



Community Development Authority
AGENDA

June 12, 2015 7:30 A.M.

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

1. Call to order.
2. Consideration of May 1, 2015 minutes.
3. Presentation by Business Improvement District Director Jim Plaisted on the Shorewood Retail Situation and Strategies.
4. Election of Officers.
5. Discussion of List of Prospective CDA Initiatives – Response to Central District Master Plan Recommendations.
 - a. Strategy to edit, prioritize, and establish a timetable.
 - b. Top 15 +/- development list
 - c. Initiative list
6. Presentation of Neighborhood Assessment Report
7. Update on Shorewood Neighborhood Loan Program
8. Review of CDA Project List and Associated Activities as Required.
9. Future Agenda Items.
10. Scheduling of Future Meetings.
11. Adjournment.

DATED at Shorewood, Wisconsin, this 5th day of June 2015.

VILLAGE OF SHOREWOOD
Chris Swartz, Acting 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.

CDA Top Priority Redevelopment List 2015 DRAFT

5/7/2015

	Address	Current use	Opportunity	Source
1	4300 N. Oakland	Queensway Cleaners	Mixed use	CDMP Redevelopment Site
2	4100 block Oakland (entire block)	Verizon, Benjis, Starbucks	2 mixed use buildings	CDMP Redevelopment Site
3	4230 N. Oakland	UPS	Pocket park	CDMP Redevelopment Site
4	1516-30 E. Capitol Drive	Wells Drive Thru and garages	Senior apartments	CDMP Redevelopment Site
5	1700-12 E. Capitol	3 parcels: Crivello's, Brighter Concepts	Commercial/mixed use	CDMP Redevelopment Site
6	1610 E. Capitol Drive	Post Office	Adaptive commercial reuse	CDMP Redevelopment Site
7	1300 E. Capitol	Baker's Square	Mixed use	CDMP Redevelopment Site
8	1409-25 E. Capitol	Thompson Drug, 2 other parcels	Mixed use	CDMP Redevelopment Site
9	3600 block Oakland	East Gardens, BP station and office building	Residential or Mixed use, office first floor	CDMP Redevelopment Site
10	1550-1572 E. Capitol	Multifamily (2) and Northwoods	Enhancement/redevelop	CDMP reference
11	Oakland/Capitol High School	High School lawn	Public plaza	CDMP reference
12	4201 N. Oakland	TCF Bank	Mixed use	CDMP reference
13	2400-20 E. Capitol	private parking lot and Sunseekers	Mixed use	CDMP reference
14	3900 block Oakland	North Shore Bank building parking lot	Redevelopment of excess space in lot	CDMP reference
15	3800 block Oakland	3 Single Family, east side	Redevelopment when available	CDMP reference
16	4400 N. Oakland	North Shore Bank	Mixed use-Theatre?/Bank?/Other use?	Village/Owner/Developer
17	4057-67 N. Wilson	AB Data and The Legion Post	Redevelopment??	Village
18	4442-50 N. Oakland	Multifamily and public parking lot	Public parking deck	Village
19	1820 E. Capitol	ATT Building	Retail reuse 1st floor	Village/Owner
20	1200 E. Capitol	Remax Building	create access from trail to building and public/private rest stop/bike station and patio	Village/Parks Plan
21	1572 E. Capitol	Improvements to Northwoods vacant stories	Ability to increase revenue	Village

Notes:
a. River Park removed as redevelopment site. Opportunity remains for parking, accessibility and gateway improvements.

**Central District Master Plan 2015
Implementation Table**

updated 5/7/15

Strategy	Implementation Responsibility	Potential Funding Sources(s)	Potential Funding Sources(s) orig	Status	Comment	Potential Cost
CDA Initiatives						
1 Use funds from future closure of TID No. 1 to support housing improvements in Village	Village & BID		TID No. 1			Final year of TID increment
2 Work with property owners to market targeted redevelopment sites to developers	Village, BID, Property Owners, Realtors		--			Nominal
3 Work with Post Office to relocate elsewhere in the Village to open up existing facility to adaptive reuse	Village, CDA		--			Nominal, if Post Office wishes to relocate
4 Ramp up publicity on the CDA's/BID's successful Façade Improvement Program & Business Incentive Fund	Village & BID		TID No. 1		TID 1 expenditure expires January of 2017	Depends upon number of applicants
5 Investigate acquisition of 4230 N. Oakland Ave. for a public plaza	Village		Parkland dedication fees, fundraising		Refer to CDA Redevelopment List 2015	\$300,000-\$400,000 for property acquisition; \$150,000 for plaza construction
6 Consider implementation of parkland dedication fees and/or parkland improvement fees	Village		General Fund		Consider a park fee feasibility study and adoption of a parkland improvement fee or fee in lieu of parkland dedication to pay for parkland improvements or investments in new parks/plazas	\$7,500-\$20,000, depending on study detail
7 Add commercial flex space/"coworking" space	BID, Property Owners, Real Estate Firms					
8 Organize grassroots business startup fund similar to "Fund Milwaukee"	Community		Local Investors	Research existing local funding mechanisms		Nominal
9 Consider establishment of a retail incubator	BID		TIF	CDA information gathering		Depends upon size of space and remodeling/retrofitting/construction
10 Create a guidebook identifying steps, cost and timing associated with Village approvals for business startups, building renovation or redevelopment	Village & BID		--			Nominal
11 Work with School District to install public plaza at SW corner of Capitol and Oakland	Village & School District		Fundraising, School District		Refer to CDA Redevelopment List 2015	\$100,000-\$300,000

Initiatives xxx

Strategy	Implementation Responsibility	Potential Funding Sources(s)	Potential Funding Sources(s) orig	Status	Comment	Potential Cost
12 Work with carshare and Milwaukee bikeshare services to site cars/bikes at optimal locations	Village		--	carshare: 2 active locations in village, total 3 cars		
13			Transportation Alternatives Program (TAP)	Bikeshare: preapproved for \$498,259. Local share \$99,652. Implement 2017		\$5000,000 for bikeshare
14 Establish food cart vending areas	Village, BID, School District		--			Nominal
15 Organize periodic "open house" events for vacant business spaces	BID, Property Owners, Real Estate Firms		--			Nominal
16 Develop pilot program for adaptation of select apartments to live/work buildings	Village, BID		TIF (to assist in conversion of buildings)			Depends on building
17 Improve bicycle parking along N. Oakland Avenue	Village		TID No. 1	First bike corral approved June 2015 as pilot		\$600/ 3 u-rack
18 Install & maintain wayfinding kiosks with business & parking information	Village, BID					
19 Develop a common system for vacant commercial space signage in the Village	BID, Property Owners, Realtors		BID			\$5,000
20 Require sufficient parking in conjunction with redevelopment projects	Village		Developer; TIF			\$15,000-\$40,000 per stall of structured parking
Initiative Oversight by Other						
21 Work with landlords of vacant property to create pop-up business program or host special events	BID		--			Nominal
22 Improve bicycle connection from Edgewood Ave. through River Park to Oak Leaf Trail	Village - Parks		Parkland improvement fees	In Parks Plan, updated 2015		\$60,000-\$100,000
23 Explore feasibility of bike boulevard connections from N. Oakland Ave. to N. Wilson Drive & a north-south connection along Murray Ave.	Village - Planning & Public Works, Ped-Safety Comm		General Fund	In Bike Implementation Plan and Pedestrian & Bike Master Plan 2015		<\$10,000 for study; design and implementation cost depends on final study recommendations \$5,000-
24 Add connections from N. Wilson Dr. to Oak Leaf Trail & install "parklets" by connections	Village Task Force		Parkland improvement fees; residential development along N. Wilson Dr.	Connections in Parks Plan, updated 2015; Wilson Dr street reconstruction 2015		\$15,000/connection (depends upon grading/land

Strategy	Implementation Responsibility	Potential Funding Sources(s)	Potential Funding Sources(s) orig	Status	Comment	Potential Cost
25 Improve pedestrian safety and visibility along N. Oakland Ave.	Village - Planning & Public Works, Ped-Safety Comm		TID No. 1	Substantial improvements with each new development		\$25,000-\$50,000/intersection
26 Add playground at River Park	Village, Parks Comm		Parkland improvement fees	In Parks Plan, updated 2015		\$60,000-\$75,000
27 Improve public transit accessibility, increasing number of bus shelters	Village - Public Works, Ped-Safety Comm		TID No. 1	In Pedestrian & Bicycle Master Plan, updated 2015		TBD
28 Develop and install a common signage system at public parking lots/ramps	Village		TID No. 1, BID, General Fund			\$125,000-\$175,000 (assumes 4 kiosks)
29 Coordinate BID-area ad buys in regional publications and advertise special events on billboards and varied media	BID		BID			Depends on campaign
30 Coordinate urban living tours	BID, Property Owners, Realtors		--			Nominal
31 Continue to expand social media presence for Village commercial areas	Village		--			Nominal
32 Increase coordination between BID and Village	Village & BID		--			Nominal
33 Organize Farmer's Market	Village, Health Dept., BID		Fundraising	Starting June 2015		\$15,000
34 Undertake additional annual special events	Village, Marketing & BID		Depends on events chosen			Depends on events chosen
35 Weekly featured BID stores with special events	Village, Marketing & BID		-			Nominal

MEMORANDUM

June 3, 2015

To: Community Development Authority

From: Ericka Lang, Planning Director

RE: Neighborhood Improvement Loan Funds

INTRODUCTION

It's been five years since the Village Board approved the Neighborhood Improvement Loan Program, offering zero-interest deferred loans for home improvements and down payment assistance. Current active loans include:

- a) Down Payment Assistance Loan, max \$4,000
- b) Attic Improvement Loan, max \$20,000
- c) Duplex Conversion Loan to single family, max \$20,000

On June 1, 2015 staff met with the Village Board Community & Business Relations Committee, providing an update of the Shorewood Neighborhood Improvement Loan Program and making various recommendations.

The Community Development Authority has oversight of the program as they serve as the village's Housing Authority. The CDA is to review the program and staff recommendations in this memo. Upon evaluation, the CDA shall make a recommendation to the Village Board. The recommendation may be to terminate the program; maintain the program as is; or revise the program per agreed upon items.

Staff anticipates program discussions with the Village Board over several or more meetings.

PROGRAM BACKGROUND

The purpose of the loan program is to increase family-friendly housing stock by expanding the amount of livable space and to increase owner-occupancy. Eligibility for down payment and attic loans is based on home value. No value limits are placed on duplex conversion loans. All applicants are approved using standard underwriting criteria.

The program originally included a fourth loan for exterior maintenance but was eliminated from the program within a year. It was removed because of the subjective nature of what items were eligible.

PROGRAM ADMINISTRATION

North Shore Bank continues to administer the program, pre-approving applicants and completing loan closings. Village Staff continues to explain the program to potential applicants; maintains applicant information and a loan waiting list; tracks fund balances, handles loan disbursements, pay backs and recordings.

PROGRAM FUNDS AND ALLOCATION

To date, the Village approved \$438,785 across 31 loans. Original program funding started at \$335,000. Fourteen loans totaling \$169,313 have been paid back. As loans are paid back, funds revolve back out to the next resident on the waiting list.

PROGRAM FUNDING ALLOCATION

	A	B	C	D	E			
Loan Types	Original Funds	# Loans Approved	Loans Approved	# Loans Paid back	Payback Total	# Loans Outstanding	Loans Outstanding	Remaining Funds
Down Payment, \$4000 max	\$80,000	6	\$24,000	3	\$12,000	3	\$12,000	\$8,700
Exterior Maint, \$7,500 max	\$75,000	5	\$30,025	4	\$26,500	1	\$3,525	\$11,500
Duplex, \$20,000 max	\$100,000	8	\$160,000	2	\$40,000	6	\$120,000	\$21,975
Attic, \$20,000 max	\$80,000	12	\$224,760	6	\$90,813	6	\$133,947	\$23,353
	\$335,000	31	\$438,785	15	\$169,313	16	\$269,472	\$65,528

A + C	B	E
Total Funds	Loans Approved	Available Funds
\$504,313	\$438,785	\$65,528

Currently two applicants are going through the pre-approval loan process for the available funds in the Attic Improvement and Duplex Loan program.

APPLICANT DEMOGRAPHICS

Increasing livable space via the Attic and Duplex loans and assisting with new home ownership is increasing family-friendly housing stock, helping maintain and increase owner-occupied housing and is helping to conserve the Village’s aging housing stock.

The below summary of loan applicant demographics shows families with parents in their 30s and 40s adding livable space to their homes. Twenty-two of the 28 applicants are married and 24 of the applicants have a total of 43 children. Those without children expanded their space for a dedicated office area, allowing them to maintain the number of existing bedrooms in their home.

For Attic Loans, the majority of loans added a master bedroom and a play area or office area. Some loans added more than one bedroom and over half the loans the attic was 100% unfinished.

DEMOGRAPHICS

Loan Type	Approved loans	# Married Couples	Applicant Age Range	Ave. Age	Tot. Dependents <=18	Dependent Age Range	Ave Dependent Age
Down Pymnt	6	4	30-38	33	5	6M-17	5.3
Duplex	8	7	26-48	39.2	15	1-13	5.5
Attic	9	8	32-61	42	15	1-12	6.1
Exterior	5	3	29-56	43.8	8	7M-15	6.8
	28	22	26-62	40	43	6M-17	

When drafting the loan program, income limits and equity limits were left out as an eligibility requirement, deeming that improving and adding livable space is the key objective. Value limits, as stated previously, apply to the attic and down payment loan but not the duplex conversion. The table below shows a range of home equity amounts and incomes of loan applicants.

INCOME & EQUITY

Loan Type	% Home equity range	HH Inc. range	Ave. HH Inc.
Down Payment	na	\$64,000 - \$187,000	\$ 98,417
Duplex	5% - 35%	\$44,000-\$316,000	\$ 169,875
Attic	5% - 54%	\$68,000-\$190,000	\$ 89,573
Exterior	2% - 74%	\$55,000 - \$133,000	\$ 75,708
	2% - 74%	\$44,000 - \$198,000	\$ 108,393

INVESTMENT & PROPERTY VALUES

The Village loan program has aided in fostering substantial home investments as shown below. A total of \$918,402 dollars in property investments were accounted for as part the attic and duplex loans. From those two loan types, a total of \$384,760 was lent: a \$533,642 difference.

PROJECT COSTS

Loan Type	Total Project Cost	Total Loans	Investment Difference
Duplex Conversion	\$528,375	\$160,000	\$368,375
Attic Improvement	\$390,027	\$224,760	\$165,267
	\$918,402	\$384,760	\$533,642

When a loan is approved, the current assessment is notated. After the project is finished and the assessment review is completed, the changed assessment is notated again. For 16 of the 20 attic and duplex loans (4 loans awaiting assessment evaluation), assessments have increased \$236,800.

PROPERTY ASSESSMENT CHANGES

Loan Type	# Loans	Pre project Assessment	Post project Assessment	
Attic Loan	10	\$1,797,000	\$1,973,300	
Duplex Loan	6	\$2,290,900	\$2,458,500	<i>Difference</i>
		\$4,087,900	\$4,431,800	\$343,900

STAFF RECOMMENDATIONS

The program has been very successful with over 22 residents on a waiting list. Staff believes the waiting list would be longer if more focus is placed on program awareness. Most of the residents became aware of the loan program by word-of-mouth. Because of the growing waiting list, staff limited outreach to an

annual publication in the Shorewood Today and occasional inserts in the Village Manager's Memo. Realtor offices were visited early on in the program.

The loan program has been very successful in achieving its original objectives. Should you recommend and the Village Board choose to maintain the program, staff recommends various revisions: some minor and some more substantial that includes increasing funding.

Staff recommends the following program changes:

1. **Applicants Pay Closing Fees.** Require all applicants to pay for the loan closing costs of \$375. Currently the village pays for these costs. Twice applicants closed on a loan and decided not to move forward with the project.
2. **Require Equity Limits.** Require a 50% equity limit. Two loan recipients had limits above 50%, three others had limits above 40% and two others had limits above 30%.
3. **Require Installment Payments.** Require applicants to begin installment payments after 5 or 10 years. To date, nearly half of the loans have been paid back. In 2009 banks were estimated that people refinanced on average every seven years. If interest rates increase, staff assumes there will be less pay backs; therefore, decreased number of loans.

Funding Recommendations

1. **Increase Down Payment Loan amount.** Increase the down payment loan amount from \$4,000 to \$5,000. Demand for this loan type is low, partially because it is not compatible with FHA loans. It remains important to encourage first-time homebuyers to Shorewood. Demand may also increase if outreach to area realtors.
2. **Increase Attic and Duplex Conversion funding.** Recommend an additional \$200,000 in loan funding to eliminate waiting list, provided through the fund balance and/or through borrowing.

There are other minor changes staff recommends in the Program Manual. A marked up manual is attached showing the various changes.

1. Duplex Loans: require separate meters and one front entry door. Allow second kitchen if desired.
2. No more than half of the loan may be reimbursed following rough inspections.
3. Implement set submission deadlines if there is a waiting list.

Attached:

- ✓ marked up program manual
- ✓ applicant process sheet
- ✓ loan detail table
- ✓ program brochure.

Neighborhood Improvement Loan Program

updated 5/22/15

Count	Paid back	Type	Year	Loan Amount	Project Cost	Assessment Pre Loan	Assessment After Loan	Age	HH Inc	Equity	Equity %	Children under 18	Ages	Marital Status
1		DP	2009	\$4,000				32,31	\$89,000			1	1	married
1	1	DP	2010	\$4,000				35,31	\$97,000			1	17	single
1		DP	2010	\$4,000				30	\$64,000			0	0	single
1		DP	2010	\$4,000				38,36	\$87,000			1	5	married
1	1	DP	2010	\$4,000				32,32	\$187,500			1	6m	married
1	1	DP	2010	\$4,000				33	\$66,000			1	3	married
6	3			\$24,000				AVE 33	\$98,417			5	Ave 5.3	
1	1	DUP	2009	\$20,000	\$22,000	\$232,800	\$ 281,200	26	\$44,000	\$90,420	35%	0	0	single
1	1	DUP	2010	\$20,000	\$20,000	\$291,000	\$ 305,000	47,43	\$192,000	\$18,525	6%	3	12, 10, 5	married
1		DUP	2010	\$20,000	\$158,500	\$301,000	\$ 378,600	48,39	\$198,000	\$20,000	5%	2	9, 13	married
1		DUP	2011	\$20,000	\$20,000	\$298,500	\$ 311,000	45,45	\$188,000	\$37,477	22%	2	5,7	married
1		DUP	2011	\$20,000	\$75,000	\$419,600	\$ 447,500	38, 34	\$150,000	\$114,000	19%	2	2,4	married
1		DUP	2011	\$20,000	\$32,000	\$254,100	\$ 250,000	37,36	\$119,000	\$22,190	11%	1	1	married
1		DUP	2014	\$20,000	\$21,000	\$273,800	BOR 2015	39,39	\$152,000	\$50,000	20%	2	1,3	married
1		DUP	2014	\$20,000	\$179,875	\$423,000	BOR 2015	36,36	\$316,000	\$74,597	18%	3	1,4,6	married
8	2			\$160,000	\$528,375	\$ 2,493,800	\$ 1,973,300	AVE 39.2	\$169,875	\$53,401	17%	15	Ave 5.5	
1	1	ATTIC	2011	\$20,000	\$35,000	\$210,000	\$250,000	46	NA	\$39,510	20%	2	9,12	single
1	1	ATTIC	2009	\$10,813	\$30,000	\$186,900	\$220,000	41	\$97,500	\$186,800	5%	0	0	single
1		ATTIC	2009	\$18,400	\$18,400	\$255,700	\$264,900	39	\$85,000	\$52,543	20%	2	1,5	married
1	1	ATTIC	2009	\$20,000	\$36,000	\$229,500	\$265,000	41,42	\$58,000	\$106,060	54%	2	9,11	single
1	1	ATTIC	2009	\$20,000	\$21,000	\$223,900	\$232,800	37,37	\$55,000	\$80,051	35%	2	6,4	married
1		ATTIC	2009	\$18,900	\$18,900	\$254,400	\$252,000	32	\$65,500	\$54,532	20%	1	7	single
1	1	ATTIC	2012	\$20,000	\$22,500	\$231,900	\$241,900	52,44	\$87,000	\$95,000	42%	2	6. 11	married
1		ATTIC	2013	\$20,000	\$78,722	\$247,000	\$247,000	37, 38	\$100,000	\$64,400	27%	1	1	married
1		ATTIC	2013	\$20,000	\$71,650	\$228,900	\$244,900	34, 34	\$73,300	\$100,466	44%	1	2	married
1		ATTIC	2013	\$16,647	\$21,580	\$222,700	\$240,000	61/61	\$68,000	\$196,000	47%	0	0	married
1		ATTIC	2015	\$20,000	\$20,275	\$260,100	BOR 2016	42,45	\$106,000	\$214,710	21%	2	2,6	married
1		ATTIC	2015	\$20,000	\$51,000	\$230,000	BOR 2016	36, 40	\$190,000	\$23,300	10%	0		married
12	5			\$224,760	\$390,027	\$ 2,781,000	\$ 2,458,500	AVE 42	\$89,573	\$106,715	29%	15	Ave 6.1	
1	1	EXT	2009	\$4,000	\$4,000	\$259,300	\$259,300	56	\$70,241	\$4,000	2%	3	8,15,15	married
1	1	EXT	2009	\$7,500	\$7,500	\$269,200	\$269,200	41	\$55,000	\$199,000	74%	0	0	single
1	1	EXT	2009	\$7,500	\$7,500	\$243,300	\$243,300	35	\$60,300	\$61,100	26%	3	2,4,10	married
1	1	EXT	2009	\$7,500	\$7,500	\$242,300	\$242,300	50,52	\$133,000	\$59,666	25%	2	7m	married
1		EXT	2009	\$3,525	\$3,525	\$272,800	\$272,800	29	\$60,000	\$4,643	2%	0	0	single
5	4			\$30,025	\$30,025	\$ 1,286,900	\$ 1,286,900	AVE 43.8	\$75,708	\$65,682	26%	8	Ave 6.8	

\$438,785	\$948,427	\$6,561,700	\$5,718,700
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