

# Chapter 5

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## Implementation



The Downtown Master Plan presents an ambitious and varied program for improving the heart of the community. This chapter considers several factors necessary for plan implementation, including

- Organizational Structure
- Priority Criteria
- Opinion of Probable Costs & Schedule
- Funding Techniques

The Plan and its scheduling will inevitably change over time. Some projects may advance as opportunities or demands open, while others appear less important over time. However, the overall concept, begun by the city's vision to convert blighted and unproductive property into a pulsing central district, is compelling and will change the face of the city. This section provides tools to help the city and stakeholders move ahead toward accomplishing this vision.

## ORGANIZATIONAL STRUCTURE

This section considers organizational aspects of the business district and offers recommendations that can strengthen the support structure for Downtown. Successful development efforts require successful organizations and public/private partnerships. The plan proposes having three organizations associating with each other to improve the district.

- **City of De Pere.** The City of De Pere has been the catalyst for major redevelopment efforts. The Downtown redevelopment program should continue to operate under the City of De Pere and its Community Development Department. The director of the department, serving under the City Manager and mayor and council, should continue to be responsible for overall project administration and coordination. However, this ambitious redevelopment program has many moving parts – managing public improvement projects, marketing and administering redevelopment sites, coordinating trail and transportation improvements, doing development deals, and seeking financing, to name a few. The City's association with other organizations will make the redevelopment program more of a success. Principle responsibilities include:
  - Managing Downtown improvements.
  - Preparing requests for proposals and administering the developer selection process for redevelopment sites.
  - Writing grants for downtown projects, including transportation projects, and performing other necessary jobs as required by the Community Development Director.
  - Overseeing the proposed Main Street Director.

- **Main Street Program.** The massive task of implementing the plan may require a dedicated full- or part-time staff position, a Main Street Director. The initial responsibility of the Director is to retain and attract businesses to the downtown district. Principal responsibilities of the Main Street Director include:

- Retaining and recruiting business and retail, in concert with the Chamber of Commerce.
- Exchanging dialogue with business and property owners.
- Developing marketing material directed to attracting patrons to downtown.
- Coordinating efforts of the Chamber, City, and other agencies that play a role in downtown development.
- Developing joint marketing materials and expanding the program of events. Downtown should offer regular programming during the course of the year to maintain district activity.
- Assisting the Community Development Director in writing grants for downtown projects.
- Advocating for projects and raising funds for downtown projects.
- Overseeing the Main Street

- **De Pere Area Chamber of Commerce.** The Chamber of Commerce should continue recruiting businesses to the City and organizing events that showcase the community, including downtown. The plan recommends establishing a Main Street Director that is overseen by the City of De Pere and sharing office space with the Chamber of Commerce. This allows the Chamber to focus on community-wide recruitment efforts, while allowing the BID to have some autonomy to the Main Street Director.

- **Business Improvement District (BID).** The BID technique, used successfully in cities and business districts around the country, establishes a special assessment district to finance public improvements, district management, and promotions. A BID is a special assessment district that permits businesses to finance public capital improvement projects and district management, promotion, and maintenance. Also, establishing a BID will allow the district to share costs for maintenance services beyond the standard level provided by the City and help finance the Main Street Director's position. A BID could assist with financing for small projects, including improved pedestrian access and trail enhancement that will increase commercial activity, as well as promotional activities.

Downtown De Pere has attempted to establish themselves as a BID in the 1990s, but to no avail. Establishing a Main Street Director position to focus solely on the downtown businesses is contingent on local businesses electing to participate in a BID.

## PRIORITY CRITERIA

The Downtown Plan establishes nine major project areas, including four districts on the west shore and five districts on the east shore. The plan provides a master plan of many projects. However, real implementation is an incremental process that requires setting priorities, completing initial steps, and evaluating new conditions along the way.

The City with coordinating agencies, such as the Main Street Director, Chamber, and BID if formed, and other principals in the development process should maintain a five year Downtown capital program. Table 5.1 identifies individual projects and provides a conceptual schedule for implementation. However, market demands and opportunities will inevitably affect this schedule. Annually, the Downtown capital development group should update the schedule, based on priority criteria. These evalu-

ative criteria may involve applying the following questions to specific projects at the time of consideration:

- Does the project respond to specific or high-profile community issues or needs?
- Does the project generate maximum private market response?
- What is the project's potential to transform the image of the area and community?
- Does the project attract both local residents and visitors, increasing business traffic and creating new reasons for people to be downtown?
- Does the project support the growth of existing businesses?
- Does the project capitalize on established, but unmet, market needs?
- Can the project be realistically implemented within a reasonable time frame with potentially available resources?
- Does the project generate substantial community support or consensus?
- Does the project incorporate and leverage outside funding sources, such as state grants or charitable contributions?

The Downtown De Pere Plan proposes a long-term program for investment in this important and active business district. This program is built of many individual projects and recommendations that, over time, create an economically strong city center that offers customers, residents, and visitors a diverse and attractive environment. However, not everything can be done at once, and the downtown development is a process that moves forward in increments. The plan proposes several basic principles:

- Public investments in early phases of the process should create a "chain reaction" - a strong and desirable

private market response that leads to self-sustaining investment. Thus, the ability of initial projects to generate positive momentum is very important.

- Projects proposed by this revitalization plan fall into three categories: catalytic, enhancement, and sustaining projects.
- Catalytic projects, substantial efforts that are large and strategic enough to change an important part of the downtown economy or environment. These projects create conditions that encourage other people to make significant, if smaller, investments. Catalytic projects often combine an underused existing asset with a demonstrated need or market opportunity.
- Enhancement projects, usually investments that improve the appearance, image, or function of the public environment.
- Sustaining programs that encourage private businesses, developers, and property owners to respond to the improved environment that "catalytic" and "enhancement" projects create.
- Different projects mature at different times during the downtown development process. Table 5.1, the Implementation Schedule, is based on this principle. The largest proposed project, the Nicolet Square Redevelopment, have the potential to change the image of downtown and create highly visible places for new business. However, the current market is not mature enough to support the project, and an effort to develop it prematurely is likely to fail. Other, equally important if more modest projects come first to create conditions that allow the project to develop naturally.

An early project should ideally include one of each type of project: a catalytic project that uses an existing demand to transform an underused asset; an enhancement project that makes a highly visible improvement in the district's image or function; and a sustaining program that encourage private businesses to take advantage of new opportunities.

## OPINION OF PROBABLE COSTS & IMPLEMENTATION SCHEDULE

Financing of elements of downtown projects will require both public and private participation. This section describes available funding sources and techniques. Project staging is also likely to manage capital requirements. Opinions exclude property acquisition and relocation, as well as, utility extensions and upgrades. Figures are based on 2010 dollars. Additional study is required before project development.

An initial schedule is presented here to guide the public and private agencies in the process of making this plan a reality. The schedule establishes five time frames: Ongoing, Within 5 Years, 5-10 Years, and Over 10 Years. Priorities and opportunities will inevitably shift the schedule for some projects.

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## PRELIMINARY FINANCIAL IMPLICATIONS

This plan evaluates preliminary financial implications for identified priority projects located in the downtown area. The analysis builds from realities regarding pricing for condominiums and apartments in the downtown area. The project report identified high end pricing for condominiums at up to \$120 per square foot, with average unit sizes of about 1,600 square feet. Apartment rentals peak at \$0.90 per square foot per month. Retail rents range from \$8 to \$12 per square foot, with rent levels for new space at or above these levels.

The intent of the analysis is to frame mid-term feasibility expectations for potential development in the downtown area. Importantly, the analysis is only intended to provide an order of magnitude indication of project feasibility, particularly since cost estimates are not based on detailed plans. As well, the regional and national econ-

omy has only begun to recover from a 2-3 year period of dramatic financial distress; full recovery is not expected for at least 12-24 months, with timing dependent on the pace at which distressed real estate in the region is "worked out", and job growth returns. The extent of real estate challenges cannot be understated, as FDIC works through an existing \$40 billion in commercial real estate loans from failed banks, and as the recovering banking system deals with \$1.4 trillion in commercial real estate loans that will come due by 2014; the extent of these problems is expected to delay the pace at which rents can grow, directly influencing timing for new construction.

At a policy level, our national experience highlights the practical challenges of encouraging infill redevelopment in downtown areas. Challenges are driven by the increasing difficulty of getting financing for projects, perceptions of increased risk, as well as delays created by extended entitlement and development review policies, the latter of which are a key reason why infill projects are seen as more "risky". Reflective of the real challenges of effecting change in these areas, a number of successful policy responses have emerged:

- Building public consensus and involvement upfront
- Identifying important sites and securing preliminary entitlements for their redevelopment
- Improve the appeal of infill sites with targeted infrastructure and access improvements
- Marketing infill sites aggressively

The underlying theme in these four points is a more aggressive public sector role in redevelopment, with the end goal of reducing the front end time required to effect infill site redevelopment. Many cities view efforts to streamline predevelopment planning and entitlement



processes as a specific development incentive, because they reduce the developer's carrying costs and interest expenses. This approach has been used by several cities to encourage downtown residential development.

With the above in mind, the following preliminary gaps analyses should be viewed with the following caveats:

- Not all developers are created equal; each has a different cost of capital and risk tolerance.
- The Identified condominium approach assumes that the developer builds the project and sells condominiums, either residential or commercial.
- The identified rental approach assumes that a developer builds and operates the project for a set holding period, and then sells it at the end of the holding period.
- The analysis builds from order-of-magnitude assumptions regarding construction costs, which are intended only to provide a rough framework for cost implications.

## SITE 1 – NORTH SIDE OF MAIN

One project concept, on the west side of Downtown De Pere, calls for a 2-story, 60,000-gross-square-foot building. The approach begins with a conversion from gross floor area (60,000 square feet) to net (@10%): 54,000 net square feet, with condominium revenue production at \$120 per square foot, resulting in total revenue potential to the developer of \$6,480,000. This revenue potential compares to identified project costs of \$9.7 million, which do assume a 15% contingency. Not allowing for financing costs, the project gap is approximately \$3.28 million. A rental approach yields a similar result, building from rents of \$1 per sf per month, and operating expenses at about 35% of revenue. In both cases, the key challenge is that the proposed building is relatively expensive (\$140 per sf all in) compared to its height (2 stories). Given that unit construction costs should not vary dramatically much between 2 and 3 stories in height, there is a clear financial incentive in this case to push for a taller structure. For most cities, at around 4 stories, building codes mandate a transition from wood frame to steel or concrete.

**Table 5.1: Opinion of Probable Costs, Main Street Development Proforma**

Project	Cost
Site Preparation	\$289,400
Hardscape	\$125,160
Softscape	\$75,024
Development - Commercial	\$7,200,000
<b>Subtotal</b>	<b>\$7,689,584</b>
Contingency - 15%	\$1,153,438
Design and Testing - \$12%	\$922,750
<b>TOTAL</b>	<b>\$9,765,772</b>

## SITE 2 – NICOLET SQUARE

This proposed project is similar to Site 1 in scale, with a proposed 2-story building covering 50,760 gross square feet, developed for mixed use. Assuming a rental approach (street level retail with apartments above), and applying core assumptions (retail rents at \$14 per sf and apartment rents at \$1 per sf per month), a discounted cash flow analysis indicates that the project gap would be in the area of \$2 million, meaning that a developer would require about \$2 million in financial support to complete the project. In this case, design and building height come into play. In general, for mixed use buildings, three stories is better than two, if only because a mixed use building needs two sets of infrastructure to handle distinct retail and residential or retail and office functions. In the near-term market, while it is plausible that upper story office space could support higher rents than residential, any project would require the presence of an anchor tenant to pre-lease a portion of the office component. In principal, apartments should be less difficult to finance.

**Table 5.2: Opinion of Probable Costs, Nicolet Square Development Proforma**

Project	Cost
Site Preparation	\$264,200
Hardscape	\$459,190
Softscape	\$64,076
Development - Commercial	\$6,768,000
Development - Art Installations	\$35,000
<b>Subtotal</b>	<b>\$7,590,466</b>
Contingency - 15%	\$1,138,570
Design and Testing - \$12%	\$910,856
<b>TOTAL</b>	<b>\$9,639,892</b>

## SITE 3 – WELLS PARK

The Wells Park concept includes about 12,000 gross square feet of commercial space, to be developed as a pavilion within the park. The scale is not dissimilar to what was developed a Millennium Park in Chicago, where there is a restaurant, bathrooms, and storage space adjacent to an outdoor area which is used as a skating rink in the winter and a beer garden in the summer. This highly successful development was constructed and “built out” by the public sector, and leased to a restaurant operator. While at the time it was seen as risky, the project has proven to be quite successful.

Development of this program space in Wells Park will need to contend with key realities, beginning with the point that, at 12,000 square feet, this pavilion is large enough for a significant banquet (800 people at 15 square feet per person). For comparison, the average restaurant is 3,000 to 5,000 square feet in size. While the concept has merit, providing a logical connection down to the waterfront, key considerations include:

- For a restaurant to be successful at this site, it will need to support a distinctive menu, and draw from a larger market. The operator would expect to pay a rent at or below market rates, and would be unwilling to absorb a significant share of the build out cost for the space, given that the location is relatively isolated from the downtown core. The city would need to identify an area restaurateur to partner with.
- The city recreation department and / or St. Norbert could consider using a portion of the pavilion for events, meetings, and special activities / programs (kayak rentals, dancing lessons, etc.)
- Its use for banquets and events is a consideration. In this case, the city could set up a preferred list of caterers, and rent the space out to users for a daily fee, plausibly in the \$500 to \$1000 per day range. In this



framework, event volume is essential, as the per event charges are very modest. If a restaurant was built in a portion of the space, this operation could provide the food and beverage to the adjacent meeting space.

- With the trail system located next to the site, an argument for a bike repair / sales operation could be considered, with the ability to rent cross country skis in the winter.
- Full retail development is not seen as likely in the near-term, given the relatively detached location from downtown, and limited visibility from the roundabout. With plans to eventually redevelop others sites that front on the roundabout, this parcel would eventually become more attractive, assuming that connectivity with adjacent uses can be achieved.

**Table 5.3: Opinion of Probable Costs, Wells Park Development Proforma**

Project	Cost
Site Preparation	\$450,000
Hardscape	\$1,922,167
Softscape	\$300,881
Development - Commercial	\$1,469,400
Development - Parking	\$964,000
<b>Subtotal</b>	<b>\$5,106,448</b>
Contingency - 15%	\$765,967
Design and Testing - \$12%	\$612,774
<b>TOTAL</b>	<b>\$6,485,189</b>

#### SITE 4 - GEORGE STREET LANDING COMMERCIAL DEVELOPMENT

RDG Planning and Design identified two commercial concepts for this area, showing a mixed use project with either hotel or residential development above structured parking on a site that is set back from Broadway, but still connected to the riverfront. While this project is notable from a design standpoint, creating an effective connection to the waterfront, the provision of structured parking below residential or hotel (or even office) use will require concrete or steel construction, which could increase development costs. This reality is reflected in the construction cost assumptions (\$150 per square foot compared to \$120 per square foot noted before). Higher construction costs would be a challenge given not-



**Table 5.4: Opinion of Probable Costs, George Street Bridge Landing Development Proforma**

Project	Cost
Site Preparation	\$569,612
Hardscape	\$1,228,763
Softscape	\$59,661
Dev't - Market & Park	\$2,288,260
Dev't - Parking Structure	\$2,484,000
Dev't - Condo/Hotel	\$6,804,450
Dev't Expansion - Parking	\$810,000
Dev't Expansion - Condo/Hotel	\$6,236,100
Dev't Expansion - Broadway Commercial	\$690,000
<b>Subtotal</b>	<b>\$21,170,846</b>
Contingency - 15%	\$3,175,627
Design and Testing - \$12%	\$2,540,501
<b>TOTAL</b>	<b>\$26,886,974</b>

ed performance levels from the aforementioned sites above. For this site, close to the waterfront, higher priced condominiums or a boutique hotel would be needed to drive feasibility. Consideration should also be given to increasing the height of the building above 5 stories (2 stories of parking + 3 stories of residential / hotel). Again, with concrete or steel construction, the building "wants" to be taller to offset a likely cost premium.

Likely incentives that could be considered to jumpstart this project include a public contribution / investment to build a share of the foundation / parking levels, thus offsetting the cost incurred by the developer. Incentives could also relate to the city providing an annual payment to the building owner to provide a certain number of public parking spaces in the project. Overall, while this project would be particularly speculative in the short-term market, it could become a relevant project within five years, assuming that residential values recover in the local market.

Table 5.5a: Opinion of Probable Costs, East Bank

Project	Project Type		Schedule			
	Public	Private	Ongoing	Within 5 yrs	5-10 Years	10- Years
<b>Broadway/Wisconsin Core</b>						
Broadway/George Ped Crossing Improvements	\$100,000			x		
Public Art	x			x		
Seroogy's Chocolates Connection	\$125,000	shared		x	x	
Alley Plaza	\$240,000				x	
ShopKo Connection		\$125,000			x	
Rear Façade Improvements	grant assistance	\$20,000 /each	x			
Mission Square Redevelopment	\$3,950,000	\$1,610,000		x		x
Front Buidling Facades	grant assistance	\$20,000 /each	x			
<b>TOTAL</b>	<b>\$4,415,000</b>	<b>\$1,735,000</b>				
<b>George Street Landing</b>						
George Street Landing, see Proforma, Table 5.4. (excludes Lock Island Connection)	~\$6,543,086	~\$20,343,889		x	x	
<b>East Shore</b>						
Voyageur Park (detailed master plan)	\$40,000			x		
Katherine Harper Riverwalk and Viewing Pier	-			x		
Wells Park Promenade, see Proforma, Table 5.3.	\$4,620,000	\$1,870,000			x	
Fox River Trail Enhancements	\$150,000			x		
<b>TOTAL</b>	<b>\$11,353,086</b>	<b>\$22,213,889</b>				
<b>Historic Neighborhoods</b>						
Ridgeway Boulevard Landscaping Plan	\$15,000 -\$25,000			x		
Ridgeway Boulevard Landscaping Installation	\$100,000- \$125,000	shared		x		
Ridgeway Boulevard Nodes	\$60,000			x		
Grant Assistance - Revolving Loan Fund	\$100,000	x	x	x		
<b>TOTAL</b>	<b>\$310,000</b>					

Table 5.5b: Opinion of Probable Costs, West Bank

Project	Project Type		Schedule			
	Public	Private	Ongoing	Within 5 yrs	5-10 Years	10- Years
<b>Main/Reid Core</b>						
Transportation Study (west side 2-way circulation)	add'l study			x		
Building Gap Passageways (each)	\$236,000	shared			x	
Nicolet Square Redevelopment (see Table 5.2)	\$1,050,000	\$8,600,000				x
<i>Commercial</i>		\$8,600,000				
<i>Site Prep &amp; Enhancements</i>	\$1,050,000					
West Dev't and Alleyway	alley shared	\$5,550,000				
East Dev't and Alleyway	alley shared	\$4,170,000				
Humana Block Parking and Commercial Development	shared	\$7,670,000			x	
<i>Parking Garage (282 stalls)</i>	shared	\$5,740,000				
<i>Commercial</i>		\$1,930,000				
<i>Site Prep &amp; Enhancements</i>	\$845,000					
Marquette Centre II Development		\$3,764,000				x
Marquette Centre II Parking Improvements		\$360,000				x
Main Avenue North Redevelopment (see Table 5.1)	\$645,000	\$9,144,000			x	
<i>Main Avenue West</i>		\$3,660,000				
<i>Main Avenue Central</i>		\$1,830,000				
<i>Main Avenue East</i>		\$3,660,000				
<i>Site Prep &amp; Enhancements</i>	\$645,000					
Main (NW corner of Main and 5th)		\$751,000				x
Fort Howard and Main Redevelopment		\$11,760,000				x
Joliet Square Expansion		\$13,970,000				x
Transit-Oriented Development	shared	x				x
Main Avenue (behind curb, by block)	\$175-375,000					
<b>TOTAL</b>	<b>\$3,476,000</b>	<b>\$65,739,000</b>				



Table 5.5b: Opinion of Probable Costs, West Bank (...continued)

Project	Project Type		Schedule			
	Public	Private	Ongoing	Within 5 yrs	5-10 Years	10- Years
<b>Main/Reid Core</b>						
St. Norbert College and Wilson Park Neighborhood		x				
Traffic Redirection	add'l study				x	
Pedestrian Median (in coordination with traffic study)	add'l study					x
Wilson Park Upgrades	\$250,000			x		
Gateways (each)	\$35,000			x		
Riverfront Path	add'l study	x		x		
<b>West Riverfront</b>						
Thilmany Nicolet Mill Reuse	add'l study		x			x
West Bank Trail and Shoreline Park Plan	\$40,000	SNC shared		x		
Brown County Fairgrounds Study	\$60,000			x		
<b>TOTAL</b>	<b>\$385,000</b>	<b>-</b>				

Table 5.5c: Opinion of Probable Costs, Connections

Project	Project Type		Schedule			
	Public	Private	Ongoing	Within 5 yrs	5-10 Years	10- Years
<b>CONNECTIONS &amp; POLICIES</b>						
City Logo Design & Applications (web, stationary, merchandise)	\$1,500-\$10,000			x		
Pier Enhancements	add'l study				x	
Roundabout Public Art	\$125,000	Fundraising		x		
Streetscape Markers	\$35,000			x		
Traffic Calming Devices	\$25,000			x		
Wayfinding Design and Program Plan	\$15,000 -\$35,000			x		
Wayfinding Installation	\$1,000 /sign			x		
<b>TOTAL</b>						



## FUNDING TECHNIQUES

Available financing tools to help realize the vision for the downtown include:

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### LOCAL FUNDING TOOLS

- Building Façade Easements
- Business Improvement District
- City Funds
- Estate Taxes
- General Obligation Bonds
- Green De Pere (City of De Pere)
- Land Sale Proceeds
- Private and Foundation Philanthropy
- Revenue Bond
- Tax Increment Financing

### STATE SOURCES

- DNR Urban Forestry Grants-
- Brownfields Redevelopment Assistance (State Assistance)
- State Historical Society -
- Transportation Economic Assistance (TEA) - WisDOT
- Business Employees' Program (BEST)

### FEDERAL SOURCES

- Brownfields Redevelopment Assistance
- Community Development Block Grants
- Community Development Corporation Grants
- HOME Investment Partnerships Program – HUD
- National Trust Main Street Program

- Neighborhood Stabilization Program (HUD)
- Recovery Zone Bonds
- Recreational Trails Program (RTP) (FHWA)
- Rural Business Enterprise Grant (RBEG) (USDA)
- Rural Community Development Initiative Grants (USDA Rural Development)
- Small Business Administration
- Small Cities Development Grant Program
- Transportation Enhancements

## LOCAL FUNDING TOOLS

### BUILDING FAÇADE EASEMENTS

Buildings fronting Main Avenue and Broadway could be candidates for establishing a building façade easement. Façade easements could be dedicated to the City, protecting the façade from unsympathetic modifications and providing a tax benefit to the donor. In addition, various forms of public financing, including TIF, may be available as a result of permanent public easements. Typically easements dissolve in less than 10 years, returning responsibility back to the private owner.

### BUSINESS IMPROVEMENT DISTRICT

The State of Wisconsin authorizes municipalities to establish business improvement districts (BIDs) for the promotion, management, maintenance and development of the district (Wisconsin Statutes 66.1109). Districts are restricted to commercial and industrial properties, any structures that are tax-exempt or function exclusively as residences cannot be included in assessments. The State of Wisconsin does not currently specify an assessment formula for municipalities to follow. The majority of BIDs utilize a fee based on the per \$1,000 value of property. Other widely used assessment formulas include assessments based on the frontage foot, or a flat fee for each property within the BID. Establishing special assessments should be reasonable to not deter investment into and around project areas. Regional BID's include Downtown Green Bay, Downtown Appleton and Downtown Fond du Lac.

For additional information, contact University of Wisconsin-Extension <http://lgc.uwex.edu/cpd/bidpage/bid.html> or at 608-262-9960.

### CITY GENERAL REVENUES

General revenues, appropriated through the city's annual budget process, can finance services, improvements, facilities and development projects. These appropriations are separate from general revenues devoted to debt service on bonds. Common uses of general revenues in downtown development programs include funding staff and organizational expenses, or projects that can be divided into smaller phases, such as streetscape improvements.

### ESTATE TAXES

Estate taxes are collected by the county and may be used to help finance downtown De Pere capital improvements.

### GENERAL OBLIGATION BOND ISSUES

General obligation bond issues, typically secured by general city revenues or incremental property taxes, can finance major public projects or improvements. General revenues may include property taxes or local option sales taxes. Appropriate uses for bonds include streets, infrastructure, park and public space projects, and similar improvements.

For additional information, contact Community and Economic Development Director of De Pere at 920-339-4043.

### GREEN DE PERE

Property owners can request to have a tree planted in their front yard or boulevard by contacting the community forestry program at 339-8362. Residents may also donate a tree to be planted in the park as a memorial.

### LAND SALE PROCEEDS

Proceeds from sale of land to development projects could be allocated back to downtown improvements and acquisition for other redevelopment activities. For example, the sale of a portion Crevier Commons for development could be returned to improvements in the downtown.

### PRIVATE AND FOUNDATION PHILANTHROPY

The Plan provides a variety of opportunities for individual or foundation contributions. Private philanthropy, with appropriate recognition and commemoration, is a critical part of the downtown implementation program, and is especially appropriate for trail and riverfront projects, community attractions such as the Riverwalk, Old George Street Bridge Landing, and other public open spaces.

For additional information about sources of philanthropy and non-profits, contact Donors Forum of Wisconsin at [www.dfwonline.org](http://www.dfwonline.org) or 414-270-1978.

### REVENUE BONDS

Revenue bonds are debt instruments that are repaid all or in part from revenues generated by the project or by other associated revenue sources. For example, part of the capital cost of a parking structure may be repaid through parking fees generated by that structure, or other parking facilities in a community. Revenue bonds typically are not secured by the credit of the community.

## TAX INCREMENT FINANCING (TIF)

Local Tax Increment Financing (Local TIF) permits the use of a portion of local property taxes to assist funding the redevelopment of certain designated areas within your community. Projects pay their entire established tax obligation. However, taxes produced by the added value of the property caused by redevelopment or improvements may be used to finance project-related improvements or other public improvements in the district. Table 5.2 shows a proforma of how TIF can be used to finance major development projects. TIF may be used to pay certain costs incurred with a redevelopment project. Such costs may include, but are not limited to:

- Public improvements and amenities
- Infrastructure improvements and upgrades
- Site improvements and preparation
- Rehabilitation of structure, including adaptive reuse or rehabilitation of private properties.
- Property acquisitions

For additional information on the development of TIF Districts, contact the Wisconsin Department of Revenue at 608-261-5335, or at [tif@revenue.wi.gov](mailto:tif@revenue.wi.gov).

## STATE OF WISCONSIN SOURCES

### BUSINESS EMPLOYEES' SKILLS TRAINING PROGRAM (BEST)

Established by the Wisconsin Legislature to help small businesses in industries that are facing severe labor shortages upgrade the skills of their workforce, including information technology and child care. Under the BEST program, Commerce can provide applicants with a tuition reimbursement grant to help cover a portion of the costs associated with training employees.

For additional information visit [www.commerce.state.wi.us/bd/BD-BESTprogram.html](http://www.commerce.state.wi.us/bd/BD-BESTprogram.html).

### COMMUNITY DEVELOPMENT CORPORATION GRANTS

The CBED Program is designed to promote local business development in economically distressed areas. The program awards grants to community-based organizations for development and business assistance projects and to municipalities for economic development planning. The program also helps community-based organizations plan, build, and create business and technology-based incubators, and can also capitalize an incubator tenant revolving-loan program.

For additional information, visit [www.wisgov.state.wi.us/journal\\_media\\_detail.asp?locid=19&prid=507](http://www.wisgov.state.wi.us/journal_media_detail.asp?locid=19&prid=507)

### WISCONSIN DEPARTMENT OF TRANSPORTATION (DOT), TRANSPORTATION ECONOMIC ASSISTANCE (TEA)

The Transportation Economic Assistance (TEA) program provides 50% state grants to governing bodies, private businesses, and consortiums for road, rail, harbor and airport projects that help attract employers to Wisconsin, or encourage business and industry to remain and expand in the state.

**Program purpose.** The goal of the TEA program is to attract and retain business firms in Wisconsin and thus create or retain jobs. The businesses cannot be speculative and local communities must assure that the number of jobs anticipated from the proposed project will materialize within three years from the date of the project agreement and remain after another four years.

**Program description.** Grants of up to \$1 million are available for transportation improvements that are essential for an economic development project. It must begin within three years, have the local government's endorsement, and benefit the public. The program is designed to implement an improvement more quickly than normal state programming processes allow. The 50% local match can come from any combination of local, federal, or private funds or in-kind services. Applications are first come, first serve, and funded when all eligibility information is complete and satisfactory.

**History.** The TEA program began in September 1987. Through March 2008, 66,435 jobs have been directly and indirectly created through the \$74 million invested in grants awarded to 179 communities. Some 305 businesses have benefited from the grants.

For additional information visit [www.dot.wisconsin.gov/localgov/aid/tea.htm](http://www.dot.wisconsin.gov/localgov/aid/tea.htm).

### WISCONSIN DEPARTMENT OF NATURAL RESOURCES (DNR), BROWNFIELDS REDEVELOPMENT ASSISTANCE

Brownfield Site Assessment Grant (WDNR) - Eligible local governmental units can be reimbursed up to 80 percent of the costs associated with assessing environmental contamination at Brownfield sites.

The applicant must be a local government unit such as a city, village, town, county, tribe, or redevelopment, community development, or housing authorities.

- The applicant cannot have caused the environmental contamination at the site.
- The party responsible for the environmental contamination must be unknown, unable to be located or financially unable to pay for grant activities.

Funding is divided between small and large grants with 70 percent of funds allocated to small grants (between \$2,000 and \$30,000) and 30 percent allocated for large grants (between \$30,001 and \$100,000). No more than 15 percent of all available funds will be awarded to a single applicant in the fiscal year. At least one application cycle will be offered per fiscal year, if funding is available. Also see Brownfield under Federal Funding Sources.

For additional information, visit <http://dnr.wi.gov/org/caer/cfa/Grants/SAG.html>

### WISCONSIN DEPARTMENT OF NATURAL RESOURCES (DNR), URBAN FORESTRY GRANTS

The DNR offers financial assistance for urban forestry projects that improve a community's capacity to manage its trees. Eligible applicants may be a city, village, town, county, tribal government or 501(c)(3) non-profit organization and joint applicants are encouraged to apply. The urban forestry grant program supports projects that advance a community's urban forestry management program. The grant program is a 50/50 cost-share program where applicants match each grant dollar. Grant awards range from \$1,000 to \$25,000.

Application forms are available on the website. Completing and returning Intent to Apply form ensures that you will receive an application.

For additional information, visit <http://dnr.wi.gov/forestry/uf/grants/index.htm>

### WISCONSIN STATE HISTORICAL SOCIETY

Wisconsin State Historical Society offers assistance in seeking funding for historic preservation projects and programs. A database is available to help identify public and private funding sources related to the documentation and preservation of Wisconsin's historic places. Assistance types include grants, low-cost loans and tax credit programs. There are funding programs administered by federal, state and local agencies, as well as by private organizations. Eligibility, application requirements and level of competition vary according to the goals of each grantmaker.

For additional information, visit [www.wisconsinhistory.org/hp/funding/](http://www.wisconsinhistory.org/hp/funding/)

## FEDERAL FUNDING SOURCES

### BROWNFIELDS ASSESSMENT PILOTS/ GRANTS

Assessment grants through EPA provide funding for a grant recipient to inventory, characterize, assess, and conduct planning and community involvement related to brownfield sites. An eligible entity may apply for up to \$200,000 to assess a site contaminated by hazardous substances, pollutants, or contaminants (including hazardous substances co-mingled with petroleum) and up to \$200,000 to address a site contaminated by petroleum. Applicants may seek a waiver of the \$200,000 limit and request up to \$350,000 for a site contaminated by hazardous substances, pollutants, or contaminants and up to \$350,000 to assess a site contaminated by petroleum. Such waivers must be based on the anticipated level of hazardous substances, pollutants, or contaminants (including hazardous substances co-mingled with petroleum) at a single site. Total grant fund requests should not exceed a total of \$400,000 unless such a waiver is requested. Due to budget limitations, no entity may apply for more than \$700,000 in assessment funding. The performance period for these grants is two years. This program may be eligible for properties in the 400 Block of Main Street.

For additional information, visit [www.epa.gov/brownfields/assessment\\_grants.htm](http://www.epa.gov/brownfields/assessment_grants.htm).



## COMMUNITY DEVELOPMENT BLOCK GRANT

The Community Development Block Grant Program (CDBG) offers grants to small communities to improve local facilities, address critical health and safety concerns, and develop a greater capacity for growth. CDBG is a “pass through” funding program from the US Department of Housing and Urban Development authorized by the Housing and Community Development Act of 1974 (Public Law 93-383). They offer funds for projects that can range from housing and street repairs to industrial loans and job training.

(This federal funding is intended for housing and economic development to benefit low- and moderate-income residents. Also for rehabilitation and infill projects, directed to projects that benefit low- and moderate-income households or eliminate blighted areas.)

For additional information, contact Community and Economic Development Director of De Pere at 920-339-4043.

## HOME

HOME is the largest Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households. Each year it allocates approximately \$2 billion among the States and hundreds of localities nationwide. HOME provides formula grants to States and localities that communities use—often in partnership with local nonprofit groups—to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people. The Joliet Square Expansion could be a candidate site for low-income housing.

For more information, visit [www.hud.gov/offices/cpd/affordablehousing/programs/home/](http://www.hud.gov/offices/cpd/affordablehousing/programs/home/)

## NEIGHBORHOOD STABILIZATION PROGRAM (NSP) (HUD)

The Neighborhood Stabilization Program provides assistance to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. Neighborhood Stabilization funds can be used to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of property values of neighboring homes.

## RURAL BUSINESS ENTERPRISE GRANT (RBEG) PROGRAM:

To provide grants that facilitate and finance the development of small and emerging private business enterprises in rural areas through establishing small business revolving loan funds, acquisition of land, buildings, and infrastructure to enhance business development or by providing technical assistance, etc.

- Eligible Applicants Include: Public bodies, non-profits, and Indian tribes
- Eligible areas include unincorporated rural areas, cities and towns with populations of less than 50,000 (priority given to populations 25,000 and smaller).
- Project cannot be agriculture production; comprehensive area planning or projects not owned or controlled by at least 51 percent U.S. citizens.
- Grants will support local and regional economic development programs that will support non-farm businesses.

For additional information, visit [www.rurdev.usda.gov/ne/rural\\_business\\_enterprise\\_grant\\_program.htm](http://www.rurdev.usda.gov/ne/rural_business_enterprise_grant_program.htm).

## RECREATIONAL TRAILS PROGRAM (RTP)

The Recreational Trails Program offers federally-funded grants through the Federal Highway Administration that are administered by the Wisconsin Department of Natural Resources.

Grant funds are to be used for motorized or non-motorized trail development or renovation and preservation. Each project requires a minimum match of 20 percent. Projects must be maintained for a period of 25 years and requests up to \$100,000 are eligible. Eligible applicants include cities and counties, schools, and private non-profit and for-profit businesses. The proposed trail along the West Bank could be eligible for these funds.

For additional information, contact Wisconsin Department of Natural Resources – Northeast Region at 920-662-5487.

## SMALL BUSINESS ADMINISTRATION

The Small Business Administration (SBA) has financial assistance programs which provide access to debt and equity primarily from banks or other private sources. SBA evaluates each loan application on two levels; the first is for eligibility, which varies by industry and SBA program, and second on credit merits of the application. SBA programs and services support small business owners, connecting businesses to loans, government contracting opportunities, disaster assistance and training programs to help your business succeed.

For more information, visit [www.sba.gov](http://www.sba.gov).



Appendix

A1 MAIN STREET PROGRAM..... 00 - 00

## MAIN STREET ORGANIZATION

### MAIN STREET PROGRAM CONSIDERATIONS

AECOM and RDG were asked to review the Main Street De Pere organizational structure in the context of its position as the economic development entity responsible for business development and revitalization of downtown De Pere. Currently, Main Street De Pere functions as a program of the Chamber of Commerce. In its early years, the Main Street organization was a separate organization, but was brought under the Chamber structure to reduce administrative costs and duplicative mission objectives. There has been some recent discussion about what the appropriate structure, relationship and staffing should be for Main Street De Pere.

The Main Street Approach® to downtown revitalization is a methodology developed by the National Trust for Historic Preservation's National Main Street Center. Recommended organizational structures vary depending on local needs and resources. While the "typical" Main Street organization is a freestanding, nonprofit group, many Main Street programs have chosen to use government, development authorities, special tax district organizations, or chambers of commerce to pursue downtown redevelopment and revitalization. To establish a stable funding base, many mature Main Street programs decide to pursue special assessment district funding (such as a Business Improvement District or similar funding mechanism). While there is no "right" way to organize a Main Street group, focus should be on the most effective structure for implementing a comprehensive program of work based on the four organizing points of Main Street:

- Organization
- Design
- Promotion (or Marketing)
- Economic Restructuring

### MAIN STREET IN THE CHAMBER OF COMMERCE

Many communities use a chamber of commerce to house their Main Street programs, particularly in the early stages of program initiation. A chamber of commerce offers an opportunity for sharing offices, clerical staff, and equipment and can minimize costs when starting a program. While the business-oriented nature of a chamber of commerce may seem to be the ideal placement for a Main Street program, there are issues to consider which may make a case for other program placement options.

Chambers of commerce often represent businesses throughout a city, county or region. The De Pere Chamber of Commerce represents businesses in the City of De Pere, Green Bay, Ashwaubenon, Lawrence, Ledgeview, and Wrightstown. While the broad membership of the De Pere Chamber provides some financial and organizational strength, it can dilute the importance of the De Pere Main Street effort and create a competition for resources than work to the disadvantage of the Main Street program. A broader city, county, or regional focus can hamper the operations of a program designed to concentrate exclusively on a single commercial district. Comments have been made about Main Street's use of Chamber staff resources and the financial "burden" placed upon the Chamber by Main Street. Such discussions can create potential for distractions from the Main Street program mission and divisive situations.

While the Chamber's position as a business association may make some programmatic sense, the organization's 501 (c) 6 tax status can render it ineligible for funding from certain government and philanthropic sources. Main Street De Pere's 501 (c) 3 tax status as the "Main Street De Pere" allows a broad range of funding, as well as a programmatic mission rationale that goes beyond simple business interests and positions Main Street De Pere as a community development / community improvement organization that can reach out beyond the busi-

ness community to include volunteers and support from non-profits and individuals. Recently the Main Street De Pere 501(c) 3 "charitable and educational" organization became the "De Pere Area Chamber of Commerce Foundation, Inc." The following concerns are noted about this approach:

- It has the potential to further dilute the role of Main Street De Pere in the Chamber structure
- The IRS can become difficult with any attempts by chambers of commerce to acquire 501 (c) 3 status by assuming existing designations.

Our perspective is that a clear commercial district focus needs to be established and maintained whether De Pere Main Street remains part of the chamber or not.

### GOVERNANCE

For Main Street De Pere to be a properly-functioning Main Street program, it should have dedicated governance, which can be accomplished several ways. In an ideal world, this governance may be provided by a separate Main Street board of directors as established under the structure of the Main Street De Pere, Inc. organization. An active, engaged board is necessary to an active Main Street program. Should it be decided that Main Street will remain within the Chamber physically or organizationally, some thought should be given to an organization that is dedicated solely to downtown De Pere. Such an arrangement could include a joint operating agreement with the Chamber that defines roles, responsibilities, staffing and financial requirements of each organization to more cleanly delineate the place Main Street De Pere has and its relationship with the Chamber. If the organization becomes more connected with the City of De Pere structure, some attention will need to be paid to maintaining a balance of government and non-government functions and a means to ensure some measure of operational independence within the new structure.

Assuming that Main Street De Pere stays within the Chamber organization, we would suggest consideration of a structure with the following elements:

- Within the Chamber organization, Main Street would become one of several committees, in this case with 501 (C) 3 status.
- The Main Street program would hire a Main Street Coordinator, who would be responsible for recruitment, building owner liaison, and related services
- The Main Street Coordinator would report to the Main Street Committee
- The Chairperson of the Main Street Committee would sit on the overall Chamber Board of directors, with reporting responsibility for all Main Street activities.

The core premise behind this structure is to create a measure of autonomy between Main Street and the Chamber. At the other end, the city would have the option to directly engage and hire a Main Street coordinator. In this case, while the Main Street program could still stay within the above chamber structure, we would expect that the city may want / expect to play a greater oversight role. In this situation, the Main Street director could technically be a city employee; as well, the city could ask to have a seat on the chamber board (perhaps ex-officio).

## WORK PLAN

Currently, while Main Street De Pere has the four standard committees, chamber influence has tended to give these committees a city wide perspective, rather than only a downtown focus. In addition, we understand that the Beautification Committee has tended to focus on downtown, working with the design guidelines and with businesses on an ad hoc basis. While the Chamber Business Enhancement, Marketing and Promotions Committees also work on individual projects and efforts within the downtown, their citywide focus appears to have diluted resulting impacts on downtown.

The Main Street De Pere Plan of Action tends to be design and promotion-focused rather than business recruitment and retention-oriented. A more formal organizational structure would make Main Street De Pere more effective in accomplishing program objectives. In particular, experience shows that volunteer committees have a difficult time sustaining commitments to implement aggressive recruitment and retention strategies beyond short term horizons. In practice, the volunteer committees serve an important support role for Main Street directors, who should be entrusted with what is a full time position – aggressive tenant retention and recruitment, as well as liaison with building owners and tenants.

It is not necessary to have four committees dedicated to the Main Street Four-Point Approach, but rather use the Approach as an integrated methodology for ensuring that all areas of downtown development, redevelopment and revitalization are addressed. Each of the four points – design, organization, promotion and economic restructuring – acts as an organizing structure for activities, projects, programs and strategies.

Assuming that a Coordinator is hired, we would envision a series of initial work tasks:

- Begin meetings with building owners to validate store information, to ensure that the inventory data is accurate and current, and to understand and build consensus around lease rates, preferred tenants. These interviews should be viewed as a step toward the Main Street Director having a more proactive role in helping to market vacant space and buildings.
- Meetings with city planning staff and property owners to confirm land use expectations, density and parking requirements, and entitlements for vacant downtown properties.
- Development of core marketing materials, which build from a clear understanding of store information, store clusters, and demand drivers.

- Commence retention meetings with merchants. An effective retention effort includes a structured survey approach (i.e. consistent questions to gauge changes over time) tailored specifically to the downtown market. Secondary questions can also focus on needs for potential support (i.e. business planning, merchandising ideas, coordination with building owners / city staff), and ideas for programming which would be supportive of store sales growth.

- Once the above elements have been initiated, the attraction element can then begin in earnest. We envision that a tenant attraction approach can follow several paths:

- a. Meetings with existing merchants who could be interested in new store formats or ideas.
- b. Visits to other destinations in the region (Galeana, Traverse City, etc.) to meet with merchants in these towns to evaluate interest in a second or third store. Initial visits should be tied in with basic marketing materials on the downtown which identify store clusters and demand drivers.
- c. For specific national chain stores, efforts begin with initial contact and provision of core marketing materials. In the context of current economic challenges, this avenue is likely to be modest through 2011.

During the interim period, before a coordinator is hired, we suggest that the Economic Enhancement Committee should include the completion of databases for the downtown area, as noted in the first bullet above. The effort of validating building square footage, confirming building ownership contact information, and related elements is an important first step, potentially allowing the committee to publish quarterly reports on downtown occupancy trends, and changes in lease rates. On a broader level, we would expect that the committee would serve on an on-going basis as a sounding board for the coordinator, to think through possible uses.

## STAFFING

Current staffing at the Chamber shares administrative staff as well as program staff. De Pere Main Street lacks dedicated staff resources that are needed for business recruitment, retention and expansion efforts. As above, while the volunteer committees strive to fill these roles, a full time commitment is required to sustain progress. Main Street programs housed in chambers of commerce often find that staff focus can become diffused if staff resources have to be split with activities not specifically related to the downtown business district. It is recommended that De Pere Main Street hire a full-time Main Street director for its Main Street effort.

A properly-functioning Main Street program requires dedicated, trained Main Street director focused on the downtown commercial area. As the issues in downtown De Pere seems to be heavily weighted toward business development and economic restructuring, a director with skills in that area would be best suited in De Pere. Training may be available through the Wisconsin Main Street program or through the National Main Street program of the National Trust. In addition to paid staff, Main Street programs often rely on a cadre of volunteers to provide program support. Volunteer development is a critical element of the Main Street director's job. Both the Wisconsin Main Street and National Main Street offices have considerable information resources on volunteer development and management.

## FUNDING

To afford a full-time Main Street director and funding for specific program expenses, Main Street De Pere needs a dedicated source of funding that can be combined with funds provided by the City. Some Chamber members have suggested that Main Street takes too much of the Chamber's budget relative to its representation in the membership. A review of changes in the Chamber and Main Street budgets over time, however, appears to show that many fund-raising events that were originally Main Street events have become funding vehicles for the

Chamber. In addition, separate fund-raising from partner businesses for Main Street does not occur in order to avoid competition with Chamber funding (such as funding from the financial institutions for specific business-related programming). As the funding from the City is in support of the Main Street effort, rolling all of Main Street and other Chamber initiatives under a new foundation structure clouds the purpose of those funds. City funds should be provided for specific responsibilities and functions of the Main Street group that are performed according to an agreed work plan.

Many mature Main Street programs use business improvement districts (BID) or similar self-assessment legislation as a source of base funding. While BID funding cannot cover all Main Street activities, it can support the business and development activities that provide direct benefits to the properties within the district. Establishing a BID in downtown De Pere has been tried in the past, without success. Unfortunately, property owners did not see the benefits of self-assessment. For such an effort to be successful, an educational process will be needed with small group meetings, "block captains" to build support and a compelling rationale for the BID. The rationale should outline why the funding is needed, how the funds are to be used, and a fully-articulated work plan with metrics and governance structures. It is unlikely that a BID campaign can be successful with the current structure and blurred governance/funding that does not differentiate Main Street from the Chamber in a meaningful manner. Focusing future program element on economic issues such as retention, recruitment and expansion assistance will highlight the relevance of Main Street to downtown businesses' day-to-day concerns.

The approaches to funding sources for Main Street programs vary. Financial resources to consider might be:

- Membership dues
- Earned income
- Service fees for activities performed for government

- Income-producing product or activities
- Individual solicitation
- Canvassing
- Direct mail
- Annual / planned giving
- Memorials
- Bequests
- Insurance
- Trusts / Annuities
- Endowment for special program fund
- Grants (government and foundation)
- Program-related investment (seed funds for loans)
- Special events

## MARKETING MAIN STREET

Current downtown promotional efforts appear to focus on increasing foot traffic through special events. While such activities are important, many of the events seem to be special events – events that may draw a crowd but are not necessarily designed to generate sales on the day of the event. Main Street De Pere needs more sales promotion-oriented events that highlight clusters – restaurant week, bridal events, etc. These events are specifically intended to "ring the cash register". Outdoor activities or anything that limits time in stores are held to a minimum in such events. Businesses should fund their participation in the event, after all they are the beneficiaries.

Another type of marketing that need to be increased is business-specific marketing for recruitment. While some Business Enhancement Committee members questioned whether a Main Street recruitment effort can be very successful, many Main Street programs are successfully recruiting businesses through targeted marketing materials, direct sales calls and broker networking. The actual recruitment activities are best left to staff, but volunteers can assist with information that would be useful to businesses considering downtown De Pere such as operating costs and business cycles.