

**PLAN COMMISSION  
MEETING MINUTES  
Thursday, February 24, 2022**

---

Meeting was called to order at 6:00 P.M. by President Palmer

**1. Roll Call.**

**Present:**

President Palmer  
Mr. Michalski  
Mrs. Schneider  
Mrs. Wynia-Smith  
Mr. Kujawa  
Thomas Harrigan, Assistant Village Manager / Zoning Administrator  
David De Angelis, Village Manager  
Hector de la Mora, Village Attorney

**Absent:**

Mr. Cashin  
Mr. Reineke

**2. Review and act on meeting minutes dated 2/7/22.**

Mr. Michalski motioned to approve the minutes as submitted. Mr. Kujawa seconded. Motion carried 5-0.

**3. Public Hearing regarding the proposed creation of Tax Incremental District No. 3, its proposed boundaries, and its proposed Project Plan.**

Todd Taves, of Ehlers and Associates presented an overview of the proposed Tax Incremental District (TID) No. 3 to the Plan Commission.

Following the presentation, President Palmer opened the Public Hearing.

*Jennifer Stuckert, 14949 Juneau Boulevard* – Urged the Commission to vote against the revised TID No. 3 Project Plan. The proposed redevelopment is too dense and the requested Tax Incremental Financing (TIF) is too expensive.

*Tom Castile, 1965 Hollyhock Lane* – Indicated he spoke with the City Manager of Delafield, Wisconsin which has an ordinance in place which requires a public referendum vote on public works project in excess of one million dollars. Fells the revised Project Plan for TID No. 3 is a “shell game” to shift project costs away from the Village installing a public watermain, and now requiring the developer to construct this infrastructure, all at a higher cost. Encourages the Commission not to rush this though.

*Matilda McClusky, 12800 Watertown Plank Road* – Stated the Village has over ten condominium and apartments complexes already. Questioned why business within the downtown are performing poorly. The School Sisters of Notre Dame property should be redeveloped, but at the cost of what?

*Scott Schulick, 1155 church Street* – Thanked the Plan Commissioners for their service to the Village and time spent on this project. Stated it would be unfair to vote on the Resolution being considered tonight at this time. The revised Project Plan requires an increase of \$653,934 in order to create a work

around to the court ordered injunction. There are only six weeks before the April 5<sup>th</sup> election, there should be no vote on this project until after the election. The project is too big and the implications are too far reaching.

Norman Thoreson, 13335 Watertown Plank Road, #217 – In terms of the development that is planned, this would be a good thing for the Village to undertake. Regarding the proposed referendum, things cost a lot more now than one million dollars, the referendum should be a lot higher than one million dollars. Is in favor of the Plan Commission moving ahead and recommending approval of the proposed project to the Board of Trustees.

Lisa Becker, 1155 Church Street – Thanked all the Commissioners for their volunteerism and their time committed to the Village. Has had the pleasure to get to know the Commissioners, and understands that all share passion for the community, and we all want to do what we have to in order to ensure future prosperity for the Village of Elm Grove. Asked the commission to reject the proposed Resolution approving the proposed Project Plan for TID No. 3. The 23 million dollars that is being asked for this project is over the top. Asked for the Commission to forego recommending this plan until the voters have had a chance to weigh in on April 5<sup>th</sup>. The “but for” test that is described in the TIF proposal is not a good measurement of worthiness of the public investment. This proposal will burden the Village with long term obligations that are not a worthy investment of our Village resources.

Brian Hartlmeier, 12915 Meadow Drive – Addressing the commission on the proposed TIF No. 3. Seems to be misconceptions that the new revenue from the development will pay for everything within 18 years, or even 27 years. Found out the School Sisters property produces around \$10,000 in property taxes per year. That being said, any new development at the SSND property will create much more revenue that is currently being generated. The TID No. 3 is being proposed as a “blighted” district. Believes that in the common term *blighted*, this location is not *blighted*. The taxable value of the apartments upon completion will be about 54 million dollars. The new single Family homes would generate a value of approximately 16 million, totaling 71 million dollars in new taxable investment in the TID. The developer will receive 18 million dollars of direct compensation through the TID and the taxes that are created. This will cost the Village a total of 23 million due to interest and other costs. All of the tax revenue will be diverted for 18 years in order to payback the costs of the Project. This new development is predicted to have 59 new students in the public school system, where is the money going to come from for these new students? It cannot come from this development for the next 18 years during the life of the TID. A local cost for each student is \$11,000 per student. The local costs of 59 students for at \$11,000 annually equal \$700,000 per year. That’s \$700,000 per year for the next 18 years, totaling \$12,500,000. This will be paid for by all of the Village tax payers.

Jim Koleski, 940 Katherine Drive – The Village is considering spending an additional \$600,000 in more TIF funding, versus three weeks ago, just to advance a project through the process does not make sense. This is throwing money down the toilet. Appreciate the time and effort that has been spent on the project and the many analyses because it is important the Village consider reasonable development. Encourage the Commission to look at more options and not rush through this decision.

Mary Inden, 14745 Watertown Plank Road – Has a retail business in the Village for 18 years, it was a quality business. The Village could use more businesses, the businesses could use more clients and people spending their money here. Potentially having Lake Michigan water brought to the Village from Wauwatosa is a huge benefit. Wants to continue living in the Village and may want to rent somewhere that is walkable. Want to stay in the Village, whether owning property or renting. This project is not being rushed through. The project as a whole is excellent. The School Sisters of Notre Dame are brilliant women and they knew what they were doing when they selected the Mandel Group to redevelop their property. Lake Michigan water would certainly be a major benefit to the residents and the businesses within the downtown.

Glen Allgaier, 2455 Buckingham Place – Stated he is on the Elmbrook School Board. Asked several technical questions related to the revised Project Plan. Inquired what the total project cost will be for the developer to complete the project. It was noted the total developer cost will be \$98,100,000. Questioned the rationale for shifting the borrowing from the Village to the developer as this will cost more money. President Palmer noted the original proposal had the Village as the builder of the water system from Wauwatosa to the SSND property and then into the downtown. The court has placed an injunction on the Village to not engage in a public works contract in excess of \$1,000,000, therefore the Village decided it would not undertake the construction of the new water extension from Wauwatosa. The developer will now be responsible for construction of the watermain, as is customarily done in new development within other communities.

Attorney de la Mora - Stated, there was a Waukesha County Circuit Court hearing on February 7<sup>th</sup>, 2022. The judge decided the Village is prohibited from signing any public works project exceeding \$1,000,000 until the referendum vote is decided on April 5<sup>th</sup>, 2022. It was declared during the course of those proceedings having to do with the injunction, it was declared that the attempt was to impact this particular project. Where originally, it was recorded that a number of individuals were advocating that the direct legislation petition be signed in interest of fiscal responsibility. The Village is now under an injunction order, but that order is limited to signing a public works project in excess of \$1,000,000. Attorney de la Mora stated that in his opinion, the Village is not prohibited from establishing a TIF district and its Project Plan, which is before the Plan Commission this evening.

Brian Hartlmeier, 12915 Meadow Drive - Again urged the Plan Commissioners to please consider his previous comments and questions, where is that funding coming from for the next 18 years for the Elm Brook School system?

Tom Castile, 1965 Hollyhock Lane – In regards to bringing water to the downtown, we cannot forget we are not bringing water downtown as it will only be constructed to the SSND property. Speaking to fiscal responsibility, by not waiting six weeks for the vote on the referendum, the Village is going to cost almost an additional \$1,000,000 to this program.

Ted Eull, 12850 Green Meadow Place – Residents are asking for a voice, a very reasonable request. Requests that the members of the Plan Commission keep in mind how the project is being considered. On the point of the TIF value itself, has asked on several occasions what the SSND property is being purchased for, what dollar amount, this is not stated within the Ehlers report. Mr. Eull stated he sent a very detailed email on the Echelon Apartment development in Wauwatosa, which is very comparable and which the Mandel group built with a \$2,500,000 TIF. The TIF analysis for the Echelon project included the property acquisition cost of about \$4,000,000. He believes the School Sisters will be receiving much more than that for their property which is being defined as blighted. Does not believe this is reasonable for the tax payers to pay the developer, so the developer can pay the School Sisters more for the property. Strongly urged the Commission to show more fiscal discipline. If the justification for the TIF financing exists, it has not been shared to date. Agrees there could be TIF monies used to preserve the historic buildings and bring in water, but this request is much more than that. Looks forward to the Plan Commission not moving forward with the Resolution and finding a better path forward and working with the community to get a better development and a better deal.

Kristina Sayas, 12535 Stephen Place – Thinks the review of the proposed SSND redevelopment has been rushed. Recalls a Board of Trustees meeting over last summer, when the Mandel Group submitted the TIF request. At that time, there was discussion of removing the request for TIF funding to pay for underground parking. At that time, it was discussed the TIF financing would be reviewed line by line. That has never been done. The Finance Committee has never made a recommendation to the Plan Commission as it relates to the TIF. This seems rushed. There has been no room for debate on the proposed TIF. Would like to see a joint meeting with the Plan Commission, Finance Committee and the Board of Trustees. States she is frustrated because there has not been an opportunity to debate this with the Village Board, and she is on the Board of Trustees. Stated she was unaware that the Mandel

Group would be taking over the municipal water extension. Asked the Plan Commission to wait on the vote until the April 5<sup>th</sup> election.

Seeing no one else to comment, President Palmer closed the Public Hearing.

**4. Consideration and possible action on "Resolution 022422 Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 3, Village of Elm Grove, Wisconsin."**

Mrs. Wynia-Smith asked if the customary procedure is for the TIF request and Project Plan to be reviewed by the Village Finance Committee first.

President Palmer stated that it has gone through the Finance Committee previously. The decision as to whether a TIF should be created is actually a Board of Trustee policy decision. The Plan Commission acts on the Project Plan. President Palmer called upon Trustee Haas, Chair of the Finance Committee, to speak on this topic.

Mr. Haas indicated that he was promised a year ago that the TIF request would proceed through the finance committee. About a month ago, the Finance Committee took up consideration of the TIF and the Project Plan and there was ultimately no consensus. Keep in mind, two of the Finance Committee members signed the direct legislation petition for the proposed referendum, apparently not having confidence in the Village's financial process. Therefore there were several Committee members against the project from the beginning. One of the Committee members raised issue with the proposed density of the project and other zoning aspects of the redevelopment proposal that do not fall under the prevue of the Finance Committees scope of review. Stated the Village has utilized the services of Ehlers and Associates in the past, and he has confidence in their analysis.

Mrs. Wynia-Smith indicated she was attempting to piece together the timeline of review of the revised Project Plan. Noted that it makes it difficult for her to have full confidence in the revised Project Plan without the Finance Committee reviewing the document as well. Questioned the harm in holding off on any action. Understands that that the due diligence has been done during the review process and the timing of this is questionable.

President Palmer commented that the project review has been going on for a very long time. The adjustment that was made to the revised Project Plan was done based on the court injunction. The Board of Trustees decided that as the Village is unable to engage in a public works contract in excess of \$1,000,000 then it would not be able to construct the water main. The Board of Trustees stated in open session that requiring the developer to install the watermain extension would be explored. This was investigated by the Mandel Group with the City of Wauwatosa as to whether they could be a customer. In regards to the revised Project Plan, this is a minor change to what was unanimously approved last time. In his opinion, the \$700,000 increase is a direct result of the court injunction. The adjust Project Plan is before the Plan Commission this evening for action.

Mrs. Wynia-Smith inquired that if the vote is postponed, and the referendum does not pass on April 5<sup>th</sup>, would it be possible to go back to the original TIF Project Plan pro forma which is cheaper.

President Palmer indicated the Plan Commission would need to hold another Public Hearing and reconsider for action. The question today is whether the Commission is comfortable enough with the Ehlers report indicating that the financing for the project supports itself.

Mr. Kujawa stated that he has spoken with many Villagers regarding this proposed project and he feels there are good people on both side of the divide. Thinks the development has both positive and negative elements for the Village. Two major concerns have developed since the previous Plan Commission vote. One being the timing of the vote so close to the April 5<sup>th</sup> election is troublesome. Secondly the manipulation of the financing in regards to shifting the requirement to construct the watermain, now being the responsibility of the developer, is wrong. Stated he will not be voting to support this Resolution this evening, even though he did the last time.

Mrs. Schneider indicated that as was said before, typically the developer would install the water main. In fact they usually install all the public improvements. Unfortunately, due to three residents who sued the Village, as they do

not trust their elected officials and their volunteers to make financially sound decisions for public infrastructure, we are where we are because of it. This is the longest review process she has ever experienced in regards to a redevelopment review. Believes that many people do not understand what "blight" is. The only useful purpose the buildings on the SSND property can serve is for the School Sisters use. It is not possible to only develop the property with single family homes as it would be too expensive, considering all the demolition and site work which needs to take place. If you want a lower TIF request, you actually need more density. That is a function of TIF.

Mr. Michalski believes that additional delay will make the project cost more. Supports the project completely, right from the beginning. Appreciates how the Mandel Group has listened to residents and cut back where they could. Agrees with what Mrs. Schneider stated.

President Palmer stated that he is comfortable with the fact that the Village is protected with the personal guarantee of the developer, and a guaranteed value on the development upon completion.

**MR. MICHALSKI MOTIONED TO APPROVE RESOLUTION 022422 DESIGNATING PROPOSED BOUNDARIES AND APPROVING A PROJECT PLAN FOR TAX INCREMENTAL DISTRICT NO. 3, VILLAGE OF ELM GROVE, WISCONSIN. MRS. SCHNEIDER SECONDED.**

**MOTION CARRIED 3-2.**

#### **5. Other Business**

None.

#### **6. Adjournment**

**MR. MICHALSKI MOTIONED TO ADJOURN, SECONDED BY MRS. SCHNEIDER.**

**MOTION CARRIED 5-0.**

Meeting adjourned at 7:45 P.M.

Respectfully Submitted,

Thomas Harrigan  
Assistant Village Manager /  
Zoning Administrator