



**Community Development Authority
Meeting Agenda
Thursday, February 18, 2021 at 9:00 a.m.
via teleconference**

Join Zoom Meeting: <https://zoom.us/j/96915895923>

You may also join the meeting via toll free phone number: 1 312 626-6799

Meeting ID: 969 1589 5923

1. Call to order.
2. Consider extension of TID 1 for purposes of affordable housing.
3. Review draft Housing Chapter for the Comprehensive Plan Update.
4. Review draft Economic Development Chapter for the Comprehensive Plan Update.
5. Adjournment.

DATED at Shorewood, Wisconsin, this 15th of February, 2021 at 4:30 p.m.

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



Report to Community Development Authority February 16, 2021

Prepared by: Bart Griepentrog, AICP, Planning & Development Director

RE: Review of updated drafts of the Housing and Economic Development Chapters of the Village's Comprehensive Plan Update

Item Overview

The Village commenced the process to update its Comprehensive Plan in 2020. Vandewalle & Associates was contracted to assist with the Update. As an early step, a virtual Public Open House was convened on July 21, 2020 to introduce the Update to the public and solicit initial feedback. Four sets of focus groups were also coordinated to obtain targeted perspectives. After those engagements, draft elements of the Plan were updated and presented to the Plan Commission at their August 25, September 22 and September 29, 2020 meetings, and the CDA at the September 4, 2020 meeting.

Staff time was diverted to working on implementation of the Village's Transportation and Parking Analysis last fall/winter, but both staff and Vandewalle recommenced planning in early 2021 and have updated their respective draft elements based on feedback provided by the Plan Commission, CDA and other stakeholders.

On [January 26, 2021](#), the Plan Commission reviewed an updated draft of the plan, with specific attention to the proposed goals, objectives and recommendations within each chapter. Their comments have been incorporated into the draft Housing and Economic Development chapters that are being shared for review of the CDA at the February 18, 2021 meeting. Particular attention will once again be focused on the proposed goals, objectives and recommendations.

Please note that the document has not been formatted and appears in rough draft form without images and associated maps. Red text represents edits or additions from the previous version.

A final formatted draft is hoped to be ready for additional review at the February 23, 2021, meeting in preparation for a March 17th presentation to the community via a virtual open house. Additional feedback from that open house will be incorporated for final review and requested recommendation from the Plan Commission at the March 23, 2021 meeting. Formal adoption by the Village Board, with required Public Hearing, will be scheduled following that recommendation.

These chapters are being presented for discussion only. No action is required, but feedback on the draft chapters is desired.

Materials Enclosed

- Chapter 2: Housing – DRAFT (2/18/21)
- Chapter 6: Economic Development – DRAFT (2/18/21)

2 Housing

2.1 Introduction

Shorewood features a full spectrum of housing options from studio and efficiency apartments within multi-family apartment buildings and modest homes to multistory mixed-use apartment and substantial single-family mansions on Lake Drive. With an estimated 52% of housing units built before World War II, much of the original development of Shorewood occurred in the 1920's when the Village was a streetcar suburb.

Neighborhoods within Shorewood have a variety of dwelling types with generally consistent setbacks between neighboring buildings, allowing uniform street views and harmonious landscapes. Quartered by the N. Oakland Ave. and E. Capitol Dr. commercial corridors, the Village of Shorewood's pedestrian-friendly residential neighborhoods constitute over 95% of the Village's land area and stretch from Lake Michigan to the Milwaukee River.

The tree-lined streets in these pedestrian-friendly neighborhoods form a continuous connected network that accommodate not only automobiles but also those who cannot drive or choose to walk or bike. All the residences in the neighborhoods are within a five-to-ten minute walk of the business district. The locations of the schools, parks, library, Village Hall, offices and shops throughout the village encourage pedestrian activity.

The quality and variety of options offered within Shorewood's housing stock is a key contributor to the quality of life of its residences and significant factor in Shorewood's regional desirability. Given Shorewood's proximity to downtown Milwaukee, the University of Wisconsin-Milwaukee, and natural amenities like Lake Michigan and the Milwaukee River, general housing demand in Shorewood has always been high.

As a land-locked, built-out community, any future housing development is dependent upon renovation or redevelopment. The age, variety, size, cost and tenure of Shorewood's housing stock presents unique challenges.

The goals and objectives detailed later within this Chapter were developed based on recent planning efforts and public engagement, namely the Architectural Survey of Shorewood, Wisconsin (2011), Central District Master Plan (2014), Neighborhood Assessment Summary Report (2015), Comprehensive Housing Market Study and Needs Analysis (2020) and Joint CDA/Village Board Strategic Planning (2020).

2.2 Vision Statement

Shorewood's 2025 Vision Statement states that "Shorewood will be a vibrant urban community with safe, friendly neighborhoods offering desirable housing options that attract diverse people of all ages and stages of life."

2.2.1 Stakeholder Input

Stakeholder input pertaining to housing issues in the Village was specifically solicited as part of the CDA's Comprehensive Housing Market Study and Needs Analysis (2020). A variety of mechanisms was utilized, including public open houses and an online survey. The following feedback was documented:

Gaps were identified in the following categories: senior friendly single-family home options to age in place, updated move-in ready supply, energy efficient, permanent supportive housing for persons living with a disability, and affordable units – both for sale and for rent, particularly for young families and seniors.

Barriers were identified with relation to meeting housing needs. Zoning does not permit some types of housing that could be solutions to existing housing supply issues, such as accessory dwelling units or co-housing [more than one family living in the same unit]. Loan terms for the purchase of duplex housing are [perceived to be] difficult. Older housing stock does not offer move-in-ready supply. Taxes are too high. There is a lack of knowledge of housing options or programs. There is no vacant land to develop. A fear of density [or opposition to increased height] impacts support for redevelopment projects.

An online survey revealed that residents make sacrifices to enter or remain in the community. Renters documented that they have foregone homeownership in order to stay in Shorewood based on a lack of affordable supply. Homeowners identified that they prioritized quality of life features, such as walkability and access to schools over affordability concerns. Homeowners were generally more interested in upgrading

kitchens/bathrooms, renovating unfinished space (attics/basements) or increasing energy efficiency than increasing the overall size, number of bedrooms or accessibility of their current home.

As part of Joint Strategic Planning undertaken by the Village Board and CDA in 2020, stakeholder groups, consisting primarily of Village volunteer committees and commissions were surveyed. The following housing concepts were summarized:

Housing Strengths

- Quality of older homes
- Diversity
- Location
- Architecture
- Schools
- High demand / low vacancy
- Walkability

Housing Issues/Concerns

- Older homes require maintenance and upgrades
- Lack of affordability
- Balance of single-family and rental needs (policies, such as parking or code enforcement, are needed to support both)
- Fully built-out – no room to grow

2.3 Housing Historical Context and Framework

2.3.1 Development of Shorewood

The *Architectural Survey of Shorewood, Wisconsin* (2011) provides the following context for the development of Shorewood:

The development of Shorewood, Wisconsin from rural landscape to dense suburb is a brief, but intense, story. The bulk of the community developed between 1910 and 1930 as a primarily upper middle-class to wealthy suburb of Milwaukee. It was natural for citizens in the increasingly crowded city of Milwaukee to look to areas outside of the city limits for new housing and during the period of 1910 to 1930, the rise in the use of automobiles and the convenience of public transportation helped to foster this movement. The north side of the city of Milwaukee was largely an upper middle-class to wealthy enclave during the nineteenth and early twentieth centuries and as this area of the city became more dense, upper middle-class to wealthy

families migrated north into developing suburbs. As the first suburb north of the city limits, Shorewood filled up quickly after 1910. The northern migration of middle-class to wealthy families continued into other suburbs north of Shorewood, such as Whitefish Bay, Fox Point, Glendale, and Bayside well into the late twentieth century.

The rapid growth of Shorewood into a fashionable suburb is not only interesting from a local history standpoint, but also as a national example of historic suburban development during the first half of the twentieth century. How Shorewood developed during this short period of largely 20 years can shed valuable light on the overall history of suburban development in the United States.

As with other communities, the development of Shorewood was facilitated by land speculation and subdivisions. As Milwaukee's population grew, land owners and real estate investors created private parcels and dedicated public right of way, first to the Town of East Milwaukee and then to the Village of Shorewood, upon its incorporation. In total, 53 subdivisions were recorded within Shorewood's modern boundaries, both before and after incorporation.

These individual subdivisions laid the groundwork for the development pattern, including land uses, lot sizes and setbacks, and the block pattern still evident today. Today, the Village's Zoning Code serves most of those functions on a village-wide zoned basis.

Many subdivisions also contained various deed restrictions that dictated how the Village was to be developed and who could live here. This was not unique to Shorewood. Some of those restrictions ensured that a certain level of quality be constructed. For example, within the Armory Subdivision "No single-family residence shall be erected on any of said foregoing lots which shall cost less than \$6,500 and in case of two-family residence, which shall cost not less than \$10,000." However, that same deed restriction also included the abhorrent clause that "At no time shall any of such lot or lots in said subdivision, or any building or structure thereon [sic], be built, erected, purchased, owned, leased, occupied or used by any person other than of the white race." Clauses such as those appeared throughout suburban Milwaukee County and both created and reinforced the patterns of segregation still evident to this day. They were not invalidated until 1972 by the U.S. Court of Appeals as a violation of the 1968 Fair Housing Law.

In 1967, the Village of Shorewood adopted an ordinance relating to equal opportunities in housing. The ordinance included the following Declaration of Policy:

It is hereby declared to be the policy in the Village of Shorewood, pursuant to the United States and Wisconsin constitutions, and by virtue of its power and authority to protect the public health, safety and promote the general welfare, that all persons, regardless of race, color, religion, ancestry or national origin, are entitled to and shall be accorded fair and equal access to housing in the Village of Shorewood.

This ordinance has been amended various times since its inception and is currently included within the Village Code as Chapter 283 Fair Housing. In 1980, the Village also adopted Policy No. 13 Fair Housing, which includes the same intentions.

In addition to deed restrictions, housing segregation within the Milwaukee metro region was also shaped by the practice of “redlining.” In the 1930s, homeownership became more attainable to many Americans through increased access to secured mortgages. However, those mortgages were not offered equally and were restricted by “redlining.” “Redlining” was the practice where red lines were literally drawn on a map, to create boundaries within metropolitan regions where “riskier” applicants were denied or offered more expensive mortgages with higher insurance costs.

The Home Owners’ Loan Corporation created residential security maps, which were used by loan officers, appraisers and other real estate professionals to identify where high risk applicants would be denied access to capital investment to improve housing and economic conditions. The Residential Security Map for Milwaukee County in 1938 showed Shorewood neighborhoods as a combination of First and Second Grade, essentially “redlined” off from areas of Milwaukee. The practice of “redlining” not only denied access to homeownership for many groups in Shorewood, it also denied decades worth of economic prosperity through investment and stability that persists in the regional housing market today.

[insert redlining map]

Source: <https://uwm.edu/libraries/digital-collections/copyright-digcoll/>

2.3.2 Housing Framework

Beyond federal or state housing legislation, the Village Board sets various local housing policies. These policies are administered or enforced through several Boards, Committees or Departments.

Community Development Authority

The Community Development Authority (CDA) serves as the Village's housing authority for the purpose of carrying out blight elimination, slum clearance, urban renewal programs and projects and housing projects. The CDA is authorized to transact business for housing and redevelopment.

Design Review Board

With respect to housing issues, Shorewood's Design Review Board reviews all new residential and commercial development, exterior modifications and additions to protect the appearance of buildings, structures and open spaces and to encourage and promote integrity, attractiveness and compatibility within the building stock, maintaining established standards and property values.

Board of Appeals

The Board of Appeals was established for the purpose of hearing appeals of any administrative order, decision or determination, and for the purpose of hearing applications and granting variances. The Board of Appeals often hears requests for interpretations, special exceptions or variances with respect to the zoning code, including various housing issues.

Board of Review

The Board of Review was established by State Statute to hear appeals regarding assessed property values as set by the Village Assessor.

Plan Commission

The Plan Commission provides oversight of the Village's Zoning Code, including residential uses and physical development standards. They provide recommendations to the Village Board for amendments to the code.

Planning & Development Department

The Planning & Development Department issues residential construction permits, and performs building inspection and code enforcement responsibilities. It also serves as staff liaison to the CDA, Design Review Board, Board of Appeals and Plan Commission.

2.4 Housing Facts & Trends

2.4.1 Breakdown of Existing Housing

Shorewood’s owner-occupancy rate is 46.6%, which is lower than Wisconsin’s average of 67.1% and its adjacent North Shore communities. However, this distribution is more similar to the overall rate within Milwaukee County of 49.5% and comparable to Milwaukee’s other inner-ring suburbs.

Table 2.1 – Housing Tenure

	Owner-occupied %	Renter-occupied %
West Milwaukee	40.2%	59.8%
Milwaukee	41.8%	58.2%
Shorewood	46.6%	53.4%
St. Francis	50.0%	50.0%
West Allis	51.5%	48.5%
Cudahy	57.5%	42.5%
Wauwatosa	62.6%	37.4%
Brown Deer	65.7%	34.3%
Glendale	68.5%	31.5%
Whitefish Bay	81.9%	18.1%

Source: 2018 5-Year ACS

[insert map of housing units by tenure]

There are approximately 6,275 housing units within Shorewood. Of those, 37.5% (2,352) are 1-unit detached or “single family” houses. Units within higher density multi-family structures (5 or more units) comprise the next highest percentage at 33.8%. Duplexes define 18.5% all housing units, and units within medium density (3-4 units) structures represent 6.22%.

Table 2.2 Units in Structure

1-unit detached	2,352	37.5%
1-unit attached*	221	3.5%
2 unit	1,159	18.5%
3 or 4 units	390	6.2%
5 or more units	2,119	33.8%
Other	34	0.5%
Total	6,275	

Source: 2018 5-Year ACS

**refers to units within a structure that are separated by a ground-to-roof wall, are not stacked vertically, have separate heating systems, and have separate utility meters.*

[insert map of housing units by type]

2.4.2 Age and Architecture of Existing Housing Stock

The majority of Shorewood’s housing units (52.7%) were built in 1939 or earlier. Slightly under 40% of the total number of housing units were built between 1940 and 1979, and approximately 10% of housing units in the Village were built after 1980. The age of a community’s housing stock may provide insight into modern amenities, accessibility and energy efficiency.

Table 2.3 Year Structure Built

1939 or earlier	3,306	52.7%
1940-1949	600	9.6%
1950-1959	734	11.7%
1960-1969	524	8.4%
1970-1979	473	7.5%
1980-1989	397	6.3%
1990-1999	69	1.1%
2000-2009	41	0.7%
2010 or later	131	2.1%

Source: 2018 5-Year ACS

[insert map of structure by year of construction]

In 2011, an “Architectural Survey of Shorewood, Wisconsin” was performed by Carol Lohry Cartwright for the Village of Shorewood and the Division of Historic Buildings and Public History at the Wisconsin Historical Society. The report was meant to provide architectural and historical context for surveyed properties, along with recommendations. With respect to style, the report notes that many homes can be classified into “period revival styles.” In addition, there are examples of Prairie Style, Arts and Crafts, Craftsman, Bungalow and Modern styles throughout the village.

The report notes that “Shorewood’s neighborhoods were developed primarily for middle-class to wealthy families, and almost all of the homes reflect architectural styles, in other words there are few buildings that could be categorized as vernacular forms rather than architectural styles.” It also states that Shorewood’s historical buildings have, in general, been well-maintained and historic neighborhoods are

largely intact. As a result, the report notes that the potential for historic district and individual property designation was high.

2.4.3 Housing Costs

The median housing value in Shorewood is approximately \$334,700. This has increased 11.17% since 2010 (not adjusted for inflation). This value remains higher than county, metro, state and most comparable or neighboring communities, except Whitefish Bay. In comparison to those same geographies, Shorewood’s median value has increased the most within this timeframe.

Table 2.4 Median Value Owner-Occupied Housing

	2018	2010*	Change
Shorewood	\$334,700	\$297,300	11.17%
Milwaukee County	\$153,600	\$165,700	-7.88%
Milwaukee Metro	\$204,700	\$204,800	-.05%
Wisconsin	\$173,600	\$169,000	2.65%
Whitefish Bay	\$373,200	\$339,300	9.08%
Glendale	\$216,600	\$215,300	0.60%
Wauwatosa	\$233,100	\$231,300	0.77%

Source: 2018 5-Year ACS & 2010 5-Year ACS

*not adjusted for inflation

Median rent in Shorewood is estimated at \$976, which is up 21.82% since 2010. Although all other geographies have also increased, Shorewood’s change is the largest. However, rental rates remain lower than its adjacent North Shore communities and Wauwatosa.

Table 2.5 Median monthly rent

	2018	2010*	Change
Shorewood	\$976	\$763	21.82%
Milwaukee County	\$864	\$752	12.96%
Milwaukee Metro	\$885	\$769	13.11%
Wisconsin	\$837	\$713	14.81%
Whitefish Bay	\$1,253	\$1,061	15.32%
Glendale	\$1,086	\$1,012	6.81%
Wauwatosa	\$1,071	\$891	16.81%

Source: 2018 5-Year ACS & 2010 5-Year ACS

*not adjusted for inflation

2.4.4 Housing Cost Burden

As detailed within the Village’s Housing Market Study and Needs Analysis (pages 65-75), cost burdened households are defined by HUD as “households that spend more than 30 and less than 50 percent of monthly income on housing costs.” For renters, housing cost is equivalent to the gross rent (asking rent plus utilities). For owners, housing cost includes the monthly mortgage payment, utilities, association fees, insurance and real estate taxes.

Based on this definition, in 2018, 24.17% of households with a mortgage and 39.22% of renters are cost burdened in Shorewood. Those figures are actually slightly less than comparative statistics for Milwaukee County, the metro region and state. When compared to Whitefish Bay, Glendale and Wauwatosa, Shorewood’s homeowners with a mortgage are slightly more burdened, but its renters are slightly less. Compared to similar statistics from 2010, cost burden has actually decreased within all categories at all geographies, except for renters in Wauwatosa. **The Village’s Housing Market Study and Needs Analysis noted that Shorewood’s desirability often out-weighed cost-burden for residents making the decision to locate in the village.**

Table 2.6 Cost burden by Tenure and Mortgage

		Owner w/ Mortgage	Owner w/o Mortgage	Renter
Shorewood	2010	36.98%	15.81%	44.02%
	2018	24.17%	19.55%	39.22%
Milwaukee County	2010	38.42%	21.67%	55.01%
	2018	29.05%	18.62%	54.44%
Milwaukee Metro	2010	34.99%	18.59%	52.60%
	2018	25.84%	16.01%	52.14%
Wisconsin	2010	34.02%	16.69%	50.14%
	2018	24.27%	14.20%	48.03%
Whitefish Bay	2010	25.90%	17.28%	56.53%
	2018	23.46%	25.60%	43.74%
Glendale	2010	31.24%	17.03%	50.30%
	2018	23.57%	19.10%	48.46%
Wauwatosa	2010	27.93%	16.40%	43.64%
	2018	17.69%	15.29%	45.49%

Source: 2018 5-Year ACS & 2010 5-Year ACS

Cost burden for households without a mortgage likely relates to seniors whose housing costs, including utilities, maintenance and taxes, outweigh their fixed incomes.

2.5 Residential Construction Activity

Residential building permit data has remained generally stable within recent years.

Table 2.7 Residential Building Permits

	2017		2018		2019	
Single Family	410	\$7,492,650	362	\$7,910,944	359	\$10,351,834
Duplex	108	\$1,039,472	108	\$1,053,425	118	\$1,667,251
Condo	9	\$498,442	4	\$28,300	8	\$156,390
Multifamily	3	\$36,388	4	\$34,000	4	\$13,663
Total	530	\$9,066,952	478	\$9,026,669	489	\$12,189,138

Source: Planning & Development Department (BS&A Report)

As a built-out community, new housing construction is primarily limited to redevelopment projects. Since 2011, 362 new units have been constructed within the village. Of note, this figure takes into account units that were removed as a result of tear-down or conversion.

Table 2.8 New Housing Construction Permits Issued by Year

Year	New Single-Family Homes*	Housing Units Eliminated**	Multi-Family Dwelling Units Constructed		Net New Housing Units
2011	3	3	0		-3
2012	2	1	0		-1
2013	1	0	84	LightHorse	85
2014	3	2	0		-2
2015	1	1	99	Harbor Chase	99
2016	5	5	0		-5
2017	3	3	95	Mosaic	92
2018	1	1	101	The Oaks of Shorewood	100
2019	4	5	0		-1
2020	3	2	0		-2
Total	26	23	379		362

Source: Planning & Development Department

**also includes new homes constructed as a result of a teardown or duplex conversion – date based on permit issuance*

***teardowns and duplex conversions*

Although most redevelopment has been predominantly market-rate, three of the four multi-family developments that were constructed within the past 10 years feature various components of senior and affordable units. The LightHorse, whose rents range from approximately \$1,400 for 1BR units to \$2,950 for 3BR units also includes 17 affordable units at the following pricing: \$865/1BR, \$1,043/2BR and \$1,192/3BR, which meet HUD's 60% Area Median Income (AMI) standards for 2019. All units within the Mosaic are market rate with rents ranging from \$1,500 for 1BR units and \$3,100 for 3BR units. The Oaks of Shorewood development was built for persons 55 years or older and has rents from \$1,200 for 1BR units and \$1,900 for 2BR units. Harbor Chase includes a range of senior options from assisted-living units and memory care.

2.6 Housing Programs

2.6.1 Code Enforcement

In 1980, the Village established a Code Compliance Program to prevent the deterioration of its housing stock and to preserve property values. The program monitored the upkeep and maintenance of all residential properties at the time of sale. The Program was ended in 2015, as a result of a prohibition enacted by the State. However, the Village still does perform pro-active Code Enforcement inspections with respect to exterior property maintenance. The program is staffed by a half-time building inspector within the Planning & Development Department.

2.6.2 Neighborhood Improvement Loan Program

The Neighborhood Improvement Loan Program established by the Village Board through the CDA in 2009 was developed to serve as a catalyst for enhancing Shorewood's aging housing stock, maintaining the rate of owner-occupied housing units, and increasing the number of housing units with three or more bedrooms in Shorewood.

The program offers deferred, zero-interest loans for down-payment assistance, attic improvement loans and duplex conversion loans. The program previously also offered loans for exterior maintenance. Initially designed for payback upon resale, the program was modified to require payback within 10 years with the first two years being deferred. This allowed for more frequent recirculation of the \$535,000 of available funds. The program was frozen in 2018 for reevaluation. As of June 1,

2020, \$257,266 of the program funds were outstanding, leaving \$277,734 in the fund balance.

Table 2.9 Neighborhood Improvement Loan Program Summary

Type	Quantity	Amount Loaned	Outstanding
Down Payment Assistance	9	\$37,250	\$8,000
Exterior Maintenance	5	\$30,025	\$3,525
Duplex Conversion	13	\$244,170	\$56,980
Attic Improvement	17	\$323,568	\$188,761
Total	44	\$635,013	\$257,266

Source: Planning & Development Department

2.6.3 Community Development Block Grant Home Repair Program

Qualifying residents of Shorewood are eligible to apply for Community Development Block Grant Home Repair Program through the Village’s participation within the Milwaukee County consortium. The Home Repair Program provides low- and no-interest loans for home repair, including the removal of architectural barriers for disabled low-income homeowners and tenants.

2.6.4 Section 8

Section 8 is funded by the U.S. Department of Housing and Urban Development (HUD). This program is designed to help low-income families and individuals with rent assistance for decent, safe and sanitary housing provided by private owners and rental agents. Landlords and property managers in Milwaukee County may not prohibit qualifying renters from utilizing this type of assistance throughout the County, including Shorewood.

The Wisconsin Housing and Economic Development Authority (WHEDA) keeps a statewide listing of rental housing that is paid with federal assistance. Shorewood has 229 units for Section 8/NC, 416 units for Elderly and 13 units for disabled within the River Park I and River Park II apartments at 1600 and 1700 River Park Court.

2.7 Housing Goals, Objectives and Recommendations

GOAL - MAINTAIN/PRESERVE:

Diverse, high-quality housing stock that is well maintained, historically preserved, and modernized in its amenities and environmental impact.

OBJECTIVES:

Encourage homeowners and commercial property owners to maintain and invest the Village’s housing supply.

Develop policies, regulations and programs that support the maintenance and preservation of the housing stock.

Promote historic preservation and architecturally sensitive renovations.

RECOMMENDATIONS:

Review and relaunch Neighborhood Home Improvement Loan program based on consistency with housing goals (such as modernization and energy efficiency), proven need and administrative efficiency.

Educate and consider the creation of increased historic preservation regulations, designations or districts that incentivize homeowners to preserve the Village’s historical legacy.

Review, confirm scope and continue to utilize the Design Review Board to preserve and enhance aesthetics within the Village.

Review and refine property maintenance/code enforcement program and continue its implementation.

GOAL - RETAIN/ATTRACT:

A diverse housing market with respect to housing sizes and types, owner-occupancy and tenancy, and household types and demographics that respects a balance for retaining existing housing stock and community members, and attracting and developing the next generation.

OBJECTIVES:

Ensure that local policies, programs and regulations support housing affordability and diversity.

Promote Shorewood as a welcoming community.

RECOMMENDATIONS:

Review housing gaps identified within the 2020 Comprehensive Housing Market Study and Needs Analysis and identify opportunities to address those gaps, including affordability.

Consider opportunities to extend Tax Incremental Districts or other incentives to support affordable housing.

Review and consider public funding programs to achieve housing goals (such as gaining in place), including a potential relaunch of the Neighborhood Home Improvement Loan program based on proven need and administrative efficiency.

Review and update zoning codes with respect to housing standards and types, including co-housing and accessory dwelling units.

Educate and enforce Fair Housing code and policy throughout the Village, but with particular attention to commercial property owners.

GOAL - DEVELOPMENT:

A community with updated housing regulations and financial policies that is responsive to the opportunity for development within areas susceptible to change in relation to its housing market, community demographics and fiscal conditions.

OBJECTIVES:

Understand the role that housing regulations have in investment, retention and attraction.

Evaluate the benefits of redevelopment with respect to housing market impacts and community goals.

RECOMMENDATIONS:

Ensure transparency and community support for redevelopment projects that support housing goals.

Review and update zoning codes with respect to housing standards and types, including co-housing and accessory dwelling units.

Update commercial zoning district regulations to include form-based standards that promote neighborhood context, pedestrian character and human-scaled design elements for future redevelopments.

Adopt and regularly refine policy for redevelopment financial assistance, including Tax Incremental Finance requests, with respect to community housing goals and fiscal responsibilities.

6 Economic Development

6.1 Introduction

Economic development relates to programs or activities that seek to improve the economic well-being and quality of life for residents of a community by retaining or attracting jobs, businesses or new developments that facilitate growth and provide a stable tax base. Economic development within Shorewood has traditionally been undertaken through partnerships between the Village, its Community Development Authority (CDA) and the Business Improvement District (BID).

Prior or current aspects of economic development in Shorewood include:

- marketing
- business assistance (grants and loans)
- façade improvement incentives
- tax incremental financing
- business improvement district
- infrastructure improvements
- business recruitment and retention

This element will review the local economic base in terms of the Village’s economic development framework, opportunities, programs, labor force and employment sectors, and real estate and taxes, and environmental contamination. It will identify goals, objectives and recommendations. Prior planning efforts, including the 2014 Central District Master Plan and 2020 Joint Strategic Planning between the Village Board and CDA provide much of the background for this chapter.

6.2 Vision Statement

With respect to economic development activities, Shorewood’s 2025 Vision Statement details that “Shorewood will be a vibrant urban community with opportunities to work in and to grow successful profit and non-profit businesses; and with attractive and thriving local service, retail and hospitality businesses. It further states that “Shorewood

will be a financially responsible community with . . . strong property values [and] a competitive tax rate.”

6.2.1 Stakeholder Input

Input related to the economic development was primarily solicited through stakeholder participation in joint Strategic Planning convened by the Village Board and Community Development Authority in 2020. The following strengths, weaknesses and priorities were identified.

Strengths

- Location
- Schools
- Diversity of households
- Community pride
- Diverse economic profile
- Infrastructure investment

Weaknesses

- Use of public funds
- Limited land
- Limited tools
- High commercial rent and land costs
- Empty storefronts
- Low daytime population

Priorities (1-3 years)

- Focused retail areas for redevelopment/development
- New business development with reduced subsidy
- Fill empty storefronts
- Sustainable development practices

Priorities (4-10 years)

- Identity of business district
- Grow commercial tax base
- Full occupancy
- Address strategic sites from Central District Master Plan
- Prioritize redevelopment to improve commercial and community character

6.3 Existing Economic Development Framework

In addition to the policies set and budgeted by the Village Board, targeted economic development activities are undertaken by various entities or organizations within or affiliated with the Village. These stakeholders maintain both formal and informal relationships, so it is critical that they understand how their individual responsibilities function within the Village's overall economic development framework.

Community Development Authority

The Community Development Authority (CDA) was created in 1993 to engage in activities intended to "improve the functional unity, appearance, livability, and economic well-being of the Village of Shorewood." The Village Manager serves as the Executive Director of the CDA. The goals of the CDA include:

- Strengthening the long-term economic viability of the Village
- Eliminating substandard and obsolete buildings, environmental deficiencies and non-conforming uses
- Providing for orderly physical economic growth
- Creating development and planning studies and proposals on behalf of the Village
- Expanding the availability of affordable housing
- Enhancing and preserving the Village's tax base

The CDA provides oversight for the Village's primary economic development activities, including tools, programs and planning efforts. In recent years, those tools have included Tax Incremental Financing, Façade Improvement Grants, Emergency Business Assistance Grants (related to COVID-19) and Business Incentive Loans. In 2020, many of these programs were discussed within joint Strategic Planning between the CDA and Village Board. Direction was provided to re-evaluate their purpose and processes.

In 2014, the CDA led an update to the Village's Central District Master Plan (CDMP). That plan include the following eight objectives:

1. Guide Shorewood public committees, staff, and officials involved in community improvement and economic development in their planning and implementation activities.
2. Attract potential developers by identifying projects that are likely to be supported by the Village.
3. Attract and retain thriving local service, retail, and hospitality businesses.
4. Improve pedestrian, bicycle, vehicular access and circulation and public safety.
5. Enhance the physical conditions and overall pedestrian environment.

6. Improve parking for employees, visitors, shoppers, and restaurant patrons.
7. Bring innovative, creative, and feasible ideas to the District.
8. Create a clear, documented vision for the Central District's future.

The goals, objectives and recommendations of the CDMP with respect to economic development have been reviewed and incorporated, where applicable, within this chapter.

Business Improvement District

In 1999, the Shorewood Business Improvement District (BD) was established by the Village Board, upon petition of property owners within the District. Enabled by State Statute 66.608, a business improvement district is a mechanism for a commercial district to levy a special assessment to finance the achievement of a common goal. The BID annually adopts an Operating Plan that is reviewed by the Village Board. The BID is governed by By-Laws that further define the purpose, members, meetings, staff and Board member responsibilities in support of its Operating Plan. The BID hires an Executive Director to help it implement its operations, and a Trustee from the Village Board serves as a liaison.

The BID's initial Operating Plan, which remains incorporated by reference within subsequent plans, indicated that it was "dedicated to increasing activity and improving the image of the District. Staffed with a professional or volunteer manager, the BID will create a link between service, retail, civic and social activities. It is anticipated that these efforts will help increase District sales volumes, attract additional business investment, and enhance property values in the Village Commercial areas."

The BID's current Strategic Plan includes the following three goals:

Goal 1: Marketing and Branding: Effectively and efficiently communicate the Shorewood Business District's unique value proposition to current and new customers, members, clients, users and influencers.

Goal 2: Business Participation in the Business Improvement District: Deepen and expand engagement of members of the business community to unify and grow.

Goal 3: Business Recruitment and Retention: Attract, retain and facilitate the development of a unique mix of sustainable businesses.

In 2020, the BID was comprised of 109 properties who paid a special assessment of \$1.38 per \$1,000 of assessed value (with a maximum contribution of \$5,000) for a total of

\$142,887. That special assessment is collected by the Village through annual tax bills and disbursed to the BID for implementation of its Operating Plan.

[insert BID map]

Planning & Development Department

The Planning & Development Department oversees the day-to-day administration of the Village Code, with respect to zoning, building, property maintenance and occupancy requirements. It also performs planning oversight for various efforts. The Department serves liaison responsibilities to the Plan Commission, Community Development Authority, Design Review Board and Board of Appeals. The Department has also historically been tasked with administration of various community development activities, such as grant and loan programs.

6.4 Current Business Environment

The Village’s business district is comprised primarily of two intersecting thoroughfares, E. Capitol Dr. and N. Oakland Ave. that run from border to border. Small portions of N. Wilson Dr. also include commercial businesses. The general varieties of commercial uses in the district include retail, service, office, and food/beverage.

Per Village Code, all businesses are required to obtain Occupancy Permits, which are further required to be renewed every five years. Based on valid occupancy permits (as of 8/1/2020), Shorewood has approximately 245 businesses along two miles of commercial frontage. The businesses are distributed into the following percentages. (This distribution relates solely to the quantity of businesses, not square footage or sales.)

Table 6.1 Businesses by Sector

Retail	30	12%
Food and Beverage	31	13%
Office	51	21%
Services	133	54%
Total	245	100%

Source: Planning & Development Department (BS&A)

Services, which by far has the most businesses occupancies, can be further broken down into the following classifications.

Table 6.2 Service Sector Businesses

Financial	4	3%
Education	7	5%
Auto-oriented	8	6%
Physical Fitness	10	8%
Salon/Spa	30	23%
Clinic	59	44%
Other	15	11%
Total	133	100%

Source: Planning & Development Department

6.5 Opportunities Analysis

The 2014 CDMP Update included a Market Analysis and identified Redevelopment Opportunities. The Market Analysis detailed trade areas within the Village, as well as a 5- or 10-minute drive. It noted that median income is high within Shorewood, but falls significantly, as the trade area expands. The higher income within the immediate trade area was noted to be a good sign for small businesses who rely on local, rather than outside customers.

The analysis recommended that when attracting new businesses, Shorewood should not try to compete with over-served sectors that rely on luring customers from outside of the trade area. Utilizing consumer demand versus supply, the analysis noted that supply gaps within the local trade area existed within the following industries:

- Lawn & Garden Supply
- General Merchandise
- Home Furnishings
- Shoes
- Specialty Food

The analysis also noted that an increasing number of retail expenses are occurring online, so brick-and-mortar stores who can operate with an online-presence out of their storefronts may find more success.

The Market Analysis indicated that Shorewood has a strong mix of businesses in relation to communities of comparable size. It noted that there was a particularly strong presence of limited-service businesses such as, eating places, beauty salons, pharmacies and gasoline stations. As a result, the analysis stated that the Village and BID should pay just as much, if not more, attention to the service environment in the Central District as the retail environment.

Lastly, the analysis indicated that the Village supports a number of small businesses, not only by employment, but by square footage. It noted that large businesses, such as regional grocery stores or pharmacies, skewed the average sales per business. The wide range in sales emphasized the importance of maintaining anchor stores that can attract customers. It also noted that a variety of local, regional and national retailers contributes to a healthy business district.

The Redevelopment Opportunities section of the CDMP identified underutilized properties that presented **redevelopment** opportunities, **which could be classified as susceptible to change**. It also included opportunities to enhance connectivity, accessibility and the public realm. The plan also included a land use strategy to reinforce how the Central District could grow or change.

In total, nine redevelopment sites were detailed, one of which has been redeveloped since its publication. Eight additional sites were described as community and land use enhancement opportunities, two of which have been improved. The following areas or sites remain susceptible to change, as previously identified:

Redevelopment Sites

- 1409-25 E. Capitol Dr.
- 1518-30 E. Capitol Dr.
- 1700 E. Capitol Dr.
- 3600 block of N. Oakland Ave.
- 4100 block of N. Oakland Ave.
- 4230 N. Oakland Ave.
- 4300 N. Oakland Ave.

Community & Land Use Opportunities

- 1550-60 E. Capitol Dr.
- 2400 block of E. Capitol Dr.
- 3500 block of N. Oakland Ave.
- 3800 block of N. Oakland Ave.
- 3900 block of N. Oakland Ave.
- 4200-4231 N. Oakland Ave.

[create and insert map of redevelopment sites and community & land use opportunities]

6.6 Economic Development Programs

The Village has utilized and created several tools to assist with the implementation of its economic development vision. Namely, those tools have included Tax Incremental Financing (TIF), Façade Improvement Grants and Business Incentive Loans. While the utilization of TIF is regulated by State Statues and administered by the Department of Revenue, grant and loan programs have been developed locally based on desired needs and outcomes. The Village also participates in a consortium with other suburban municipalities within Milwaukee County to be eligible for Federal Community Development Block Grant funds.

Tax Incremental Financing

Tax Incremental Financing (TIF) is often described as the most powerful economic development tool that Wisconsin municipalities have within their tool kit. TIF provides financing to developers to encourage new development or reinvestment in a district. TIF allows a municipality to fund infrastructure and other improvements, through the incremental value of property tax revenue generated on newly developed or improved property.

There are two different ways to initiate the creation and utilization of TIF. The municipality may pro-actively identify an area for redevelopment and pursue corresponding actions to initiate those changes. Alternatively, developers may approach the municipality to request that a district be created to financially assist with the implementation of their project.

Prior to being able to utilize TIF, a municipality must first **designate** an area, the Tax Incremental District (TID), as appropriate for a certain type of development and obtain approval from overlying taxing jurisdictions to freeze current tax collections. The municipality also identifies projects eligible for funding to encourage and facilitate that desired development. Those funds may be provided up front or reimbursed annually to the developer. Then as property values rise based on the new development or improvements, the municipality uses the full amount of incremental property tax revenue on that development to pay down the project costs. After the project costs are paid, the municipality closes the TID and the higher tax revenue is distributed to all taxing jurisdictions.

As noted by the Department of Revenue: One key basis for the use of TIF is the "but for" requirement. As part of all creation resolutions, a municipality must affirm that the development would not happen "but for" the use of TIF. The municipality must believe that without TIF the development would never happen. This requirement is important to

ensure TIF assists development projects needing help, but that it is not a gift of tax dollars to private developers or property owners.

Since its inception, the CDA has led the creation of five TIF Districts. TID 1 was created in 1995 and amended in 2005. It generally covers the entire business district on N. Oakland Ave. and E. Capitol Dr. Funding within the District most recently helped finance the Cornerstone (4500 N. Oakland Ave.) and Ravenna (4541 N. Oakland Ave.) mixed-use redevelopment projects. TID 2 was created to help finance the Edgewood Place Condominiums on E. Edgewood Ave. between N. Maryland Ave. and N. Prospect Ave. It was successfully closed in 2008. In 2008, the Village created TID 3, which has since assisted to create the Harbor Chase Assisted Living Complex (1111 E. Capitol Dr.) and The Oaks of Shorewood (3900 N. Estabrook Pkwy.) senior housing facility. TID 4 was created in 2011 to facilitate the LightHorse (4041 N. Oakland Ave.) mixed-use development and parking garage. Most recently, TID 5 was created in 2014 to enable redevelopment of the Metro Market grocery store (4075 N. Oakland Ave.), parking structure and Mosaic (4175 N. Oakland Ave.) mixed-use developments.

[insert TID map]

The Village is required to submit annual reports to the Department of Revenue regarding the status of its TIDs. Those reports must be submitted by July 1 and are reviewed by the Village’s Joint Review Board (JRB), which consists of members from the Village, School District, MATC, Milwaukee County and a member of the public. Those reports are also shared with the CDA. Additionally, the Village’s Long Range Financial Plan includes annual projections as to when each District will close and what incremental value in the form of property tax relief each will bring. With the exception of TID 2, which is already paid off, all districts are in various stages of payback.

Table 6.3 TIF Status

	Creation	Expected Closure	Projected Increment
TID 1	1995	2021	\$2,500,000
TID 3	2008	2027	\$1,400,000
TID 4	2011	2028	\$650,000
TID 5	2014	2023	\$1,500,000

Source: Long Range Financial Plan

Façade Grants

In 2004, the Village established a Façade Improvement Grant Program through the CDA, which was administered by the BID, with eventual oversight provided by the Planning & Development Department. The program was established to assist exterior building

improvements to existing commercial buildings in TID 1. The goals were to encourage good design and materials standards that will enhance the experience of shopping in Shorewood, promote commercial vitality, increase economic activity, and maintain and improve existing property values in the target area. The program was significantly updated in 2016 at which time the matching grants were capped at \$10,000 for façade improvements and \$1,500 for signage.

Original funding was provided as an eligible TIF project cost and expanded as additional funding was requested. Through 2020, the program provided over \$1,600,000 of matching funds for eligible improvements. All funds from the program have been expended, as its remaining funds (\$300,628) were transferred to a one-time Emergency Business Assistance grant program that was designed in response to COVID-19.

Business Loans

In 2007, the Village established a Business Incentive Fund, which provided low-interest loans to finance business expansion and start-up projects. The loan funds were to be repaid to create a revolving fund for additional assistance. The program was updated in 2016, at which point it was expected to be an important component of the Village's economic development toolbox, alongside the Façade Grant Improvement Program and TIF redevelopment projects. The program's goal was aimed at property tax base enhancement, small business recruitment and retention, elimination of blight, increased first floor activity and job creation.

The program, which was funded with approximately \$625,000 and provided loans between \$10,000 - \$45,000, was to be administered by the BID. Applicants needed to provide sufficient collateral, including personal guarantees to secure the funding. Project eligibility was based on priority to first floor retail uses, specifically retail and restaurant uses, within the business corridor and first floor office uses that create daytime employment. Secondary priority was to be given to other uses and upper floor uses within the business district.

In recent years, the program was identified to be underutilized and eventually frozen due to administrative issues. As of July 1, 2020, approximately \$550,000 was available within the fund with \$80,000 outstanding.

Community Development Block Grant (CDBG)

Shorewood is a member of the Milwaukee County Community Development Block Grant consortium, which among other options, allows the Village to apply for funds to facilitate economic development projects. Any project must meet goals within the County's Consolidated Plan and a National Objective, such as benefitting low-to-moderate income

persons or the prevention or elimination of slum or blight. Program applications are due to the County annually in August for funding within the next Federal Fiscal Year.

6.7 Labor Force and Employment Sector Analysis

Labor Force Data and Unemployment Rates

The U.S. Census Bureau defines the labor force as all persons age 16 and older who are classified as either employed or unemployed. Conceptually, the labor force level is the number of people who are either working or actively looking for work. As of July 1, 2019, when 2018 5-Year ACS estimates were published, the U.S. Census Bureau estimated that 70.3% (7,267) of Village residents were in the labor force (67.6% employed and 3.8% unemployed).

Labor Force Characteristics

In comparison to its county and metro area geographies, **which include the counties of Milwaukee, Waukesha, Ozaukee and Washington**, Shorewood’s labor force is employed in a higher percentage of professional jobs and has a higher level of educational attainment. However, Shorewood residents also rely on the regional market to provide jobs, predominantly within Milwaukee County, as employment opportunity within the village is limited.

Over half of Shorewood’s labor force (63.6%) works in “white collar” occupations related to management, business, science and arts. That compares to 36.1% of the labor force within the same industries in Milwaukee County, 40.1% in the metro area and 36.4% in Wisconsin. A more detailed breakdown within the following table also shows that Shorewood has a higher percentage of jobs in sales and legal occupations, whereas the County, metro region and State have a higher proportion within production and food-preparation and serving.

Table 6.4 Occupation

	Shorewood	Milwaukee County	Milwaukee Metro	Wisconsin
Management	13.94%	7.67%	9.74%	9.62%
Education, instruction & library	12.65%	5.44%	5.57%	5.49%
Sales	9.80%	9.78%	10.34%	9.01%
Office and administration	9.05%	11.28%	11.39%	11.35%
Health diagnosing and treatment	8.46%	4.95%	5.31%	4.36%
Business and financial operations	7.49%	5.45%	6.20%	5.23%
Legal	5.15%	1.16%	1.15%	0.68%

Computer and mathematics	4.14%	2.65%	3.19%	2.69%
Arts, design, entertainment, sports and media	4.00%	1.90%	1.77%	1.55%
Architecture and engineering	3.43%	1.93%	2.38%	1.98%
Personal care	2.97%	2.52%	2.51%	2.44%
Production	2.89%	9.13%	8.54%	10.00%
Food preparation and serving	2.59%	6.09%	5.32%	5.34%

Source: 2018 5-Year ACS

The estimated number of Shorewood residents within these professional sector jobs correlates to the educational attainment levels. Over 74% of Shorewood residents age 25-64 have attained a bachelor’s degree or higher, compared to 32% within Milwaukee County, 38% within the metro area and 32% in the State. Educational attainment is more comparable within adjacent North Shore communities and Wauwatosa.

Table 6.5 Educational Attainment (Population 25-64)

	Less than High School	High School Graduate	Some College or Associate’s Degree	Bachelor’s Degree or higher
Shorewood	1.19%	6.64%	17.82%	74.35%
Milwaukee County	10.88%	26.99%	30.02%	32.11%
Milwaukee Metro	7.97%	25.40%	29.52%	38.19%
Wisconsin	7.22%	27.74%	33.26%	31.79%
Whitefish Bay	1.01%	4.76%	14.30%	79.93%
Glendale	3.15%	11.59%	27.61%	57.65%
Wauwatosa	1.81%	11.45%	21.2%	65.54%

Source: 2018 5-Year ACS

Most Shorewood residents work outside of the community, as Shorewood does not have a large employment base. Data pertaining to employment by sector indicate that “accommodation and food services” and “retail trade” are Shorewood’s two largest employment bases, with 679 and 547 employees respectively. However, these categories and numbers do not align with Shorewood’s occupational categories, suggesting a spatial mismatch. The mean travel time to work is estimated at 22.8 minutes (2018 5-Year ACS), which would indicate that most Shorewood resident work within the nearby Milwaukee job market, including downtown.

Shorewood’s Village Code does allow residents of certain industries to work from home. 2019 ACS 5-Year Estimates indicate that approximately 7.5% of the Village’s labor force

works from home. That estimate is up from 3.2%, which was reported in 2010. As technology continues to advance and the business culture adjusts, options for remote working are likely to trend upward.

Median Household Income and Poverty

Median household income and poverty statistics provide insight into consumer purchasing power and affordability within Shorewood. The US Census Bureau defines poverty utilizing a family’s income threshold in relation to its size and composition; geography is not a factor. These figures may be used to understand the potential success for retail and service businesses; however, Shorewood’s unique household make-up must also be taken into consideration.

Based on 2018 ACS 5-Year Estimates, the median household income in Shorewood is \$72,903. This figure is higher than that of Milwaukee County (\$48,742), the metro region (\$59,751) and State (\$59,209). However, Shorewood’s median household income is less than its adjacent North Shore neighbors (Whitefish Bay \$117,300 and Glendale \$92,088), which is likely attributable to its unique household make-up which is majority renter-occupied. The Village’s proximity to UWM also contributes, as student income skews the overall number. **Table 6.7, which breaks out the Shorewood median household income by owner-occupied versus renter-occupied housing, confirms those thoughts.**

When adjusted for inflation, Shorewood’s median household income has increased 2.09% from its 2010 estimate (\$69,207). This increase is slightly higher than that of the State, County and metro region.

Table 6.6 Median Household Income in the Past 12 Months (in 2018 dollars)

	2010	2018	% Change
Shorewood	\$69,207	\$72,903	2.09%
Milwaukee County	\$48,438	\$48,742	0.62%
Milwaukee Metro	\$59,516	\$59,751	0.39%
Wisconsin	\$58,592	\$59,209	1.04%
Whitefish Bay	\$127,758	\$117,300	-8.92%
Glendale	\$72,266	\$92,088	21.53%
Wauwatosa	\$77,213	\$79,757	3.19%

Source: 2018 5-Year ACS

Table 6.7 Shorewood Median Household Income in the Past 12 Months by Housing Tenure (in 2018 dollars)

	2010	2018	% Change
Owner-occupied	\$119,050	\$129,375	7.98%
Renter-occupied	\$36,333	\$47,363	23.29%

Source: 2018 5-Year ACS

A comparison of the estimated percentage of individuals living below the poverty level in 2018 shows Shorewood (11.2%) below the State (11.9%), County (19.9%) and metro area (14.0%) estimates. Shorewood’s rate is higher than its adjacent North Shore communities (Whitefish Bay 6.9% and Glendale 6.7%), a fact once again likely due to its higher proportion of renter household and college students. Shorewood’s poverty rate has **slightly** increased an additional 1.7 percentage points in comparison to the same estimate from 2012. This is counter to trends at other geographic levels, except Wauwatosa.

Table 6.8 Poverty Status in the Past 12 Months (Individuals)

	2012	2018
Shorewood	9.5%	11.2%
Milwaukee County	20.9%	19.9%
Milwaukee Metro	14.6%	14.0%
Wisconsin	12.5%	11.9%
Whitefish Bay	3.6%	3.5%
Glendale	8.8%	6.7%
Wauwatosa	4.8%	6.9%

Source: 2018 5-Year ACS

6.8 Assessed Real Estate and Tax Rates

Economic development discussions in many municipalities revolve around maintaining or growing tax base and controlling costs to keep municipal taxes low while supporting a desired quality of life; those discussions are no different in Shorewood. (It is worth noting that school districts and other taxing jurisdictions affect the total tax rate in the community, but are outside of municipal control.) In order to understand the trend of how municipal taxes are being levied and utilized in Shorewood, several points of data are required to be analyzed. That data includes the equalized property value and municipal tax levy, which are necessary to calculate the municipal tax rate, which then is part of the gross tax rate that appears on property tax bills for each property.

According to the Wisconsin Policy Forum’s Property Values and Taxes Datatool, the total equalized value of property in Shorewood in 2020 was \$1,789,249,400. Of that figure, 20.22% of value related to commercial property and 79.22% related to residential property. Since 2010, Shorewood’s total equalized value rose 19.65%, and the percentage of its commercial property rose from 16.08% to 20.22%. On the whole, Shorewood’s percentages were more balanced than Whitefish Bay’s whose total equalized value in 2020 was \$2,473,091,400 (a 19.48% increase from 2010) of which 94.49% was residential and only 5.38% commercial. However, Wauwatosa’s total equalized value of \$6,863,838,600 in 2020 (up 20.42% from 2010) was more spread out at 2.01% in manufacturing, 35.69% in commercial and 58.85% in residential property. Glendale’s total equalized value actually decreased 15.33% from 2010 to \$2,075,388,000 and its share of residential burden increased from 40.69% to 51.31% and its commercial proportion decreased from 50.03% to 43.52%.

Table 6.9 Total Equalized Property Values

	2010	2020	% change
Shorewood	\$1,437,686,900	\$1,789,249,400	19.65%
Glendale	\$2,393,447,700	\$2,075,388,000	-15.33%
Wauwatosa	\$5,462,436,300	\$6,863,838,600	20.42%
Whitefish Bay	\$1,991,308,800	\$2,473,091,400	19.48%

Table 6.10 Equalized Property Values by Percentages

	Manufacturing		Commercial		Residential		Misc.	
	2010	2020	2010	2020	2010	2020	2010	2020
Shorewood	0.00%	0.00%	16.08%	20.22%	83.26%	79.22%	0.66%	0.56%
Glendale	2.72%	2.64%	50.03%	43.52%	40.69%	51.31%	6.56%	2.53%
Wauwatosa	2.66%	2.01%	30.13%	35.69%	62.93%	58.85%	4.28%	3.45%
Whitefish Bay	0.00%	0.00%	5.45%	5.38%	94.18%	94.49%	0.37%	0.13%

Source: Wisconsin Policy Forum, Property Values and Taxes Datatool 2020

In 2019, Shorewood’s municipal tax levy, which relates to the taxes collected to support municipal operations, was \$11,648,359. This figure is up from \$9,878,611 in 2009. Comparatively speaking this 15.19% increase is similar to that of both Wauwatosa (18.83%) and Whitefish Bay (14.08%), but less than that of Glendale (8.73%).

Utilizing total equalized value and the municipal tax levy, Shorewood’s gross tax rate per \$1,000 of assessed property value, which notably includes taxes levied by all jurisdictions, in 2019 was \$28.99. This was up from \$26.25 in 2009. However, this figure has decreased every year since 2012 when it reached a peak of \$32.08. Similar reductions have been witnessed from 2014 to 2019 in Whitefish Bay, Glendale and Wauwatosa.

Table 6.11 Gross Tax Rate per \$1,000 of Assessed Property Value

	2009	2014	2019
Shorewood	\$26.25	\$30.07	\$28.99
Glendale	\$23.28	\$27.87	\$25.10
Wauwatosa	\$22.20	\$24.34	\$24.11
Whitefish Bay	\$22.33	\$24.34	\$21.87

Source: Wisconsin Policy Forum, Property Values and Taxes Datatool 2020

As noted above, the gross tax rate includes taxes levied by all taxing jurisdictions, which in Shorewood’s case includes Milwaukee County, the Shorewood School District, Milwaukee Area Technical College (MATC) and the Milwaukee Metropolitan Sewerage District (MMSD). As shown on the following chart, 44.05% of taxes levied in 2019 in Shorewood went to the School District, whereas 22.9% went to the municipality. The percentages, which are worth noting, differ in comparable communities.

Table 6.12 Tax Percentage by Jurisdiction (2019)

	Municipality	School District	County	MATC	Other
Shorewood	22.90%	44.05%	14.99%	3.71%	14.36%
Glendale	25.13%	41.37%	18.20%	4.50%	10.80%
Wauwatosa	27.97%	36.51%	18.70%	4.62%	12.19%
Whitefish Bay	21.94%	42.18%	21.53%	5.32%	9.04%

Source: Wisconsin Policy Forum, Property Values and Taxes Datatool 2020

Lastly, municipalities differ in how they administer user fees to their customers. Some municipalities, including Whitefish Bay, choose to charge expenses for fire protection and stormwater outside of their municipal levy. Shorewood has historically chosen to include those charges within its municipal levy, so a side-by-side comparison of tax rates is difficult to perform.

As annual budgets are developed and tax rates are calculated, it is important that assessed property values, distribution, levies from other taxing jurisdictions and user fees are understood, so that decisions can be made that balance those taxes with desired quality of life and services.

6.9 Environmental Contamination

The State of Wisconsin Department of Natural Resources Environmental Remediation and Redevelopment Program provides environmental contamination data under the Bureau for Remediation and Redevelopment Tracking System (BRRTS). The tracking system is a database that contains information about contaminated properties and other activities related to the investigation and cleanup of contaminated soil or groundwater in the state.

Data from BRRTS from August 2020 shows that there are four known sites in the village of Shorewood in need of cleanup or where cleanup is still underway. Two sites (1602 E. Capitol Dr. and 4057 N. Wilson Dr.) are listed as Leaking Underground Storage Tank (LUST) sites. LUST sites have contaminated soil and/or groundwater with petroleum, which includes toxic and cancer causing substances. Petroleum contamination does, however, naturally break down in the environment (biodegradation) over time. Two sites (4300 N. Oakland Ave. and 2101 E. Capitol Dr.) are listed as Environmental Repair (ERP) sites. ERP sites also have contaminated soil and/or groundwater but are not LUSTs. Industrial spills (or dumping) that need long term investigation, buried containers of hazardous substances, and closed landfills that have caused contamination are all examples of ERP sites.

6.10 Economic Development Goal, Objectives and Recommendations

GOAL - BUSINESS DISTRICT

A vibrant business district that features diverse offerings within a high-character, walkable atmosphere that is supported by residents, businesses and organizations.

OBJECTIVES:

Promote high quality aesthetics in architecture, signage and site design to encourage commercial activity, and increase identity and community character.

Work to eliminate blight, including vacant storefronts, activity gaps and non-conforming land uses or structures.

RECOMMENDATIONS:

Work with the Business Improvement District on promoting the commercial district, and identifying business gaps or complements to fill vacant spaces.

Encourage the growth of women and minority-owned businesses in Shorewood.

Update the Zoning Code with form-based standards that include pedestrian-oriented design.

Review and update the Commercial District Design Guidelines, as applicable in relation to zoning requirements.

Update Sign Code to promote high-quality aesthetics, unique character and pedestrian-orientation.

Encourage continued activation of the business district through site design and events that promote Shorewood as a welcoming and inclusive community, while minimizing disruption.

Review and refine commercial property maintenance/code enforcement program and continue its implementation.

GOAL - REDEVELOPMENT AND TAXES

A community with a transparent process related to redevelopment issues and projects that support community goals and seek to balance residential tax obligations.

OBJECTIVES:

Encourage redevelopment projects that fulfill community goals, such as filling housing gaps and maintaining affordability; enhance the quality of life and community character; and, increase commercial property assessment.

Understand regulatory and economic barriers to entry into Shorewood for businesses and compatible redevelopment, and identify opportunities to lessen those obstacles.

Facilitate transparency and discourse on redevelopment opportunities.

RECOMMENDATIONS:

Ensure transparency within the redevelopment process.

Update the Zoning Code with form-based standards, and permitted, conditional and prohibited uses that provide predictability to village stakeholders and the development community.

Identify areas and land uses susceptible to change, so that redevelopment expectations can be managed.

Adopt and regularly refine incentives and fees related to redevelopment, including permits, regulations and financial assistance, such as grants, loans and TIF, with respect to transparency, community goals and fiscal responsibilities.

Evaluate and update community development programs to align with community goals, support proven needs and ease administrative burden.

GOAL: EMPLOYMENT AND CONSUMERS

A strong local and regional economy with healthy employment opportunities and spending power.

OBJECTIVES:

Work with local businesses and regional partners to promote Shorewood as a business destination.

Participate in regional economic development discussions that seek to develop a growing job market in the Milwaukee metropolitan area.

RECOMMENDATIONS:

Support the Business Improvement District in their efforts to grow local businesses and encourage residents to “buy local.”

Encourage local businesses to set up and maintain an online presence to facilitate market expansion and flexible service delivery.

Review and update local zoning and building codes with respect to compatible, remote working opportunities in Shorewood.

Consider opportunities to build daytime population (visitors and employees) within the Village to increase customers and sustain local retail establishments.