

# Green Lake County Downtown Courthouse Redevelopment Study and Plan Public Meeting - January 18, 2012



# Project History

**Summer 2010**

New Courthouse Completed  
Redevelopment Request for Proposals Issued  
– no proposals received

**Fall 2010**

*City and County Ad Hoc Committee  
Regarding the Downtown Courthouse created*

**Winter 2010/2011**

Planning Request for Proposals Issued  
MSA Professional Services, Inc. selected

**Spring 2011**

Planning grant awarded by WI Dept of  
Commerce – 50% funding, plus 25% from  
City, 25% from County  
Buildings completely vacated

# Project History

**Summer/Fall 2011**

Planning begins  
Committee Meetings  
Interviews  
Research

**Winter 2012**

Public Meeting (tonight)  
Committee will finalize study and plan  
Study and Recommendations to be  
presented to City Council and County Board

**Spring 2012**

?

# **Project Components**



- 1. Market Analysis**
- 2. Site and Building Analysis**
- 3. Developer Feedback**
- 4. Redevelopment/Reuse Scenarios**
- 5. Funding Strategies and Options**
- 6. Final Recommendations**

# **Tonight's Agenda**

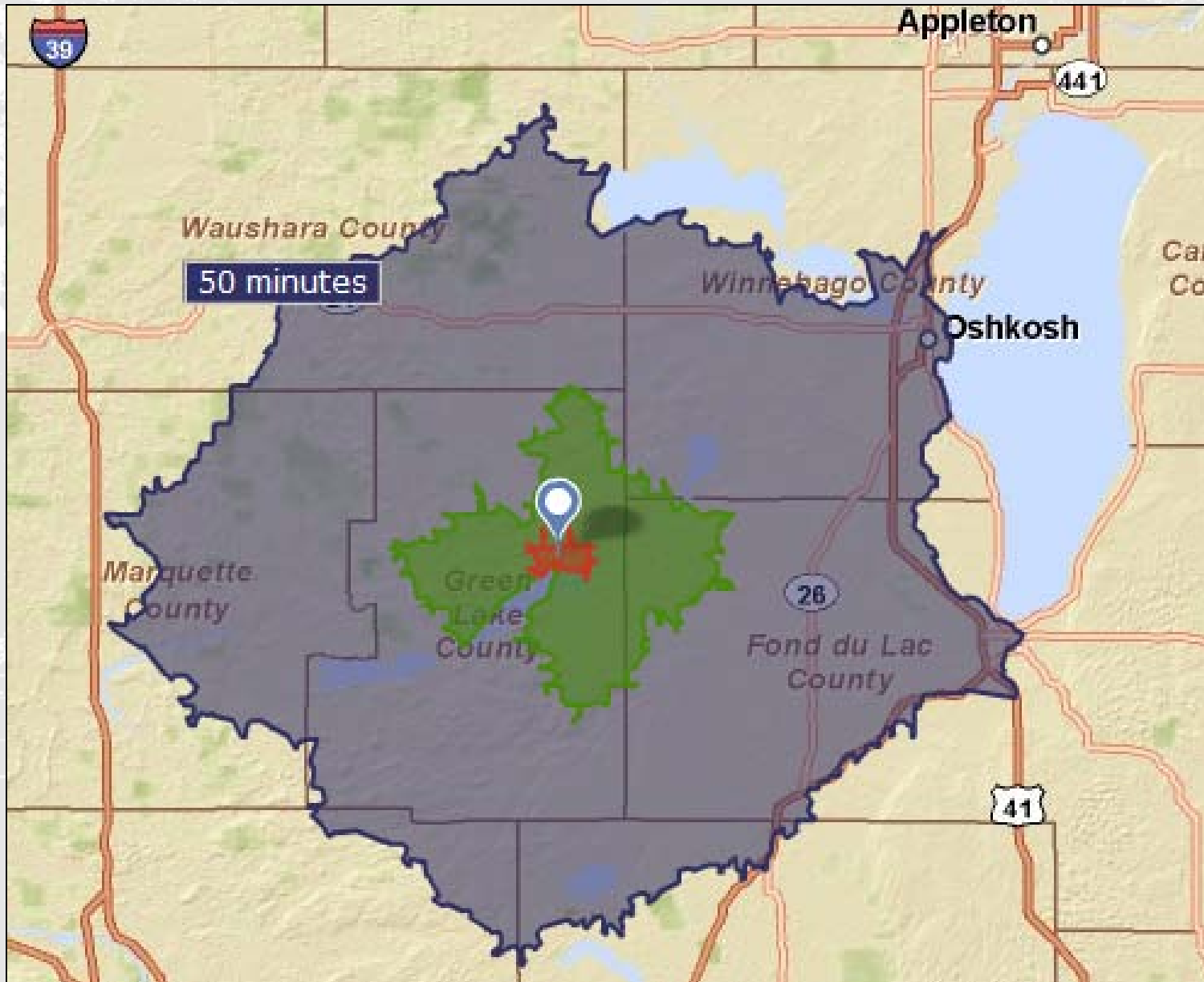
## **1. Review and Discuss our findings**

- 1. Market Analysis**
- 2. Site and Building Analysis**
- 3. Developer Feedback**
- 4. Redevelopment/Reuse Scenarios**
- 5. Funding Strategies and Options**
- 6. Final Recommendations**

## **2. Share and Discuss your priorities and preferences**



# Market Analysis - Retail and Service Markets



# Market Analysis - Retail and Service Markets

## Data Says:

- Demand for: Home furnishings
  - Clothing
  - Jewelry/luggage/leather goods
  - Sporting goods and hobby supplies
- Retail space available in Princeton and Berlin

## Community Says:

- Downtown Green Lake doing ok
- Green Lake residents shop in Ripon and Berlin
- Second home owners not a retail force
- Downtown retail (esp. restaurants) hurt by loss of courthouse

## Conclusions:

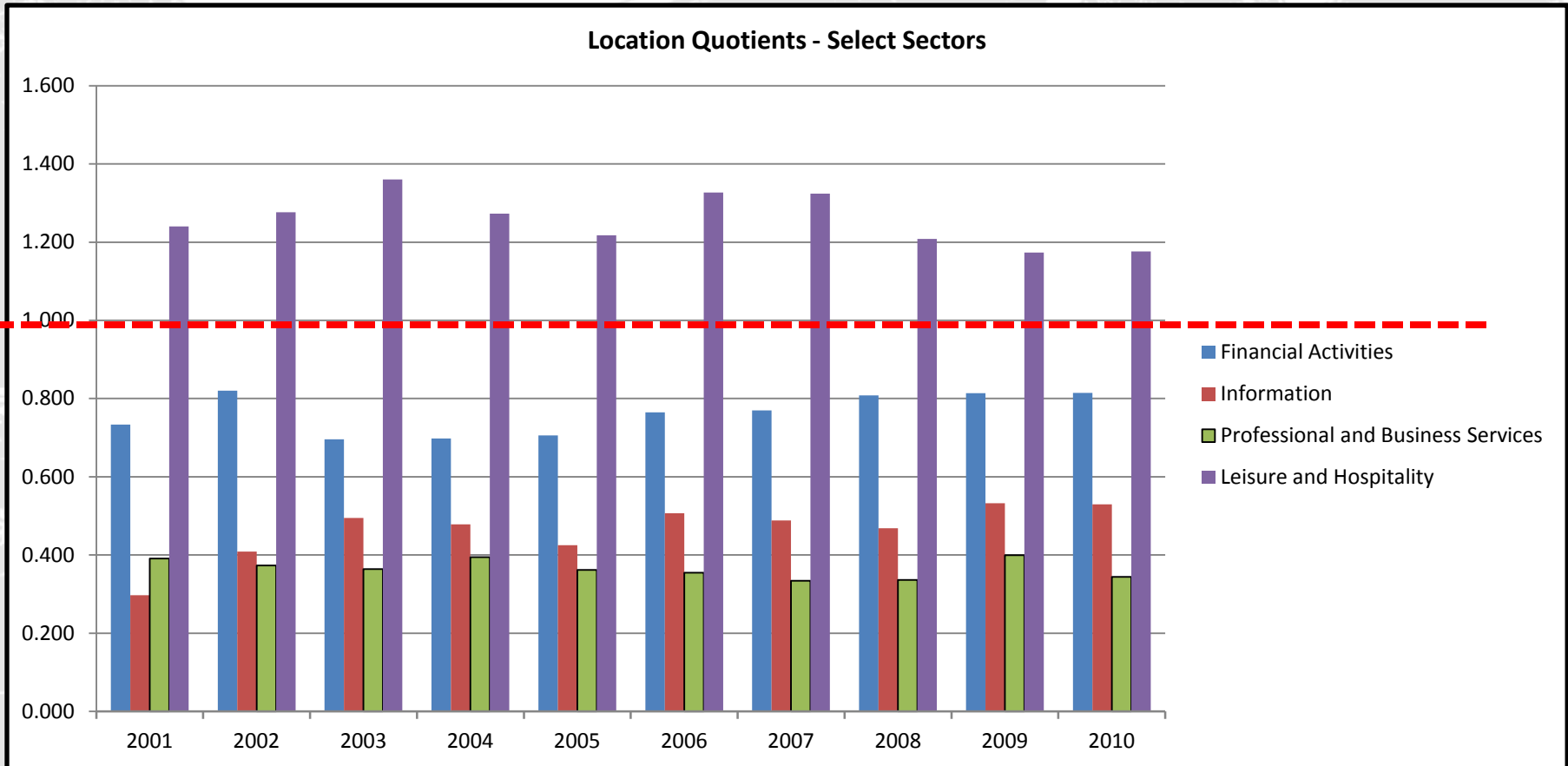
- Market support for more boutique-format stores, but need effective management
- Treat Green Lake as one market with Princeton, Ripon, and Berlin



# Market Analysis – Office Market

## Data Says:

- Green Lake not a strong office market
- 45,000-55,000 SF of office space in Green Lake today  
(Courthouse = 71,000 SF)



# Market Analysis – Office Market

## Community Says:

- Businesses that can operate anywhere (e.g. a call center, or software design) might work here
- Support for well-paying jobs downtown
- Some see it as a “quiet” use generating little activity

## Conclusions:

- Businesses that can operate from anywhere go where people are
- Only a small portion of the building might serve an office use



# Market Analysis – Housing Market

## Data Says:

- City of Green Lake issued 5 residential permits 2008-2011
- MLS records indicate 6 sales in Green Lake School District mid-2010 to mid-2011
- County-wide – 110-120 home sales per year, median price around \$90,000

## Community Says:

- Home sales are slow and difficult
- Properties under \$100,000 selling best
- We don't need more residential, especially downtown

## Conclusions:

- No market or public support for residential, so not a viable use



# Market Analysis – Tourism & Hospitality

## Data Says:

- 2010 Green Lake County tourism spending - \$75.8 million, up 1.6%
- 40<sup>th</sup> of 72 counties

## Community Says:

- No need for more lodging
- Would like more for visitors to do, especially in cold/wet weather

## Conclusions:

- Anything you do should be compatible with your identity and values (“quaint”, “small-town”, “family-friendly”). No casinos.
- Indoor tourism amenities would best support downtown success

# Site and Building Analysis

**Total Building Area is 71,400 square Feet!**

**Historic Courthouse**

Built 1898, additions 1945

19,500 SF

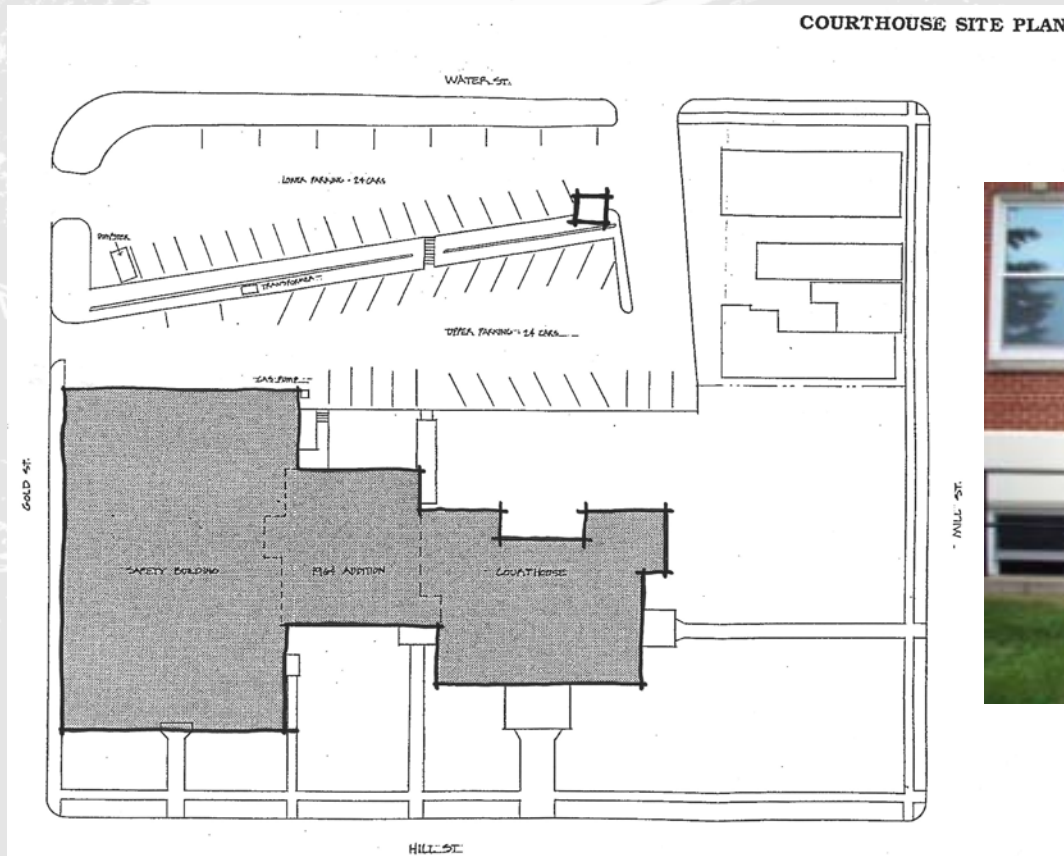


# Site and Building Analysis

## Annex

Built 1965

11,400 SF



# Site and Building Analysis

## Safety Building

Built 1985

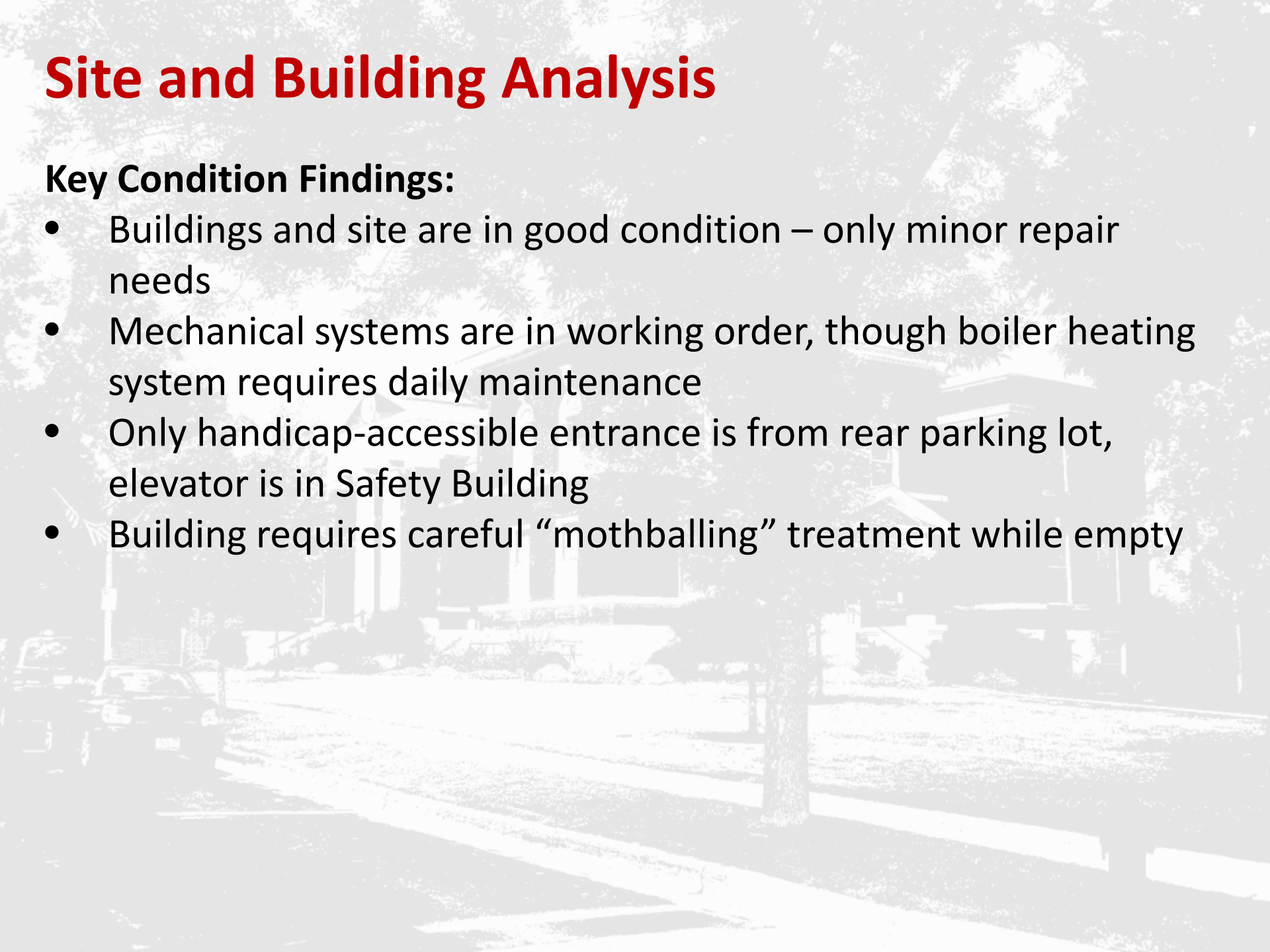
40,500 SF



# Site and Building Analysis

## Key Condition Findings:

- Buildings and site are in good condition – only minor repair needs
- Mechanical systems are in working order, though boiler heating system requires daily maintenance
- Only handicap-accessible entrance is from rear parking lot, elevator is in Safety Building
- Building requires careful “mothballing” treatment while empty



# Site and Building Analysis

## Adaptive Reuse Options

### Retail Use...

- Safety building most adaptable (open floor plan), but ugly
- Handicap accessibility a problem
- Could be an “emporium” with multiple shops
- Lots of space for market to absorb

### Food/Entertainment...

- Historic portion most attractive, challenging to adapt
- Complex too large for just this use

### Services (e.g. health club, dance studio)...

- Safety Building most adaptable
- Complex too large for just this use

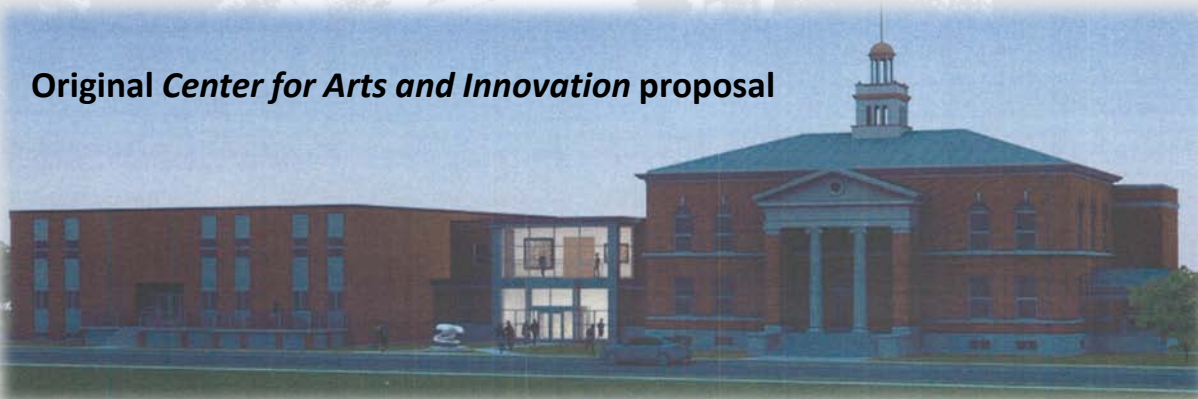
# Site and Building Analysis

## Adaptive Reuse Options

### Cultural Use (e.g. museum, community center, etc.)...

- Depends on needs of user
- This use may or may not be taxable

*Original Center for Arts and Innovation proposal*



### Housing...

- Safety building easiest to adapt – need to add decks
- Would want to use lowest level for parking

# Site and Building Analysis

## Case Study Examples – preserved county courthouses

### *Washington County Historic Courthouse*

Location: West Bend, WI

Community Population: 30,162

**Use: Washington County Historical Society**

### *Iron County Historic Courthouse*

Location: Hurley, WI

Community Population: 1,500

**Use: Iron County Historical Society**

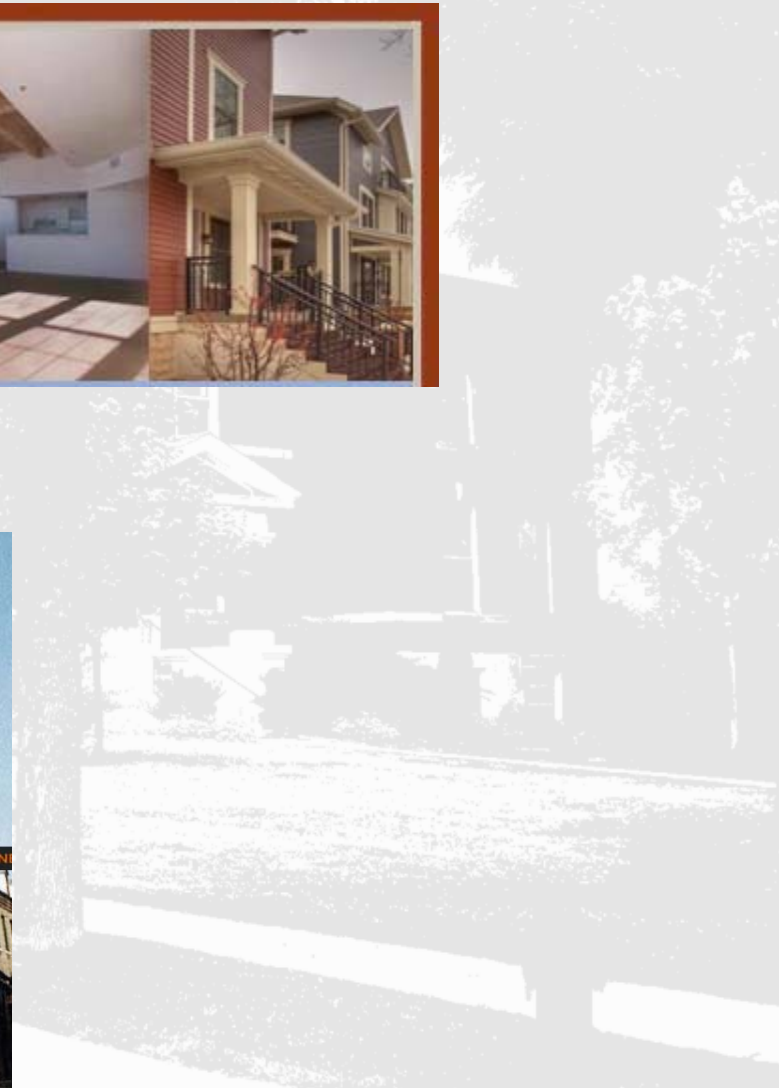
### *McHenry County Historic Courthouse*

Location: Woodstock, IL

Community Population: 24,770

**Current Use: restaurants, art gallery, pottery shop and a museum**

# Developer Feedback



# Developer Feedback

*Adaptive reuse is challenging in the best of circumstances. These are not the best of circumstances (general economy and residential market weak, local market small, low-value)*

*A retail or office developer is unlikely to take on the risk and challenge of keeping these buildings full - would need the business user to own and occupy the buildings*

*It is very difficult to get loans, anywhere, for retail or office development*

*Be open-minded about use if you want to save the buildings. Affordable housing tax credits are often necessary to put these buildings on the tax rolls.*

# Developer Feedback

*Throw everything you can at the project right away to make it as attractive as possible. Offer the property for free, plus the anticipated cost of demolition, and use TIF to help with renovation costs. Don't offer half measures while also spending money to maintain an empty building, only to end up tearing down the building years later – you will wish you'd spent that money to get a user in.*

*A restaurant or a museum might be viable in the space, assuming the building is provided for free.*

# Redevelopment/Reuse Scenarios

## Assumptions

- Taxable use is preferred to tax-exempt use, but not a requirement
- Historic Courthouse - demolition is not an acceptable alternative and any use will be considered except affordable housing
- Safety Building - demolition is acceptable, but any sustainable use of the existing building is preferred to simply clearing the site, except affordable housing
- Annex - demolition is acceptable, and the decision to maintain or remove this part of the facility is tied to the needs of Courthouse and Safety Building user(s)
- Any new private use requires both a comprehensive plan amendment and rezoning

# Redevelopment/Reuse Scenarios

## Option A/B – Find a user for the entire site



# Redevelopment/Reuse Scenarios

## Option C – Remove the Annex and Subdivide



# Redevelopment/Reuse Scenarios

## Option D – Remove the Safety Building also and Subdivide



# Redevelopment/Reuse Scenarios

## Option E – Remove all buildings, turn it into a park

*This option not previously  
presented or illustrated*



# Funding Strategies and Options

## **Give it away, and give some more**

One of the easiest and most effective options to encourage more investment and activity on this site is to offer the land and building at no cost. Consider offering an amount equal to the anticipated cost of demolition for any building portions that may ultimately need to be torn down if no user is identified. This approach should be coupled with a good developer's agreement, to ensure some control over how the site develops and how the money is used, and to clarify how the site is reclaimed by the County or City in case of any future project failure.

# Funding Strategies and Options

## Tax Incremental District #4

- Created by City in 2009 to facilitate taxable redevelopment of this site.
- Development incentives, site preparation, real estate transaction costs and infrastructure improvements are eligible for TIF funding (if approved by City).
- The project plan assumed \$8.5 million in new taxable value. The market analyses for the current planning process have revealed these projections to be unlikely, for now.
- The City has until 2031 to do projects with funding from TID #4, though the capacity for funding will gradually decline as the payback period

# Funding Strategies and Options

## Historic Preservation Tax Credits

- Supports renovation of the historic structure by a for-profit entity.
- **Federal Historic Preservation Credit:** Returns 20 percent of the cost of rehabilitating historic buildings to owners as a direct reduction in their federal income taxes.
- **Wisconsin Supplemental Historic Preservation Credit**  
Returns an additional 5 percent of the cost of rehabilitation to owners as a discount on their Wisconsin state income taxes.

# Funding Strategies and Options

## Section 42 Low Income Housing Tax Credits

- Helps fund housing projects for tenants whose incomes are below 60% of the County Median Income (currently \$63,400).
- At least 40% of the units need to be offered to tenants who meet income requirements.
- Most adaptive reuse projects incorporate affordable housing because this program makes the project feasible

# Funding Strategies and Options

## Community Development Block Grant Public Facilities for Economic Development (CDBG-PFED)

Can help fund libraries, community and senior centers, fire stations, health clinics, sheltered workshops, and day care facilities.

## USDA Rural Development Business Loans

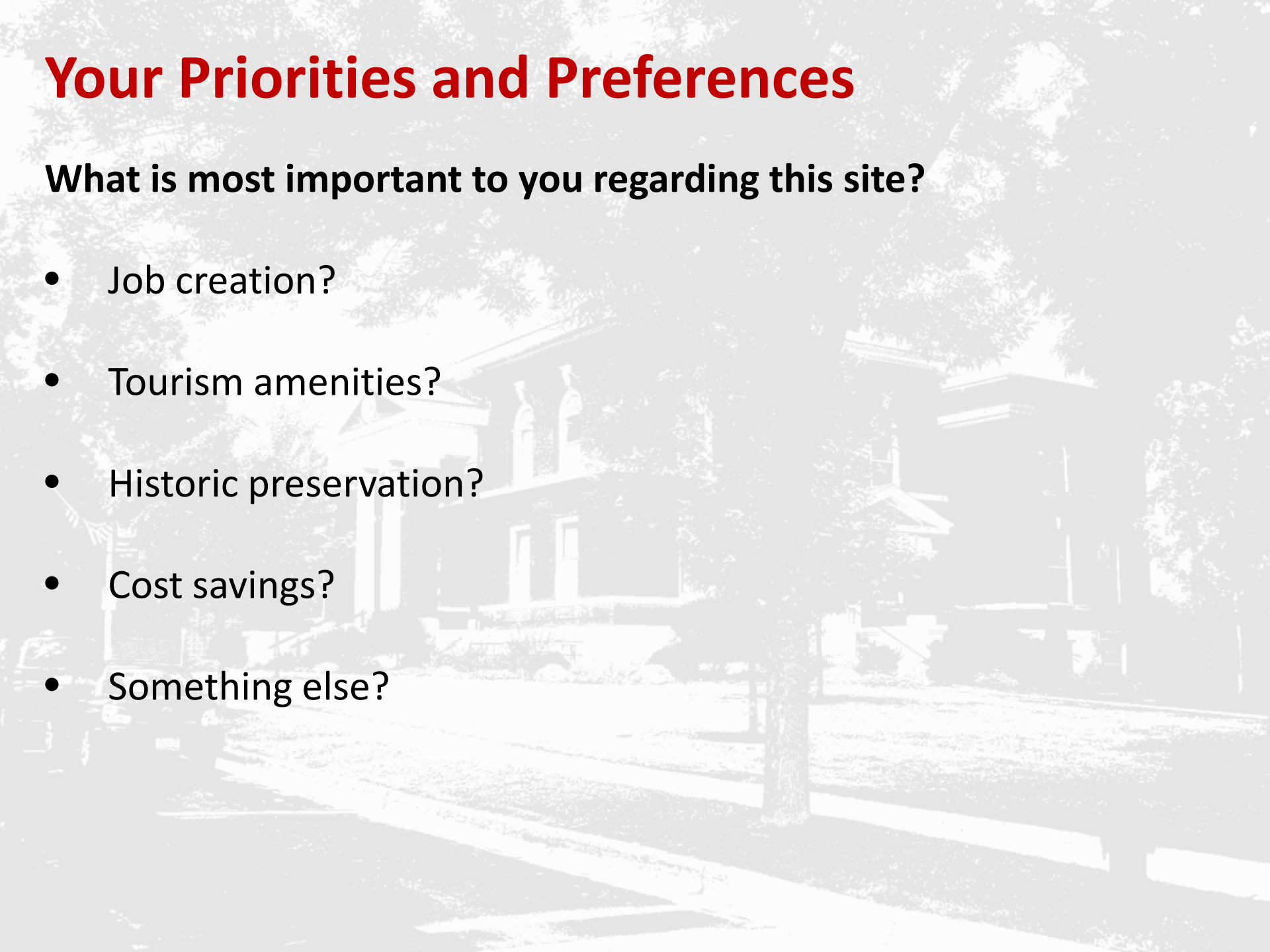
Loans to for-profit or non-profit corporations engaged in a business that will:

- Provide employment;
- Improve the economic or environmental climate;

# Your Priorities and Preferences

What is most important to you regarding this site?

- Job creation?
- Tourism amenities?
- Historic preservation?
- Cost savings?
- Something else?



# Questions & Comments

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