

COMMUNITY, ECONOMIC DEVELOPMENT & HOUSING AUTHORITY (CEDA) ANNUAL REPORT 2021



Redevelopment + Reinvestment = Revitalization

Executive Summary

Fitchburg Community and Economic Development Authority Members:
Julia Arata-Fratta (Council Rep), Jennifer Clary, Mark Hamilton, Dan Hardy, Andy Potts,
(Chairman) and Jim Wheeler (Council Rep)

Staff liaisons: Michael Zimmerman, Economic Development Director and Joyce Frey, Economic
Development Specialist

COVID-19 Pandemic Continues in 2021, Economic Development and CEDA Respond

No one would have expected the COVID-19 pandemic to continue into 2021, but it did. 2021 was hit with a new and an even harsher strain called the "Delta Variant". Many Fitchburg businesses continue to host online meetings, curbside pickup, outside dining, new product development, and continue with remote work.

The Fitchburg Community and Economic Development Authority (CEDA) responded by renewing the **Forward Fitchburg Biz Boost Loan Program** and the **Temporary Premise Expansion Permit** program from 2020.



approved in 2021.

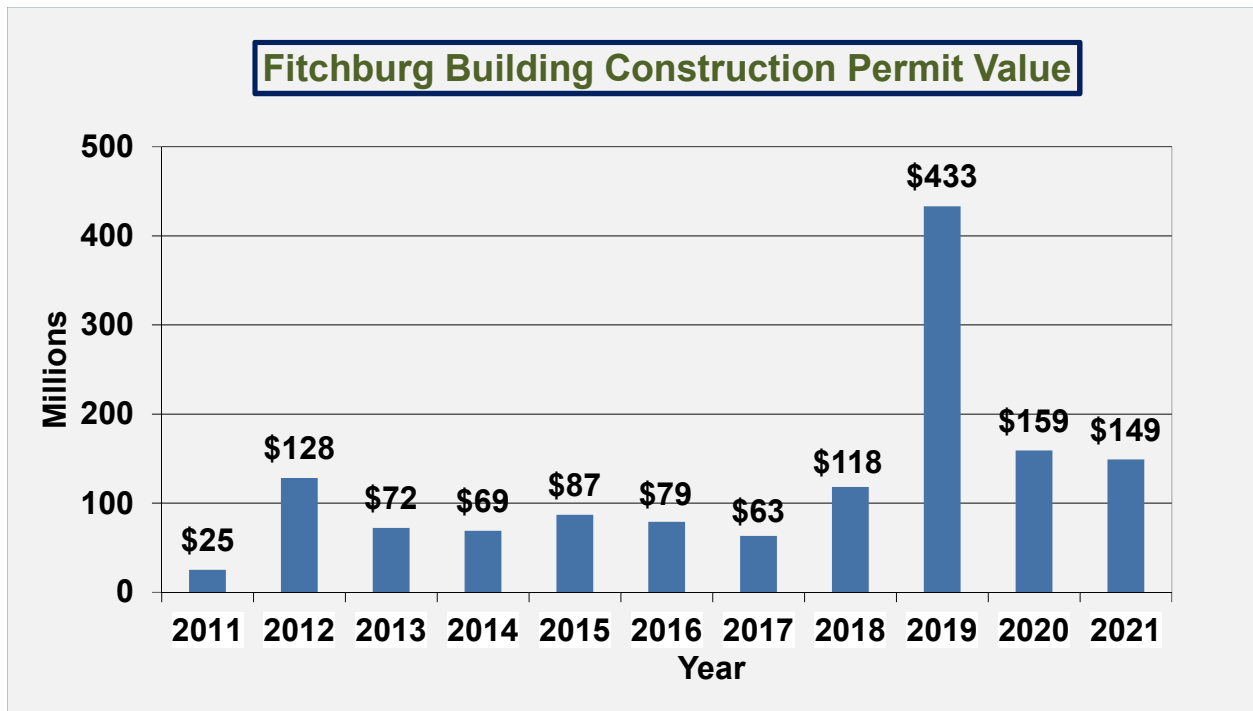
The **Forward Fitchburg Biz Boost Loan Program** offered two year, one percent loans up to \$10,000. The funding was intended to assist small businesses with relaunching and reopening expenses due to the virus. CEDA transferred \$150,000 from its existing revolving loan fund to seed the loan fund. In 2020, five loans were approved for a total of \$47,500.00 leaving a remaining balance of \$102,500.00. Although the program was renewed, no applications or loans were received or

Five businesses applied for and received a **Temporary Premise Expansion Permit** in 2020. For 2021, the length of the permit was shortened by one month to 9:00 pm on October 31, 2021. Those businesses were: Tapatios, Me & Julio, Heritage Catering, Funks Pub and Yahara Bay Distillers.



The **Fitchburg Chamber Visitor + Business Bureau (FCVBB)** was again a great community partner in providing current public health information to the business community as soon as it became available. The FCVBB sends out a Four Minute Review weekly that included COVID announcements and marketed the Forward Fitchburg Biz Boost Loan Program and the Temporary Premise Expansion Permit. The communication and services provided by the FCVBB were invaluable.

Economic Development



Even though the pandemic challenged many businesses with labor shortages and supply chain issues, development activity was steady with \$149 million in building construction permit value. A total of thirteen hundred ninety six permits were issued in 2021. One hundred and thirty-seven single-family units, sixty duplex units and three hundred four apartment units were added in 2021

The developments highlighted in this annual report reflects the building permit activity value in the above chart. The level of valuation is due to the investment by our private sector partners and the multiple City Departments involved with the development review and entitlement process.

Discovery Storage Opened Summer of 2021



Discovery Storage, the City's first climate controlled, secure, four story indoor storage facility opened in the summer of 2021.

Promega's Component Manufacturing Center Completed

Promega's 158,276 sq. ft. Component Manufacturing Center became operational in the summer of 2021



Terrace Point, a Mixed-Use Project, Exceeds Residential Leasing Expectations



Terrace Point, a mixed-used project, consisting of 157 apartments and 10,000 sq. ft. of retail/commercial opened in June of 2021. Redevelopment of the former juice plant site located at 3101 Fish Hatchery Road opened with 100% residential occupancy.

Park Bank's New North Fish Hatchery Road Branch is Complete

Park Bank's Fish Hatchery Road Branch celebrated its ribbon cutting and grand opening on October 28th. Starbucks is located on the first floor and Park Capital Management is occupying the second floor suite.



O'Brien Solar Field Celebrated with Open House



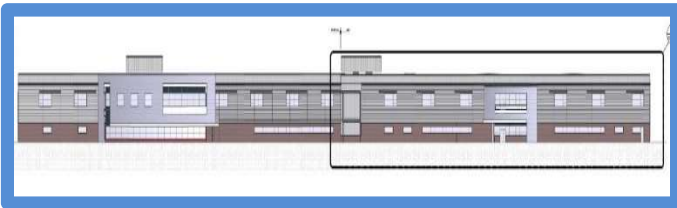
A large crowd gathered on a hot, July day to celebrate the open house for the O'Brien Solar Fields. The City of Fitchburg, UW Madison, Promega, & Placon will be harvesting some of the energy produced by the solar collectors.

Sub-Zero Engineering Research/Development and Manufacturing Facility

The 322,834 sq. ft., two story office/research/development/manufacturing facility opened in the summer of 2021 after a short construction pause in 2020 due to the pandemic



Promega's Kepler Building More Than Doubles in Size With the 2021 Addition



The 135,000 sq. ft. 2021 addition is under construction. Upon completion, the total sq. ft. will be 234,000.

The Usona Institute Will Provide Life Changing Therapy and Research Upon Completion

The Usona Institute consists of a two story, 91,550 sq. ft. office, research & development and therapy center with two-one story 1,254 sq. ft. care units



Inventure Capital's Second Project Approved



Ochalla, a mixed-use building consisting of 170 apartment units and 10,000 sq. ft. of commercial space was approved. Construction is planned for spring 2022.

Encompass Health Rehabilitation Hospital Coming in 2022

A forty-bed rehabilitation hospital received approval for the southeast corner of Fish Hatchery and Nobel Drive. Construction to begin 2nd quarter of 2022.



Kwik Trip C-Store and Car Wash at Syene and East Cheryl Approved



A Kwik Trip C-Store and Car Wash was approved for a contaminated site. Construction is planned for 2022.

Projects Approved with a Focus on the City's Senior Population

- The Courtyard of Fitchburg: 72 unit assisted living and 36 unit memory care (Chapel Valley)



- The Riversong: 128 senior units and 60 assisted living units (Terravessa)



- Inspiration Point: 8 unit CBRF, 5 duplexes, 6 - 5 Unit Townhomes, 1 - 6 Unit Townhomes and 1 - 8 Unit CBRF



Two Mixed Use Project Approved in Terravessa

Two mixed-use projects are approved in Terravessa. Each building has 11 apartments and 4,000 sq. ft. of commercial/retail space.



Multi-Family Edge @ Terravessa is Approved



Edge @ Terravessa is a 189 unit market rate apartment building with a Texas wrap around parking concept.

Economic Development Team Work With Private Sector Partners Responding to WEDC/MadREP Site Searches

Dane County and the Madison area region is driving the robust Wisconsin economy. As a result, the Madison Region Economic Partnership (MadREP) has received several site search and requests for information from national site selectors. Since the City does not own land for development, we work with our private sector partners to respond to these requests. There are some requests that the City is unable to respond to. The inability to respond is usually based upon two major factors: lack of acreage or lack of size of the facility needed for the prospect. There may be other factors but these are the main two. The City did provide responses to the following:

- ✓ Project Steel
- ✓ Project Singularity
- ✓ Project Zanzibar
- ✓ Project Amino
- ✓ Project Bow

2021 Affordable Housing Initiatives



Member	Area of Expertise
Godwin Amegashie	Banker/Resident
Jennifer Clary	CEDA/ RE Broker/Appraiser/Resident
Mallory Gorman, Vice Chair	Attorney/Resident
Joe Maldonado	Alder
Brian McKee	Developer/Contractor/Resident
Marchelle Mertens	Developer/Resident
Olivia Parry, Chair	Housing Expert
Brian Schimming	Housing Expert/Resident
Adrienne Wafford	Property Management

Housing Advisory Committee and CEDA Work on Affordable Townhome

Rent to Own Endowment Pilot Program

Since the first meeting of the Housing Advisory Committee (HAC) in 2020, the committee has been extremely busy working with CEDA and H & A Advisors, LLC on an Affordable Townhome Rent to Own Endowment Pilot Program. Funding was included in the 2021 budget to engage with H & A Advisors, LLC to develop a feasibility study for the pilot program. H & A Advisors, LLC, is a partnership between Mr. Michael Harrigan and Mr. Steve Apfelbacher, who recently retired from Ehlers and Associates and had an interest in affordable housing. Mr. Harrigan previously served as the City's financial advisor during his time at Ehlers. The feasibility study was approved by the Common Council on October 12, 2021. The process for development of the feasibility study consisted of the following: 1) determine the development profile 2) solicit industry feedback and 3) tailor the program to the City's market. The development profile was compiled by a survey that was sent to CEDA, HAC, Plan Commission, Mayor/Council and staff that are involved in community local housing needs. Upon determining the townhome project attributes such as size, number of bedrooms/baths, type of finishes as examples, H & A reached out to local real estate professionals to learn more about Fitchburg's market. Mr. Harrigan and Mr. Apfelbacher met with local lenders, builders, property managers and developers which provided information to refine the financial profile for Fitchburg. In the 2022 budget, staff included funding to complete Phase II of the pilot program: looking at a specific site and further economic analysis. The budget request was approved.

In addition to the pilot program work, the HAC heard from Mr. Ted Matkom, Wisconsin Market Manager for Gorman and Company about its rent to own single family project in Milwaukee. The HAC also received an update on the Dane County Regional Housing Strategy from Ms. Olivia Parry, worked on the City's accessory dwelling unit (ADU) ordinance with Planning Director Kruesel, met with Mr. Gary Gorman, owner of Gorman and Company, who provided an overview of the affordable housing projects his company is working on locally and nationally, and from Mr. Mark Lyons, Planning Services Manager for the City of Oshkosh, who shared an overview of the housing programs that the City offers. Economic Development staff would like to thank the Housing Advisory Committee for their efforts and sharing their expertise.

Limestone Ridge Apartment: Workforce Housing

Limestone Ridge, 116 unit workforce housing project is nearing completion in Orchard Pointe



Quarry Ridge: Luxury Senior Housing



The 130 luxury, resort style senior development called Quarry Ridge is under construction in Orchard Pointe. Opening in 2022.

The Limerick Offers Housing Options for Singles, Family and Seniors

Limerick offers a 126 multi-family affordable apartment units, 100 senior units and 26 townhomes. Construction began in June 2021



Falcon Apartments Under Construction in Uptown



71 units are under construction in the Uptown neighborhood. The apartments are called the Falcon.

Housing Developments



The **Crescent Crossing** neighborhood attracted a lot of attention and Phase I quickly built out. Phase II lots are now available. Located in the Verona School District



2021 **Terravessa** approvals included single-family and townhomes lots, senior housing and the first mixed-use buildings. There continues to be a strong market demand for the neighborhood. Located in the Oregon School District.



Payne and Dolan will be developing a residential subdivision with 113 lots located at Lacy and Fitchrona Road. The lots will be in the Verona School District.



Institutional Development



Edgewood College has plans to consolidate all their sports on an Athletic and Wellness Campus in Fitchburg. The forty-acre development south of Lacy Road will need approval from CARPC.

St. Ambrose School is interested in a five-acre parcel in the latest phase of Fahey Fields.

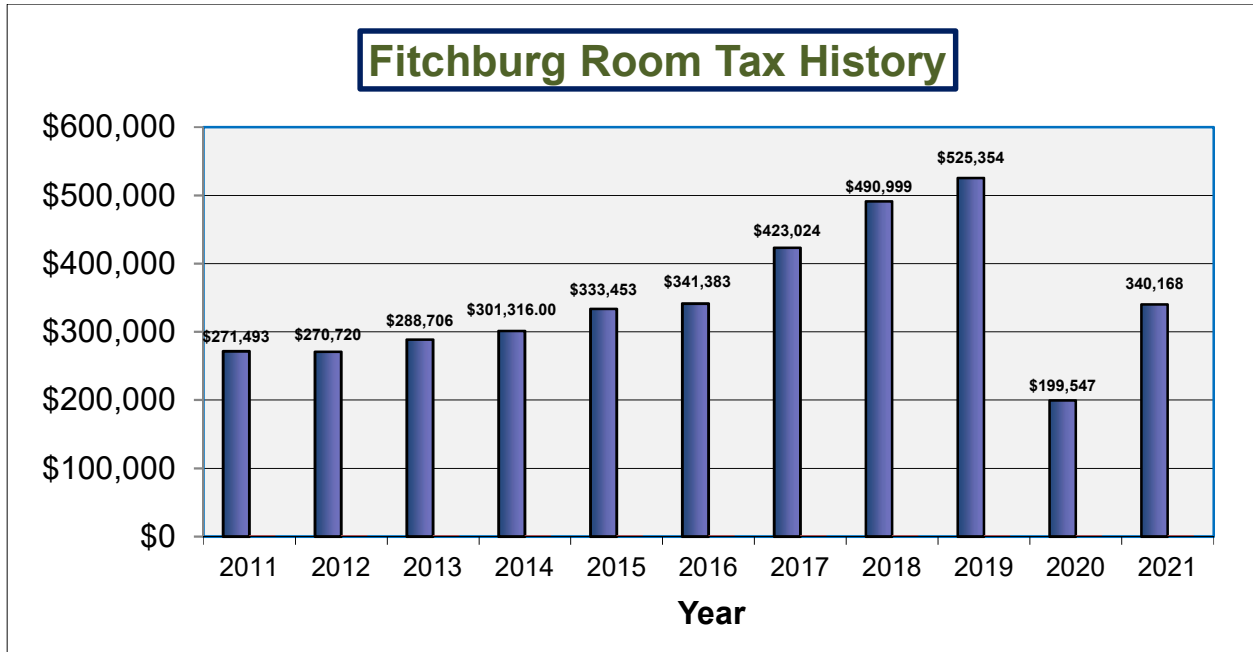


Celebrating the Opening of North Fish Hatchery Road Reconstruction



They say a picture paints a thousand words. As you can see from the photo to the left, many were involved in making the two year North Fish Hatchery Road reconstruction a huge success so a celebration was in order!

2021 Hotel Room Tax Collections



No one expected the pandemic to continue into 2021, but it did. The 2020 total hotel room tax collections were \$199,547, down 62 percent from 2019. In 2021, the first quarter was down significantly but started to rebound in the second and third quarter, then the Delta variant of the COVID-19 virus hit. The total collections in 2021 were \$340,168. Fitchburg hotel room night generation is based strongly on corporate room night demand, which was nearly eliminated. CEDAs activities were also impacted by the loss in hotel room tax revenues and quickly adjusted to essential spending priorities.



**FITCHBURG CHAMBER
VISITOR + BUSINESS BUREAU**
your business community connection

In accordance to Wisconsin ACT 55, the City of Fitchburg worked with the Fitchburg Chamber Visitor + Business Bureau (FCVBB) to serve as the City's Tourism Entity.



Beginning on January 1, 2017, the FCVBB will receive 70% of the hotel room tax dollars for tourism marketing and tourism promotion. The FCVBB manages our partnerships with the Madison Area Sports Commission and Destination Madison for the City. The remaining 30% of the funds are retained by CEDAs.

destination
madison

Marketing and Promotion

Economic Development Staff Promote Fitchburg at the Wisconsin Technology Council Events



Economic Development staff attended the virtual Entrepreneurs Conference and were able to attend in person and market at the Early Stage Symposium held in November at Monona Terrace



Economic Development Assisted with City Ad in Chamber Guide

As part of the Chamber and City's partnership agreement, the Chamber provides ad design services to Economic Development. The ad to the right was included in the 2021 Chamber Guide



Professional Development

Economic Development Staff Attend Economic Development and Diversity Summit



The Madison Region's Economic Development *and* Diversity Summit
TALENT. OPPORTUNITY. GROWTH.

Economic Development staff attended the two day virtual MadREP and Urban League's Economic Development and Diversity Summit

Significant Accomplishments in 2021:

- *Assisted Council Members and Citizens during transition period to new City Administrator*
- *Provided assistance to Public Works on the Lacy Road reconstruction project and various projects*
- *Assisted Assessing, Clerks and Finance with events and projects late in 2020 during City COVID closing*
- *Liaison to the internal Broadband Work Group*
- *Engaged the services of H & A Advisors, LLC to develop an affordable endowment townhome housing pilot project*
- *Continued to provide the business community with communications on COVID grants and loan programs, extension of the temporary premise expansion and Forward Fitchburg Biz Boost Loan Program*
- *Secured a development partner for the Foseid Property*
- *Coordinated a successful \$1 Million TEA Grant Application for Lacy Road*