



COMMITTEE OF THE WHOLE MEETING AGENDA

TUESDAY, MAY 07, 2024 AT 6:15 PM

MUNICIPAL BUILDING COUNCIL CHAMBERS – 106 JONES STREET, WATERTOWN, WI 53094

*For the public: Members of the media and the public may attend **by calling:** (571) 317-3122 **Access Code:** 153-925-469 or <https://www.gotomeet.me/EMcFarland>*

1. CALL TO ORDER

2. BUSINESS

A. Presentation from Hartland Shores - Allwardt Street Development and discussion

3. ADJOURNMENT

Persons requiring other reasonable accommodations for any of the above meetings, may contact the office of the City Clerk at mdunneisen@watertownwi.gov, phone 920-262-4006

A quorum of any City of Watertown Council, Committee, Board, Commission, or other body, may be present at this meeting for observing and gathering of information only



THE CITY OF
WATERTOWN

To: Common Council
CC: Mayor McFarland
From: Mason Becker, Strategic Initiatives and Development Coordinator
Date: May 7, 2024
Re: Presentation from Hartland Shores on Proposed Development

Dear Common Council,

I am writing to give a recap on the proposed development from Hartland Shores for the property located at 1310 Allwardt Street.

Shortly after I became employed with the City of Watertown in November 2022, I began working on this parcel as a potential development opportunity, given its prime location near Highway 16 and quick access to various services and amenities. The property had been identified as a “top five” potential location for residential development in the City’s 2022 Workforce Housing Action Plan. I met with multiple developers interested in the property, who all agreed that the parcel was an excellent spot for multifamily residential development.

As many know, the Watertown Unified School District has owned this parcel for many years. The district had planned to build a new school on the property. However, as the district’s needs have changed, it was determined that building a school on the property was no longer viable. After turning down an offer from a different developer to purchase the parcel, the district decided to list the property for sale in September 2022. They received one offer, from Hartland Shores, in the summer of 2023, and the school board voted to accept the offer on October 30, 2023.

I appreciate that members of the Common Council and residents have been engaged in this development and have asked various questions in trying to understand the need for this proposed residential development. A few facts to consider:

- *Concerns had been raised about the proximity of the apartment buildings to the seven existing single-family homes that border the property.* As you will see in the developer’s presentation, they have moved the apartment buildings further to the west and propose to construct a landscape berm along with a walking path and trees. This will keep the new development further away from existing than if the site was platted out for single-family housing. A third phase shown on the concept plan will be for a lower-density use, which would be determined later based on market needs.
- *Questions have been asked about the developer’s investment in the property.* Currently, the parcel is tax-exempt. Bringing these 20 acres of land back onto the tax rolls will benefit the City as a whole financially. Also, I have spoken to local realtors who feel the cost being paid for this land is in line with what they see for similar properties being considered for residential development. It must be remembered though that this is ultimately a real estate transaction between two independent parties.

- *Some have asked if this housing is necessary.* Multiple studies have shown the City is in dire need of housing, both rental and owner-occupied. Thrive ED cites our current rental vacancy rate at around 15%. A healthy rental market vacancy rate would be between 5-10%. Additionally, many local employers cite a lack of available housing for their employees, which can harm their ability to attract and retain workers.
- *Some have asked if these rental units will be desirable, or if they will be able to generate enough rent.* These units are proposed to be quality, market-rate units. They will not be designated as low-income or rental assistance units.
- *Concerns have been raised as to whether rental units fit this neighborhood.* It should be noted that there are multi-family units right across the street, south of Allwardt Street. There are also apartment units located along the northern portion of the neighborhood, in addition to duplexes to the west of the parcel on Juneau Street, and to the east of the parcel on Woodland Drive
- *Some feel the development may be "too dense".* It is important to remember that a school was planned for this property. A modern school building would be much larger with less neighborhood character, and also bring hundreds of students and cars in and out, five days a week. Athletic fields could have brought large crowds and noise. A more spread-out grouping of smaller buildings will be less imposing and generate less traffic and noise.
- *Will there be a TIF request?* Yes, there will be a TIF request. It is unlikely any substantial multifamily housing development will be feasible in Watertown right now without some level of public assistance, given the current high construction costs and interest rates (the current prime interest rate is 8.50%). I would note that Hartland Shores is also seeking assistance from Thrive ED's Live Local Development Fund. If the Common Council consents to this concept moving forward, the TIF request will be considered at a future Finance Committee meeting.

I believe Hartland Shores has tried to be very accommodating to the concerns expressed during this process. The proposal to invest approximately \$31 million into our community represents an opportunity that does not come along often. I also believe it is important for the City of Watertown to maintain a reputation of being good partners with the development community, and to keep the entire community's needs in mind when evaluating if this concept site plan should move forward.

Sincerely,



Mason T. Becker
Strategic Initiatives and Development Coordinator

May 2, 2024

Mayor Emily McFarland
Watertown Common Council Members
P.O. Box 477
Watertown, WI 53094

Dear Mayor McFarland and Watertown Alderpersons:

I write today to express Thrive Economic Development's support for Hartland Shores' proposed housing development in Watertown. As currently envisioned, the development represents a thoughtful and responsible approach to addressing the city's housing needs. The proposal outlines two phases of construction, totaling 128 market-rate units, each with its own entrance and attached garage.

The Hartland Shores development will add much-needed inventory to Watertown's housing stock. Census Bureau data shows a rental vacancy rate in the city of just 2.2%; generally, 5-10% is considered a healthy vacancy rate for a community. For employers, the availability of housing plays a crucial role in talent recruitment and retention. Employees are more likely to commit to a company when they have access to suitable housing options nearby. In turn, this stability enhances productivity and contributes to the overall success of businesses.

The projected investment for this project is \$30 million. Beyond this financial impact, it will also return approximately 20 acres of tax-exempt property to the tax rolls. Moreover, it's crucial to recognize the alternative proposed for this site. Originally earmarked for a public school, the site would have resulted in substantial traffic, noise and disruption. By contrast, Hartland Shores offers a more subdued and compatible option, aligning with the evolving needs of the community.

Housing has become a daily conversation in our office. In the context of economic development, a robust housing market signals stability and growth potential to investors and businesses considering expansion or relocation. Communities that demonstrate a commitment to housing development are more likely to attract investment, spurring further economic development initiatives.

Housing is a cornerstone of economic prosperity. By prioritizing housing initiatives and supporting responsible development projects like the one proposed by Hartland Shores, Watertown will be positioned for long-term success, ensuring a thriving economy for generations to come.

Sincerely,

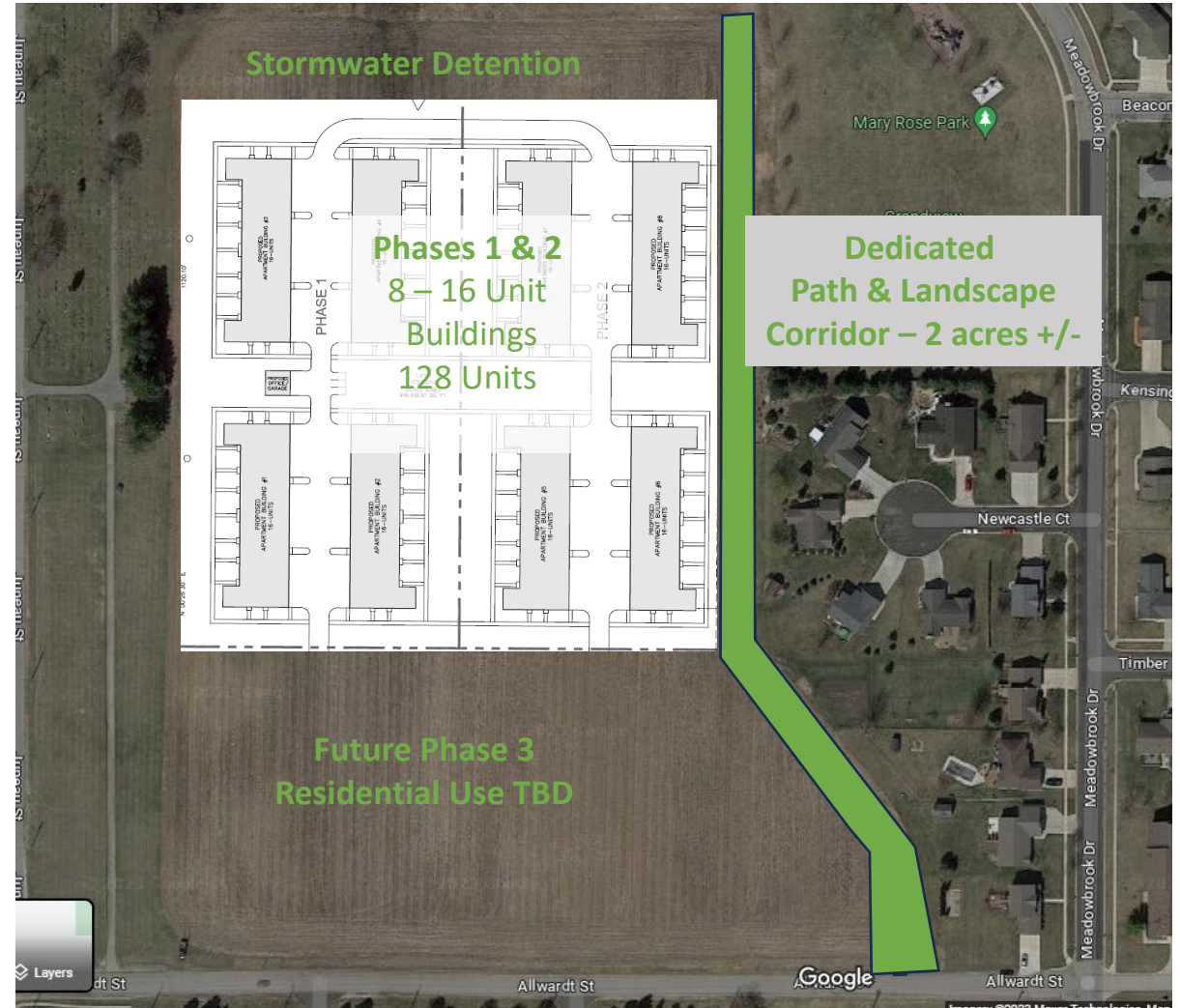
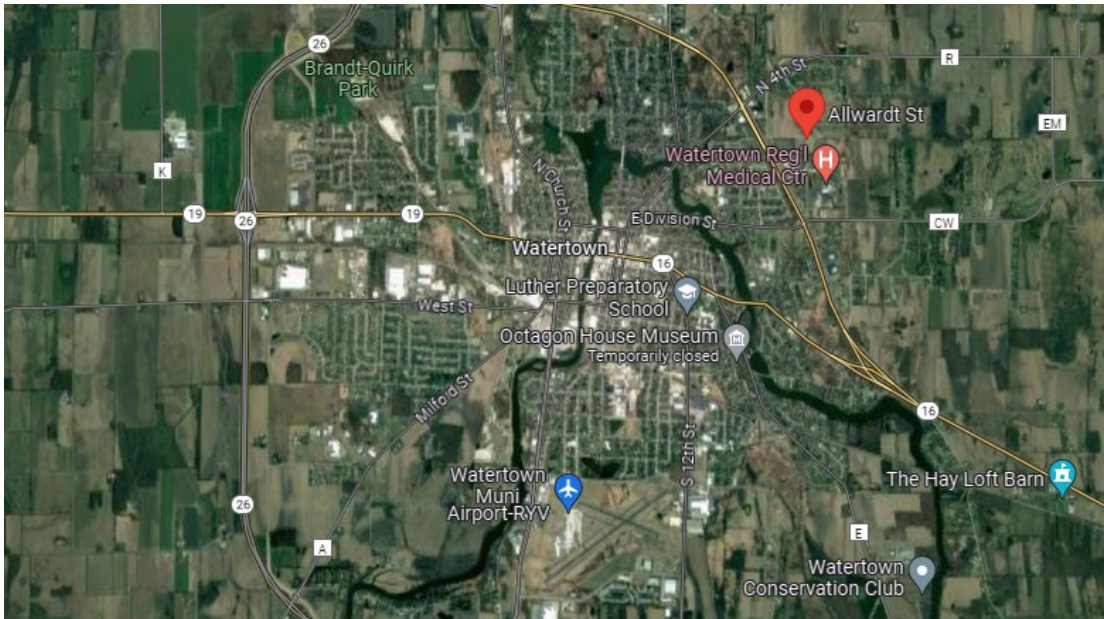


Deborah Reinbold
President, Thrive Economic Development
Executive Director, Jefferson County Economic Development Consortium

Proposed Allwardt Street Multifamily Development Watertown, WI

Section 2, Item A.

- 128 market rate, mainstream units over 2 phases
- Potential 3rd phase with residential use
- Dedicated path & landscape corridor (2 acres +/-) connecting Mary Rose Park to Allwardt St.
- Phase 1 - 64 Units - (4) 16-Unit Buildings
- Phase 2 - 64 Units - (4) 16-Unit Buildings
- Phase 3 - Residential Use TBD (Along Allwardt Street)
- Building Unit mix 12-(2) bedroom & 4-(3) Bedroom units
- Quality mainstream housing with private entrances and attached garages
- Total projected cost of phases 1 & 2 - \$31MM +/-.



ALLWARDT DEVELOPMENT - REVISED SITE PLAN

CJ
engineering
civil design and consulting
9205 W. Center Street
Suite 214
Milwaukee, WI 53222
PH: (414) 443-1312
www.cj-engineering.com

WATERTOWN MULTI-FAMILY DEVELOPMENT
ALLWART STREET
WATERTOWN, WISCONSIN

CJE NO.: 2403RI
APRIL 18, 2024

SITE PLAN

C1.0



Proposed Allwardt Street Multifamily Development

Renderings of Similar Project



04 COLOR RENDERING NORTH ELEVATION

SCALE = 1/8" = 1'-0"



03 COLOR RENDERING WEST ELEVATION

SCALE = 1/8" = 1'-0"

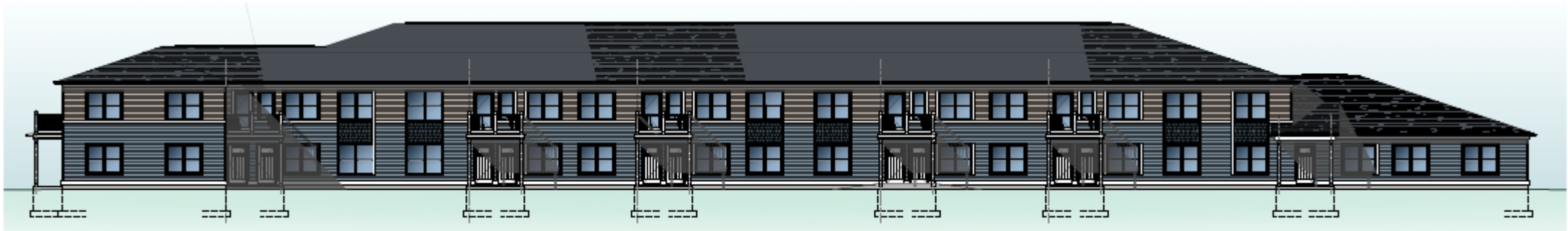
EXTERIOR ELEVATIONS MATERIAL NOTES

<p>SSD-1 DOUBLE 8" VENEER LAP SIDING ROYAL BUILDING PRODUCTS ELM DRIVE, PROFILE: DA COLOR: MOCHA</p>	<p>SSD-3 2" VENEER SHAKE SIDING ROYAL BUILDING PRODUCTS PORTSMOUTH, PROFILE: 37 COLOR: SLATE</p>
<p>SSD-2 DOUBLE 8" VENEER LAP SIDING ROYAL BUILDING PRODUCTS ELM DRIVE, PROFILE: DEEL COLOR: POLARIS</p>	<p>SPD-1 DIMENSIONAL ASPHALT SHINGLES TIMBERLINE HD COLOR: CHARACAL</p>



02 COLOR RENDERING EAST ELEVATION

SCALE = 1/8" = 1'-0"



COLOR RENDERING

Proposed Allwardt Street Multifamily Development

Draft of Floor Plan

