



John Hohenfeldt

Mayor, City of Cudahy

Memo to: Honorable Members of the Common Council

RE: Dept. of Economic Development Update August 2016

Honorable Council Members:

In a continued effort to keep you informed on Economic Development activity within the City of Cudahy,

I would like to provide this evening's update regarding several projects within the community. Economic Development and growth remains a priority of the City of Cudahy and my administration. To get these projects to move forward, there is a lot of behind the scenes work and efforts that is out of the view of our residents, and sometimes my fellow elected officials. In an attempt to continue to keep everyone informed, I provide this summary regarding each project since my March 15th update.

Bear Development, Layton Square, 3503-53 East Layton Avenue:

Project Summary: Development proposal for the construction of a 63,000 square foot retail / residential three story facility, estimated at 4,300 square feet on a 48,600 square foot site, with an estimated value of \$10 million dollars in value. The facility will have a common area, and 57 units comprised of 21 one bedroom, 27 two bedroom and 9 three bedroom units. The building will have a combination of underground stalls, surface stalls north of the building, ACC and Bear Property management will manage the building after construction. Rents in the building will range between (\$412 / \$820) for a one bedroom, (\$791/\$1,127) for a two bedroom, and (\$914) for a three bedroom unit. Unit sizes remain around 1 bedroom (700/900 square foot), 2 bedroom (1050/1100 square foot), 3 bedroom (1450 square foot).

August 2016 update: A ceremonial ground breaking was held on Thursday January 14, 2016, with actual construction beginning the week of January 18, 2016. Construction of the building continues with excellent progress which could have the construction completed as far as 4 to 6 months ahead of schedule. Interest in the under construction building for the residential remains strong and they are continuing to work on tenants for the commercial / retail space.

"Generations of Pride"

Office of the Mayor . City Hall, 5050 South Lake Drive, P.O. Box 100510, Cudahy, WI 53110
(414)769-2222 Fax (414) 769-2257 jhohenfeldt@ci.cudahy.wi.us

Public Infrastructure in area of 6143 South Packard Avenue, and associated back lots in this area:

August 2016: update: The project bids for the infrastructure for the public right of way will occur in the end of 2016, for a construction 2017 project. The money for this project was approved in the TID # 1 Project Plan Amendment #5.

EZ Self Storage, 5133 South Pennsylvania Avenue:

Project Summary: 60,000 sq. ft. self-storage, mini-warehousing, 11,000 sq. ft. retail commercial building

August 2016 Update: The developer began construction this summer on the 11,000 square feet of retail / commercial space. Construction continues to move along with completion late 2016 / early 2017. As of now, there are no dedicated tenants for the retail / commercial space.

Haven at Sweet Applewood, 3460 E. Barnard Avenue:

Project Summary: Community Based Residential Facility – 48 beds total, Two 14,400 sq. ft. buildings, to be constructed in two phases.

August 2016 Update: Construction on phase two continues should be complete for entry by the fall of 2016, several months ahead of schedule.

Packard Avenue Coffee Shop, 4849 South Packard Avenue:

Project Summary: Proposed coffee shop with drive through on the first floor, with residential unit on the second floor.

August 2016 Update: The Community Development Authority provided another additional 90 day extension to the Letter of Interest at their July 2016 meeting. Progress continues on the project working with the bank on financing, finalization of the business plan, and working with a builder for a building.

Smithfield Foods / Patrick Cudahy Smokehouse Addition, One Sweet Applewood Lane:

Project Summary: 12,570. Ft. addition to production area / Smoke House Addition, facility expansion, increased efficiencies, staining employment.

April 2016 Update: Both the additions of the smoke house and bacon addition are up and operational at Smithfield Foods Patrick Cudahy. The new additions also allow for additional production and have led to the additional hiring of employees, which was not anticipated in these projects.

“Generations of Pride”

Office of the Mayor . City Hall, 5050 South Lake Drive, P.O. Box 100510, Cudahy, WI 53110
(414)769-2222 Fax (414) 769-2257 jhohenfeldt@ci.cudahy.wi.us

Penn Place Development District, West Side of Pennsylvania Avenue, CDA Owned property, (approximately three parcels comprising 35 acres, (26 developable acres) corner of Layton and Pennsylvania Avenues:

Project Summary: Developable sites under the control of the Community Development Authority of the City of Cudahy and redevelopment plan for Penn Place Development District.

August 2016 update: During the months of March, April and May, the Community Development Authority has reviewed actions to continue forward on the letter of interest from McDonalds for development on the site. McDonalds is currently conducting a traffic study as a part of their due diligence, as well as working with the city on several access points to their development site.

At their July meeting, the CDA approved the general terms and conditions on an offer to purchase on a two acre site, with a 12 month option on a second two acre site, with Macro Hospitality for the construction of two hotels. The first hotel will be an extended stay hotel, with the second hotel being connected through a joint access lobby.

City staff is also working with Ehlers, our Financial Advisors, on the needed bonding for the required infrastructure for the impending roadways, sewer, water, utilities, required within the Penn Place Development site, in addition to the environmental costs relating to these utilities and infrastructure. We anticipate a moving forward with the financial package in either September or October of 2016, to allow for construction to begin on the site in 2017.

The Mayor and Economic Development Director are also working with three additional users for other buildings on the site. No details are currently available as of this update.

April 2016 update: The City of Cudahy Officials, Legal Counsel, and Environmental Consultants held a productive meeting with representatives of the Wisconsin Department of Natural Resources. It is firmly understood what requirements the DNR will require for the permits to construct and work to be done on the site to encourage economic development in a timely manner.

February 2016: The Community Development Authority after holding a public hearing the Penn Place Development Plan #2 at their February meeting.

“Generations of Pride”

Office of the Mayor . City Hall, 5050 South Lake Drive, P.O. Box 100510, Cudahy, WI 53110
(414)769-2222 Fax (414) 769-2257 jhohenfeldt@ci.cudahy.wi.us

Squire Village Apartments, 3510 et al Squire Avenue.

Project Summary: Three, 8,500 sq. ft. 6-family residential buildings, added assessed value estimate: \$1,950,000.

August 2016 Update: Construction is now complete on the third building with a waiting list for tenants due to the buildings are at full occupancy.

Barnard Avenue Extension from Sweet Applewood Lane to Nicholson Avenue

August 2016 update: As a part of the closing of Tax Increment District #1 and Project Plan Amendment #5, the City escrowed the money for the road portion extension of Barnard Avenue. The water and sewer work was put in prior to 2016. As a part of a smart bidding process facilitated by the Director of Engineering, the City bid this project as a part of the Kirkwood Avenue reconstruction project. The Council was able to earlier approve the bid which saved money on the Kirkwood Avenue project, as well as the Barnard Avenue Extension. Thus construction has started on the road which will be complete in the fall of 2016.

Other notes of sale of properties within the city:

1. 3244 College Avenue, former YMCA, was purchased in late April by the Federation of the Balkan Americans, and will be used as zoned as a business physical fitness center. As a part of their submittals, a public hearing was held and later approved by the Plan Commission for conditional and ancillary uses including **Conditional uses:** Commercial recreation facilities, Clubs of noncommercial nature; **Ancillary Uses:** sports leagues and tournaments, weekend and afterschool activities and clubs (basketball, swimming, soccer, ping pong, chess, etc.), birthday parties and other celebrations centered on use of gym, pool, and sports fields, ACT/SAT and other educational courses and instruction, fitness, yoga, dance, music, and theatre classes and instruction, sale of pre-packaged snacks and foods, community celebrations and events. A tentative opening date is scheduled for September 2016.
2. Temple Control Systems, Inc. will be locating and operating at 6009 S. Kingan Avenue. Temple Control Systems is a manufacturing business that specializes in automation and systems engineering.
3. Joshua Kurpius Photography, will be locating at 3702 E. Barnard Avenue. Mr. Kurpius is a commercial photographer who will be operating his photography business and office from this location.
 - Both Temple Control Systems and Joshua Kurpius Photography will be opening their businesses in the near future.

“Generations of Pride”

Office of the Mayor . City Hall, 5050 South Lake Drive, P.O. Box 100510, Cudahy, WI 53110
(414)769-2222 Fax (414) 769-2257 jhohenfeldt@ci.cudahy.wi.us

Respectfully reported,

John R. Hohenfeldt

Mayor

08/16/2016

"Generations of Pride"

Office of the Mayor . City Hall, 5050 South Lake Drive, P.O. Box 100510, Cudahy, WI 53110
(414)769-2222 Fax (414) 769-2257 jhohenfeldt@ci.cudahy.wi.us