From:	Dennis McBride
To:	tclerks
Subject:	Fw: [External] Harlow & Hem Project!
Date:	Monday, June 17, 2024 4:50:35 PM

From: Karla Campanelli <karlalc_1@yahoo.com>
Sent: Monday, June 17, 2024 12:14 PM
To: James Moldenhauer
Cc: Andrew Meindl; Margaret Arney; Brad Foley; Robin Brannin; Joseph Makhlouf II; Ernst-Ulrich
Franzen; David Lewis; Sean Lowe; Rob Gustafson; Joe Phillips; Aletha Champine; Mike Morgan;
Amanda Fuerst; Jason Wilke; Melissa Dolan; Dennis McBride
Subject: [External] Harlow & Hem Project!

To Wauwatosa elected officials and staff:

I am emailing in support of the Harlow and Hem project proposed by Mandel Group for downtown Tosa. This project will bring density and tax value to an underutilized site in the heart of downtown. This will also benefit local businesses by bringing additional customers within walking distance of their establishment. Mandel Group has a great reputation and I'm sure will live up to it here.

Sincerely,

Karla Campanelli 9035 W North Avenue Wauwatosa, WI 53226

Dennis McBride
tclerks
Fw: [External] Harlow & Hem
Monday, June 17, 2024 4:51:00 PM

From: Christopher Peck <cpeck101@gmail.com>
Sent: Monday, June 17, 2024 4:18 PM
To: Dennis McBride
Subject: [External] Harlow & Hem

I am writing to support the Harlow and Hem apartment project. Wauwatosa has a housing shortage and the best way to lessen that shortage is by building more multi-unit housing. Not everyone is able to, or interested in, buying a house. The area is a sensible place to put an apartment building; there are grocery stores, restaurants, and other businesses within walking distance.

Christopher Peck

From:	Dennis McBride
То:	Matthew Retzer; Andrew Meindl; James Moldenhauer; Margaret Arney; Brad Foley; Robin Brannin; Joseph Makhlouf II; Ernst-Ulrich Franzen; David Lewis; Sean Lowe; Rob Gustafson; Aletha Champine; Joe Phillips; Amanda Fuerst; Mike Morgan; Melissa Dolan; Jason Wilke
Cc:	Sarah Werner; James Archambo; Paulette Enders; John Ruggini; Jennifer Ferguson; tclerks
Subject:	Re: [External] RE: Harlow & Hem
Date:	Tuesday, June 18, 2024 11:52:57 AM

Mr. Retzer:

Thank you for sharing your thoughts with us.

I share your love of Wauwatosa. I attended Lincoln Elementary School, St. Bernard's, and Longfellow, and I'm a 1972 graduate of Tosa East. I grew up in a house that's 154 years old, and now live in a house that's "only" 108 years old. I co-founded a neighborhood association, was Vice President of the Wauwatosa Historical Society, and served for 10 years on the Wauwatosa Historic Preservation Commission. I've given multiple presentations on our city's history. No one cares more about Wauwatosa, its neighborhoods, and its history than I do.

Before I respond to your concerns, I should note that the Mayor does not get a vote. It will be up to the Common Council to decide whether Harlow & Hem, the St. Bernard project, or any other project, goes forward.

<u>St. Bernard</u>

As I'm sure you know, the U.S. Constitution requires zoning codes to allow every private property owner to make productive use of his or her land. This means that such codes must allow what are called "permitted uses." If we don't allow a private property owner to make productive use of his or her land, we engage in a "taking" of that land which would require the City to compensate the property owner for such an unconstitutional act.

The St. Bernard site is private property and is being sold by the Archdiocese of Milwaukee to Three Leaf Partners. The City was never offered that property and the transaction will be purely a private one. As the owner of private property, Three Leaf can do what it wants with the property as long as its project is consistent with the zoning code. Under the zoning code, apartments are a permitted use on that site. For that reason, the City cannot stop the project and its only input will be through the design review

process. (See <u>https://www.jsonline.com/story/communities/north/2024/04/15/three-leaf-partners-plans-apartments-for-wauwatosas-st-bernard-site/73302710007/</u>.)

That process has been robust. Before Three Leaf went before the Design Review Board on April 18, I told its representatives that the St. Bernard site is the best in Wauwatosa and that their initial design was not worthy of that site. I repeated that statement at the DRB's April 18th meeting, and was seconded by about 150 Wauwatosans who felt the same way.

(See <u>https://www.jsonline.com/story/communities/north/2024/04/24/tosa-board-asks-developer-</u> <u>to-submit-new-design-for-apartment-proposal/73412730007/</u>.) On June 6, Three Leaf came back to the DRB with a design that responded to our criticisms. The DRB gave Three Leaf additional suggestions and Three Leaf will return to the DRB soon with an updated design.

<u>Harlow & Hem</u>

The Harlow & Hem project is located in a tax incremental financing district (TID). No tax incremental financing has been given to that project yet, and the City staff is still negotiating possible terms with the developer. Any TIF financing must be approved by the Common Council. Again, I don't get a vote.

The City uses the money generated by new development in a TID to make improvements within the TID's boundaries. In the Village TID, new developments like State Street Station and the Harmonee Square Apartments have paid, and are paying, for the new water and sewer mains in the Village (replacing some which were 118 years old), renovations to Root Common and the Pocket Park, and other much-needed improvements to our wonderful Village district. More development within the TID will allow the City to close the TID sooner. than otherwise contemplated

In the final analysis, the likelihood that Harlow & Hem will be built, even if approved by the Common Council, is slim. The economics of the site are extremely difficult, and the interest rate environment has made it difficult for developers to build anything in recent years, here and elsewhere. Since 2020. the Common Council has approved a number of developments around the community, and most have not gone forward.

The City's Financial Challenges

Whether Harlow & Hem and the St. Bernard project would be beneficial to the Village and the community has been and will be the subject of continuing debate. But what can't be debated is that the City, like all Wisconsin municipalities and school districts, faces substantial financial challenges. Without advocating for or against any particular project, it must be understood that, in general, new developments (retail, industrial, apartments, etc.) are financially beneficial to the City and the Wauwatosa School District.

As our Finance Director has told the Common Council many times, most recently while giving a dire five-year financial forecast last week (see https://wauwatosacitywi.granicus.com/player/clip/2918? view_id=1&redirect=true), because of the state's limit of a 1% annual increase in our property tax levy, we begin every budget cycle with a large structural gap and we are likely to go over the "fiscal cliff" – and possibly have to begin laying off city workers (such as firefighters, police officers, and garbage collectors) and cutting services – within a few years. Some municipalities, like West Allis, have already gone over that cliff. The only long-term solution for us and most other municipalities is to have the state return to the pre-2011 version of the property tax levy cap, which limited levy increases to the rate of inflation.

In the short term, under state law, we can only avoid the fiscal cliff in one of two ways: ask voters to approve a referendum to raise the property tax levy high enough to afford essential services, or accomplish enough "net new construction" (redevelopment of vacant or underutilized land) to allow us to exceed the 1% property tax levy cap in a given year. Any new development, whether

apartments or any other kind, helps us to delay the day of fiscal reckoning.

This is the same problem faced by the School District, which is why it will be putting two referenda on the ballot this fall, one for capital improvements and the other for operating costs. As the superintendent said the other day, in words that apply to municipalities as well as school districts, "We don't have an expenditure problem; we have a revenue problem." That problem has been caused by the Legislature.

TIF financing is not in conflict with our efforts to avoid the fiscal cliff. To the contrary, any development in a TID contributes to net new construction and, if substantial enough, helps us to exceed the 1% property tax levy cap in a given year.

Again, thank you for writing. I'm sure you can appreciate that the Common Council has a difficult job, including (but not limited to) preserving the character of Wauwatosa that old-timers like you and I love while finding the money to continue to pay for the municipal services we have always enjoyed here. Sometimes, like all human beings, elected officials get it right and sometimes we get it wrong, but we all want what's best for Wauwatosa. In a democracy like ours, there will always be healthy disagreement. In their views, the members of the Common Council represent a variety of opinions that reflect our community in general. I have great faith in our Council and in our future as a community.

Best wishes,

Dennis R. McBride Mayor, City of Wauwatosa 7725 West North Avenue Wauwatosa, WI 53213 mayor@wauwatosa.net (414) 479-8915

"The important work of moving the world forward does not wait to be done by perfect men." --Mary Ann Evans (a.k.a. George Eliot)

From: Matthew Retzer <matthew.retzer@gmail.com>

Sent: Tuesday, June 18, 2024 9:12:13 AM

To: Comments@wauwatosa.net; Dennis McBride; Andrew Meindl; James Moldenhauer; Margaret Arney; Brad Foley; Robin Brannin; Joseph Makhlouf II; Ernst-Ulrich Franzen; David Lewis; Sean Lowe; Rob Gustafson; Aletha Champine; Joe Phillips; Amanda Fuerst; Mike Morgan; Melissa Dolan; Jason Wilke

Cc: Sarah Werner

Subject: [External] RE: Harlow & Hem

To whom it may concern,

I am a lifelong resident of Wauwatosa, grew up on 81st and Woodland, attended Lincoln,

Longfellow and graduated from Tosa East in 1991. Both of my sons have attended and graduated from the Wauwatosa school system as well. Having seen the "downfall" of the village in the mid-90s and the ruin of Hoyt park I generally support city economic growth for the benefit of us all.

What I **cannot** support though is the Harlow & Hem development or the development in the previous St Bernards location (where I attended CCD) while plans for the removal of our schools are also underway. Increasing Wauwatosa's property tax base while not fixing underlying financial issues is a mistake in short-sighted gains, not to mention the increased traffic, parking and resource usage that does not fit inline with the village as a whole. I'm reminded of what happened to the Shorewood village when several large 3 and 4 story structures were built, which completely cutoff the walkability and charm that it once held.

The TIF that is being granted for the H&H project is also concerning. I understand the importance of a TIF as it relates to blighted areas that are in need of economic development, however Wauwatosa is not. In fact the \$8.8M in the TIF is in direct conflict with the money that the school system needs. I voted YES for the school repair referendum, and would vote YES if asked again - really consider what drives home prices, and by extension property taxes up: permanent residences dedicated to family growth fueled by schools and great neighborhoods.

I sincerely urge all of you to consider what brings young residents to the area - schools, walkability, unique and varied homes, trees, parks, and charm. Consider one of the city's founding principles - "the city of homes", not the city of "small apartments". Let's not return to the issues the village and the city at large had in the mid-90's by inflating the number of "homes" in the village and causing serious harm to existing and future families moving into the great city of ours.

Respectfully,

Matthew Retzer 6327 Milwaukee Ave, Wauwatosa, WI