



Community Development Authority Meeting Agenda

Friday, July 12, 2019 at **8:30 a.m.**

Village Hall Committee Room
3930 N. Murray Avenue, Shorewood, WI 53211

1. Call to order.
2. Annual election of CDA Chair and Vice-Chair.
 - Pursuant to the [CDA by-laws and rules of procedure](#), the CDA must elect a Chair and Vice-Chair.
 - ❖ ***The CDA is requested to consider the Chair and Vice-Chair positions.***
3. Consider June 7, 2019 meeting minutes.
4. Consider CDA Deposits and Investment policy.
 - ❖ ***The CDA is requested to consider the policy.***
5. Consider addendum one to the MOU between the Village of Shorewood and CDA.
 - Attached is addendum one to accommodate for the CDA's new investment policy.
 - After CDA action it will be forwarded to the Village Board for consideration.
 - ❖ ***The CDA is requested to consider the addendum one to the MOU.***
6. Consider Housing Market Study RFP.
 - Attached please find an updated RFP.
 - ❖ ***The CDA is requested to consider the RFP and specify who from the CDA will be reviewing proposals and interviewing for the study.***
7. Review of PDD and BID monthly reports.
8. Adjournment.

DATED at Shorewood, Wisconsin, this 8th of July, 2019.

VILLAGE OF SHOREWOOD
Sara Bruckman, CMC/WCMC, Village Clerk

Should you have any questions or comments regarding any items on this agenda, please contact the Village Manager's Office at 847-2700. It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information; no action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice. Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals



Community Development Authority
Meeting Minutes
Friday, June 7, 2019
3930 N. Murray Avenue, Shorewood, WI 53211

DRAFT

1. Call to order.

The meeting was called to order at 7:38 a.m. Members present: Chair Peter Hammond, Tr. Davida Amenta, Tr. Wesley Warren and John Florsheim. Also Present: Planning and Development Director Bart Griepentrog and Finance Director Mark Emanuelson.

2. Consideration of April 5, 2019 meeting minutes. (Part 1, 0:32)

Mr. Florsheim moved to approve the minutes, as drafted, seconded by Chair Hammond. Vote 4-0.

3. Update on selection of financial consultant. (Part 1, 1:15)

Chair Hammond referenced the summary within the meeting materials and added that he was also involved in the review and participated in two of the four interviews. He noted that the recommendation is to select Baker Tilly. Tr. Amenta, who was also involved in the review, added that Baker Tilly has a broad range of experience, including work in other states that should bring value. Tr. Warren concurred that from the information in the packet the choice looked clear. It was noted that the costs were comparable.

4. Consider calling Kensington Liquor loan. (Part 1, 4:08)

Chair Hammond noted the long history of the loan, including multiple attempts to make it work. Finance Director noted that the costs associated with recovering the loan will be covered by the applicant. Mr. Florsheim asked for clarification, and Director Emanuelson noted that there is a real estate security associated with the loan. Tr. Warren cautioned that good money should not be thrown after bad, but indicated that he was fine with calling the loan if there is good security. Director Emanuelson noted that Village Manager Ewald was coordinating the effort with attorneys. He also noted that it is not the intent to force a sheriff sale of the property listed for security, but rather to exercise as much diligence as possible to resolve it in a timely manner. Tr. Amenta questioned if there was also thought of taking the applicant to court. Director Emanuelson noted that his understanding was that this was more of a procedural filing at this point. Tr. Warren added that the applicant would have a chance to appear at a court hearing, but that it would be perfunctory. He also added that attorney fees would be involved and could build up.

Mr. Florsheim moved to proceed with legal recourse of default under the terms of the Kensington Liquor loan agreement; seconded by Tr. Amenta. Vote 4-0.

5. Review Q1 CDA financial report. (Part 1, 12:10)

Director Emanuelson presented the report and noted that it was pretty general. He noted that there was no information from the BID, as activity in the first quarter was minimal. He mentioned that a few façade grant payments had been made. Chair Hammond questioned the amounts of standing items, such as administrative fees, and Director Emanuelson responded that those are added at the end of the year. Tr. Amenta questioned how often loan income is received, and Director Emanuelson noted that it was monthly, but that one of the loans was currently not being collected. Tr. Warren questioned what the \$2,000 in legal fees was budgeted for and was

informed that it was provisional, not specific. Tr. Amenta questioned what the communication/education line was expected for, and Director Emanuelson noted that it was nothing specific, but that the benchmark budget from the TID transfer had certain assumptions noted. Chair Hammond noted that an update to the “Imagine Shorewood” document was approved and still pending. Director Griepentrog noted that those expenses would likely be charged to business or developer recruitment. Chair Hammond also noted a large balance due at the end of the year within the Business Loan Summary. Director Emanuelson confirmed that a lump sum payment is to be made at the end of the loan. Chair Hammond questioned if we reach out to the applicant to remind them, and Director Emanuelson indicated that he has and will do so more formally in the near future.

6. Discuss draft investment policy. (Part 2, 4:04)

Chair Hammond noted the impetus for this discussion is based on the CDA now maintaining funds and needing a policy to insure their fiduciary responsibility. Director Emanuelson presented the draft, which is a tweaked and condensed version of the Village’s investment policy. He noted that it was tailored specific to the CDA’s activities. He also mentioned that staff does not recommend considering this policy in isolation without looking at the MOU between the Village and the CDA, which identifies that CDA funds will remain in the general checking reserves.

Mr. Florsheim questioned the need to keep 25% in cash without gaining interest versus 5% or 10% or keeping it in a money market account. Director Emanuelson noted that it was intended to be responsive to requests that would come in without needing approval from the CDA for transfers, but also mentioned that he could see some flexibility in this requirement. Tr. Warren noted that purchases and sales required CDA approval and wondered if only having monthly meetings was too long to wait. Director Emanuelson indicated that he would advocate for the most simple and direct processes, such as putting funds in the local government investment pool and certificates of deposit with laddered maturities. This would require additional action to reinvest, which would allow for continued monitoring, but not to make it a part of regular monthly meetings. The concept is to earn something versus virtually nothing. Chair Hammond also suggested that a sub-group of the CDA could be formed to authorize investment with subsequent reporting to the full CDA. Director Emanuelson indicated that he would foresee doing this on a quarterly basis with update reports. Mr. Florsheim recommended keeping only 10% in cash. Chair Hammond asked to hear thoughts on short term mutual funds. Director Emanuelson noted that there was approximately \$750,000 to invest and would recommend keeping things simple.

Chair Hammond summarized that the guidance was to tweak the cash reserves requirement to 10% and noted that the policy can always be revisited in the future. He requested that the policy be brought back to the CDA along with the MOU.

7. Discuss Housing Market Study RFP. (Part 2, 15:20)

Chair Hammond mentioned that the CDA has been talking about the housing market for a while. Director Griepentrog noted that the Neighborhood Loan Program and TIF Policy discussions could benefit from additional data to identify housing needs and clear up perceptions. Chair Hammond noted the significant costs differential between the two study examples, and Director Griepentrog noted that the differential may relate to the specialization of the firms, data requests or public involvement. Director Griepentrog indicated that keeping the scope focused on things we need could help contain costs. He also mentioned that the current scope had some unique questions from the Elder Service Advisory Board’s recent Age-Friendly Plan,

as well as a line item to cover State-mandated affordable housing reports. Chair Hammond confirmed that the RFP was drafted in a manner that would identify requests by line-item, so that they would be known and could be considered individually.

Tr. Warren noted that the study would help the CDA focus on what programs to deploy. Tr. Amenta confirmed and iterated that the CDA needs to be clear on what they want to get out of this. She also mentioned that housing market demand is regional. She noted that study should help answer what aspects of demand our supply does not meet, such as affordable, very affordable, number of bedrooms, housing for people with disabilities, or institutional or supportive housing. Mr. Florsheim questioned how to quantify specific demands, and Director Griepentrog noted that the consultant may talk with realtors or have access to specialized data to help answer that question. He noted that public engagement is expected within the scope of the project.

Tr. Warren noted that more public input should be expected and requested to amend the RFP to indicate possibly two or three sessions. Tr. Amenta questioned if fewer sessions would suffice, since the intent of this study is to obtain data. Chair Hammond also noted that we need to manage expectations in any public engagement and make it clear that no one is promising any particular actions.

Chair Hammond also clarified whether or not potential consultants would be interviewed, and Director Griepentrog indicated that he would amend the RFP to make it clear that interviews were expected.

Chair Hammond also wanted to be sure that the study would provide examples of what other communities are doing, both public and private, to meet their demands moving forward. Tr. Amenta noted that the comparison universe will be very important, and suggested that the data will look very different if compared to Milwaukee County versus the North Shore, and suggested that we should clarify that within the interviews. She also mentioned the topic of tear-downs and getting a better understanding of why that is taking place in Whitefish Bay and whether or not we should expect it. Chair Hammond questioned if she was hoping for recommendations to address that issue, and Tr. Amenta clarified it was more about understanding what conditions are causing it to take place, such as market trends or zoning.

Tr. Amenta mentioned that the study could be tricky, and suggested starting with understanding what people currently in Shorewood want and then trying to understand what people outside of Shorewood are looking for here. Mr. Florsheim agreed that the objective of the report is more nuanced than just obtaining data. Director Griepentrog pointed out that Task 2 of the RFP specifically details community questions and noted that he would reconfirm that this section is complete based on today's conversation and general themes he's heard elsewhere.

Director Griepentrog discussed the expected procedure of the analysis and noted that the RFP would be brought back in July for consideration. Mr. Florsheim questioned who would pay for the study, and Director Griepentrog confirmed, noting that a budget request would need to accompany any selected proposal. Chair Hammond noted that the CDA has the funds, but has also already committed \$30,000 to the Transportation and Parking Analysis this year. It was also noted that no funds were spent on studies last year.

Tr. Amenta noted that the study should look at specific populations, such as seniors, people with disabilities and families with children. Director Griepentrog also noted the growing issue of short-term rentals, and Tr. Amenta that could be reviewed alongside corporate housing as well. Chair Hammond also suggested that diversity and inclusivity be included. The CDA agreed on the importance of diversity, but also noted that this study may not be able to provide policy direction on that particular issue.

8. Discuss date and goals of plan review meeting. (Part 4, 6:48)

Chair Hammond introduced the topic to reiterate the purpose of the meeting is to review current documents and make sure everyone is on the same page. It was noted that getting a date that worked for everyone was difficult in June and that it was hoped that staff could be involved. The meeting could also serve as a good orientation to new members and could become annual. Tr. Warren suggested using the regular meeting in August for this purpose. Director Griepentrog noted that he would talk with Village Manager Ewald about scheduling. It was further noted that the first Friday in August would not work, so staff would explore scheduling it for August 9.

9. Review of PDD and BID monthly reports. (Part 4, 13:05)

Director Griepentrog answered questions relating to his monthly report. The concept of shipping container businesses was discussed. Chair Hammond also noted that additional information pertaining to educational activities could be shared, if helpful. Tr. Amenta requested an update be shared on the status of the Developer Agreement for The Oaks, and Director Griepentrog noted that the required connection to the Oak Leaf Trail has been twice denied by Milwaukee County, so fulfilling that requirement may not be feasible.

10. Adjournment. (Part 5, 5:30)

Tr. Amenta moved to adjourn the meeting at 8:52 a.m., seconded by Tr. Warren. Vote 4-0.

Recorded by,

Bart Griepentrog, AICP
Planning & Development Director



		7/12/19
Title:	CDA Deposits and Investments	
Authority:	Community Development Authority	

The Community Development Authority (CDA) is adopting this policy for the purpose of establishing guidelines for the Investment of reserve CDA funds.

I. OVERVIEW

The purpose of these investment guidelines is to formalize the framework for the CDA's short-term investment activities of excess reserve funds. The primary objectives of this policy, in order of priority, are safety, liquidity and yield.

Investment income will be allocated to the CDA general spending reserves. For the purposes of financial statements, all cash and investments with an original maturity of three months or less will be considered cash and cash equivalents. Investments will be reported at fair values, based on quoted market values.

Authority, Prudence and Ethics

All purchases and sales of investments will be authorized by the CDA and executed by Finance Director acting as the fiscal agent for the CDA.

The standard of prudence to be used by Village investment officials will be the "prudent person" standard and applied in the context of managing an overall portfolio. The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Employees involved in the investment process should refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. All investment officials are to abide by the Village's conflict of interest policy.

II. SAFETY

Safety and preservation of principal in the overall portfolio is the foremost investment objective. To ensure the safety of the CDA's deposits and investments, this section lists what investments are suitable for the investment of CDA reserves.

Authorized Investments

The CDA reduces exposure to this risk by restricting allowed investments. The Village's investments are restricted in accordance with Wisconsin statutes section 66.0603 (see appendix A). The CDA chooses to further limit investments to the following:

1. Checking and saving accounts;
2. Local government investment pools either state-administered or developed through joint powers statutes and other intergovernmental agreement legislation, such as the Local Government Investment Pool and Wisconsin Investment Series Cooperative;
3. Certificates of deposits (fully FDIC insured for principal) and certificates of deposit purchased through the Certificate of Deposit Account Registry Service (CDARS);
4. Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist of only of dollar-denominated securities;

The CDA will engage in diversification of investments (type, length of maturity and institution) to the extent practicable considering yield, investment costs and cash flow needs.

Custodial Credit Risk

Custodial credit risk is the risk of default by the holding institution, i.e. the bank holding cash or securities. The CDA shall reduce this risk by ensuring substantially all funds are either insured, collateralized or registered to the CDA. The terms "substantially all funds" recognizes that there are times when minimal amounts may not be protected in this manner, such as with cash on hand or in cases where the market value exceeds the face value of an investment.

This risk is also reduced through the Village's selection of authorized financial institutions.

1. CDA deposits will be protected through insurance:
 - a. The Federal Deposit Insurance Corporation (FDIC) currently protects deposits up to \$250,000 for checking and \$250,000 for savings accounts.
 - b. The Wisconsin State Deposit Guarantee Fund protects public deposits under Statutes 20.144 (1) (a) and 34.08 (2) up to \$400,000, after FDIC coverage, for any one public depositor in any individual public depository.

III. LIQUIDITY

The investment officials shall ensure that the CDA has adequate funds in usable form to be able to meet ongoing business needs that may be reasonably anticipated without the use of village funds to support CDA cash flow needs. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands.

This will be accomplished through a combination of the following practices. A minimum of 10% of CDA reserves shall be held in cash. All remaining funds shall be invested in a manner whereby at least one third (33%) of invested balances are scheduled to mature each year. Since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets.

Interest Rate Risk

This is the risk that changes in the market interest rates will negatively affect the fair value of an investment. Generally, the fair value of longer maturity investments is more sensitive to changes in the market interest rate. The Village should seek to mitigate this risk by:

1. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
2. Limiting the maturities of all investments when purchased to less than three (3) years.
3. Laddering investments to meet cash flow needs.

IV. YIELD

The investment portfolio should be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of the Village's investment strategy is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity.

Given the passive nature of the CDA's investment strategy, appropriate benchmarks for comparison include: the average Federal Funds rate, local government investment pool rate and average return on the U.S. Treasury Bills.

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
VILLAGE OF SHOREWOOD
AND
THE COMMUNITY DEVELOPMENT AUTHORITY OF THE VILLAGE OF SHOREWOOD**

ADDENDUM ONE

7/15/2019

This Addendum serves to modify the Memorandum of Understanding ("MOU") by and between the Village of Shorewood (the "Village") and the Community Development Authority of the Village of Shorewood (the "CDA") which was previously approved on the 7th day of November, 2016.

RECITALS

WHEREAS, the CDA has available cash reserves on hand pending the future disbursement of these funds for the previously approved activities; and

WHEREAS, the interest earnings rates for invested funds has increased notably since 2016, and it is to the benefit of all parties to earn interest on cash reserve funds in order to support the ongoing activities approved for the use of these funds; and

WHEREAS, the CDA has adopted a deposits and investment policy that would serve as the framework for investing reserve CDA funds, and allowing the CDA to invest cash reserves in accordance with this policy will achieve this objective. A copy of this policy is attached as exhibit 1.

NOW THEREFORE, the Parties do herewith, in consideration of mutual promises and other good and valuable considerations, and upon joint adoption hereby agree to amend the Fiscal Agent section of the Memorandum of Understanding and as follows:

- 1) **Incorporation by reference**. All of the "whereas" clauses and referenced exhibits contained in the Recitals are incorporated herein by reference and made part of this agreement.
- 2) **Fiscal Agent**. The Parties agree that the Village will act as the fiscal agent for the CDA and the Village will establish a separate special revenue fund within the Village's chart of accounts in order to record the transactions of the CDA. ~~All CDA funds will be held in the Village's general checking account and will be readily available to support CDA activities.~~
- 3) **Miscellaneous**.
 - a) Any modifications of this addendum to the MOU must be in writing and approved by all Parties.
 - b) Any modifications to the Deposits and Investments policy must be approved by all Parties.

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused the execution of Addendum One of the Memorandum of Understanding by authority of their respective bodies effective as of the date first above written once the parties have affixed their respective signatures.

VILLAGE OF SHOREWOOD

by _____ Date _____
Allison Rozek, Village President

by _____ Date _____
Sara Bruckman, Village Clerk

**COMMUNITY DEVELOPMENT AUTHORITY
OF THE VILLAGE OF SHOREWOOD**

by _____ Date _____
Peter Hammond, CDA Chair

by _____ Date _____
Sara Bruckman, Village Clerk

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
VILLAGE OF SHOREWOOD
AND
THE COMMUNITY DEVELOPMENT AUTHORITY OF THE VILLAGE OF SHOREWOOD**

This Memorandum of Understanding ("MOU") is made effective the 7th day of November, 2016 by and between the Village of Shorewood (the "Village") and the Community Development Authority of the Village of Shorewood (the "CDA"). Referenced together the Village and the CDA are the "Parties" to this agreement.

RECITALS

WHEREAS, at the February 17, 2016 Village Board meeting, the Village has approved the transfers (grants) of \$838,500 from TID #1 to the CDA; and

WHEREAS, This MOU will pertain only to the Village's relationship with the CDA as related to the funds transferred to the CDA. Any other CDA activities outside of the scope and purpose of these fund transfers, including any items related to TID's 3, 4, or 5 not previously approved by the Village Board, will continue to be presented to the Village Board for approval through recommendations from the CDA.

WHEREAS, these transfers were conditional upon review of an updated TID #1 pro forma using the 2016 assessment data that confirms that the TID #1 will still have the capacity to close in 2021 if these transfers were to occur, and Village Board approval of a CDA recommended Business Loan Program Plan; and

WHEREAS, Ehlers has updated the TID pro forma using 2016 data on analysis date 9/7/16 which confirms that TID #1 will still have the capacity to close in 2021 with these transfers. These pro forma are attached as exhibit 1; and

WHEREAS, the presentation of these pro forma to the Village Board with this MOU satisfies the conditional requirements of the February 17, 2016 motion approving these grant transfers, and

WHEREAS, these transfers were authorized, and must be maintained by the CDA, for the following conditional purposes: \$330,000 for future Façade Program expenditures in accordance with the CDA's Façade Program guidelines as approved by the Village Board; \$200,000 to fund the establishment of a perpetual business district-wide Business Loan Program in accordance with the CDA's Business Loan Program as approved by the Village Board; \$308,500 to support other future recurring CDA overall economic development strategies not specifically related to any other TID as identified on page B-5 of the CDA's 2015 Annual Financial Report and fiscal plan dated February 10, 2016 and accepted by the Village Board on February 17, 2016. A copy of page B-5 of this report is attached as exhibit 2, and

WHEREAS, consistent with the CDA establishing a perpetual business district-wide Business Loan Program, as identified on page H-2.2 of the CDA's 2015 Annual Financial Report and fiscal plan dated February 10, 2016 and accepted by the Village Board on February 17, 2016, the Village will be transferring to the CDA all remaining receivable balances relating to any existing business incentive loans that had previously been issued under this program. A copy of page H-2.2 of this report is attached as exhibit 3,

WHEREAS, the CDA was established on August 2, 1993 by the Village as a separate body politic to carry out their mission as authorized, and in accordance with Wisconsin Statutes, and

WHEREAS, with the transfer of these funds from the Village to the CDA to support future CDA activities, there are a number of administrative issues will need to be delineated through this MOU to ensure that the relationship between the Parties is adequately defined.

NOW THEREFORE, the Parties do herewith, in consideration of mutual promises and other good and valuable considerations, and upon joint adoption hereby agree as follows:

- 1) **Incorporation by reference**. All of the "whereas" clauses and referenced exhibits contained in the Recitals are incorporated herein by reference and made part of this agreement.
- 2) **Fiscal Agent**. The Parties agree that the Village will act as the fiscal agent for the CDA and the Village will establish a separate special revenue fund within the Village's chart of accounts in order to record the transactions of the CDA. All CDA funds will be held in the Village's general checking account and will be readily available to support CDA activities.
- 3) **Internal Controls**. With the Village acting as the fiscal agent of the CDA, the CDA agrees that the Village will establish, and the CDA will adhere to, the appropriate internal controls and processes that will be necessary to process transactions and generate accurate financial reporting information consistent with the application of the Generally Accepted Accounting Principles as promulgated by the Governmental Accounting Standards Board. The Village's role as fiscal agent shall be limited to these matters. All CDA contracts for services of \$5,000 or more must be in writing and approved by the CDA in order to satisfy Village's internal control requirements.
- 4) **Cost Allocations**. The CDA will specify in any contract for general business district-wide services the percentage of the benefits for these services that will be attributable to any existing TID's and to the CDA for the purpose of allocating contract costs.
- 5) **Oversight**. The CDA shall have the overall responsibility of managing any CDA funded program. The CDA shall also have the responsibility of developing and approving its own budget, managing all issues of budgetary compliance, as well as supervising and approving any bidding, purchasing, or contracting for any other services for CDA activities not explicitly provided for in this agreement. In addition the CDA shall establish written processes for approval of any disbursements of CDA funds.
- 6) **Audit**. The CDA, as a component unit of the Village of Shorewood, will also be responsible for conducting an annual financial audit as appropriate for governmental financial reporting, as well as any federal or state reporting that may be required by law. The Village agrees to facilitate the CDA's audit as part of the Village's annual audit engagement and support any required federal or state reporting requirements in a manner consistent with that of the Village.
- 7) **Liability**. The Parties agree that the Village will name the CDA as an additionally insured party on the Village's general liability insurance policy.

- 8) **Loan Balance Transfers.** The Village agrees to attend to any loan document modifications or other due diligence that may be required to relating to the transfers of the existing Business Improvement loans and balances from receivables of the Village, to receivables of the CDA.
- 9) **Compensation.** As compensation to the Village for the staff time used to assist the CDA in matters relating to the ongoing implementation of the Façade Grant Program and Business Improvement Loan Program as these plans are currently drafted, as well as for the agreed upon fiscal agent and other staff services identified in this agreement, the village will bill the CDA an annual flat fee of \$7,700 which is consistent with the anticipated Village costs previously identified in exhibit 2. Additionally, as compensation to the Village for the extended professional audit services for the CDA annual audit, the CDA agrees to reimburse the Village the incremental cost of those services.
- 10) **Miscellaneous.**
 - a) Any modifications of this MOU must be in writing and approved by all Parties.
 - b) Any modifications to the Façade Grant Program or Business Improvement Loan Program must be approved by the Village Board.
 - c) Compensation to Village Staff under item 9 shall be reviewed annually.

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused the execution of the Memorandum of Understanding by authority of their respective bodies effective as of the date first above written once the parties have affixed their respective signatures.

VILLAGE OF SHOREWOOD

by _____ Date _____
 Guy Johnson, Village President

by _____ Date _____
 Tanya O'Malley, Village Clerk / Treasurer

**COMMUNITY DEVELOPMENT AUTHORITY
 OF THE VILLAGE OF SHOREWOOD**

by _____ Date _____
 Peter Hammond, CDA Chair

by _____ Date _____
 Tanya O'Malley, Village Clerk / Treasurer



Request for Proposal - Issued 7/15/19

COMPREHENSIVE HOUSING MARKET STUDY AND NEEDS ANALYSIS
Village of Shorewood Community Development Authority

DRAFT 7/3/19

Proposal Requested

The Village of Shorewood Community Development Authority is soliciting proposals for a comprehensive Housing Market Study and Needs Analysis. The results of this Housing Study and Needs Analysis will help decision makers, stakeholders and community members develop a meaningful sense of the housing market as well as an understanding of key housing issues, including affordability. The study should provide a measured assessment of present and future unmet housing demand that focuses on creating a deeper understanding of short-to-mid-term housing demand (5-year, 10-year, 15-year.) The report is intended to offer a solid, data-driven basis for formulating community-specific housing priorities, policy alternatives and intervention strategies, including recommendations to restart a suspended loan program.

Community Background

The village of Shorewood, Wisconsin (population 13,315 – 1.2 sq. miles) is located within Milwaukee County’s North Shore communities. It is a completely built-out, first-ring, walkable urban suburb of the city of Milwaukee that is amongst the most densely developed municipalities in the state of Wisconsin. Shorewood is a well-educated community with excellent schools offering quality education. Of the population age 25 and older in Shorewood, 69% possess at least a bachelor’s degree and 35% possess a graduate or professional degree. The village is adjacent to the University of Wisconsin-Milwaukee, which also affects housing demands. Shorewood has a diversity of housing options. Of its approximately 6,453 housing units, 53.4% renter occupied. The Village also maintains two commercial corridors (N. Oakland Ave. and E. Capitol Dr.) that have witnessed significant multi-story office, residential and mixed-use properties within the past decade.

Estimated Timeline

The CDA anticipates that this analysis can be undertaken in the fall of 2019. Details of the RFP timeline are noted below.

Deadline for proposal questions and notice of interest	July 30, 2019
Proposal question responses emailed to consultants of interest	August 1, 2019
Proposals due	August 9, 2019
Firms notified of interview	August 16, 2019
Interviews	August 19-23, 2019
CDA consideration of selection	September 6, 2019

The above schedule for review by the CDA is subject to change. The CDA does anticipate the need to conduct interviews for this RFP process. The CDA will not be legally obligated to adhere to the dates for interviews, recommendations and award. Interviews will be with staff and representatives of the CDA as chosen by its Chair.

Project Scope

The scope area of this study encompasses the village of Shorewood. However, consideration should be given to the housing demands and availability of the local market as well as the larger MSA.

Task 1: Minimum Required Data Elements

The selected consultant is free to develop specific data analysis methodology as they deem appropriate. However, the final document should, at a minimum, quantify the following data elements and use of as much available 2010 and newer census data as possible is required:

1. Demographics – current and projected (5-yr, 10-yr, 15-yr)

- Population by age
- Households by income, age, size
- Number of renter households at both 50% and 80% of AMI
- Commuting patterns

2. Existing Housing stock

- By tenure – rent, own
- By type – single, duplex, multi-family
 - Where do gaps exist, if any
- By value – property values, rents
 - Where do gaps exist, if any
- By age and condition
- Vacancy rates

3. Other Housing Issues

- Affordable housing analysis – definitions of affordable housing based on statistics, local housing and transportation costs in relation to income, any existing areas of naturally occurring affordable housing, subsidized housing, tax credit developments, public housing
- Housing affordability compared to other surrounding markets, (e.g., Milwaukee, Whitefish Bay, Glendale and Wauwatosa.)
- Senior/Assisted living options
- Special Needs housing
- Housing market turnover/sales data
- Rental market analysis including information on existing rental properties over 4 units related to rents, size, vacancies and amenities and resident profiles. Include information on rental housing needs.

- Senior and family market analysis including information on existing properties related to price, rents, size, vacancies, amenities and resident profiles. Include information on senior and family housing needs.

Task 2: Community Questions

Utilizing the obtained market and demographic data, the following questions, at a minimum, should be addressed within the study:

1. What are the current demographic and economic characteristics of households living in Shorewood?
2. What can Shorewood expect with respect to changing demographic and economic characteristics in the next 2-5 years? 10 years? 15 years?
3. What are the current housing characteristics in Shorewood, including owner-occupied vs. renter-occupied, age and condition, size, including number of bedrooms, and price range.
4. What is the nature and extent of housing demand in Shorewood, including residents currently living in Shorewood and nonresidents who may want to live in the community?
5. What aspects of housing demand does Shorewood's supply currently not meet, such as affordable, accessible, price, size, number of bedrooms, special/supportive needs.
6. How are the following groups impacted by current and future housing market demand: Seniors, Families, Persons with Special Needs, Students, and Young Professionals.
7. What impact, if any, has development within the past 10 years had on the housing market of the community?
8. What impact, if any, does short term rental (such as AirBnb) have on our housing market.
9. Are there barriers/opportunities or interest in Accessory Dwelling Units, Micro Apartments, Co-housing or Home-sharing?
10. What aspects of our supply or market demands might lead towards tear-downs?

Subtask 2A:

1. What is the meaning and state of housing affordability in Shorewood? (Please include information complete enough to comply with State of Wisconsin Act 243 Housing Report Requirements.)

Task 3: Recommendations

Based on analysis of the data collected, provide recommendations for:

1. What types of housing (i.e. owner occupied, rental (market rate or affordable), assisted, elderly, special needs, work-force, student, young professional, etc.) will not be met by supply in the short, medium, and long term.
2. What types of housing, if any, should be pursued and supported, and what barriers currently exist to their development.
3. What housing demands will likely not be met without intervention, subsidy, incentives, innovative programs, code revisions, etc.

4. What types of programs, established as well as new and innovative, should Shorewood seek/provide for the development and/or redevelopment of necessary housing, including examples from comparable communities.

Public Participation

At minimum, the successful consultant is responsible for undertaking the following public participation activities:

- Initially, the selected firm will meet with Village staff to better define the results being sought and the methodologies the firm will use. The consultant is expected to work closely with all identified stakeholders and meet with Village staff/departments on a regular basis;
- At least one public input session/workshop to help identify citizen needs and input to help determine what housing facilities/programs should be developed, if any; and,
- Attend at least one CDA meeting to present draft findings and recommendations, prior to preparation of final report.
- Attend and present final report to CDA at a minimum of one (1) meeting to obtain final plan approval

Deliverables

A draft plan submittal will be required for review and comment by the CDA prior to completing the final report and plan. The CDA shall receive an electronic copy of the draft plan, as well as ten (10) full-color (8-1/2 "x 11") copies no later than 9/27/19. Report maps should be color 11" x 17" in size.

Once finalized, the CDA shall also receive all original documents electronically in Microsoft Word, Excel and PDF formats (including a printable PDF version of the entire plan for CDA's use). Maps and plans shall be delivered electronically and be compatible with the Village's GIS software.

Reference Materials

The consultant should reference the [Village of Shorewood Comprehensive Plan 2030](#) adopted in 2011, the [2010 Village of Shorewood Senior Housing Survey Report](#) and the 2006 [Housing Feasibility Study](#). Additionally, regional information should be referenced from the Southeastern Wisconsin Regional Planning Commission (SEWRPC) Regional Housing Plan: 2035 and the SEWRPC Regional Housing Plan Implementation Report: 2013 (<http://www.sewrpc.org/SEWRPC/Housing.htm>).

Proposal Content

The proposal should not exceed 10 single-sided pages and should address the following:

1. Transmittal Information.
 - a. Firm's name, address, telephone number and contact person.
 - b. Firm's confirmation of understanding of the project and commitment to provide the appropriate personnel, equipment and facilities to perform the scope of services as defined in this document.
2. Approach.
 - a. Provide a description of the anticipated analysis, planning and recommendation efforts.
 - b. Describe the methods to be used for communicating with the project team and public.

- c. Describe the firm’s approach and method for facilitation and coordination of public input for projects, including the use of citizen boards and committees.
 - d. Outline your proposed staffing levels and activities.
 - e. Detail your proposed project schedule.
 - f. Describe how the consultant will manage overall quality control of the project.
 - g. Provide estimated hours for all tasks.
3. Personnel Experience. For each project team member please submit a BRIEF description of the following:
 - a. Name
 - b. Proposed responsibilities
 - c. Professional registrations
 - d. Description of related past experience, particularly experience of a similar capacity on projects of comparable size and/or scope
 4. Previous work samples and references.
 - a. Provide examples of previous, related work. Full documents may be attached as appendices, as necessary.
 - b. Provide a list of at least references of comparable clients.
 5. Cost.
 - a. Provide a cost “not to exceed” per task and any sub-tasks along with an hourly rate for each project team member working on those tasks and a detailed analysis of the expected hours by task and position to satisfactorily perform the scope of services.
 - b. Please note there will be no reimbursement for travel time, meals, or mileage; these incidental costs should be included in the hourly rates.
 - c. Describe the circumstances under which you would propose to modify the fees, including the rate at which the Village would be charged for additional work, and how you would communicate such a potential modification to the Village of Shorewood.
 6. Contract
 - a. Please attach a copy of your standard contract for these types of services in the email submitting the proposal.
 7. Insurance
 - a. The proposal must include either a description of the firm’s insurance or a certificate of insurance outlining the firm’s insurance policies that evidences compliance with the requirements noted in the *Terms and Conditions* section of this RFP.

Terms and Conditions

Payment Terms

The CDA will enter into a contract for professional consulting services based on a fixed-price, not-to-exceed amount with the contractor for the specified scope of services. The exact payment schedule will be negotiated and determined as part of the contract and shall be based on the budget provided with the proposal.

Insurance

The successful firm shall agree that it will, at all times during the term of the agreement, keep in force and effect insurance policies required by the contract, issued by a company or companies authorized to do business in the State of Wisconsin and satisfactory to the Village. Such insurance shall be primary. Prior to execution of the written contract, the successful firm shall furnish the Village with a Certificate of Insurance listing the Village as an additional insured and upon request, certified copies of the required insurance policies. The Certificate shall reference the contract and provide for thirty (30) days advance notice of cancellation or nonrenewal during the term of the agreement. Failure to submit an insurance certificate, as required, can make the contract voidable at the Village's discretion. Additionally, the Firm shall not allow any subcontractor to commence work until the aforementioned documents, where applicable, have been obtained from the subcontractor and approved by Village of Shorewood.

Nondiscrimination

In connection with the performance of work under this agreement, the Firm agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, marital status, sexual orientation, sex, disability, national origin or ancestry. This provision must be included in all subcontracts.

Assignment or Subcontract

The contract may not be assigned or subcontracted by the firm without the written consent of the Village. If all or a portion on the contract work is proposed to assigned or subcontracted, the name of the individual(s) to complete the work, address and firm proposed shall be submitted within the scope of the proposal.

Independent Contractor Status

The firm agrees that it is an independent Contractor with respect to the services provided pursuant to this agreement. Nothing in this agreement shall be considered to create the relationship of employer and employee between the parties.

Amendments to Contract

This contract may be modified only by written amendment to the contract, signed by both parties.

Waiver

One or more waivers by any party of any term of the contract will not be construed as a waiver of a subsequent breach of the same or any other term. The consent or approval given by any party with respect to any act by the other party requiring such consent or approval shall not be deemed to waive the need for further consent or approval of any subsequent similar act by such party.

Indemnification and Defense of Suits

The firm agrees to indemnify, hold harmless, and defend the Village, its officers, agents and employees from any and all liability including claims, demands, damages, actions or causes of action, together with any and all losses, costs, or expense, including attorney fees, where such liability is founded upon or grows out of the acts, errors, or omissions of the firm, its employees, agents or subcontractors.

Contract Period

The anticipated project duration is approximately four (4) months after the CDA directs the Consultant(s) to begin the project. The term of this contract will be as specified in the contract document.

Termination of Contract

To be defined in the contract document.

Professional Services Contract

If your proposal is accepted and a contract is issued, then this Request for Proposal and all documents attached hereto including any amendments, the firm's technical and price proposals, and any other written offers/clarifications made by the firm and accepted by the Village, will be incorporated into a contract between the Village and the firm, it shall contain all the terms and conditions agreed on by the parties hereto, and no other agreement regarding the subject matter of this proposal shall be determined to exist or bind any of the parties hereto.

The submission of a proposal shall be considered as a representation that the firm has carefully investigated all conditions, has full knowledge of the scope, nature and quality of work required, and is familiar with all applicable State, Federal and Local regulations that affect, or may at some future date affect the performance of this contract.

Acceptance of this proposal will take place only upon award by the Village Board, execution of the contract by the proper Village officials, and delivery of the fully executed contract to the firm. Acceptance may be revoked at any time prior to delivery of the fully executed contract to the successful firm. The contract may be amended only by written agreement between the firm and the Village of Shorewood.

Public Information

Information supplied by any proposer and the chosen consultant of this RFP is subject to the Wisconsin Public Records Law sec. 19.35 Wis. Stats. Such information shall become public unless it falls within one of the exceptions in the statute, such as security information, trade secret information, or labor relations information. If the Proposer believes any information which is not public will be supplied in response to this RFP, the vendor shall take reasonable steps to identify for the CDA which data, if any, it believes falls within the exceptions. If the proposal data is not marked in such a way as to identify non-public data, the CDA will treat the information as public and release it upon request. In addition, the CDA reserves the right to make the final determination of whether data identified by the proposer identified as not public falls within the exceptions within the statute. The same laws apply to the final plan documents and all information obtained to complete the final plan and the CDA retains ownership of all documents.

Selection Criteria

The CDA and Village staff will consider the following in evaluation of the proposals:

1. The content, completeness, adherence to format and appropriateness of the proposal.
2. The reputation, experience, technical competence and diversity of the firm's chosen team.
3. Perceived creativity, innovation, quality control and commitment that the firm will bring to the project.

4. The experience and capabilities of the project manager and other staff who will be assigned to the project with projects of comparable nature.
5. Demonstrated familiarity with housing studies and needs analysis.
6. References that indicate successful projects and successful client/team/consultant relationships.
7. The effectiveness of the firm's oral, written and graphic presentation skills.
8. Suggested public involvement plan.
9. Ability to complete the project within the necessary timeframe.
10. Cost.

The CDA expects to select a short list of proposers to make an oral presentation. The presentation, limited to 30 minutes, shall serve to confirm proposal representations, answer CDA questions, provide supplemental information and provide the CDA the opportunity to meet and assess the project consultants.

The CDA reserves the right to accept or reject any or all proposals of portions thereof without stated cause. The CDA reserves the right to re-issue any Request for Proposals.

Upon selection of a finalist, the CDA by its proper officials shall attempt to negotiate and reach a final agreement with the finalist. If the CDA, for any reason, is unable to reach a final agreement with this finalist, the CDA then reserves the right to attempt to reject such finalist and negotiate a final agreement with another finalist who has the next most viable proposal or bid. The CDA may also elect to reject all proposals and re-issue a new RFP.

Clarification of proposals: The CDA reserves the right to obtain clarification of any point in a Proposer's proposal or obtain additional information.

The CDA is not bound to accept the proposal with the lowest cost, but may accept the proposal that demonstrates the best ability to meet the needs of the CDA.

The CDA reserves the right to waive any formalities, defects, or irregularities, in any proposal, response, and/or submittal where the acceptance, rejection, or waiving of such is in the best interests of the CDA.

The CDA reserves the right to disqualify any proposal, before or after opening, upon evidence of collusion, intent to defraud, or any other illegal practice on the part of the Proposer.

Instructions to Firms

Submittal Instructions

1. Please provide (1) digital copy of the proposal via email only to:
Bart Griepentrog, AICP
Planning & Development Director
bgriepentrog@villageofshorewood.org
Identify proposal name into subject line of the email:
Comprehensive Housing Market Study and Needs Assessment
Deadline:
4:30 pm CST- August 16, 2019
2. Proposals will be accepted on or before the deadline identified above. Proposals received after that date and time will be rejected. Proposals will not be opened publicly.

3. Questions regarding this RFP should only be directed to staff member identified above. Contact with elected officials, committee members and other staff members is grounds for disqualification.

This RFP does not commit the CDA to award a contract, to pay any costs incurred in the preparation of a response to this request or to procure or contract for services or supplies. The CDA reserves the right to accept or reject any or all proposals received as a result of this request, to waive minor irregularities in the procedure, to negotiate with any qualified source, or to cancel in part or in its entirety, this RFP, if it is in the best interest of the CDA of the Village of Shorewood to do so.

Notification of Award

The CDA plans to select a consultant by approximately September 6, 2019. Should either party fail to execute a contract within 60 days of notification of award, the CDA reserves the right to rescind the award and select services from another interested firm.

Amendments

Amendment of proposals may be done as follows:

By CDA: Proposals may be amended by the CDA in response to need for further clarification, specifications and/or requirements changes, new opening date, etc. Copies of the amendment will be mailed to prospective vendors.

By Firm: Proposals may only be amended after receipt by the CDA by submitting a later dated proposal that specifically states that it is amending an earlier proposal. No proposal may be amended after the opening date unless requested by the CDA.

Proposals may be withdrawn only in total, and only by a written request to the CDA prior to the time and date scheduled for opening of proposals.

Contract Administration

The staff member is the primary contact for contract administration of this proposal:

Bart Griepentrog, AICP
Planning & Development Director
bgriepentrog@villageofshorewood.org
(414) 847-2647

In the absence of the primary contract, the secondary contract for contraction administration is:

Rebecca Ewald
Village Manager
rewald@villageofshorewood.org
(414) 847-2701

- END DOCUMENT -



Planning & Development Department – CDA Report

July 3, 2019

I. BUSINESS/DEVELOPMENT

- a. PDD Director Griepentrog met with Curt Smith of Boulder Venture on June 26 to discuss zoning provisions at 4414 N. Oakland Ave. (former North Shore Bank).
- b. PDD Director Griepentrog processed an additional request for a loading zone renewal. A new annual approval and permit fee was adopted by the Village Board in 2018. In total, seven loading zones have been approved in 2019.
- c. PDD issued final certificate of occupancy to The Oaks at 3900 N Estabrook Pkwy based on satisfaction of terms within the Developer's Agreement.

II. EVENTS/UPDATES

- a. PDD Director Griepentrog attended the Congress for the New Urbanism in Louisville, KY on June 12-15. Participated in sessions on Accessory Dwelling Units, Affordable Housing & Displacement, Opportunity Zones, Compassionate Cities, Incremental Development, Small Scale Neighborhoods, Prescribing New Urbanism in the First Ring, Pavement Art, How Cities are Curbing Their Parking, A Tour of Transportation Improvements in New Albany, Big City Coding, Developer's Lessons Learned, and a Tour of the Over The Rhine in Cincinnati.
- b. PDD Director Griepentrog convened a meeting of the Transportation and Parking Analysis' Technical Advisory Group on June 21 to introduce group members to each other, the project and the consultant. Jon Krouse attended on behalf of the CDA.
- c. Attended meetings to discuss Village Board prioritization on June 24 and July 1. CDA/Village Board Strategic Planning & TID Policy Development has been selected as one of the top five initiatives for next year. The Village Board is expected to formally consider their selections on July 15.
- d. The Village hosted two introductory Town Halls on June 26 to gather public input for the ongoing Transportation and Parking Analysis that is being partly funded by the CDA. Approximately 60+ people attended and provided feedback on four specific topics: parking on Oakland, parking on Capitol, parking residential areas and multi-modal transportation issues. Issues at the Metro Market parking structure were prevalent. The next Town Hall, specific to parking, is scheduled for Tuesday, July 30.

- e. PDD Director Griepentrog attended a mandatory CDBG Consolidated Plan meeting on June 27 hosted by Milwaukee County. The County's Consolidated Plan must be updated every 5 years. As a recipient of funding, Shorewood is required to participate in the planning process. Additional data and survey assistance will be requested.
- f. PDD Director Griepentrog participated in a planning meeting on draft options for implementation of Sweet Water's Water Quality Improvement Plan on July 2 at the UWM School of Freshwater Sciences. Several options included recommendations for participation from private development.

III. GRANTS/LOANS

- a. Approved a \$10,000 façade grant Agreement on June 11 for 1800 E. Capitol Dr. to re-paint exterior and maintain the existing cornice.
- b. Approved a \$10,000 façade grant Agreement on June 24 for 3575 N. Oakland Ave. to paint exterior of the building.
- c. Approved a \$12,000 façade grant application on June 24 for North Star Bistro at 4518 N. Oakland Ave. for the installation of folding doors to allow greater access between the interior restaurant space and the outdoor patio.
- d. Continued conversations with Thief Wine regarding potential façade grant at 4512 N. Oakland Ave. for the installation of folding doors to allow greater access between the interior restaurant space and the outdoor patio.

Prepared By:



Bart Griepentrog, AICP
Planning & Development Director

SHOREWOOD CDA FAÇADE PROGRAM

as of 7/5/19

Property Location	Applicant Type	Status	Applicant Name	Meeting	Date of Application	Application Approved	Reimbursement Date	Tot Project Cost	Amount of Grant	Summary of work performed	Notes
2019											
4000 N. Oakland	Owner	Approved	Betty Miller, Stein Office	4/12/2019	5/13/2019	5/28/2019. Agreement signed 6/11/19		\$34,150	\$10,000	Paint façade and replace cornice on west and south sides of buildings	Confirm IF 2009 BID paid for 50% of all 4 sides of building. See letter 3/23/09 that also "encouraged" updating awning, signs and lights w/ painting. Tuckpointing & windows done before façade application submitted. 4/13 emailed finance director. 5/10 conversation, moving forward w appl. Proj Cost \$37K so 50% eligible for 10k- no need to line item. 5/28 agreement sent and request to sign in person. 6/6 reminder email sent to meet to sign.
1800 E. Capitol	Tenant	pending	Alliance Le Francaise	4/12/2019	6/6/2019	Requires CDA approval. Mtg 7/12/19		\$1,944	\$972	Replace awning/Sign	2006 Façade Grant for awning. 4/26 further info. Requires approval by CDA since building owner getting grant this year. 7/12/19 next CDA meeting. 6/13/19 informed applicant of DRB & CDA.
2522 E. Capitol	Owner	inquiry	Anita Krier, Chattel Changers	5/7/2019						Paint trim; new windows; replace wood trim; new sign	4/17 village PDD forwarded email. 4/18 BID em'd Krier directly to sched call. Meeting on site 5/7
3624 N. Oakland	Owner	inquiry	Kalim Beg, BP Gas Station	5/3/2019						Façade, 2 sides	Meeting on site 5/3. Seeking approval for rear car wash too.
3575 N. Oakland	Owner	Approved	Jim Meldman	5/13/2019	6/6/2019	6/7/2019		\$100,000	\$10,000	Painting	Phone conversation 5/13. Confirm if can submit own BID. Village confirmed okay. 6/5 reminded need 2nd bid. Proceeding for only painting- no signage or cladding as those have not been determined. NO DRB required for painting. 6/10 he emailed me that is adding the sign, BUT if DRB doesn't approve, then grant won't cover. 6/24/19 Fac Agreement signed.
4518 N. Oakland	Tenant	Approved	Daniel O'Neil, North Star American Bistro	1/16/2019	6/7/2019	6/24/2019		\$32,586	\$12,000	New windows/sliding doors courtyard	DRB approved 4/25/19. 6/6 received incomplete application. Need 2nd BID. 6/24 emailed to village for application signature. 6/25 requested COL from North Star. 6/26 gave agreement for signature.
4512 N. Oakland	Tenant	pending	Thief Wine	1/16/2019	6/24/2019	7/5/2019		\$32,634	\$12,000	New windows/sliding doors courtyard	DRB approved 4/25/19. 6/4 Mike has applications from each business. Will sign and get to me. 7/5 sent appl to village.
4001 N. Oakland		inquiry	Vince Micha- Kubala	6/14/2019 phone						Windows, sign, fascia, canopy, tile	If new business signs lease, plans to open October 2019

\$44,972