

CDA Potential Project Summary -- REVISED February 15, 2014

Find Your Path Here Program

Project Goal: Increase awareness of Waterloo as a residential destination within the region and capture our share of regional population growth.

Project History & Overview: During the decade between 2000 and 2010, Waterloo's population growth was less than 4 percent, a significantly lower rate of growth than other nearby communities. Outreach to realtors, businesses and home builders determined that many individuals were not familiar with the community, its location and amenities. The Find Your Path Here program provided \$2,000 in funds for households purchasing a home in the community and \$4,000 for households building a new home in the City. These funds may be spent at more than 30 participating businesses within the City. Participants must agree to provide contact information (available to participating merchants), and a personal testimonial indicating why they chose Waterloo.

Cost: Municipal costs associated with the project include \$70,000 which has been set aside for program recipients through January of 2014. An additional \$10,000 has budgeted and roughly \$7,700 spent on marketing the program, including yard signs, online and video advertising.

Funding Sources: Over 30 participating merchants have contributed \$150 each to fund marketing for the Path program. Both home builders with lots available in the community have also committed to match the program for new homes developed within their subdivision.

Results/Anticipated Results: The program formally ended January 31, 2014. Forty awards were issued City. This total includes two households which built new homes in the community. See program reports for redemption activity.

The program has also received outside TV and newspaper media coverage, further increasing awareness of Waterloo in the region.

120 W Madison Street

Project Goal: Increase access to South Monroe Parking for customers to businesses located in storefronts on West Madison Street.

Project History & Overview: In response to complaints by business about a lack of available parking downtown to accommodate customer demand, a parking study was conducted in 2011. This study determined that a parking shortage did exist during certain hours on the East block of Madison Street. A potential future shortfall was identified for the west block of Madison Street if vacant structures (former Napa and Courier Building) were filled by uses with high customer demand (i.e. restaurant). Several sites were identified as potential solutions to provide increased parking or access to parking in various areas of downtown, including 120 W Madison Street, which was identified as a potential solution for the West Madison block if future uses created parking constraints.

Cost: The structure currently located at 120 W Madison Street was donated to the City by its former owner. The estimated cost to demolish the existing structure and create a pedestrian friendly walkway

Funding Sources: None identified.

Results/Anticipated Results: Meet existing or future need for park or green space amenities in the City.

Gauthier All-In-One

Project Goal: To ensure that properties within the City are contributing to the overall City economy, provide commercial spaces which match the needs of current and prospective City businesses and to remove blight.

Project History & Overview: The owner of these properties recently died and the status of the estate is unknown. A majority of these properties are vacant, and none have received investment in maintenance or upgrades in several decades. Several properties are located in key areas of the communities, and have significant economic potential. The landlord has expressed an interest to sell off assets in Waterloo, but has been unwilling to enter into aggressive transactions on individual buildings because remaining assets would require ongoing payment and attention. It was determined that an overall exit strategy would be more attractive to the owner, and create the potential for the properties to transition to economically beneficial uses. A proposal has been made to the landlord which would provide the City with a fixed purchase price option (based on a percentage of assessed value) with a lengthy option period (proposed as 18 months). During this period, the City could negotiate with businesses, funding partners and investors and seek to line up future owners for each of the properties.

Properties in the portfolio include:

- 18-acre Manufacturing Site (facility needs to be demolished) at 333 Portland Road
- Community building at 123 S Monroe
- Storefront at 115 N Monroe
- 4-Unit Apartment at 173 N Monroe

Cost: The current assessed value of the portfolio is \$620,900. However, several properties are assessed at significantly above market value and several will need investment to be restored to a level to accommodate new uses. These costs are estimated to be around \$400,000, with multiple grant funding opportunities and an ultimate purchase by private investors bringing jobs and investment to the community.

Funding Sources: The varied nature of properties included in the portfolio present opportunities for funding from a multiple sources including Brownfield Grants, TIF funds, Historic Preservation Credits, USDA or HUD multifamily enhancement grants, WEDC Idle Industrial Site Grants and private investment.

Results/Anticipated Results: The project assumes that all of the properties could be transitioned back into economically viable use within 24-36 months from an accepted option by the landlord.

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136 North Monroe Street, Waterloo, Wisconsin 53594-1198
Phone (920) 478-3025
Fax (920) 478-2021

RESOLUTION #2012-24

**Re: Consideration of the Transfer of the Title to the Property at
120 West Madison Street to the City of Waterloo**

Whereas, William Springer (the "Owner") is the owner of the property located at 120 W. Madison Street, Waterloo, WI (the "Property"); and

Whereas, the Owner has indicated a desire to donate the property to the City in fee simple; and

Whereas, the donation of the property will allow the City to provide improved pedestrian access to and from the existing public parking area located immediately south of W. Madison Street; and

Whereas, there are significant public benefits resulting from such donation, which outweigh any attendant costs associated therewith; and

Whereas, the City is willing to accept such donation on the terms and conditions set forth herein.

Now Therefore Be It Resolved, by the Common Council of the City of Waterloo, Wisconsin, that the City accept a donation of fee simple title to the property located at 120 W. Madison Street, Waterloo, WI, subject to the following conditions:

1. That fee simple title to the described property be conveyed to the City, free and clear of all liens and encumbrances.
2. That the City Attorney be satisfied based upon appropriate title evidence, that there are no restrictions or other limitations of record that would adversely affect the City's ability to use the described property for the contemplated public purpose.
3. That the demolition of the structure located on the described property be investigated for purposes of determining whether or not such demolition would adversely affect any lateral support of adjoining properties or party wall arrangements; and that if such concerns exist, they are brought to the attention of the Common Council for further action.
4. That the recording by the City of a deed of conveyance of the described property shall constitute evidence that the foregoing conditions have been satisfied.

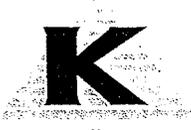
~~**PASSED AND ADOPTED**~~ this 7th day of June 2012.

Robert H. Thompson, Mayor

Attest:

Morton J. Hansen, Clerk/Treasurer

SPONSOR(S) – Mayor



ESTIMATE
Building Demo & Sidewalk Installation
City of Waterloo

Date: June 25, 2012

Project Site: 120 W Madison Street (12' wide x 132' long property)
Project: Project to include the demolition of existing one story building, 12' wide.
Regrade surface for landscaping and green space. Install 5'-0" wide
concrete sidewalk & stairs. (Sidewalk designated as a city sidewalk.)

Quantity	Unit	Description	Unit Price	Estimated Cost
1	LOT	Building Demolition	\$19,000.00	\$19,000.00
1	LOT	General	\$5,500.00	\$5,500.00
920	SF	4" Concrete Sidewalk, 5' Wide w/ Base	\$8.40	\$7,728.00
8	Tread	Concrete Stairs	\$360.00	\$2,880.00
2	Each	Painted Pipe Railing, meets state req'ts	\$1,560.00	\$3,120.00
103	SY	Top Soil & Seeding	\$8.50	\$875.50
2	LOT	Repair Existing Buildings (Includes HVAC, Plumbing, & Electrical)	\$7,600.00	\$15,200.00
1	LOT	Fire Escape	\$3,500.00	\$3,500.00
1	LOT	Miscellaneous Underground Work	\$2,000.00	\$2,000.00
Subtotal				\$59,803.50
Engineering & Contingencies				\$8,970.53
Total Estimated Cost				\$68,774.03

Notes:

1. Including stairs does not make the sidewalk ADA accessible (barrier free).
2. An Asbestos abatement and lead paint report will need to be completed per DNR regulations prior to demolition. (Environmental Report between \$600 - \$1000 fee)

Prepared by:
Kunkel Engineering Group, LLC
107 Parallel Street
Beaver Dam, Wisconsin 53916
920.356.9447
920.356.9454 (fax)
kunkelengineering.com

City Hall

From: Mitch Leisses [mleisses@kunkelengineering.com]
Sent: Tuesday, June 26, 2012 3:18 PM
To: City Hall
Subject: FW: 120 W Madison Street
Attachments: Sidewalk Estimate_Revised_6-25-12.pdf

Mo,
As discussed in the below transmittal, I am attaching a revised cost estimate that I believe will address the concerns of the property owners adjacent to 120 W Madison Street. Please review and forward on to interested parties.

Mo, should you or any of the City Council Members have any questions or concerns, please feel free to contact me at your earliest convenience.

Sincerely,

Mitchell Leisses, Project Manager
Kunkel Engineering Group, LLC
Beaver Dam, WI 53916
(920) 356-9447 Office (920) 210-6330 Cell
mleisses@kunkelengineering.com

From: Mitch Leisses
Sent: Wednesday, June 20, 2012 3:52 PM
To: 'City Hall'
Subject: 120 W Madison Street

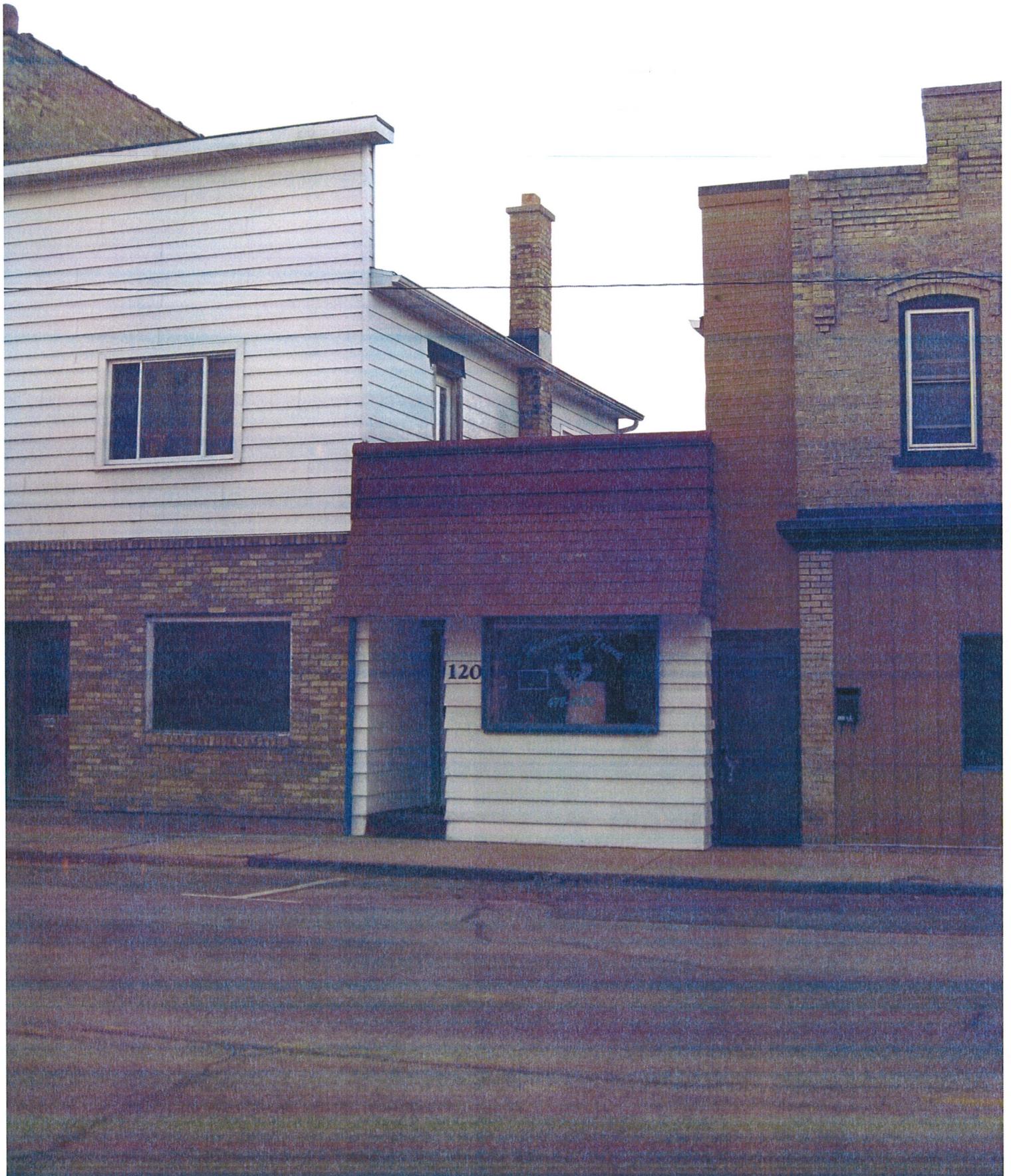
Mo,
This afternoon I met with Bill Springer, Tom Hotmar, and Sharon Burbach regarding the demo and improvements to 120 W Madison Street. After inspection of each property and discussion with each of the property owners, here are my findings:

1. There is a common/shared wall and foundation between 120 and 118 W Madison Street. Mrs. Burbach is extremely concern with what she will be left with should the 120 property be demo.
2. The 120 property has the exhaust from the furnace piped into the 118 property's chimney (which would need some repair as part of project).
3. Foundations and walls are old brick.
4. Gas and electric meters would need relocating (they are currently on the 120 building).
5. The air conditioning unit from 118 property is on top of the 120 building and needs relocating.
6. Mrs. Burbach building (118) currently has an egress onto 120 property. Some type of fire escape would need to be installed to maintain this egress point.
7. There is a shared sanitary lateral between 120 and 118 W Madison Street. Abandoned lateral could be capped in place.
8. The 118 property's basement wall that fronts Madison Street is bulging and property owner has fears of this wall failing should the neighboring building be demolished.

Overall, the neighboring property owners have concerns about what they will be left with (both inside and out) and they personally don't have the funds to finish or make repairs to the outside of their property. Are these items of concern things the City is willing to address as part of this project?

That being said, I understand from your recent transmittal the City would like to scale back the cost estimate I had originally provided. But with the fire escape and other items that would definitely need to be address. I believe we will well exceed the original cost estimate. (I am having our architect revise the cost estimate addressing the potential issues listed above.)

Mitch Leisses, Project Manager



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136 North Monroe Street, Waterloo, Wisconsin 53594-1198
Phone (920) 478-3025
Fax (920) 478-2021

January 16, 2013

Jim Gauthier
71 First Street
Cartwright, OK 74731

RE: A PROPOSAL TO ARRIVE AT A FOUR PROPERTY SALE IN ONE STRUCTURED OFFER

Mr. Gauthier:

Please accept the following as a follow-up to initial concept discussions with Harold Bursaw.

The Waterloo Community Development Authority (CDA) seeks a structured purchase of your four Waterloo properties located at 333 Portland Road, 173 North Monroe Street, 115 North Monroe Street and 123 South Monroe Street with various conditions and stipulations.

Below is an outline of proposed terms:

- ❖ A price for the four properties is agreed upon as a package price. You grant an option to the CDA to purchase each of the properties at agreed upon prices. The option period extends for 18 months. In return, the City and its partners will agree to actively solicit buyers for individual properties during the option period.
- ❖ The option-to-buy agreement would be structured such that:
 - The purchases could occur individually over the course of the 18 month option to buy period or in an all-in-one transaction during the option period.
 - The city has the right to exercise the option at its discretion.

If this general framework is satisfactory and meets your objective of selling your Waterloo real estate, please call to discuss. We look forward to arriving at mutually beneficial terms which will allow you to successfully exit the Waterloo market.

Thank you for your consideration.

Sincerely,

Mo Hansen
Clerk/Treasurer
On Behalf of the Waterloo Community Development Authority

cc: HAROLD

Gauthier All-In-One
Disposition Scenario
Erin Welty - 5/16/2013

<u>Property</u>	<u>Address</u>	<u>Acres</u>	<u>Assessed Value</u>	<u>Assessed Land</u>	<u>Anticipated Sale Value</u>	<u>Additional Funds Possible (Equivalent if loan)</u>	<u>Additional Fund Sources</u>
Manufacturing Facility	333 Portland Road	17.87	\$156,800	\$53,600	\$120,000	see box below	Brownfield
Community Building	123 S Monroe Street	0.25	\$154,700	\$30,700	\$75,000	\$17,850	Historic Preservation (25% of rehab cost)
Downtown Storefront	115 N Monroe Street	0.05	\$95,400	\$12,700	\$95,000	\$15,000	CDBG or USDA For Rental Unit
Apartment	173 N Monroe Street	0.31	\$101,100	\$15,900	\$120,000	\$200,000	None if sold as apartment, figure is from potential TIF increment expansion if included in N Madison lot project.
					Total	\$410,000	
					Est. Purchase	\$304,800	(60% of assessed value)
					Net Proceeds	\$105,200	

<u>Manufacturing Facility</u>	
Phase I Environ.	\$4,000
Phase II Environ	\$25,000
Demolition	\$150,000
Soil Testing	\$20,000
Cleanup	\$50,000
Infrastructure & Site Prep	\$150,000
Total Upfront Cost	\$399,000
Brownfields Grant	\$199,500
Match Required	\$199,500
Outcomes	
Property Sale Price (one user)	\$120,000
Multiuser sale price	\$150,000

Proceeds from sale alone.	\$24,900
Potential Proceeds with additional funds	\$257,750
2 Years Loss Tax Dollars	\$7,565
Cost to Address Issues	\$199,500
Net Revenue	\$75,585