



Community Development Authority
Meeting Minutes
Friday, September 4, 2020 at 8:00 a.m.
via Tele/Video-Conference

Present: Chair Peter Hammond, Tr. Davida Amenta, Jon Krouse, Joe LeSage, Tr. Kathy Stokebrand and Joe LeSage

Also present: Village Manager, Rebecca Ewald, BID Director Steph Salvia, Planning and Development Director Bart Griepentrog.

1. Call to order.

The meeting was called to order at 8:11 am.

2. Consider June 5, 2020 meeting minutes.

Tr. Stokebrand motioned to approve the minutes as drafted; seconded by Tr. Amenta. Vote 5-0.

3. Consider July 13, 2020 Special Joint CDA/Village Board meeting minutes.

Tr. Stokebrand motioned to approve the minutes as drafted; seconded by Tr. Amenta. Vote 5-0.

4. Review of Q2 2020 fiscal report. (1:21)

Chair Hammond noted that the fiscal report was located on page 11 of the packet. Village Manager Ewald noted that the report was provided for information. Tr. Amenta questioned the \$39,271 projected to be spent on façade grants in 2020. Village Manager Ewald noted that the second page of the report provided a break-down of the grants. Tr. Amenta questioned why Elan Peltz received two façade grants, and Planning Director Griepentrog informed that he qualified for two based on the existence of two commercial storefronts.

5. Discuss possible extension of TID 1 for affordable housing. (4:37)

Village Manager Ewald noted that the number one priority of Strategic Planning with the Village Board was to evaluate whether or not to extend TID 1 for the purposes of affordable housing. She informed that staff has looked at other municipalities in Wisconsin who have exercised this option and has not found any of similar size to Shorewood. She noted that contemplation of how the funds would be utilized would need to be discussed, understanding that most other municipalities who have done this have housing staff that also manages other programs. She noted that the CDA's Neighborhood Loan Program was currently frozen, in part due to administrative issues. She suggested that other options, including a call to developers, could help narrow the use of the funds. Chair Hammond asked members to confirm that they had a sufficient understanding of the concept of the extension.

Tr. Amenta questioned if only a portion of the increment could be considered, and Village Manager Ewald confirmed that was correct. Tr. Amenta further questioned if there were restrictions in the legislation as to how the money could be used. Village Manager Ewald stated that 75% of the increment needed to be utilized specifically for affordable housing that costs no more than 30% of the household's gross monthly income and the remaining 25% could be used for to improve the Village's

housing stock. Mr. Krouse questioned if the funds needed to be used for new construction or could also be utilized for retrofitting. Village Manager Ewald confirmed that either could be considered, as long as it met up with the required percentages. Tr. Amenta questioned if the household income was a Shorewood household income or a County household income. Village Manager Ewald noted that individual applicants would need to go through a screening process to confirm based on the State's definition of 30%. Tr. Amenta requested that we confirm this aspect, and Village Manager Ewald noted that she would follow-up.

Mr. LeSage questioned where the funds would go if the Village elected not to extend the TID. Village Manager Ewald noted that a resolution would be passed to close the TID. Chair Hammond noted that tax increment would be shared with all of the other taxing authorities that are part of the TID. Tr. Amenta noted that it would increase the Village's assessed value, which would presumably lower taxes. Tr. Stokebrand questioned if any money would actually be moving or if just the valuation would change. Tr. Amenta stated that any money left at the end of the year would be split up between taxing agencies.

Tr. Stokebrand questioned the Village's history with affordable housing. Village Manager confirmed that the LightHorse development includes affordable housing, and it was noted that Section 8 housing exists within River Park. Tr. Stokebrand questioned if the Village sees the LightHorse as a success, noting it was developed with available staff. She noted that adding staff to make a program work was not going to happen. Mr. LeSage agreed that it seemed like a lot of money without a lot of staff. Tr. Amenta suggested that they could contract with someone to administer the funds. The Milwaukee Metropolitan Fair Housing Council was noted. Planning Director Griepentrog also noted that the LightHorse was developed with local TIF assistance, but that the financing related to the affordable housing component was through the State.

Tr. Amenta suggested that inclusionary zoning, where a certain amount of units are set aside for affordable housing, could provide a model for how to set up financing. She noted that the Village's financial consultant could help determine the amount of subsidy amortized overtime required to set aside the affordable units in relation to the difference in fair market rent.

Mr. Krouse noted that the extension would be allowed for a year and questioned if those funds would also need to be awarded within that timeframe. Chair Hammond confirmed that it would not need to be spent within that time. Village Manager noted that the funds would stay in a segregated account to be used for the purposes identified by Statute.

Chair Hammond asked the group to discuss conceptually whether or not this concept was something they wanted to pursue. Mr. Krouse noted that the recent housing study confirmed that the Village actually had a lot of affordable housing, but that it was not being occupied by residents who necessarily need it. He suggested that building more market-rate housing could allow those residents to free up those units. Chair Hammond noted that building more units would allow new residents to move in, but without any units being defined as affordable, the housing stock would still not necessarily be occupied by qualifying households.

Mr. Krouse noted that in theory the development of affordable housing is a great thing, but logistically and realistically had doubts as to whether or not it would be built. Mr. LeSage agreed. Tr. Amenta asked for clarification. Developer, NIMBY and appropriate location issues were suggested, but he noted that he was not suggesting it wasn't worth trying despite those challenges. Mr. LeSage noted that affordable housing was a worthwhile goal worthy of pursuing, but had concerns that sophisticated developers would take advantage of it.

Despite the suggested challenges, Chair Hammond asked if any member was opposed to the concept of pursuing the extension. Mr. Krouse stated that he was for it, as long as it did not create an undue burden on staff to take on. Tr. Amenta stated that staff issues should not be a reason to not do what is

right for the Village. She believed that could be figured out. Tr. Stokebrand questioned if the staff costs could be taken out of the increment extension funds. Tr. Amenta suggested that if it was contracted that it could be. Tr. Stokebrand noted that she had the same concerns stated by Mr. Krouse and Mr. LeSage. She stated that she has a hard time understanding how a village the size of Shorewood deals with this issue. She noted that part of affordability is taxes and that many people would like to see the TIDs closed. She was unsure what the development options would be. Chair Hammond requested that the group not get too far ahead of itself on considering future decisions and wanted to focus the conversation on the concept of the extension.

Chair Hammond questioned if the funds were set aside whether or not they could be reverted to the other taxing jurisdictions if not utilized. Village Manager Ewald noted that she would look into that question.

Chair Hammond stated that he felt senior affordable housing has been the primary focus of what he has heard. Tr. Amenta disagreed and noted that we are in a new era with both COVID and race relations issues. She noted that the demographics of Shorewood do not match Milwaukee County. She also stated that the Milwaukee School Board has asked suburban districts to start talking seriously about integration and not having disparate educational experiences for children who live a mile apart from each other. She stated that issues of racial inequity come down to residential segregation. She believed the only way out of current challenges is to get rid of residential segregation. She believed that Shorewood needs to look into family housing or refurbishing existing units that are affordable.

Chair Hammond thanked Tr. Amenta for the helpful feedback. Mr. LeSage expressed 100% agreement with what Tr. Amenta stated, but wanted to clarify that his hesitation related to practicality.

Chair Hammond summarized that he had heard a general consensus on moving forward with the concept of the extension. Mr. LeSage questioned if the CDA could put out an RFP to the development community to see what types of concepts could be possible. Tr. Stokebrand agreed. Village Manager Ewald noted that the Milwaukee Trust Fund did a similar solicitation to spend some of their funding. She suggested focusing efforts on a bigger project rather than a bunch of smaller, more labor-intensive projects. Tr. Amenta suggested that Baker Tilly or Novogradac may also have ideas. Tr. Stokebrand asked if this would be part of their general contract. Tr. Amenta said that she remembered Baker Tilly talking about being able to it, but was unsure if it is in their contract. Village Manager Ewald said she would reach out to Baker Tilly.

Mr. LeSage noted that college students would likely technically qualify for low-income housing, but did not believe that they were the intended audience. He suggested that the project may need to be structured like Section 8 housing.

Chair Hammond noted that there are several steps to clear before defining exactly what types of projects could be developed. Tr. Amenta stated that while the next steps are being considered projects with lesser administrative burden should be considered. She noted that the façade grant and emergency business assistance grants were both developed in a direct manner.

Chair Hammond asked Village Manager Ewald to confirm the recommended goals from the Housing Study within the meeting materials and a desire to utilize any extension funds for one, larger project rather than several smaller measures. Chair Hammond asked the CDA their opinion of that suggestion. He noted that he did not have a preference, but conceptually liked the idea of a bigger project. Tr. Amenta noted that if the CDA were to look at bigger projects that they should not be concentrated. She mentioned that zoning may need to be reviewed to confirm implementation in various parts of the village, including the east side.

Village Manager Ewald noted that the recommendations offered by Novogradac had yet to be fully reviewed and discussed by the CDA. Tr. Amenta stated that any and all of the recommendations should be considered. She noted that modifying zoning regulations to allow for accessory dwelling units, or 3 or 4 unit buildings is something small that could be possibly be implemented throughout the village. She also said that the CDA should look for a big project too. Village Manager Ewald noted that zoning reform would be proposed at the Plan Commission for Village Board consideration. Planning Director Griepentrog noted that the current Comprehensive Plan Update could recommend these types of changes.

With respect to the bulleted recommendations, Chair Hammond questioned if the Conservation Committee or Elder Services Advisory Board could be asked to provide input on an energy efficiency or senior housing improvement program. He also confirmed that the duplex conversion, down-payment assistance and attic-improvement loans were currently paused. He questioned if developers could be asked to provide conceptual examples of what new housing stock might look like. He believed that having these options better defined would help the CDA make further decisions. Village Manager Ewald liked the suggestion, but also requested that modified programs need to also clarify how they are to be administered.

Mr. LeSage stated that we should partner with groups, such as Focus on Energy or WHEDA, on these initiatives. He also suggested that the Village could look to identify deleterious properties as opportunity areas to bring affordable housing. Chair Hammond agreed that asking people to help us identify third-party partners that could help facilitate the program was a good idea.

Village Manager Ewald questioned if the CDA wanted to end the duplex conversion program. Mr. LeSage motioned to do so, seconded by Tr. Stokebrand. However, since that action was not identified on the agenda, no action could be taken. Consideration was requested at the next meeting.

Planning Director Griepentrog reminded the CDA that they already have funds within the Neighborhood Improvement Loan Program that could be repositioned for numerous activities, such as energy efficiency or senior-friendly improvements, outside of the need to extend TID 1 for affordable housing. He also noted that the Conservation Committee has put together a proposal for how they would like to see an energy efficiency program be implemented. Tr. Stokebrand questioned if energy efficiency and senior-friendly improvements applied to only single-family housing or could they also be utilized in apartments. Chair Hammond believed they could apply to both.

Village Manager Ewald noted that staff had enough direction to move forward to the next steps.

- 6. Review of draft Housing Chapter for the Comprehensive Plan Update. (55:15)**
- 7. Review of draft Economic Development Chapter for the Comprehensive Plan Update.**

Items 6 and 7 were discussed together.

Planning Director Griepentrog introduced these items by stating that the Plan Commission had also reviewed the draft chapters at their August 27th meeting. He offered to go through the same presentation, but being cognizant of the time, also offered to open up each of the chapters for direct discussion. He noted that the primary objective of the discussion was to confirm the Comprehensive Plan's existing goals or suggestion modifications, and to identify prospective recommendations to support those goals within each of the chapters. He noted that a survey was being sent to the Plan Commissioners to help narrow down the list of recommendations, because it is not feasible to include everything. He offered to also survey CDA members for their thoughts.

Tr. Amenta noted that she had reviewed the chapters and was prepared to offer her thoughts. Chair Hammond noted the same, and Tr. Stokebrand noted that she participated in the Plan Commissions' review. Tr. Amenta requested that housing development since 2014 be included within the historical development section, with a notation of the associated TID funding to develop primarily luxury housing. She also noted that the housing tenure table indicates that Shorewood is not comparable to other inner-ring suburbs, but rather at the bottom in terms of owner-occupied housing. She questioned why the Cornerstone was not included within the New Housing Construction Permits Issued by Year Table and desired to include additional details relating to the valuation of the projects. She noted that three of the four housing recommendations pertaining to the first goal were focused on multi-family and that affordability was not included. She believed the second goal sounded elitist. She questioned what code and process impediments were in place to maintaining property. Tr. Stokebrand responded that minimum design standards, such as no vinyl siding, would be an example.

Chair Hammond requested that Planning Director Griepentrog provide any specific questions so that the CDA could provide direct input and remind everyone of the project's timeline. Planning Director Griepentrog informed that the Plan is projected to be updated in January 2021 and noted that draft chapters were to be reviewed by the Plan Commission in August, September and October, prior to a public open house in October and a presentation of the final draft plan in November. He noted that timeline was ambitious. He requested that the CDA review the potential recommendations listed within each of the chapters and provide direct feedback on those.

Chair Hammond noted the challenge of weighing individual comments within the meeting and stated a preference for obtaining individual feedback to consolidate and bring back to the group for discussion. Planning Director Griepentrog noted that he would send out a brief survey to help get specific comments or priority insights on the proposed recommendations to compile for review. Noting that this is a plan, Tr. Amenta questioned if a full list could be included without prioritization. Planning Director Griepentrog noted that the goals and objectives can be broadly written to include many things, but that in order to be actionable; he preferred that the recommendations be more specific.

Chair Hammond also requested that CDA members provide any specific feedback to Planning Director Griepentrog within the next week, so that he could incorporate those changes into an updated draft. Chair Hammond also requested that any additional detail that could be provided to help explain some of the recommendations be included within the survey. The concepts relating to historic preservation were discussed as an example.

8. Adjournment.

Tr. Stokebrand motioned to adjourn the meeting at 9:36 am; seconded by Mr. Krouse. Vote 5-0.

Respectfully submitted,



Bart Griepentrog, AICP
Planning & Development Director