



COMMITTEE OF THE WHOLE MEETING AGENDA

TUESDAY, FEBRUARY 20, 2024 AT 6:00 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. Review and Discuss: Potential Residential Projects
- B. Convene into closed session per Wis. Stat. Sec. 19.85(1)(e) to Deliberate or negotiate the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.(Bargaining strategy for potential residential developments)
- C. Reconvene to open session

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: Committee of the Whole
CC: Mayor McFarland
From: Mason Becker, Strategic Initiatives and Development Coordinator
Date: February 15, 2024
Re: Housing needs in the City of Watertown

Dear Council Members,

I am writing to share information about current and upcoming housing developments in the City of Watertown, and how this relates to our need for more housing in our community.

The City of Watertown has an urgent and critical need for more housing. As per projections by Tracy Cross, Jefferson County as a whole is expected to face a shortage of at least 3,500 housing units by 2028. This includes both single-family and multifamily units. We know that the need for rental units is particularly dire, with the current rental vacancy rate standing at less than two percent, a figure considerably below the typical market rate of about six percent, according to information provided by Thrive ED. While I do not have data for Dodge County, conversations with County Administrator Cameron Clapper and Development Administrator Nate Olson suggest a similar pressing need there.

While we lack hard data specific to the City of Watertown itself, conversations with those in the industry state that our city is facing a shortage of anywhere from 1,000 to 2,000 housing units. We do have the option of having a housing study done for our City, which would give us better data on the need for types of units (rental and owner-occupied) and absorption rates. Tracy Cross has quoted \$7,000-20,000 for such a study (the more expensive option would get into more detailed specifics and recommendations). The Economic Development reserve account could likely cover this cost, should the Common Council wish to move forward with such a study.

It is important to recognize that our housing needs encompass both single-family and multifamily units. It is also important for the City to maintain a sense of being easy to work with when it comes to developers, and business proposals in general. Developers expect some amount of consistency and predictability from communities they are interested in working with.

It is quite telling that a developer recognizes our need here for market-rate rental units, as well as the economic opportunity here in Watertown. This is due to the hard work of many dedicated people in this community over the last decade (and more). Further, our need for rentals is demonstrated by the severe lack of available listings found online. A search for “apartment for rent in Watertown, WI” turns up only five available apartment units in the City. Some of those are limited to low-income or senior residents. Some families and individuals in our community are forced to live in hotels, or other less-than-optimal living situations, as a result.

It is critical to recognize that “restaurants and retail follow rooftops.” If we are going to attract further economic development, such as new restaurants, retail shopping locations, and manufacturing, we need to demonstrate growth. The only way to do that is through the development of more housing. A steady trickle of single-family homes, as we’ve predominantly seen the past few years (see included chart provided by Building, Safety, and Zoning), is not going to be

enough. Companies also want to see that we will be able to provide workers, and housing for those workers going to invest in business expansions in our community.

Section 2, Item A.

Currently, it is challenging to attract outside investment to a community our size, in part because our median incomes lag behind the surrounding Dane County and Lake Country areas, and in part because we have not demonstrated significant population growth (which can be blamed, at least partly, on a lack of new home construction). Those items, coupled with higher interest rates and construction costs than those seen prior to the last handful of years, make it more challenging in Watertown. Developers can make a quicker ROI in nearby Dane or Waukesha Counties due to the fact that rents can be higher because incomes are higher. Watertown can work to overcome those challenges by investing in our community, creating efficiencies in operations, having clear communication and expectations, and delivering on its promises—all things, we've worked hard on as a community for several years.

I hope the Common Council finds this information useful when considering future housing developments being proposed and worked on by City staff. I look forward to being a source of information when questions come up regarding these developments.

Sincerely,

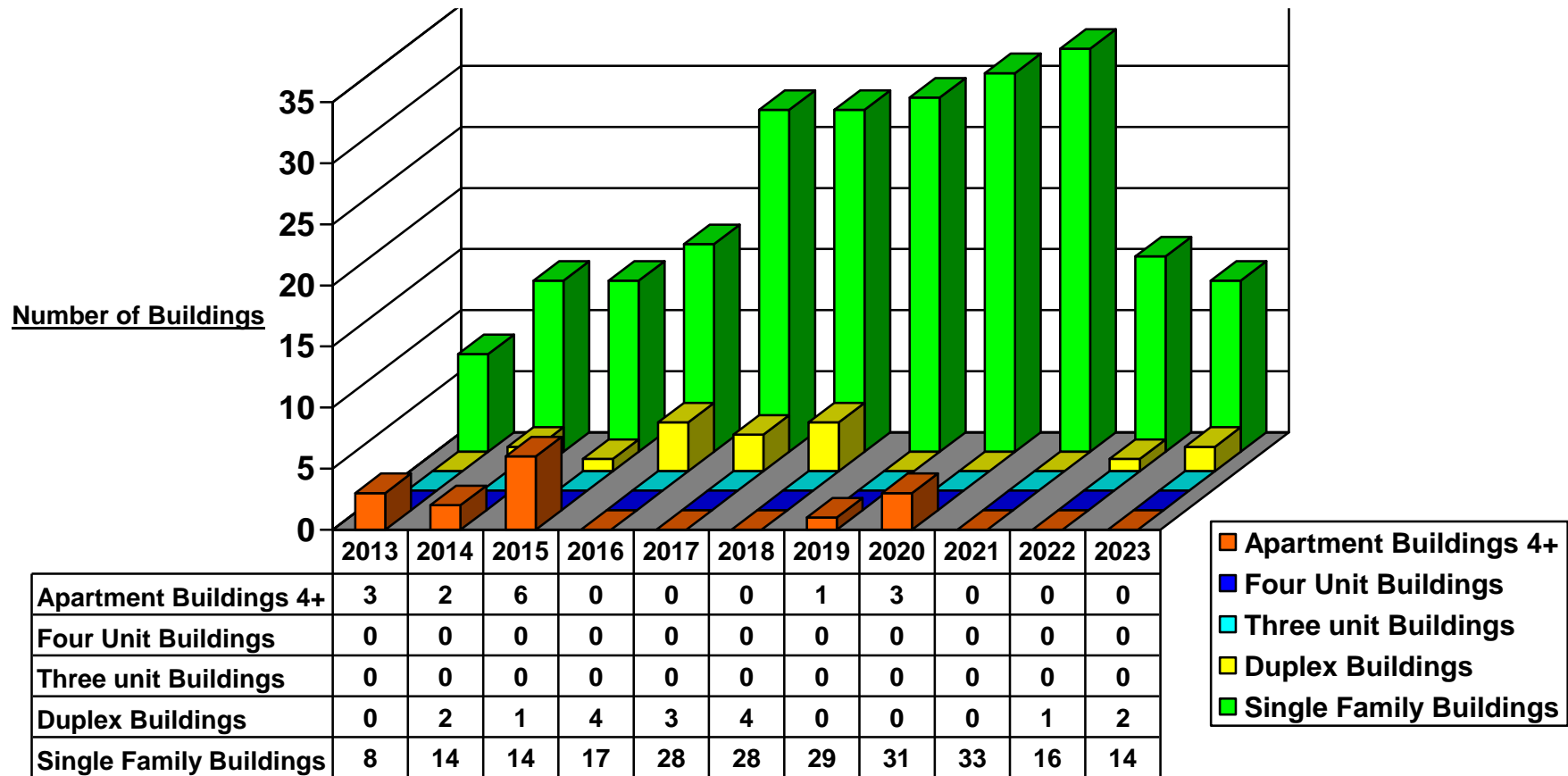


Mason T. Becker
Strategic Initiatives and Development Coordinator



TYPES OF RESIDENTIAL CONSTRUCTION 2013-2023

Information provided by the Building Safety & Zoning Dept.



What Is Future Land Use?

Adopted on the future land use map in a local jurisdiction's comprehensive plan, future land use categories designate the general location, distribution, and extent of land uses within a community. The purpose of the future land use categories is to guide the growth and development of a community by planning the location and character of mixed-use centers, neighborhoods, commercial areas, office and professional areas, industrial areas, public services, infrastructure, and environmental assets. By planning how land is used, future land use policies ensure compatibility between adjacent land uses, provide for anticipated growth, ensure the availability of public facilities, services, and resources, and protect vital environmental resources and community assets.

What Is Zoning?

Adopted on the zoning map with a local jurisdiction's land development regulations, zoning designations define the specific development standards for each land use designation. Zoning designations are specific and detailed. Zoning standards establish regulatory requirements pertaining to unit types and numbers, building square footage, lot size, architectural design, buffering, screening, and/or landscaping, transportation systems, utilities, recreation facilities, signage, lighting, length or type of occupancy, and construction materials and phasing.

By creating these site-specific, detailed regulatory requirements, zoning standards do not just give a general description of how a community is to be developed, but specify how each piece of land is to be developed consistent with the community's overarching future land use policies.

The Connection between Future Land Use and Zoning

Future land use policies and zoning regulations work in tandem to create a full picture of how land will be used. Future land use categories help guide the growth and development of a community while zoning designations define the specific standards for how land is to be developed.

Communities are not static entities and change with time. This also means the needs of the community might change in a way that warrants a change. Future land use categories may be changed through amendments to the adopted comprehensive plan and zoning designations may be changed through changes to the zoning map. The process to amend the comprehensive plan and change the zoning map is completed through a public process that considers the effects of the proposed change on the surrounding land uses, availability of public services, and community goals. Zoning changes also consider the compatibility of the change with the adopted future land use category. If a zoning map change would create an inconsistency, a change to the future land use map must be done as well.

Land Use Toolbox



Comprehensive Plan describes the future vision of the community and how to achieve that vision.

Zoning Ordinance regulates land use, density, and dimensions of lots and structures.

Land / Subdivision Ordinance regulates the division of land, street and lot layout, and improvements.

Project	Details	Future Land Use
1a	Single Family	Riverside Mixed Use
1b	Apartments	Riverside Mixed Use
1c	Twinhomes	Riverside Mixed Use
2	Apartments	Institutional
3	Multifamily (TBD)	Planned Mixed Use
4	Apartments	Planned Mixed Use
5	Duplexes	Institutional
6	Duplexes	Two-Family Residential
7	Single Family (maybe twins as well)	Planned Neighborhood (outside city boundary)
8a	Condos	Two-Family Residential
8b	Single Family	Single-Family Residential
9	Apartments	Planned Neighborhood/Planned Mixed Use
10	Apartment Building	Central Mixed Use
11	Townhomes	Central Mixed Use

Current Zoning	Needed Work
Planned Office & Institutional (PO) Zoning District	TIF/DA/LOI. Rezone/PUD
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Single-Family Residential (SR-4) Zoning District	Negotiate TIF request. Resolve FLU. Rezone.
Mixed (needs rezone)	Need breakdown of units. Rezone/PUD
Planned Industrial (PI) Zoning District	Waiting for their site plan. Rezone.
Two-Family Residential (TR-6) Zoning District	Discuss unit allowance/policy. Resolve FLU. PUD likely
Two-Family Residential (TR-6) Zoning District	Discuss unit allowance/policy. Figure out thru-street. PUD likely
(outside city boundary)	Discuss water/sewer. Land issue.
Two-Family Residential (TR-6) Zoning District/ PUD	Start 2024
Single-Family Residential (SR-4) Zoning District/ PUD	Plans need to go Site Plan and Plan Commission
Mixed (needs rezone)	Review submitted Site Plan. Rezone. Resolve FLU. PUD likely.
Central Business (CB) Zoning District	Evaluate proposal. Negotiate dev agreement.
Central Business (CB) Zoning District	Evaluate proposal when received.