stolarik and the new member would possibly be available for the second. Schuenke stated they will attempt to hold the next CDA meeting on Tuesday July 2, 2019 at 7:00 p.m. provided there would be a quorum, if not Wednesday the 10th would be the fall back date. Members concurred.

6. ADJOURNMENT.

Kolk moved to adjourn, seconded by Dietzel. Motion carried. Meeting adjourned at 8:17 p.m.