



**PLANNING COMMISSION
JUNE 28, 2016
Immediately following the
7:00 p.m. Public Hearing**

PLANNING COMMISSION AGENDA

1. Call to Order
2. Minute Approval
 - May 24, 2016
3. Public Comment
4. Discussion and Possible Action
 - Keren Properties – Layton Avenue Site
 - ✓ Plan of Operation
 - ✓ Parking
 - Becker Property Service, LLC – Proposal for South Kinnickinnic Avenue and East Norwich Avenue site
 - Bear Development Update
 - St. Francis Animal Hospital Update
5. Unfinished Business
 - 4235 S. Nicholson Avenue Site – RFP Review
6. Adjourn

Upon reasonable notice, a good faith effort will be made to accommodate the needs of individuals to participate in public meetings, who have a qualifying disability under the Americans with Disabilities Act. Request should be made as far in advance as possible, preferably a minimum of 48 hours. For additional information or to request this service, contact the St. Francis City Clerk at 481-2300. The meeting room is wheelchair accessible from the East and West entrances.

Note: There is the potential that a quorum of the Common Council may be present.

**MINUTES OF THE PLANNING COMMISSION MEETING
HELD MAY 24, 2016, 7:00 PM**

The meeting was called to order by Mayor St. Marie-Carls at 7:00 PM.

Members present: Mayor St. Marie-Carls, Alderperson Ken Tutaj, Commission Members Eric Stemwell, Rick Grubanowitch, Charles Buechel, Eric Manders and Tom Kiepczynski.

Members excused: None.

Also present: City Engineer/Director of Public Works Melinda Dejewski; Building Inspector/Zoning Administrator Craig Vretenar; JP Minchillo; Sandy Doran of Superior Equipment; Paul Heiss of IBCC; Sam Dickman, Jr., and Cale Berg of Dickman Real Estate representing 4630 S. Brust Avenue and Gallacher Development LLC; Brian Randall of Friebert, Finerty and St. John representing Gallacher Development LLC; LuAnne Coyne; Robert Zingara; Richard Adamczewski; Larry Kortendick; and other interested citizens.

1. Call to Order

2. Minute Approval

A motion was made by Commissioner Stemwell, seconded by Alderman Tutaj to approve the minutes of the April 27, 2016 meeting as presented. Motion carried.

3. Public Comment

There was no comment.

4. Discussion and Possible Action

A. Revised Proposed Certified Survey Map for 3849 S. Packard Avenue

City Engineer Dejewski explained that the CSM was being brought forward again to correct an error that was missed by the Engineering Department. A u-shaped lot is being proposed to comply with the 50 foot width required by the zoning code. City Engineer Dejewski believes that this configuration meets the intent of the code since the lot is an anomaly in the area. Building Inspector Vretenar added that the lot is being subdivided to allow for the construction of a duplex on the rear lot. Commissioner Kiepczynski questioned if Mr. Minchillo was intending on just selling the second lot. Mr. Minchillo stated no. A motion was made by Commissioner Grubanowitch, seconded by Commissioner Buechel to recommend to the Common Council to approve the revised CSM for 3849 S. Packard Avenue. Motion carried.

B. Special Use Application - 4550 S. Brust Avenue- Superior Equipment

Ms. Doran gave an overview of the project. She stated that a farmers market was not in the local area. They want to construct the permanent structure which is about 42 feet by 12 feet in size in July. The structure will have a roof and permanent counters in it. Commissioner Grubanowitch questioned the parking. Ms. Doran stated that there is parking available on the north and west side of the site and there may be some parking on the south side of the site as well. She continued that they want this farmers market to be all local Wisconsin and Milwaukee area vendors. The intent is not to sell items produced abroad but to have vendors grow and/or manufacture their items in Wisconsin or the Milwaukee area. Commissioner Manders asked about the location of the structure. Ms. Doran stated that the location has been reconsidered since the submittal of the plan. The new location is on the west side of the building between the north and south parking lot entrances. Commissioner Manders also inquired about the requirement if trees are removed for the structure would they be required to be replaced. Building Inspector Vretenar stated that additional trees have already been planted on site so the business already exceeds the initially approved plan. Commissioner Grubanowitch asked why the market was not being proposed to be located by the patio. Ms. Doran said that the ground was too sloped there and

Commissioner Manders added that the patio is an amenity that should not be blocked. Commissioner Stemwell asked if pets would be allowed at the market. Ms. Doran stated that she would have to check what the regulations are regarding pets at farmers markets but if the regulations allow pets, pets will be allowed at their market. Commissioner Grubanowitch questioned the street parking availability. City Engineer Dejewski stated that she believed that there was parking permitted on the east side of the street adjacent to the property. There was discussion regarding the patio and the control of alcohol from the patio to the market. It was recommended that signs be installed to notify the public that alcohol can only be on the patio. A motion was made by Commissioner Buechel, seconded by Commissioner Stemwell to recommend to the Common Council to approve the rezoning of 4550 S. Brust Avenue from PUD to PUD-SU contingent upon the scheduling and holding of a public hearing with the location of the structure for the Farmer's Market to be located between the driveways on the west side of the building and having a sign posted on the patio to keep alcohol on the patio area. Motion carried.

C. Agreement Amendment – 4630 S. Brust Avenue

Mayor St. Mare-Carls stated that Mr. Dickman was in attendance and could explain the reason for the proposed amendment to the agreement. Mr. Dickman stated that they are selling the building to a company which will occupy the east side of the building. The buyer wanted to be more clear on what was allowed at the site so the amendment was brought forward. Building Inspector Vretenar stated that the zoning code was different when the building was constructed. The zoning code has now changed and the proposed amendments to the agreement help align the agreement with the current zoning code. Mr. Heiss addressed the Commission providing an overview of his company. IBCC is a supplier of component parts for OEM companies. The parts are made in China and warehoused in the Milwaukee area for distribution. Mr. Heiss is going to have office space for the engineers, support staff, executives and the balance of the space will be warehousing. There will be no manufacturing however, there is some water pressure testing occasionally if that type of equipment was shipped and needs to be delivered. The hours of operation are Monday through Friday 8-5; there is no weekend hours at this time. The location is good because it is close to the freeway, airport and his employees. Their target moving date is August 1, 2016. City Engineer Dejewski added that City Attorney Alexy has reviewed and approved the proposed amendment. A motion was made by Commissioner Stemwell, seconded by Commissioner Buechel to recommend to the Common Council to approve the amendment to the agreement for 4630 S. Brust Avenue. Motion carried.

D. Southeast Corner E. Howard/S. Kinnickinnic Avenues – Letter of Interest

Mr. Gallacher is a developer of self-storage units. He has self-storage sites all across the United States as well as other countries. He has been in business 27 years. They believe that self-storage is a needed use and have been improving upon the old model of self-storage that it looks like self-storage. His company prefers sites which are encumbered. Their company does not need the parking requirements that other businesses do so they are better able to work with different encumbrances than other types of developments. Their matrix analysis of the area shows that the self-storage market is underserved. A standard score would be a 7 if the area was properly served but this area scores a 5. This site has visibility, traffic, apartment rentals and self-storage does not need a lot of parking so the site can be maximized. Their proposal is the purchase the entire parcel. They will be bringing 4-5 million dollars of investment to the community. He will have to invest \$150,000 up front for the engineering of the site. The self-storage portion of the development is low traffic approximately 17 vehicles per day and the minimum time people stay moving into or out of a unit is about 17 minutes. The proposed number of self-storage units is about 200 climate controlled units with about 500 non-climate controlled units for a total of approximately 700 units. The climate controlled units will be housed in a 2-story building. He is also proposing a retail component to the development which is one element that the City is requesting on the site. Dickman Real Estate is handling the retail portion of the development. He is an all cash buyer and is not requesting any TIF incentive. He is offering a commitment to the community. He will hold this development for 20-30 years and often contributes to community events. He has been looking around the country for 8 months for the next location and he believes it is in St. Francis.

The Commission questioned the timeline for construction and the type of building materials proposed for the project. Mr. Gallacher stated that it would take for the self-storage, approximately 10 months for the 2 story building and 8 months for the single story buildings. He noted that this was actual construction time, not the time to obtain approvals and permits. He would want to get the site graded prior to the winter season. He continued that typically the non-climate controlled structures are metal buildings in a fortress style with columns every 75-100 feet and EFIS in between with a stucco finish. Often there are sections of the non-climate controlled buildings with fake doors facing the street to demonstrate that the facility is a self-storage facility. He also stated that the drive lane will be 25 feet for fire access and that a NOX box will be installed. The final design is not complete but these are elements that are typical for his developments.

Mayor St. Marie-Carls requested comments by the Commissioners.

Commissioner Manders stated that he is not convinced that this is the development for the City. He is concerned about how this proposal meets the goals of the comprehensive plan. The City has already turned down apartments . S. Kinnickinnic Avenue is supposed to be business. The buildings do not look that great from the pictures shown. \$5,000,000 is not enough to properly fenestrate the buildings. EFIS is the lowest grade building material in his opinion. He is very concerned about mammoth walls and was hoping for something on the corner. He also stated that the power lines have come down which is already a better situation and the site is not a burden.

Mayor St. Marie stated that Mr. Gallacher did a nice presentation. Citizens have talked with her about the proposal and self-storage has a stigma but having the retail component helps ease the concern. She believes that the development should be done all at once; that there should not be any phasing. The retail buildings could be shells that have the interior leased and built out bases upon the tenants needs. The value of the proposed development is more than the residential that was turned down. Phasing will be a big concern. She also stated that there are 300 luxury apartments coming to the City and they will need storage. She rents storage and her neighbors rent storage units. A benefit of the development would be less services are needed for self-storage. The comprehensive plan says the City needs a balance of residential and business and the DOR said a balance will help with taxes.

Commissioner Grubanowitch stated that he agrees with Commissioner Manders' comments. The retail component is essential in his opinion to proposal. He went to all the budget meetings and understands the need of the City for development, however; he wants it to be quality and good for the City.

Commissioner Kiepczynski stated that he believes that the proposal is not in line with the comprehensive plan. He has spoken with people and they are having a hard time understanding the need for more self-storage in the area. This corner is the gateway to the City and it cannot be taken lightly. The City has waited and it may have to wait longer to get what is visioned for the corner.

Commissioner Stemwell stated that he agrees with the gateway concept. The corner is very important. There have been good developments proposed in the past and turned down by the Common Council. He just does not see self-storage at this location and believes that it will be worth the wait for a development that promotes the gateway concept.

Alderman Tutaj stated he is keeping an open mind and understands the issues. He is concerned with what retail is proposed to be at the site.

Commissioner Buechel agrees with Commissioner Manders' comments. The proposal does not fit with the comprehensive plan.

City Engineer Dejewski stated that the site is a difficult one to develop with all the underground and above ground encumbrances.

Building Inspector Vretenar stated that the lakefront has been proposed for development since the 1980's. The lakefront is still waiting to be a completed development. The Thompson Meadows site used to be a school and was removed from service due to the high tension wires so residential and high tension wires do not mesh. The City has lots of undeveloped land and it needs to get developed.

Mr. Gallacher stated that he has spent a lot of time researching this site. The City is working with the best brokerage firm to bring forward good developments. He does not see people lined up to purchase this site. It has been on the market for a year with few inquiries. The self-storage will not be phased. As for the retail, he cannot force a tenant into a space. He does not want to be next to bad retail. His preference would be to find a tenant and build to suit their needs; but Dickman Real Estate has done building shells and then leased to tenants. It is a difficult decision on which way to move the retail forward. He knows that this market is underserved regardless of what the comments have been. He also knows what not to do. He will do his best to make it beautiful but the easements are a challenge for him; and definitely are a challenge for residential development. He wants to be the standard for the rest.

Mr. Gallacher then asked what the process was. City Engineer Dejewski stated that he just made a presentation on his proposal to the Commission and heard their comments to be able to get a feeling for how the City is viewing the proposed development. Now he has to decide if he is confident enough to continue to move forward with an application and the elements that go with the application including preliminary site plans and preliminary building elevations or not. If not, then he gets to "walk away". But if he feels confident, he needs to move on to the next step. There is no approval tonight.

After some more discussion, Mr. Gallacher indicated that he would do some further site investigation and get back to the City.

No action was taken on this item.

5. Unfinished Business

A. 4235 S. Nicholson Avenue Site – RFP Review

Mayor St. Marie-Carls gave an update. The City is waiting to hear from Brinshore if they will offer a counter proposal to the amount that the CDA approved to provide to the development.

6. Adjourn

The next meeting date is June 22 at 6:30pm. A motion was made by Commissioner Buechel, seconded by Commissioner Kiepczynski to adjourn. Motion carried. Meeting adjourned at 8:54pm.

BECKER PROPERTY SERVICES, LLC

CONSULTING - DEVELOPMENT - MANAGEMENT

May 31, 2016

Mr. Todd Willis
Special Projects Coordinator
City of St. Francis
3400 E. Howard Ave.
St. Francis, WI 53235

Subject: KK and East Norwich Ave. Site
CSM 6908
584-9004
Parcel 3

Dear Mr. Willis:

The purpose of this letter is to request that HOLIE's proposal to develop the subject site as detailed in our letter of intent (LOI) dated 11/24/15 be placed on the June 7, 2016 Common Council agenda and the next Plan Commission meeting following the June 7th Common Council meeting. We have already met with and received preliminary approval subject to greater architectural detail from the City Administrator (Tim Rhode), the Community Development Committee, and the Common Council.

HOLIE requests the City of St. Frances Common Council general approval and recommendation for the following:

- 1) Approval to sell an approximate 2.6 acre parcel of land described above to HOLIE.
- 2) Approval for a general development concept for a mix of housing not to exceed 30 units per acre to include both affordable and market rate elderly apartments along with single family homes fronting Norwich Ave. with a referral to the Plan Commission for detailed plan approval.
- 3) Approval for a "public offset" for all units consistent with the previously approved 318 unit luxury housing complex in St. Francis.

Attached please find a copy of the 11/24/15 LOI to purchase the approximate 2.6 acre site located in the northeast quadrant of Kinnickinnic Ave and Norwich Ave. Conceptual plans will follow in a separate submittal proved by the architect; E3 Design Concepts.

Please note that my daughter is expecting her first child on or around June 6, 2016. She lives in Madison. In the event that I am unable to attend the June 7th Common Council meeting, Bob Schultz of E3 Design Concepts is authorized to speak on my behalf and on behalf of HOLIE, Inc. I will make myself available to meet with staff or the Mayor prior to the Common Council meeting if requested or necessary.

Your attention to this matter is greatly appreciated. If you have any questions or require any additional information, please do not hesitate to call or email.

Sincerely,

BECKER PROPERTY SERVICES, LLC
d/b/a Becker Consulting Services



Kenneth S. Becker,
Consultant to HOLIE, Inc.

BECKER PROPERTY SERVICES, LLC

CONSULTING - DEVELOPMENT - MANAGEMENT

November 24, 2015

Tim Rhode
City Administrator
3400 E. Howard Ave.
St. Francis, WI 53235

Subject: KK and East Norwich Ave. Site
CSM 6908
584-9004
Parcel 3

Dear Mr. Rhode:

Please accept this letter of intent to enter into an offer to purchase or option agreement for HOLIE, Inc. and/or its assigns to acquire the subject property for the purpose of developing rental housing for seniors in combination with single family housing. The single family homes are proposed along Norwich Ave. and will be built by developer independent of HOLIE, while the remainder of the site will be developed by HOLIE for rental senior housing. Seniors will be defined as either age 55 or older or age 62 or older depending upon our financing program. The development will include a mix of 1 and 2 bedroom apartments (primarily 1 bedroom units) in a single structure building with elevator, not to exceed 3 stories. The exact number of units is still to be determined but is not expected to exceed 62 units in total.

The housing for seniors proposes both underground and surface parking, dishwashers in every apartment, laundry equipment within each apartment, tenant storage, interior and exterior community spaces, and an on-site resident manager.

The Buyer, HOLIE, Inc., a non-stock, non-profit Wisconsin corporation was organized by representatives of congregations and parishes representing Southern Milwaukee and Waukesha Counties in 1970. HOLIE is an acronym for Housing of Limited Income Elderly. The purpose of HOLIE, Inc. is to work through whatever channels might be available to sponsor, encourage, and provide housing for limited income elderly residents of the communities that it serves. HOLIE, Inc., comprised of member congregations and parishes, reflects the combined commitment of these autonomous religious organizations to serve the people of Southeastern Wisconsin. HOLIE has successfully developed seven (7) self-sustaining apartment buildings for seniors in the communities of Cudahy, Oak Creek, Waukesha, West Allis, and West Milwaukee. Buildings have ranged in size from 18 units to 104 units. If you would like to tour one or more of their existing facilities, please contact me and I'll make the necessary arrangements.

HOLIE, Inc. has always developed their past facilities in a collaborative process with local agencies, local government, the elderly, housing professionals, and other concerns. This collaborative approach not only assures a smoother development process, but provides the necessary evidence of need for the type of housing proposed in the community as well as support for the proposal from the community. As previously noted, HOLIE's elderly housing experience and its collaborative efforts to provide affordable housing options for limited income seniors, the target population, has been an ongoing process for over 45 years.

Due to aging populations in general, and the percentage of seniors to the overall population, St. Francis has been identified by HOLIE as an area in need of affordable senior housing. Although, HOLIE has made this identification, a market study will still need to be conducted at the Buyer's expense to verify need and feasibility. After the municipality approves the proposed conceptual plan, HOLIE will move forward with a full market study.

As HOLIE may be working with government agencies to obtain a mortgage guaranty or tax credits, there are several conditions of the sale which will be required:

- Development is subject to obtaining financing along with meeting state and local regulations, guidelines, and approvals concerning the development (e.g. unit sizes, building material, design, etc...)
- Offer/option must run for a time period to accommodate the development. Fees associated with the initial offer and possible extensions are applied to the purchase price if the proposal is funded and all contingencies met. If the development is unable to proceed to completion, these fees are refundable to the Buyer. Any applicable extension fees are also applied toward purchase price, but are only refundable to the Buyer at the Seller's discretion.
- Clean Phase I Environmental Site Assessment. Cost of Phase I is a Buyer's expense. If a Phase I has already been completed, the update will be a Buyer's expense. If the Phase I indicates a need for a Phase II Assessment the offer/option to purchase will be voided unless the Seller opts to pay for the Phase II and related site clean-up.
- The site must be fully improved, accessible, and free of site residents. Relocation of site residents, if applicable, is a seller responsibility and expense.
- The site must be properly zoned to accommodate the proposed development or the municipality must provide evidence of amenability to rezone to accommodate the proposed use.
- Seller permits the Buyer access and egress to the site to perform surveys and soil borings to be conducted at the Buyer's expense. The soil borings must verify that the site can accommodate the proposed development. If not, the offer/option will be void.
- Acquisition of the site is subject to a market study that verifies need for the type of housing proposed. The market study is to be obtained at the Buyer's expense.

- Buyer will not pay any broker fees. If there are any fees due a broker, it is a Seller expense.
- Although a purchase price between the Buyer and Seller will be entered into on the offer/option to purchase, the acquisition price is subject to appraisal. If the appraised value does not meet the purchase price, the offer/option will be void unless the Buyer and Seller agree to the purchase price after appraisal or the purchase price is renegotiated and approved by both parties.

If you have any questions or concerns with regard to this letter of intent, or you require any additional information, please do not hesitate to call.

Sincerely,

BECKER PROPERTY SERVICES, LLC
d/b/a Becker Consulting Services



Kenneth S. Becker,
Consultant to HOLIE, Inc.

THE CATALYST: Phase 1 Conceptual Plans



Example of flavor of contemporary style that HOLIE's project will emulate.



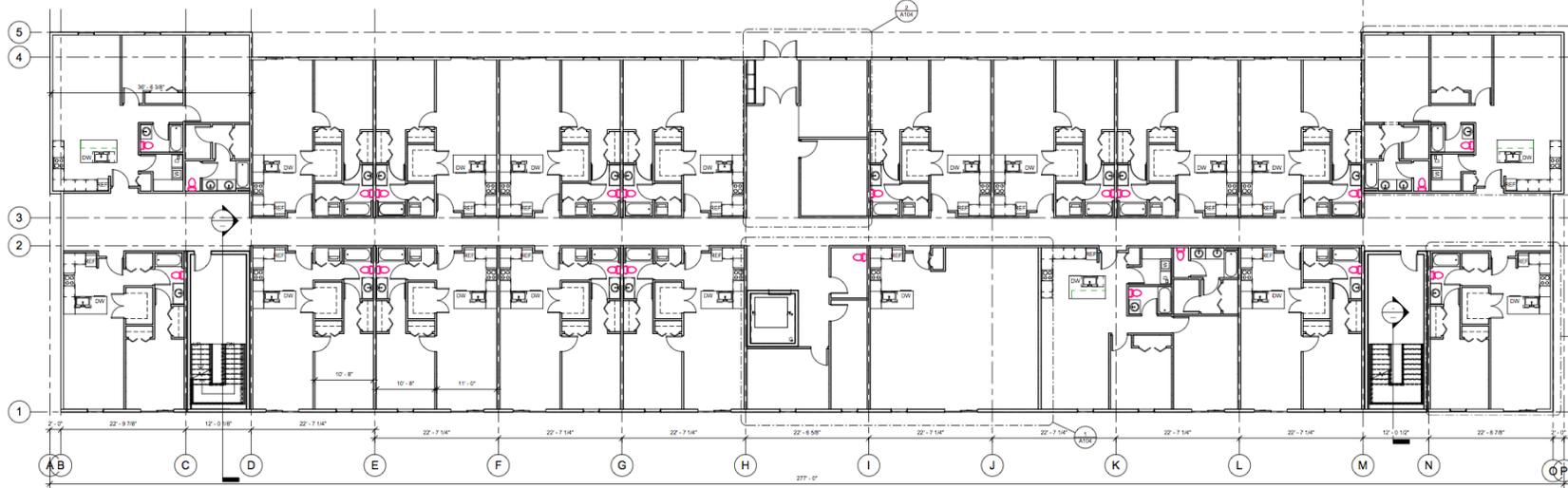
THE CATALYST: Phase 1 Conceptual Plans



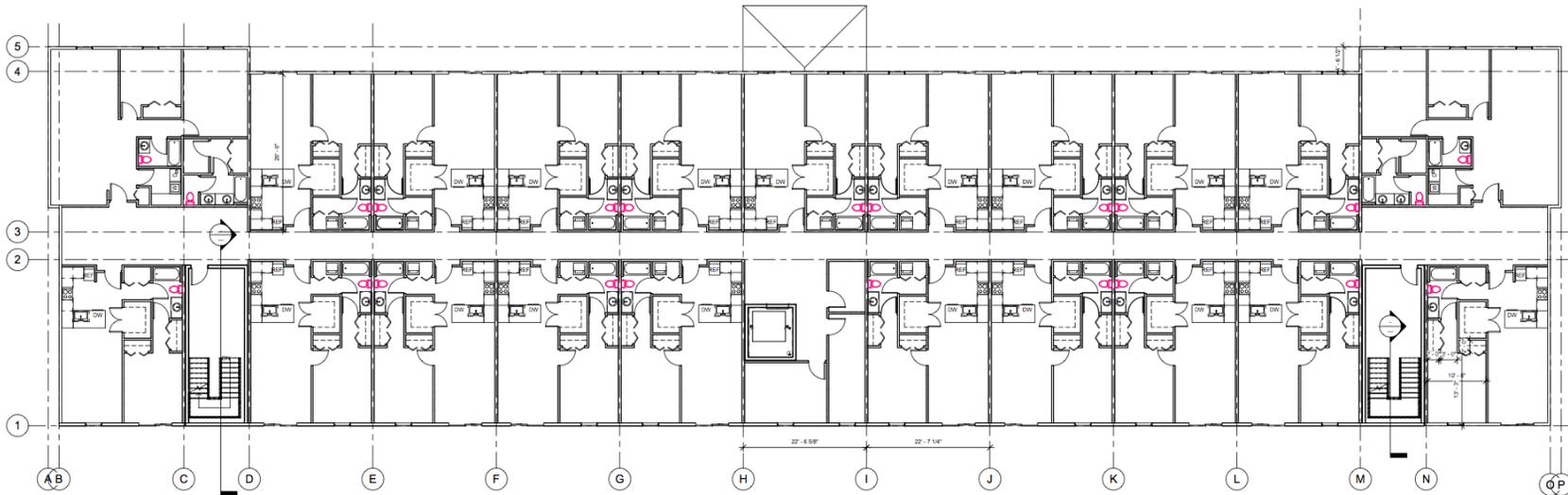
THE CATALYST: Phase 1 Conceptual Plans



THE CATALYST: Phase 1 Conceptual Plans Floor Plans. (2nd & 3rd floor plans are similar. Basement parking not shown)

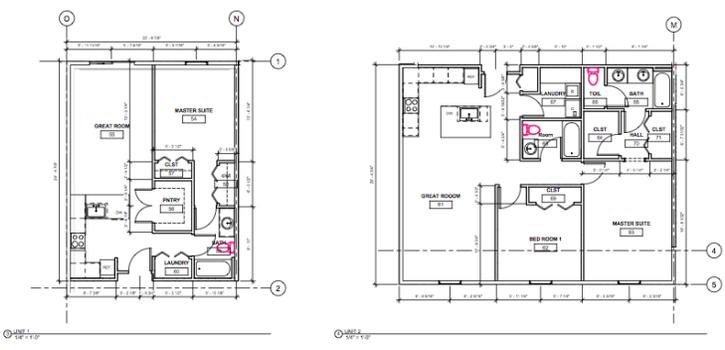
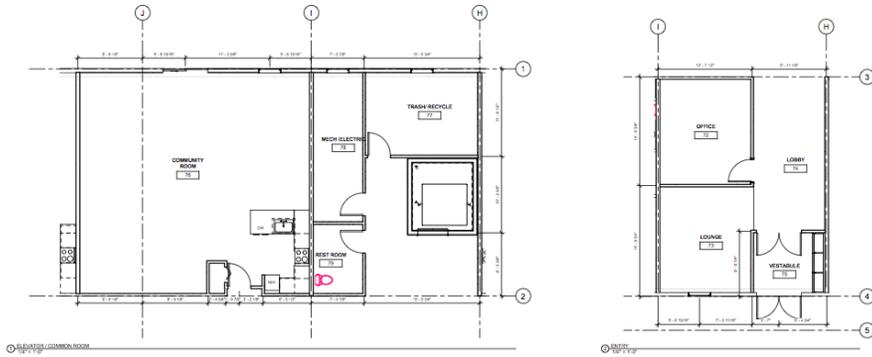


FF 1
1/8" = 1'-0"



FF 2
1/8" = 1'-0"

THE CATALYST: Phase 1 Unit Floor Plans



THE CATALYST: Phase 2 Conceptual Plans



Ex of flavor of houses that we will emulate





Forward Vision Development

The future is not something we enter. It is something we create.

The Catalyst

St. Francis, WI



1938 John Steuart Curry. The Homestead.

Phase I
Intergenerational, Zero Energy Eco Village

w/ alternate for Phase II
Eco-Tourist Hotel/Corp Housing, Grocery Store, Metro Farm &
Micro-Entrepreneurs Food Innovation Center

May 31, 2016

The Catalyst

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Forward Vision Development

The future is not something we enter. It is something we create.



e3 Design Concepts, LLC's d/b/a Forward Vision Development's (FVD) are Imagineers and Social Entrepreneurs. As Imagineers and Social Entrepreneurs we play the role of effective change agents in the social-economic sector by :

- Adopting a mission to create and sustain social value (not just private value),
- Recognizing and relentlessly pursuing new opportunities to serve that mission,
- Engaging in a process of continuous innovation, adaption, and learning,
- Acting boldly without being limited by resources currently in hand, and
- Exhibiting heightened accountability to the constituencies served and for the outcomes created

CONCEPTUAL



Leonard Sweet

<http://leonardsweet.com>

The Catalyst



Forward Vision Development

The future is not something we enter. It is something we create.

The Catalyst

St. Francis, WI

March 4, 2016

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CONCEPTUAL

DISCLAIMER: Statements in this DEVELOPMENT CONCEPT are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "anticipate", "believe", "estimate", "expect", "intend", "anticipate", "endeavor", "try" and similar expressions, as they relate to the company or its management, identify forward-looking statements. These statements are based on current expectations, estimates and projections about the company's business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and probably will, may, differ materially from what is expressed or forecasted in such forward-looking statements due to numerous factors, including those described above and those risks discussed from time to time including in e3 Design Concepts, LLC & d/b/a Forward Vision Development's contained herein. In addition, such statements could be affected by risks and uncertainties related to (i) product demand, market and customer acceptance of its equipment and other goods, (ii) ability to obtain financing to expand its operations, (iii) ability to attract qualified sales representatives, (iv) competition, pricing and development difficulties, (v) ability to integrate other variables such as ability to secure government approvals, and (iv) general industry and market conditions and growth rates and general economic conditions. Any forward-looking statements speak only as of the date on which they are made, and the company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this release. Information otherwise released does not constitute a part of this release.

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The Catalyst

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Forward Vision Development

The future is not something we enter. It is something we create.

I Executive Summary

CONCEPTUAL

The Catalyst

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Forward Vision Development

The future is not something we enter. It is something we create.

One of the primary goals for The Catalyst project will be the creation or preservation of community wealth.

Background

Not since the 1929 Great Depression has so much wealth been aggregated by so few individuals.

“Our results show that US wealth concentration is high by international standards and has considerably increased in recent decades. By our estimates, the share of wealth owned by the top 1% families has regularly grown since the late 1970s and reaches 42% in 2012. Most of this increase is driven by the top 0.1%, whose wealth share has grown from 7% of in 1978 to 22% in 2012, a level comparable to that of the early 20th century”²

The 62 wealthiest individuals in the world have aggregated more wealth than the bottom 1/2 or 3.5 billion people³, while the rising cash holdings of US corporations is increasingly in the hands of a fewer companies, with just five tech firms having grabbed a third of it. In addition, nearly three-quarters of all cash held by non-financial U.S. companies is stashed overseas, outside the long arm of Uncle Sam. Another resultant of this grotesque aggregation of wealth by fewer and fewer persons is that based on 2014 the Social Security Administration the American Middle Class has been shrinking⁴ leaving people feeling both economically and politically irrelevant while the popularity of both Donald Trump and Bernie Sanders continues to skyrocket who have hit a nerve.

“Goodbye Middle Class: 51 Percent Of All American Workers Make Less Than 30,000 Dollars A Year.” By Michael Snyder, on October 20th, 2015

“The Middle Class - We just got more evidence that the middle class in America is dying. According to brand new numbers that were just released by the Social Security Administration, 51 percent of all workers in the United States make less than \$30,000 a year. Let that number sink in for a moment. You can't support a middle class family in America today on just \$2,500 a month – especially after taxes are taken out. And yet more than half of all workers in this country make less than that each month. In order to have a thriving middle class, you have got to have an economy that produces lots of middle class jobs, and that simply is not happening in America today.

You can find the report that the Social Security Administration just released right here. The following are some of the numbers that really stood out for me...

- 38 percent of all American workers made less than \$20,000 last year.
- 51 percent of all American workers made less than \$30,000 last year.
- 62 percent of all American workers made less than \$40,000 last year.
- 71 percent of all American workers made less than \$50,000 last year.

That first number is truly staggering. The federal poverty level for a family of five is \$28,410, and yet almost 40 percent of all American workers do not even bring in \$20,000 a year.

If you worked a full-time job at \$10 an hour all year long with two weeks off, you would make approximately \$20,000. This should tell you something about the quality of the jobs that our economy is producing at this point. And of course the numbers above are only for those that are actually working. As I discussed just recently, there are 7.9 million working age Americans that are “officially unemployed” right now and another 94.7 million working age Americans that are considered to be “not in the labor force”. When you add those two numbers together, you get a grand total of 102.6 million working age Americans that do not have a job right now. So many people that I know are barely scraping by right now. Many families have to fight tooth and nail just to make it from month to month, and there are lots of Americans that find themselves sinking deeper and deeper into debt. If you can believe it, about a quarter of the country actually has a negative net worth right now.

² Wealth Inequality in the United States since 1913: Evidence from Capitalized Income Tax Data* Emmanuel Saez UC Berkeley Gabriel Zucman UC Berkeley August 2015 <http://gabriel-zucman.eu/files/SaezZucman2015.pdf>

³ <http://www.theguardian.com/business/2016/jan/18/richest-62-billionaires-wealthy-half-world-population-combined>

⁴ <http://ourworldindata.org/data/political-regimes/democratisation/>

The Catalyst

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Forward Vision Development

The future is not something we enter. It is something we create.

What that means is that if you have no debt and you also have ten dollars in your pocket that gives you a greater net worth than about 25 percent of the entire country. "

In addition about one third of all retired persons are solely dependent upon social security and are in desperate need for affordable housing. This grotesque and obscene aggregation of wealth is the result of many factors. Some simply blame bad public policies that favor the rich at the expense of everybody else that consistently fail to evaluate even IF a proposed public policy creates or preserves community wealth while others blame globalization and technological changes. It's really a combination of all three. What is needed is a profound change in the way public resources are allocated that focus on the creation or preservation of community; one of The Catalyst's primary objectives.

The alternative phases 3-5 proposes to leverage the strength of the food production capacity that already exists in St. Francis and marry this strength to the nationally recognized Cleveland Evergreen project business model that is successfully reversing this trend⁵ becoming a global neighborhood development model for creating community wealth. Local residents earn an ownership stake as they create thriving food production businesses, while playing a transformational role in building vibrant neighborhoods. This project proves that the true genius of America occurs at the local town hall level where real problems are solved by carefully blending public and private partnerships in the creation and growth of new entrepreneurs and companies. Another goal of the alternative phases is the recognition that food, and particularly the collective growing of good food on a neighborhood level that is shared is where community is found and identity is formed⁶.

FVD's job is easy. First, FVD will establish an exciting vision for The Catalyst project that will generate community support. Second, FVD will make sure the right people from the community of St. Francis are on the bus. Third, FVD will make sure they are in the right seats. Fourth, FVD will get out of their way and let them drive the bus.

The Catalyst's Project Vision

Kinnickinnic (Avenue/River) where The Catalyst is located is an Ojibwe word meaning "what is mixed," referring to the mixing of indigenous plants and tobaccos. FVD's vision for The Catalyst project if fully built-out includes mixing: mixed uses, with young and old generations with the resources to create or preserve community wealth as part of an eco village in the heart of St. Francis. H.O.L.I.E.'s Phase 1 kick-starts The Catalyst by 'mixing' (60) market rate & affordable elderly apartments. Phase 2 consists of 17 compact high performance zero energy homes with option to share a small greenhouse with their neighbor.

Other anticipated uses for the alternative future phases include a Grocery Store, Metro Farm Cooperative, Hotel Residence/Corporate Housing, Service Cooperative and Micro-Entrepreneurs Food Innovation Center to nurture the creation of local food entrepreneurs as part of a safe, inclusive, market rate & affordable, intergenerational, (near net) zero energy, clean energy generation, mixed use project that promotes eco-tourism, as part of a 'buy local' program promoting locals businesses, CSA's and artists in St. Francis, WI. The Cleveland Evergreen business model will serve as a framework for phases 3-5, the alternative phases of The Catalyst.

The Catalyst Eco Village: General Project Description

If fully built out to include phases 1-5, The Catalyst project may be a \$32 million, multi-phase, mixed use, intergenerational 'urban' project. Phases 1 and 2 will be constructed on a 2.6 acre parcel in the northwest quadrant of Norwich and Kinnickinnic Avenue. The location for Phases 3-5 have not been defined. Several sites in the neighborhood may be available for these phases. The Catalyst is located near the Milwaukee's Bay View

⁵ Cleveland Evergreen Project: <http://www.evgoh.com/>

⁶ From Tablet to Table, Leonard Sweet . <http://leonardsweet.com>



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neighborhood, one of the youngest, most diverse neighborhoods in the Milwaukee metro region. It is also within walking distance of parks along Lake Michigan. A microbrewery is located at KK & Howard Avenue.

As the younger Milwaukee Bay View population matures and begin to form family units they will naturally desire to move to other nearby communities to raise their families that they perceive as safer, more affordable and offer better economic opportunities to nurture the growth of their businesses & to access services. This is where The Catalyst is located - a natural location for an urban intergenerational eco village project targeting this younger demographic group that want to move to St. Francis simultaneously addressing the needs of an aging St. Francis population.



The 5 phases are:

Phase Description

1. HOLIE's (60) unit elderly apartments
2. (17) homes with option for shared greenhouse

Primary uses include an intergenerational mix of market rate and affordable residential uses to include:

- Elderly apartments
- Homes for young families including an option for perpetual affordable houses via a limited or shared equity cooperative business model where the relative cost of housing continuously comes down over time when compared with other similar houses.

Density not to exceed 30 units per acre.

Alternative Phases 3-5

Commercial Outlots targeted for a Community Bank and/or Black Box Community Theater, Hotel Residence/Corporate Housing, Metro Farm & Grocery, Micro-Entrepreneurs Food Innovation Resource Center with other ground floor commercial.

Primary uses include:

- Grocery store, café and food kart marketplace for local food entrepreneur market their products.
- Catalyst Metro Farm
- Micro-Entrepreneurs Food Innovation Resource Center
- Community Bank to help launch the new businesses leveraging St. Francis strength of food production.

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- Black Box Community Theater.

In the inspiring book “Ecovillages”, Prof. Karen Litfin shares her unique experience of these villages in sustainable living through four broad windows - ecology, economics, community, and consciousness - or E2C2. Whether we live in an ecovillage or an urban area, she contends we must incorporate these four key elements if we wish to harmonize our lives with our home planet. There are over 15,000 eco villages in the world. Most of them are indigenous tribal eco villages. This is not a ‘pie-in-the-sky’ idea. Not only is another world possible, it has already been done (over 15,000 times) in small pockets all over the world. Litfin surmises the commercialization of eco villages is the next step in their evolution. The Catalyst is a commercialized eco village. FVD is committed to building on the voices and resilient work of the St. Francis business community and it’s political leadership. We will bring the initial capital stacks that will kick-start The Catalyst and open other opportunities for the community to participate in a shared vision that slowly becomes reality over time.

E2C2 Goals

The Catalyst will initially focus on the ‘Economy’ and ‘Consciousness’ by firstly focusing on the economic well being of the residents and secondly raising the consciousness of the community through the collective effort of the growing of food locally that is shared. Sharing food is where that a sense of community is found and identity is formed.

1. Economic
 - a. Perpetual affordable housing for seniors and young families desiring a home.
 - b. Intergenerational market rate and affordable housing
 - c. Eco tourism
 - d. Micro- Entrepreneurs Food Innovation Center
 - e. Shared equity to make home ownership more affordable to young families..
 - f. Metro farm cooperative
2. Ecology
 - a. Near net zero energy project
 - b. Renewable energy
 - c. Natural storm water systems
3. Community
 - a. ‘Bottom’s-up’ approach to real estate development in a socially responsible fashion.
 - b. Build the neighborhood infrastructure for a decentralized and democratized (i.e., neighborhood) food system where access to fresher, transparently grown local food is paramount and community own geo thermal utility as part of zero energy project.
 - c. Service cooperative
 - d. Support local artists by developing a cultural art framework for them to market their work, i.e., all businesses in the Catalyst will be encouraged to actively display and encourage the sale of artwork produced by local artists.
4. Consciousness
 - a. Growing good food locally as a collective effort and especially the sharing of that food will inevitably lead to raising the collective consciousness of the community in contrast to what we have today in what Leonard Sweet describes as ‘a deficit in our fast-food, take-what-you-like-smorgasbord, together-but separate society’

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2

Project Phases Descriptions

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PHASE 1

HOLIE will kick-start The Catalyst as the first phase of multi-phase intergenerational eco village. Without HOLIE there is no The Catalyst project. The proposed (60) unit project will be owned and independently operated by H.O.L.I.E. H.O.L.I.E. is an acronym for Housing Of Limited Income Elderly. H.O.L.I.E is an established coalition of 6 Milwaukee south-side churches that has been providing affordable housing to Milwaukee south-side elderly residents for over 50 years. HOLIE's project is a mix of market rate & affordable elderly unassisted apartments for persons 62 years and older conforming to the U.S. Federal Fair Housing Act. The 3-story, (60) unit, apartment building includes (7) 1,100 SF 2-bedroom, 2 bath units and (53) 670 SF 1-bedroom, 1 bath units. It includes underground parking for about 40 cars and 62 surface parking spaces for a total of 102. FVD met with one of the largest HUD lenders in the country that is interested to fund H.O.L.I.E. however at only 60 units HOLIE's project is a little smaller than they would prefer to hit their sweet spot of \$10 million. Therefore other phases likely may be aggregated to fit the lender's funding wheelhouse.

Amenities include:

- Community flower or garden space
- Covered front porch with barbeque &/or picnic areas
- TV sitting, card playing, library reading and study areas throughout the building on every floor.
- Ground floor community room and kitchen for community meeting space or for private parties.
- Each unit will be convertible to persons with disabilities so if a person becomes wheel chair bound they can clothe, bathe and feed themselves without being forced to move.

HOLIE's (60) unit project will create or preserve an estimated minimum of \$1.6 billion in community wealth, or \$26.8 million per unit calculated as follows:

- | | | |
|----|-------------------------------|--|
| 1. | \$ 2,140,000 ⁷ | Paid to local labor to build the project |
| 2. | \$ 3,210,000 ⁸ | Paid to local material supplies to build the project |
| 3. | \$ 3,475,000 ⁹ | Equity that's converted to cash when a house owned by elderly is sold. |
| 4. | \$1,598,593,826 ¹⁰ | 30 yr. income stream from new households moving into homes the elderly sold. |
| 5. | \$ 3,475,000 ¹¹ | 30 yr. tax revenue to City of St. Francis. |

Total: \$1,610,893, 826 or \$26,848,230/unit

There will be an alternative for the HOLIE's project to be independently certified by U.S Department of Energy as a Zero Ready Home¹², or to get as close as we can to a net zero energy residential project consistent with a fundable project consistent with the loan parameters. A DOE Zero Energy Ready Home is a high performance home or multi-family building that is so energy efficient that a renewable energy system (if used) can offset all or most of its annual energy consumption. Integrating geo-thermal augmented by solar energy generation is one of the most energy efficient elements a project can use to save energy. Geo-thermal is so energy efficient that it can be practically used to melt snow and ice on the driveway ramp to the basement parking, sidewalks and patio areas-but this technology comes with a price. If HOLIE and the (17) homes utilize this alternative, then the

⁷ Based on estimate that of 40% of total \$5.35 million total project costs will be directly allocated to labor.

⁸ Based on estimate that 100% of \$3.2 million of materials that will be purchased from local suppliers.

⁹ Based on an average equity of \$130,000/house times 60 houses. It assumes that 60 elderly persons from St. Francis will sell their homes & thus convert this equity to cash when they sell their homes. <http://www.fool.com/investing/general/2015/05/25/the-typical-american-has-this-much-in-home-equity.aspx>

¹⁰ Based on 2015 Milwaukee County household median income of \$52,606 over 30 years assuming 60 new households moving to St. Francis with 2% annual income increase and an additional 1.5 units (or 3%) new family formations of units becoming available annually.

¹¹ Estimated total 30 yr. tax revenue to City of St. Francis ONLY based on HOLIE being assessed at 100% of \$5.5M project value using straight-line mill rate tax of 1.1% over 30 years and 4% average annual appreciation.

¹² U.S Dept. of Energy: <http://energy.gov/eere/buildings/zero-energy-ready-home>

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Catalyst project will be the first certified U.S Department of Energy Zero Energy Ready multi-residential structure erected in Wisconsin under this stringent standard.

Laundry and storage will be internal to all the units. Storage may double function as a media center. There is a trash and recycling room located on each floor with chutes to a common trash and recycling room in the basement. An external trash/outside storage corral is located near the overhead door to the basement which is shielded from street level view for temporary staging of trash bins for trash, recycling bins, lawn and snow removal equipment. Appliances may be energy star rated.

The building will be fully sprinklered with a complete smoke and fire protection system consistent with NPFA 13R standards. An elevator will be conveniently located near the front entry. The project will be built using local labor consistent with the most recently published Federal Prevailing Labor Rates Standards and generally follow LEED sustainable building practices utilizing green products locally purchased wherever practical. There will be a permanent on-site manager with secured vestibule and 24 hr. security system. Landscaping may utilize low water demand native trees, plants and grasses.

The contemporary architecture reflects melding traditional and modern elements with current mature adult, flexible, lifestyle concepts in an apartment that is part of an intergenerational eco village, grocery store, metro farm, service coop, innovation center, and close to public transportation. The interiors will be warm, inviting, affordable and flexible to live in. They will be designed so that if a person is confined to a wheel chair will be able to clothe, bathe and cook for them selves without the need for being transferred to an assisted living arrangement. A shelf outside in the corridor of each unit will allow the occupant to personalize their entry.

Contemporary architecture includes the following elements.

- ** A distinctive simple low profile roofline usually with wide overhanging eaves.*
- ** A simple façade, simple geometric shapes, simple structural & roof framing system.*
- **Green heating, air-conditioning and plumbing systems to conserve energy.*
- Usually larger windows or tall windows
- Mixing of at least 3 building materials: multiple siding types & colors and masonry accents.
- Natural, often local building material.
- Flexible layout to adapt to changes in resident needs, i.e., wheel chair adaptable floor plans

(& Italics) The elements listed above with are essential building elements that must be adopted to facilitate economical adoption of U.S Department of Energy Zero Energy Ready Home features.*

Alternatives

1. U.S. Department of Energy 'Zero Energy Ready Home' energy efficiency standards
2. Geo-thermal & photovoltaic
3. Vegetable sinks in all units that grind the vegetable and organic wastes and then pipes the organic waste directly to a bio-digester located in the basement that will generate clean renewable energy.
4. Natural storm water systems, fed landscapes, percolation parks, future plazas, and community gardens intertwined with rain and snow melt to feed the community gardens and the Catalyst Metro Farm.

Budget & GSF

- 77,064 GSF
- \$6.4 - \$7.2 million.

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PHASE 2

This phase of The Catalyst project consists of (17) compact ultra high-performance affordable and market rate homes conforming to U.S Department of Energy Zero Ready Homes. The typical home will be 1,550 SF, 3-bedrooms, 2 ½ baths, with 1 1/2 car garage connected to a small (10x10) greenhouse connecting a minimum of 4 houses. An option will be provided for a 2-bedroom, 1,100 SF floor plan. DOE Zero Energy Ready Home is an ultra high performance home, which is so energy efficient, that a renewable energy system (if provided) can offset most of its annual energy consumption.¹³ Initially constructed slab-on-grade making integration of geothermal more economical, a basement will be an option. Less than 1% of these independently certified homes are built to these stringent standards. FVD will also explore creative financing alternatives to enhance home ownership affordability with lenders, non-profit and for-profit entities to include limited or shared equity cooperative that creates perpetual affordable housing utilizing the same HUD 221(d)4 loan guarantee program and lender that H.O.L.I.E. may be using. FVD will take the lead in developing these units.

The setbacks are consistent with nationally recognized urban (eco village) clustered development standards & other small homes in St. Francis that will result in accelerating the creation of community wealthy, attracting young families to St. Francis. The house setbacks are 25 ft. front & rear, 10 ft. between houses. Garage side setback back is 5 ft. Lower densities will decrease community wealth creation, raising the bar unnecessarily for these young families. The average lot size is 2,800 SF.

Alternatives

1. Similar to HOLIE
2. Basements
3. Front facades
4. Finish & technology upgrade package
5. Limited or shared equity cooperative.

GSF/Budget

- 25,000 - 32,000 GSF
- \$3.5 - \$4.5 million.

ALTERNATIVE PHASE 3 - 5

This phase of the project will be further defined after concept approvals for The Catalyst project. The site has not been selected. As envisioned this phase of the project may include:

- **Hotel Residences/Corporate Housing** project including ground floor commercial to include a grocery store and exercise facility. It is anticipated that the grocery will market locally grown organic food or products leveraging St. Francis's economic strength of food production. Approximately 150 units.
- **Catalyst Metro Farm Cooperative** modeled after the Cleveland Evergreen project will create community wealth. It is anticipated that initially the food grown on the Catalyst Metro Farm may include organic gourmet lettuce, heirloom tomatoes, basil and micro greens to include sale to the wholesale market to include wholesale food distributors, hospitals, universities, and restaurants and through other local Community Supported Agriculture Organizations (CSA's). The operations may include a retail outlet for the sale and distribution of Bright Agroteck Hydroponic growing system to small-scale metro farmers in St. Francis and Milwaukee Metropolitan Area. An experienced farm manger will oversee the operation of the Catalyst Metro Farm. This operation may be located on the roof of the hotel.

¹³ See: <http://energy.gov/eere/buildings/zero-energy-ready-home>.



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- **Service Cooperative.** As envisioned, this is a service cooperative in which Catalyst members volunteer their time to help other people who are also members in the Catalyst Service Cooperative. This will be owned and operated democratically by the members of the Catalyst Community who will ultimately define its purpose. This may be a critical component to create a cohesive sense of community and may sponsor farmer's market, art festival, fall flower festival or St. Francis Night market.
- **Micro-Entrepreneurs Food Innovation Resource Center.** Entrepreneurs and our food system are under siege. We are already growing enough food for 10 billion people and still can't end hunger¹⁴. 70%-90% of the businesses that are started are no longer in business after 5 years¹⁵. As envisioned Micro-Entrepreneurs Food Innovation Center will be modeled after other similar nationally acclaimed innovation centers to provide technical advice and small business resources. It will be independently owned and operated by others. For Catalyst Micro-Entrepreneurs Food Innovation Resource Center to be successful it will need local partners who will encourage and assist the young entrepreneurs. They will need help in starting a business plan, looking for financial assistance, or needing advice on marketing. Therefore linking the entrepreneurs with a local community owned bank and technical experts where they can come as they are and talk about getting to the next level by which young entrepreneurs can be nurtured seeds the creation genuine community wealth.

Food business incubators and food business accelerators nurture developing food businesses in ways previously accessible to only the most-connected food insiders. A food technology accelerator will combine great business and not-for-profit minds, perhaps signaling a new era for food business. Venture capitalists have recently dumped briefcases full of money into businesses that "disrupt" the food system, complementing the food innovation renaissance. But startup money isn't everything, as any 12-year-old programming millionaire can tell you. Food incubators and accelerators, whether focused on locally grown organic food, cooking, brewing, producing food or technology development, all have one goal in common: providing a community of resources to people with ideas of high potential. The definitions of food incubators and accelerators are just as diverse as is this new trend. Generally, they are programs that consolidate and provide services from one central location to food businesses. The major categories are independent food business incubators (those that are not associated with large companies), corporate food business incubators and public/private partnerships. By dovetailing local entrepreneurs, and Metro farmers with a local grocery, food cart, Metro farm, Community Supported Agriculture (CSA) and other local partners will accelerate community wealth creation and an attractant to young entrepreneurs to move to St. Francis an intergenerational eco village.

Resource Partnerships

- Housing for Limited Income Elderly, a coalition of 6 south side Milwaukee Churches
- PACE
- The Milwaukee Building & Construction Trades Union
- Bright Agrotech

Other Potential Local Resources for Micro-Entrepreneurs Food Innovation Resource Center.

- *Community Development Financial Institution: Non-profit financial institution that provides financial assistance and loans to food entrepreneurs*
- *Private Bank: For-profit financial institution that provides financial assistance and technical expertise not available through the Community Development Financial Institution.*
- *Private Investment Fund for local entrepreneurs*
- *Milwaukee Area Technical College*
- *USDA Farm Service Wisconsin Micro-Enterprise Initiative*
- *SBA SCORE*
- *Local University Small Business Legal Clinic: Provides business transactional legal services to emerging businesses, cooperatives and non-profit corporations.*

¹⁴ http://m.huffpost.com/us/entry/world-hunger_b_1463429.html

¹⁵ <http://www.moyak.com/papers/small-business-statistics.html>



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- *Local Food Cooperative & Local CSA's*
- *Other developers and builders.*

3 Conceptual Plans

See attached exhibit

CONCEPTUAL

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4 Mission Statement

MISSION

We want develop real estate in a socially responsible manner.

RESPECT

We honor the dignity and unique talents of everyone we serve.

VISION

The future is not something we enter. It is something we create.

COMPASSION

We nurture the well being of others and the environment.

JUSTICE

We join others to advocate for social justice.

STEWARDSHIP

We believe everything entrusted to us is for the common good to create and share wealth in the communities where we build.

The Catalyst

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