

WEDC Program:	Community Development Investment (CDI)
Target Start Date:	ASAP
Applicant Entity:	City of Wauwatosa on behalf of Kelly's Greens
Community:	Mid-town Wauwatosa Commercial Corridor



## Section A - Redevelopment Narratives

### PROJECT DESCRIPTION

#### 1.a. Describe the project, its implementation and its significance to the community.

**Project Address:** [8932 West North Avenue](#), Wauwatosa

[Kelly's Greens](#) brick and mortar will be a light and bright, CBD Bakeshop/café with retail space that offers third-party tested, [Farm Bill Compliant](#), hemp products (non-smokable) made directly, as well as by other Wisconsin-based businesses that we stand behind. The shop is not like any other - think Marvelous Mrs. Maisel/Kate Spade for color/design inspiration for a beautifully designed space that makes hemp accessible and approachable. Since launching the business, Wauwatosa and the western suburbs of Milwaukee have demonstrated an overwhelming consumer demand for hemp products and Kelly's Greens plans on being the trusted source of all things hemp.

Products are made using USDA certified organic hemp grown by a family farm in Watertown that has been around since the 1850s. The shop includes a commercial kitchen to allow for an expanded product line offering more Vegan and Gluten Free options. A handcrafted curved bar will be lit by custom designed MCM light fixtures to offer an area for customers to enjoy a cup of [Ruby's Coffee](#) (based in Stevens Point), or a [Siren Shrub](#) beverage (woman owned business based in Stevens Point). Floating shelves that display our MCM cake plates are located on emerald green tile behind the bar.

The shop will have a gas fireplace to encourage people to pull up a chair and stay for a while and French doors that open to a patio and greenspace. Kelly's Greens believes in teaching what we have learned to others in our community and plans to offer classes for those that are interested in learning to make their own CBD creams, tinctures and salves, in addition to yoga classes on a regular basis. Kelly's Greens will complement the same level of well-known top-notch customer service like our neighbor, Ray's Liquor Store, and bring an additional business to Mid-town that is a destination that will generate revenue for the district.

Kelly's Greens began as a pop-up business in 2021. At the end of 2020, on Erin's Christmas vacation, her position in corporate America was eliminated after 20 years via freeconferencecall.com. After picking herself up, she decided it was time to pursue her passion of making CBD treats.

Erin enrolled at the first-ever, Cannabis Science and Operations program at St. Louis University, and began connecting with hemp farmers in Wisconsin. During her extraction class, she needed to buy hemp flower for the lab. The school sent a list of online shops where students could buy hemp flower, but she felt buying hemp flower from Las Vegas was nuts when Wisconsin farmers are growing loads of hemp right here. She sent out loads of emails to hemp farms, and the only one that responded was Pine Hill Farm in Watertown. They invited Erin to their family farm, toured her on the John Deere, and invited her in for lemonade at the original farmhouse. She knew then she was on the right path.

Kelly's Greens first pop-up event in September, 2021 was a HUGE hit. The second event was held in Tosa at a craft beer festival and were absolutely stunned by the community support. Since then Kelly's Greens has popped up all over Wisconsin and encountered overwhelming support. The pop-ups in Tosa have been the best events by far and determined that Tosa would be the spot for a brick and mortar. Pop-up events continued in 2022 and the business began selling online, with sales continuing to climb. Pop-ups have been great, but they are also weather dependent and difficult to set up. The business is ready for brick and mortar and couldn't be more excited to have secured a property just blocks from home. The dream of walking to work, flipping the open sign on and making cookies is what it is all about.

The property at 8932 W North Ave has been vacant for over 7 years. The red brick exterior and copper awnings above the windows and a surface parking lot to make it nice and easy for future customers to pop in and grab what they need are positives. The rest of the building is run-down at best. There are huge holes cut into the ceiling that have been left exposed,

rickety windows and doors that don't operate, huge chunks of plaster flaking from the ceiling, plumbing and electrical has been ripped out, and heat and water service has been discontinued for years causing more damage to the building. The property also presented incredible challenges because it was an old service station built in the 1930's. Extensive environmental testing was required before securing a loan, despite the fact that a DNR closure letter already was on file. These factors have kept many potential buyers away from the property.

In order to get this property up and running and restore its original beauty to create the cafe/boutique, all options are being explored to take this property from an eyesore to a Mid-town Tosa destination. The City's CDA has approved Facade and Code Compliance forgivable loans, but the sheer cost of the project has far exceeded the budget. The business explored Historic Tax Credits, but the functionality of the redevelopment would require significant changes to the structure and cause project delays that is not affordable.

**1.b. Describe any public/private partnerships developed and to what extent the applicant can ensure WEDC that all the activities outlined within application will be undertaken. (highlight capacity of applicant, partners, finality of financing and developments agreements)**

Financing is secured from Citizens Bank (\$250,000) and property closing occurred on April 21, 2023. Loan commitment letter attached.

The City's Community Development Authority (CDA) has approved forgivable loan funding for Facade, Code Compliance and sign improvements totaling \$21,000.

If Kelly's Greens qualifies for this grant, we are prepared to dip into our personal savings to secure the dollars or we will attempt to receive an additional loan to cover the costs.

**1.c. Which eligible activities does the project fit under?**

<input checked="" type="checkbox"/>	Building renovation	<input checked="" type="checkbox"/>	New construction
<input type="checkbox"/>	Historic Preservation	<input checked="" type="checkbox"/>	Infrastructure reinvestment
<input checked="" type="checkbox"/>	Demolition		

**1.d. Describe the potential of the project to enhance the economic viability of the community (e.g. tax base growth, job creation, improved use of site). Response should project anticipated permanent jobs at the site. If possible, include wage rates and health benefits associated with the jobs.**

This project will enhance the economic viability of the [Midtown Tosa](#) commercial corridor and bring some much-needed love and attention to the neighborhood. In recent years small, locally-owned businesses have come to Mid-town and revitalized the area that has been sleepy, at best. It's amazing to see the community support for Lion's Tail Brewing, and the upcoming Joy Ice cream shop, and the thought that Kelly's Greens will be a part of it is THRILLING! Kelly's Greens will be contributing to mid-town Tosa by buying a vacant building that has been an eyesore for as many years and unkept inside and out. It requires all new electrical, HVAC, plumbing, doors, paint, landscaping, etc. The exterior of the building has chipping paint, rotted fascia and a dated entry way that will all be improved with this project, along with new entry doors and an ADA entrance. The business plans to hire 2-4 full time employees and 2 part-time employees; jobs pay \$15/hour and have health benefits for those positions over 30 hours per week.

**1.e. Describe the potential for this project to act as a catalyst for additional commercial development or investment in the district. Please refer to other opportunities in the area.**

Kelly's Greens will be a catalyst to future, Mid-town business development. Kelly's Greens is already involved in the Mid-town Business Group and excitement is building. The group is pursuing other business to consider Mid-town Tosa and

encourage them to invest in other vacant space in the neighborhood. There are 2 available locations within a 2 block radius that have incredible potential. Kelly's Greens plans to partner with neighboring business to explore a Mid-town Holiday market that features Mid-town businesses and other small business that are getting started. Erin has also been fortunate enough to learn from small business owners and will be paying it forward.

**1.f. Demonstrate involvement of diverse and minority business interests; which may include planning & development, construction and end user(s).**

As a woman-owned business, Kelly's Greens is committed to contracting with other woman owned businesses and minority owned businesses. To date, the business has contracted with Latino owned concrete company for all concrete needs, Latino owned drywall company, as well as a Latino-owned sign painting company.

**1.g. Are there any green or renewable energy investments and or grants tied to this project?**

Not currently.

**FINANCIAL JUSTIFICATION**

**2.a. Describe the project funding methods; include progress, status and timeline of receiving funds.**

I secured financing for the property and renovation through Citizens Bank. The property was purchased and construction loan secured on 4/21/23. The \$250,000 that was secured for construction is not enough to complete the project as described above. In order to secure the financing, Erin used personal savings of \$160,000 and additional funds are needed to do the job right.

**2.b. Describe the financial need for WEDC grant funding that cannot be met through private sector, public sector or reduction in scope of project.**

The financial need for WEDC grant funding will not only allow Kelly's Greens to complete the necessary renovations to operate the business, but will also revitalize the property and complete the entire project as described above. This grant would allow for French doors for a patio that expands square footage, offer comfortable seating with greenspace and outdoor seating, repair the roof for a future rooftop patio, install a gas fireplace, have quarry tile flooring where required, remove a tree and add a side entry door and concrete dumpster pad with privacy fence. This grant would be a game changer.

**2.c. Are American Rescue Plan Act (ARPA) funds targeted for this project, if so please describe.**

No.

**PREVIOUS PLANNING EFFORTS**

**3.a. Highlight the extent to which this project is included in previous regional, municipal or downtown planning efforts. Site the section and page numbers of the plan(s).**

The City's Midtown Tosa Plan (a Common Council adopted City planning document) serves as a guide for the redevelopment efforts of the MidTown Tosa commercial corridor. During the planning process community participants expressed concern about several vacant structures in the district, with this site being one of the top targets. All are relatively small buildings at important intersections, giving them the capacity to make a major difference in perceptions of the district. This vacant building at 8932 W North Ave occupies a prime location in the main commercial core of MidTown. The existing building is in poor condition and redevelopment of this site could add a contemporary commercial use (page 56).

Additionally, citizens stated that compared to new retail development, infill or reuse of existing and vacant buildings is a preferable development option" (page 53). MidTown's focus will tend toward smaller-scale businesses that serve the

surrounding market area (page 64). The neighborhoods strongly support local businesses, with active and engaged neighborhood associations (page 55).

**3.b. Highlight the extent to which the project supports best practices for smart growth and best practices for downtown development, and the extent to which it has community-wide support.**

Returning vacant and underutilized properties to productive use can fill market demands and contribute to MidTown's vitality. This building has been vacant and neglected since 2016. Set back from the street, the building does not hold the corner well, and curb cuts are too close to the intersection, a particular problem because the 90th Street intersection is a major crosswalk. Reimagining the site design and parking layout will address these safety issues and activating the space in front of the building meets a goal of the MidTown neighborhood planning goals.

The MidTown Tosa Plan defined an implementation schedule for targeted sites and this location was listed as short-term (versus medium or long) in prioritization for site redevelopment/activation. The business received unanimous approval from the Common Council and has received positive feedback from residents and the media.

**READINESS TO PROCEED**

**4.a. Please describe past and planned planning activities, with timelines. Include site control status, environmental condition and a project implementation schedule.**

Architectural plans are complete, budget with detailed costs are complete, property has been secured, conditional use permit was approved on 4/19/23, contractor has been hired, environmental phase I and vapor barrier complete. Construction can start as soon as this grant secured.

**4.b. Provide description of property transactions intended to occur in the next 5 years.**

Over the next 5 years, the business plans on expanding the product line and growing the family-owned and operated business. They are hopeful that within 5 years, Erin and her life partner can both make this their full-time job and hire more folks to be part of the Kelly's Greens team. Their dream is to teach their seven nephews how to run a small business with hopes that one of them would like to continue on their legacy at Kelly's Greens.

**4.c. Highlight financing commitments in accordance with Budget Worksheet, note any contingencies.**

- Citizens Bank Construction loan and retirement funds access if needed
- CDA Façade & Code Grant and Sign grant pending
- Circled items on Superior 2/08 quote are to be selected items (\$26,788)
- Breakdown of Braatz bid part of additional tab in budget document