



Community Development Authority Meeting Minutes Friday, March 10, 2023 at 9:00 a.m.

Present: Jon Krouse (Chair), Jessica Carpenter, Mike Dawson, Tr. Arthur Ircink, Joe LeSage, Tr. Kathy Stokebrand and Wesley Warren

Also present: Teig Whaley Smith, Community Development Alliance; Village Manager Rebecca Ewald; and Planning & Development Director Bart Griepentrog

1. Call to order.

The meeting was called to order at 9:08 am.

2. Consider February 10, 2023 meeting minutes.

Ms. Carpenter moved to approve the minutes, as drafted; seconded by Mr. Warren. Vote 7-0.

3. Discuss 2/10/23 presentation by Teig Whaley-Smith, Community Development Alliance.

Ms. Ewald provided an overview of Mr. Whaley Smith's February presentation, which discussed housing in Shorewood in comparison to Milwaukee County. She noted that the CDA has chosen to go down the path of a rental offense strategy to obtain additional affordable housing. She reminded members that Milwaukee County has hired an employee to help educate and recruit landlords to participate in offering affordable housing and noted that Shorewood hoped to partner with that effort but was asked to reconnect in the spring once the employee has had a chance to onboard. She noted that the CDA had also expressed interest in incorporating affordable housing into current development projects and researching land trusts. She stated that Milwaukee County was looking into a land trust and hoped Shorewood could also partner with that effort. She stated that the CDA discussed having additional open TIDs that could be extended for affordable housing.

Chair Krouse noted that affordable housing is difficult to obtain for numerous reasons. He suggested that the strongest thing the Village Board could do would be to adopt a resolution saying that they would support the development of affordable housing if a project was brought to them. He noted that many projects get voted down due to NIMBYism (Not In My Back Yard). He said if the market knew that an affordable housing project would be supported in Shorewood a lot of activity would take place. He did not believe that there would be opposition to affordable housing for seniors or to keep current residents in their homes. But if a significant number of affordable housing or workforce housing units were proposed to be added, he believed it would be more difficult. He reiterated that if Shorewood expressed support for that type of affordable housing it needed to put it out there. He believed that without that commitment, the Village was spinning its wheels. He believed the market needed to bring the project to us and stated that we could not do this on our own. He noted the difficulty in getting even a market-rate apartment building built in Shorewood. He asked if others felt the same, and Mr. LeSage and Ms. Dawson agreed.

Ms. Dawson reminded the group that Mr. Whaley Smith suggested that Shorewood may need to change its standards to get affordable housing developments to work. She noted that we may need to be willing to allow additional height or find land to be developed. Chair Krouse stated that the Village could offer property it owned or acquire additional property for the purpose of developing a project that incorporated some level of affordable housing. He suggested the Village needed to be willing to be bold

if they really wanted to make this happen. Tr. Stokebrand questioned if the Village were willing to do this at any cost and what type of project it wanted. She noted that the early feedback she received was that we didn't want affordable housing to be located exclusively in one building. She questioned if we wanted more developments like River Park. She also noted that in order to develop affordable housing she believed low-cost construction would be required and would look like that. She questioned if we wanted affordable housing to be more integrated.

Chair Krouse stated that he would like the Village to say to the development community "bring us your housing projects and incorporate some affordable housing into them, and we will help get them done." He agreed that the Village couldn't commit to doing this by any means necessary. Tr. Stokebrand questioned what a reasonable subsidy would be. Chair Krouse said that would need to be reviewed project by project in his mind. Tr. Stokebrand agreed.

Tr. Ircink stated that this was the type of conversation he believed the CDA should be having. He agreed that Shorewood had limited options to consider. He would like to see developers come to the Village with ideas. He also noted that he believed some CDA members thought homeownership was a better course of action. He suggested the CDA needed to come together on a plan. He questioned if making a policy decision to extend additional TIDs for affordable housing would send a message about Shorewood's commitment to affordable housing.

Ms. Carpenter questioned if the Village could do anything to apply for tax credits. She noted that Mr. Whaley Smith's presentation discussed the importance of tax credits in financing the development of affordable housing. Ms. Dawson stated that last month's presentation suggested that Shorewood needed to have a bigger footprint available, including vertical opportunity, to develop a tax credit project so that a developer could make a project work and compete for funding.

Mr. LeSage questioned if the Village had considered relocating its Public Works facility, which would make developable land available. Ms. Ewald confirmed that is currently taking place. Tr. Ircink noted that he thinks about this possibility daily. He acknowledged that there is some community sentiment to keep some aspects of the current buildings but believed that the site is large enough to be redeveloped with those buildings potentially incorporated. Ms. Carpenter stated she wanted to see historic preservation play a role in any possible redevelopment of that site. Tr. Ircink suggested that the current buildings could be kept and repurposed possibly for community space.

Chair Krouse stated that the development community is full of smart people who do this kind of thing for a living and believed that the Village making a public declaration of its intent would be helpful. He believed property outside of the DPW facility could also be found. Mr. LeSage suggested that architects could also be solicited for help in showing what development might look like. Ms. Dawson noted that good developers work with good architects and should be thought of as a team. Chair Krouse suggested that developers are not making proposals because Shorewood might not have the best perception in the development community with respect to affordable housing, which is why he thinks the public declaration might be useful. Ms. Ewald noted that the reason why developers might not be approaching us is speculative, but that the logistics of getting a development to work in Shorewood are real.

Tr. Stokebrand noted that the development of affordable housing is also dependent upon the amount of subsidy that is available, including the potential for a new TID. Additionally, she noted that the Village recently adopted a new zoning code for its commercial corridors that was highly prescriptive. Mr. Griepentrog agreed that the new code was prescriptive, based on what the community said it wanted, but noted that no zoning code is ever finalized. He stated that parcels can be rezoned and the regulations within zoning districts can be changed. Tr. Stokebrand pointed out that the southeast corner of Capitol and Oakland does allow for the additional height, up to 8.5 stories, that has been discussed.

Mr. Warren agreed that conceptually it would be nice to make a statement of support for affordable

housing but cautioned that he didn't want that statement to be either too fuzzy or too prescriptive. He noted that we needed to figure out the balance so that the Board and community would support it. Ms. Dawson added that developers are required to spend money from the very beginning stages of a project and don't want to be led to believe a project is feasible if it's not. Chair Krouse agreed and noted that it starts with a commitment from the Village Board that staff can discuss with the development community.

4. Consider policy recommendation to amend future tax increment districts for purposes of affordable housing.

Ms. Carpenter noted that she would like to see more specific numbers with respect to how much money could be made available from each district. Ms. Ewald stated that those numbers are located within the Village's Long Range Financial Plan. She noted that the number is just a snapshot in time and that they are updated annually.

Chair Krouse questioned whether this item related to future (yet to be created) TIDs or existing ones that have not yet been closed. Ms. Ewald believed the group wanted to discuss the existing TIDs but stated the recommendation could also relate to new districts. Tr. Ircink confirmed that the increment on the other open TIDs would be smaller than what was set aside from TID 1. Chair Krouse questioned what happened to the money that was set aside from TID 1, and Ms. Ewald stated it has been placed into an account to fund affordable housing. She confirmed that it would remain there until it was spent and noted that there is no defined expenditure timeframe. Mr. Warren stated that it was essentially sitting in a savings account and can be supplemented with more funds when the other TIDs close.

Mr. Warren questioned if the recommendation would be to automatically extend every district or to request that the conversation at least take place when the opportunity came up. Ms. Ewald said the recommendation was up for discussion. Mr. Warren stated that he would support a policy that asked the Village Board to have a discussion about extending the TIDs for affordable housing prior to their closure. He noted it is likely that he would support extending them, but stated there are unknown circumstances that could arise. Tr. Ircink agreed and stated that the existing Village Board at the time of closure needed to make the decision.

Ms. Dawson moved to recommend that the Village Board create a policy that would prompt the Village to schedule a discussion about extending TIDs for one year at such time that a TID is being considered to close; seconded by Mr. Warren. Vote 7-0.

(Mr. Warren left the meeting at 10:04)

5. Adjournment.

Tr. Stokebrand motioned to adjourn the meeting at 10:17 am; seconded by Ms. Dawson. Vote 6-0.

Respectfully submitted,



Bart Griepentrog, AICP
Planning & Development Director