

**JOINT WEST MILWAUKEE COMMUNITY DEVELOPMENT AUTHORITY,
VILLAGE BOARD AND PLAN COMMISSION MEETING MINUTES OF APRIL 11, 2023**

I & II

Chairperson Stalewski called the meeting to order at 5:00pm.

III

Roll Call:

Village Board:

Present: Steve Schuettke, John Ragonese, Craig Schaefer, Dominic Greenfield, Todd Hill, and Village President John Stalewski

CDA:

Present: Steve Schuettke, Joseph Vanderlinden, Edward Hahn, Jake Schultz, Michael Gill, and Chairperson Craig Schaefer

Plan Commission:

Present: Knapp, S. Stalewski, Omick, Lewein, Couture, Hill, and Chairperson J. Stalewski

Others in Attendance:

Teri Anniuk, Plan Commission Secretary; Kim Egan, Village Administrator; Kayla Fitzgerald, Administrative Assistant; Stan Riffle, Village Attorney; Len Roecker, Village Engineer; Phil Cosson, Financial Consultant with Ehlers; Sam Dickman, Sr., The Dickman Company, Chairman; Sam Dickman, Jr., The Dickman Company, President; Dom Ferrante, Briohn Building Corporation, Vice President; Caitlin Lajoie, Briohn Building Corporation, Director of Land Development; Al Araque, SVP Director of Consumer & Small Business Bank at Johnson Bank; Brent Hess, SVP Director Facilities at Johnson Bank; John Kutz, Vice President Director of Sales at MSI; Eric Ohlfs, Project Architect at Redmond Company.

IV

Discussion regarding the potential for the creation of a new Tax Increment District, site plan, plan of operation and rendering review for multi-tenant buildings located at 3830 W. Grant Street (the old Malteurop site).

Administrator Egan stated there is a lot of new members on the committees; in the past when there is a new development, we would join all of the committees together for a meeting to get feedback, answer any questions, and see if there is support for this project. We also included in the meeting the Village Engineer, Len Roecker, Village Financial Advisor, Phil Cosson, and Village Attorney Stan Riffle.

Sam Dickman Sr. introduced himself and stated he is one of the principals and the developer of the property. They have a contract with the present owner with a condition on getting approval for the development. On the site plan we would like to construct two (2) buildings totaling about 280,000 square feet; the use would be anywhere from warehousing to distribution to light manufacturing. They presently own about two and a half (2.5) million square feet of these types of building in Southeast Wisconsin. The buildings are very appealing to tenants. As you may know already, the site is currently under demolition, and they would like to start construction in summer. They haven't done too much marketing, but what they have done has generated a lot of interest. They anticipate the value of both buildings to be between \$28-\$29 million dollars and might be a little bit more depending on the tenant and any tenant improvements. They anticipate starting the construction on one (1) building and when that one is finished start the other one. The industrial market is very strong all over the in Wisconsin and all over the country. They would invite you to take a tour of any of their other buildings inside and out.

Commissioner Lewein asked if they have any developments that are landlocked in the urban areas. Mr. Dickman Sr. responded that he does not believe that will affect the project, every community has a greenspace requirement. Trustee Schaefer asked if this is the best density for the site or occupied square footage for the rest of the site. Mr. Dickman Sr. stated the site is about sixteen (16) acres give or take and usually our buildings are about ten thousand (10,000) square feet per acre, which is standard in any community. Commissioner Lewein voiced his concern that a lot of people are now working from home, so how much office space will actually be needed. Mr. Dickman Sr. stated if it

is a distribution business then the office space is a small percentage and with a warehouse there are less employees. Commissioner Lewein asked if there will be a lot of environmental remediation. Chairperson Stalewski stated he does not believe there would be. Mr. Dickman Sr. stated all tanks were removed and they received clearance from the DNR. Commissioner Lewein asked how are the silo's being demolished. Mr. Dickman Sr. stated they are using wrecking balls; no dynamite is being used. Trustee Ragonese asked who will be the owner. Mr. Dickman Sr. stated they will form an LLC for each building; Sam Dickman Jr. and Sr. will be the managers along with the group of investors. Commissioner Hahn asked if they just do industrial or do they residential as well. Mr. Dickman Sr. stated just industrial and started in business in 1996. Commissioner Gill asked about the car traffic on 38th & Grant and the truck traffic coming off of Lincoln, do you anticipate any roadway improvements at either location. Mr. Dickman Sr. stated he is not sure but does not believe there will be too many issues, maybe a little congestion on Lincoln. Chairperson Stalewski asked if the truck traffic would be now what is called Aetna Lane. Mr. Dickman Sr. answered yes. Commissioner Omick asked how does warehousing bring revenue into the tax base. Mr. Dickman Sr. stated the development itself will bring quite a bit into the tax base. Chairperson Stalewski stated he believes we tax based on the value of the property, improvements to the property; the state of Wisconsin would get the taxes if a light manufacturing would take tenancy. Mr. Dickman Sr. stated these kind of buildings and developments do not require a lot of Village services. Attorney Riffle clarified Chairperson Stalewski's statement: if it is a manufacturer and it assessed by the state, the state sets the assessment values as well as if it were a distribution. For the period that it is in the TID we would get nothing other than the base value, but once the TID is wrapped up we obtain local our share, state get their share, school gets theirs and the county as well. Administrator Egan stated the property is currently assessed at \$2.7 million dollars and after the development the estimated assessed value would be \$ 28 million dollars. Trustee Schaefer asked do they have any specific tenants in mind and how fast do you think the spaces will fill up. Mr. Dickman Sr. stated twenty-five (25) to twenty-six (26) other developments like these around the area; examples are distribution, warehouse, food manufacturing, light manufacturing and the trend is leading to more light manufacturing; generally hard to predict. Trustee Schaefer asked if they have any active commitments. Mr. Dickman Sr. stated that most tenants want to see the construction started before they make a commitment. Trustee Ragonese asked if this meeting is to primarily discuss the TID and what is it you want. Mr. Dickman Sr. stated \$4 million dollars for demolition cost, grading, road improvements, and physical things to defray the cost of the project. Trustee Ragonese asked about the developer's agreement and control of occupants. Administrator Egan stated the current zoning is M2 manufacturing and most of the uses are permitted, but some may that me require a conditional use permit. Trustee Schaefer inquired about TID district maximums, previously the Village was close to the maximum amount. Administrator Egan stated that the Village had two (2) TID districts left, and district one (1) is TID two (2) is about to close and has about \$17 million in valuation and the other is the Jeff Hall building which is just one (1) building; we have recently closed the TID's down and eliminated a lot of the properties to free things up for these potential projects; the ER TID does not count. Mr. Cosson stated that Administrator Egan is absolutely right in that the reduction of TID four (4) and TID two (2) put \$70 million back into the tax rolls; even at full development with the closure coming up of the existing districts we will have a lot of capacity; could we bump up to twelve (12%) percent with a large scale project like this, it is a possibility which may need special legislation and believes we are covered for a few years. Trustee Schaefer stated he is talking more like ten (10) to fifteen (15) years to be in good shape to attract the right type of development and asked everyone to consider is this the right development and is the ask really necessary at this time. Commissioner Lewein asked Mr. Cossen about finances and money that the state may have along with the build back better plan. Mr. Cossen referred the question to Mr. Roecker. Mr. Roecker stated there have been many opportunities the Village has applied for grants from federal and state programs; to date we have been able to garnish some of the funds for smaller projects. Trustee Schuettker asked about looking at the special circumstances above the twelve (12%) percent and that communities exceed it, what is the success rate. Mr. Cosson stated there are no promises and would have to go through the state and get local representatives involved and can be a lengthy process and with the possible other projects that may come along in the future it is possible to top out of TID capacity. Commissioner S. Stalewski stated there is nothing that says that future developments require TIF's ; we should just deal with the here and now. Administrator Egan stated that we have the ability to do another environmental remediation TIF which we can put a large project in and believes this does not count towards the twelve (12%) percent. Trustee Ragonese asked with the four (4) million dollars what kind of time frame are we looking at. Mr. Cosson stated they ran the numbers and produced different numbers than they did and close out could be nearly about twelve (12) years and possibly some public costs regarding 38th St. which could keep it open a little bit longer, in reality fifteen (15) years or less. Trustee Ragonese stated he agrees with Commissioner S. Stalewski and to deal with the here and now. Commissioner Hahn stated he agrees with Commissioner S. Stalewski as well, there have been projects that have been delayed two (2) to three (3) years. Trustee Hill asked if we replace a \$2 million-dollar

property with a \$20 million-dollar property does it raise the value of the twelve (12%). Mr. Cosson replied that it does.

Mr. Roecker stated the village staff has had the opportunity to meet with the developers a couple of times prior to tonight to work through some of the initial sketches and site plan logistics. The way the multi-tenant buildings are situated on the twenty (20) acre site allows the trucking movement along Aetna Lane which was used for trucking in the past and then the employee and visitor movement along 38th and Grant St. to separate the trucks from the regular cars. As discussed, there will be additional trucks along Lincoln Avenue, storm water management which has been integrated in this site which never had it. The site plan is fairly reasonable at this early stage. The site is currently under active demolition. This site will need some public improvements, lighting, sewer, sidewalk setbacks and these will go into the financial analysis. Trustee Schaefer asked since all of these streets border Milwaukee is there any way to ask for help with the improvements. Mr. Roecker stated all of 38th St. from Lincoln to Grant is the Village's except for half of Grant St. from 38th St. to 37th St. is in Milwaukee. Trustee Schaefer asked if there is any consideration regarding the rail spur. Mr. Roecker stated all of the rail facility is being removed in the demolition process. Attorney Riffle stated that the Village needs to make a determination from a policy perspective and the TID process and the zoning process; this could be done in about three (3) to five (5) months. Administrator Egan asked Mr. Cosson to explain the difference of a Paygo incentive. Mr. Cosson stated thinking about Miller Park Way and what was done was a need for risk early on; as discussed this project would be funded through a MRO or Municipal Revenue Obligation or a TIF Bond and the income is generated (roughly \$30 million dollars) and the sharing of the increment will go back to developer and usually some stays with the Village as well, that would have to be negotiated until the \$4 million is paid back which shifts a lot of the risk back to the developer. Commissioner Lewein asked why they need \$4 million dollars upfront. Attorney Riffle stated the law is premise on the "but for" rule; the development would not take place, but for if incentive is provided. Commissioner S. Stalewski stated there are municipal improvements necessary for this area no matter the project and there is no intent to leave this vacant, so does the Village not have enough funds to make those improvements. Chairperson Stalewski stated not out of general funds. Commissioner S. Stalewski stated that there is an element of financing that has to happen anyway for anybody, is that fair to say? Chairperson Stalewski stated yes. Attorney Riffle stated there is another angle to consider, is there public benefits.

Chairperson Stalewski asked for a consensus by raising hands for all who are in favor of staff in moving forward and pursuing this project; it looks to be almost unanimous with two (2) against. Trustee Ragonese stated he is not necessarily opposed to it but needs more information.

V

Adjournment of the Village Board and West Milwaukee Community Development Authority members.

Trustee Ragonese moved, seconded by Trustee Greenfield to adjourn the Village Board. Voice Vote, motion carried. Chairperson Schaefer moved, seconded by Commissioner Schultz to adjourn the CDA Voice Vote, motion carried.

VI

Approval of Minutes:

Commissioner Hill moved, seconded by Commissioner Knapp to approve the Plan Commission minutes from March 14, 2023.

Roll Call:

Ayes: Knapp, Lewein, Omick, Hill, Couture, S. Stalewski and Chairperson J. Stalewski

Motion carried.

Order of Business:

VII

Open public hearing 5:48pm

Conduct a Public Hearing to discuss a Conditional Use Permit application from Brent Hess, Agent for Johnson Financial Group, for a Drive-Thru located at 4319 W. National Avenue. This property is zoned B-2 Shopping Center Business District. Financial Institution is a permitted use, Drive-Thru is a Conditional Use.

Administrator Egan stated this property is zoned B2 and it is the proper zoning for financial institutions so no approval for zoning, the lot is already split so no approvals for a CSM and in the zoning the drive-thru is a conditional use which means reasonable conditions can be set. Chairperson Stalewski asked if this was originally going to be a two (2) story building with a conference center. Mr. Hess replied yes originally was going to be a two (2) story and was changed to a one (1) story forty-seven hundred (4700) square foot building. Mr. Araque introduced himself and stated the current mortgage loan center is located at 1310 Miller Park Way and has been there a few years. They help individuals in the community with their first-time home buying partner closely with a lot of the organizations here, for example UCC and Cristo Rey. They want to expand to a full-service institution with banking, wealth, and insurance. They have some great people that speak Spanish, and it is predominate to this area. They do not have a drive-thru at the current location and would love to provide that to their clients. This location will have three (3) lanes with two (2) being full-service teller lanes and the third one being a full-service ATM.

Johnson Financial Group is the largest privately owned in the State of Wisconsin and has been around for fifty-five (55) years. Chairperson Stalewski asked when they are fully operational at the new location will they be closing the location on Miller Park Way. Mr. Araque replied yes, this will be bigger than their typical branch and will have a community center concept, to conduct seminars for homebuying and provide other resources. The floor plan will accommodate twenty (20) to forty (40) individuals during and after hours. Commissioner Lewein asked if there is access from the hotel parking lot to their parking lot. Chairperson Stalewski stated yes. Commissioner Lewein asked if there are utilities underground ready to go. Mr. Roecker replied yes. Trustee Schaefer stated to consider one (1) thing for the drive-thru, it seems to ring around the site even towards National Avenue, he is not opposed to this type of business being here, but is opposed to the way it is being done. It is a very suburban model of bank with a large drive-thru ringing around it and it doesn't necessarily fit in a more hybrid urban area and is in direct conflict with the master plan that we just put in targeting the specific areas and engagement of the street which completely eliminates any street access foot traffic from National Avenue, but he does loves the idea of a community room but like to see them be engaged off the street with the building and the architecture. Mr. Hess stated that one (1) thing that is important to them is security, they see banks get robbed all the time (even their own) so to have two (2) entrances would have huge security risks; out of forty (4) banks they own they do not have a single bank with two (2) entrances. This lot is limited, and the site plan is the best layout we could produce. Mr. Roecker stated they carefully explored that option as well and talked about security, the sidewalk that will lead to the bank and the safety of the clients that will be crossing that sidewalk. Commission S. Stalewski asked if there is a sidewalk coming from National Avenue. Chairperson Stalewski stated yes. Trustee Schaefer asked for example the Landmark Credit Union and why is their drive-thru not around the whole building. Mr. Hess stated every footprint is different and they have done everything with this lot to maximize the space.

Close public hearing 6:06pm

VIII

The next item was consideration and possible action regarding the request for a Conditional Use Permit application from Brent Hess, Agent for Johnson Financial Group, for a Drive-Thru located at 4319 W. National Avenue. This property is zoned B-2 Shopping Center Business District. Financial Institution is a permitted use, Drive-Thru is a Conditional Use.

Commissioner Knapp moved, seconded by Commissioner Lewein, to approve the request for a Conditional Use Permit application from Brent Hess, Agent for Johnson Financial Group, for a Drive-Thru located at 4319 W. National Avenue.

Roll Call:

Ayes: S. Stalewski, Couture, Hill, Omick, Knapp, Lewein and Chairperson J. Stalewski

Motion carried.

IX

The next item was consideration and possible action regarding the plan of operation, site plans and renderings for Johnson Financial Group to be located at 4319 W. National Avenue.

Mr. Roecker stated it has been since February that they submitted preliminary plans and they since came forward a set of more comprehensive architectural drawings, site plans with utility, landscaping and lighting but did not get

those until late last week and was able to get a review letter which is in your packets dated April 11th. Chairperson Stalewski asked about the triangle area where it states hotel parking lot is that currently finished and paved. Mr. Roecker stated recently that portion was deeded to the hotel with a lot line adjustment and will require improvements to mirror the bank's lot improvements. Commissioner Lewein asked if they had a lot of police calls for their current location. Mr. Hess replied no, not out of the ordinary. Administrator Egan stated they need to apply for the signs at a later date.

Commissioner Lewein moved, seconded by Commissioner Knapp, to approve the plan of operation, site plans and renderings for Johnson Financial Group to be located at 4319 W. National Avenue with the conditions on the Village Engineers recommendations.

Roll Call:

Ayes: S. Stalewski, Couture, Hill, Omick, Knapp, Lewein and Chairperson J. Stalewski

Motion carried.

IX

Scheduling of the next Plan Commission meeting is Tuesday, June 13, 2023.

XI

Adjournment

There being no further business before the Plan Commission, Commissioner Lewein moved, seconded by Commissioner Omick to adjourn. Voice Vote, motion carried.

Time: 6:14 PM

Respectfully Submitted,

Theresa (Teri) Anniuk, Plan Commission Secretary