Responsive & Successful Land Development

City of Mequon
Kim Tollefson
Kristen Lundeen
Town Center: 2000

“Create a centrally located ‘heart’ of both Mequon & Thiensville that fosters interaction among residents, encourages gathering and activities, provides a pleasant pedestrian experiences, offers restaurants and shops and features quality architecture and site design”

“Encourage redevelopment through public and private reinvestment on underutilized and undervalued properties”
Town Center: 2000
TID No. 3

**Town Center Mixed-Use**

- Base Value: $41M
- Incremental Value: $41M
- YE Fund Balance: $1.6M
- Projected Closure: 2028
Fast Track Formula: Low Risk & High Success

• 2013 Survey:  
  55.5% support incentives  
  22.6% oppose incentives  
  61.4% support City focus on redevelopment  
  12.2% oppose City focus on redevelopment  
  69.4% support tools for recruiting new businesses  
  11.8% oppose tools for recruiting new businesses  
  48.8% support assistance to expand existing businesses  
  24.1% oppose assistance to expand existing businesses
### Comparison of TID Values to Equalized Values

Mequon ranks second lowest of 15 comparable communities. Pewaukee has 1 TID.

<table>
<thead>
<tr>
<th>Community</th>
<th>TID Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brookfield</td>
<td>2.33%</td>
</tr>
<tr>
<td>De Pere</td>
<td>6.14%</td>
</tr>
<tr>
<td>Elm Grove</td>
<td>2.92%</td>
</tr>
<tr>
<td>Fitchburg</td>
<td>9.85%</td>
</tr>
<tr>
<td>Franklin</td>
<td>2.85%</td>
</tr>
<tr>
<td>Germantown</td>
<td>3.82%</td>
</tr>
<tr>
<td>Grafton</td>
<td>10.33%</td>
</tr>
<tr>
<td>Greenfield</td>
<td>2.27%</td>
</tr>
<tr>
<td>M Falls</td>
<td>6.93%</td>
</tr>
<tr>
<td><strong>Mequon</strong></td>
<td><strong>1.47%</strong></td>
</tr>
<tr>
<td>Middleton</td>
<td>14.60%</td>
</tr>
<tr>
<td>Oak Creek</td>
<td>4.31%</td>
</tr>
<tr>
<td><strong>Pewaukee</strong></td>
<td><strong>0.54%</strong></td>
</tr>
<tr>
<td>Shorewood</td>
<td>8.25%</td>
</tr>
<tr>
<td>Wauwatosa</td>
<td>4.59%</td>
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</tbody>
</table>
Fast Track Formula

TIF Incentive Calculation

- Base Improvement Value: $300,000 (A)
- Site Repair and Demolition: $30,000 (B)
- Total Costs of Gap: $330,000 (C = A+B)
- New Development Value: $2,500,000 (D)
- 5% Incentive (Net Improvement Value): $110,000 (E = .05 x (D-A))
- Total City Incentive = Gap plus 5% Incentive: $440,000 (F=E+C)
- Maximum 15 Year Payback: 13 years
Artessa by Dermond

**BEFORE**
- $179,600 Value
- $2,663 Tax Revenue

**AFTER**
- $8M Value
- $118,640 Tax Revenue
- 4,355% +
SPUR 16 by Shaffer

BEFORE
$7000 Tax Revenue

AFTER
$26.1M Minimum Value
$387,000 Tax Revenue

• 5,430% +
• 4-6 Year Payback
• 2026 TID Closure
• $3.3M Surplus 2028
• St. Paul Fish Company
• Health & Wellness
• Anodyne Coffee
• Purple Door Ice Cream
Spur 16 by Shaffer
FOXTOWN

BEFORE
$15,700 Tax Revenue

AFTER
$50M Minimum Value
$741,500 Tax Revenue
4,623%+
### 9 Redeveloped Town Center Sites

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>Current</th>
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<tbody>
<tr>
<td></td>
<td>$6.7M</td>
<td>$124.5M</td>
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</table>

Value Increase 1744%

<table>
<thead>
<tr>
<th>Development</th>
<th>Base Value</th>
<th>Current Value</th>
<th>Incentive</th>
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<tbody>
<tr>
<td>Outpost</td>
<td>$305,683</td>
<td>$2,973,200</td>
<td>$328,515</td>
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<tr>
<td>Dermond</td>
<td>$99,689</td>
<td>$8,000,000</td>
<td>$646,000</td>
</tr>
<tr>
<td>MTC1</td>
<td>$1,936,791</td>
<td>$18,790,600</td>
<td>$1,800,000</td>
</tr>
<tr>
<td>Spur 16</td>
<td>$651,594</td>
<td>$26,100,000</td>
<td>$1,700,000</td>
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<tr>
<td>Spectrum</td>
<td>$1,035,400</td>
<td>$1,862,100</td>
<td>$0</td>
</tr>
<tr>
<td>Reserve</td>
<td>$1,343,192</td>
<td>$5,969,400</td>
<td>$250,000</td>
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<tr>
<td>RCAC</td>
<td>$316,270</td>
<td>$8,000,000</td>
<td>$0</td>
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<tr>
<td>Memory Care</td>
<td></td>
<td>$2,810,000</td>
<td>$0</td>
</tr>
<tr>
<td>Foxtown</td>
<td>$1,060,249</td>
<td>$50,000,000</td>
<td>$4,500,000</td>
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<tr>
<td></td>
<td>$6,748,868</td>
<td>$124,505,300</td>
<td>$9,224,515</td>
</tr>
</tbody>
</table>
7 of Top 10 are Located in Town Center TID

Top Assessed Value per Acre Parcel: Artessa at $8M
Top Assessed Value per Acre of Non-TC TID Parcel: $2.5M
Neighborhood Brings New Development Value
Neighborhood Brings New Development Value

- 62+ New SF Homes
- Average Home Cost $345,000
- Total Permit Revenue $180,400
- $55,800 Park Impact Fees
- Total Construction Value $15.1M
Infrastructure

- Public Water Main Extension
- Public Sewer Service Expansion and Construction
- Reconstruction of Cross Section of Roads
- City Hall Parking Lot Reconstruction
- Public Streetscape Enhancements
- TIA and Traffic Improvements
MT Town Center Gateway
MT Town Center Gateway

- City of Mequon
- Village of Thiensville
- Groth Design Group
- Rotary Clubs
- Junior Women's Club
- $350K Fundraising
- $200K TID Funding
Town Center: 2000
Town Center: Today