Recap: Multi-family Housing Community Meetings

Meetings:

- November 20th, 2018
- December 5th, 2018
- January 16th, 2019
- January 22nd, 2019 (TBD)

Goal: find a location that works for the developer and the community.

Why?

- **Support Existing Businesses – Business Growth**
  - Overall, market value in Windom grew by 19.2% over the past year to $284.3 million in 2017 (S&P Global Ratings).
- **Housing Growth Potential**
  - Only 35% of Prime Pork, Fast Global Solutions & Toro employees live in the 56101 zip code.
- **Tax Impact & Community Impact**
  - The annual gross property tax to be generated by the 46-unit apartment development is estimated at $82,575. This revenue will help to offset existing local taxes, and it could be used to help fund infrastructure improvements adjacent to the development.
- **<u>We have multiple developers that wants to invest $5 million in Windom.</u>**

Why?

"Contrary to popular belief, students in Southwest Minnesota appear to favor staying in their communities after graduating - 75 percent of students surveyed indicated they would stay in their area if they had an acceptable job prospect. This is excellent news for rural communities and companies!" (DEED)

Why Millennials are Renting More – And Why It Works for Them

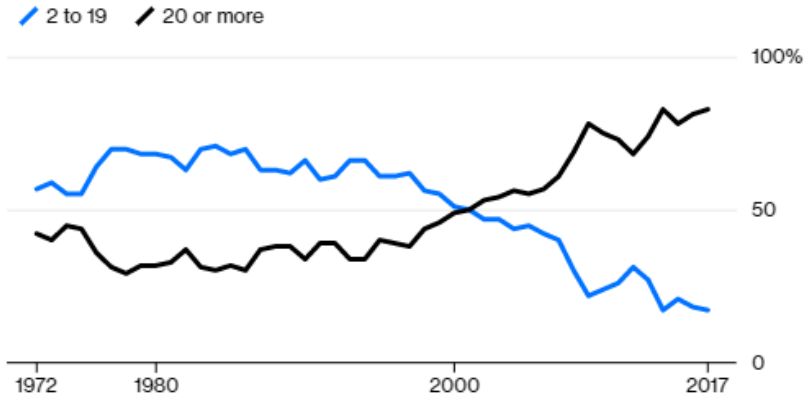
- It's in the budget
- Go as you please
- Let the landlord handle it (more fee time)
- Live where you want. Or not.
- Flexibility

Generation	Owner-Occupied	Rental Property
Early Boomers in 1981	35%	61%
Late Boomers in 1990	29%	67%
Gen Xers in 2000	34%	62%
Millennials in 2016	22%	74%

Apartments Cash Flow

Apartment Buildings Are Getting Bigger

Percentage of multifamily units completed by number of units per building



Source: U.S. Census Bureau

Potential Incentive Package – Market Rate Apartment

Land + TIF

TIF (Tax Increment Financing) – Tax revenue from the project. The incentive is paid out using tax revenue from the project paying the taxes not general fund.

TIF for a $5M Market Rate Apartment = **$300,000 to $400,000**

You would not get any new tax revenue if the market rate apartment is not built.

The annual gross property tax to be generated by the 46-unit market rate apartment is estimated at **$82,575**.

Potential Incentive Package – 4-unit Townhomes

Land + TIF

TIF (Tax Increment Financing) – Tax revenue from the project. The incentive is paid out using tax revenue from the project paying the taxes not general fund.

TIF for a $2M Market Rate Apartment = **$650,000**

You would not get any new tax revenue if the market rate apartment is not built.

The annual gross property tax to be generated by the 46-unit market rate apartment is estimated at **$32,678**.

Multi-family Housing – Community Input Meeting #1

Meeting Agenda:

- Everyone around the table, so we are having a conversation instead of a presentation
- Welcomes and introductions
- Housing need
  - Planning since 2016
  - Business growth but limited housing growth
  - Why a multi-family apartment development
- Review the Future Land Use Map (Comp Plan)
- Multi-family Housing Dot Map Activity
  - Put a dot on the map for priority 1, 2, and 3 for locations for multi-family housing

After the meeting

- Send out follow-ups to questions
- Send out multi-family housing infographics
- Post infographics on Facebook, website, etc.
- Create more easy to follow infographics

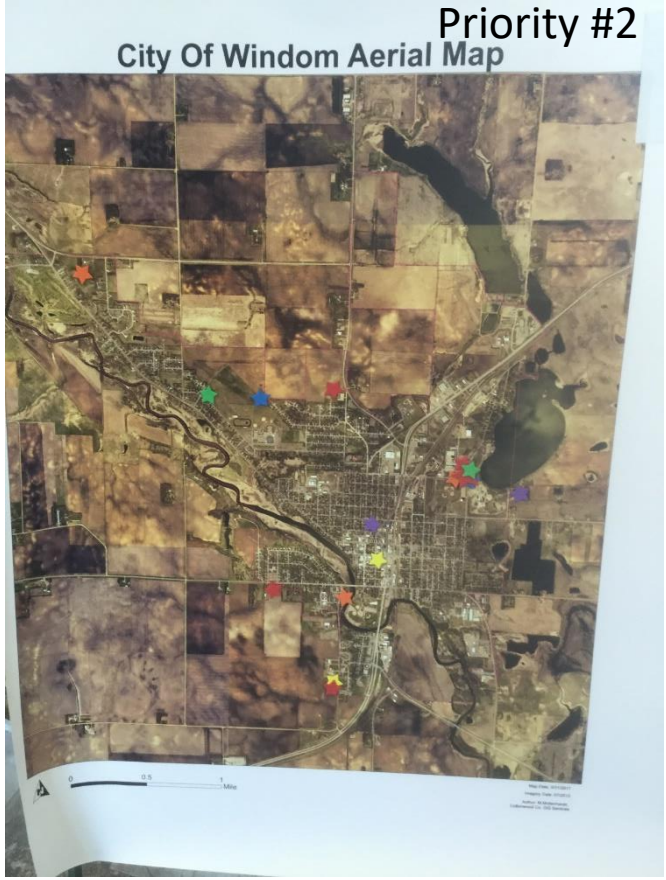
Multi-family Housing – Community Input Meeting #2

<u>Meeting Agenda:</u>

- Welcome and introductions
- Review the top locations identified through the Multi-family Housing Dot Map Activity (Meeting #1)
- Discuss the potential locations for the 46 unit apartment
  - Number of acres
  - Connectivity and amenities
  - Buffer
  - Availability of the property
  - Price of the property and estimated infrastructure costs
- Update the top locations for the 46 unit apartment
  - These locations will be used for the community survey so community members can rank the top locations that are currently available.

After the meeting

- Send out follow-ups to questions
- Community Survey – Rank the top locations



Multi-family Housing – Community Input Meeting #3

Meeting Agenda:

- Welcome and introductions
- Review the apartment survey
- Compare the potential locations for the 46 unit apartment
  - Number of acres
  - Connectivity and amenities
  - Buffer
  - Price of the property and estimated infrastructure costs
- Schedule community meeting #4
  - Potentially January 22nd, 2019

After the meeting

- Send out presentation

Possible Sites – Comparison: Buffer

What is a reasonable buffer?

750 feet — Distance between closest single family house and the apartment
(Average City Block: 350’ to 400’)
(Before and after all lots are development)

Existing Street ROW— Distance between closest single family house and the apartment
(Distance includes the street ROW and the setback from the street
(Before and after all lots are development)

Existing Street ROW— Distance between closest single family house and the apartment
(Distance includes the street ROW and the setback from the street
(Before and after all lots are development)

190 feet — Distance between closest single family house and the apartment
(Average City Lot: 100’x150’)
(Before and after all lots are development)

100 feet — Distance between closest single family house and the apartment
(Average City Lot: 100’x150’)
(Before and after all lots are development)

Landscaped Buffer — is a fairly recent development in zoning. It provides space, obstructs undesirable views, and in other ways reduces the impact of one use upon another.

Street Buffer — an intervening street or alley that acts as a buffer area. It provides space between uses and reduces the impact of one use upon another.

Site Plan Buffer — The garages and parking act as a buffer area. It provides space between the three story apartment building and single family homes.

Possible Sites – Comparison: Buffer (Neighborhood Impact)

Overflow Lot (South of the Community Center)

- 750’ to closest single family
- Site Plan
- Street ROW

Kruse Property – 18th Avenue

- 190’ to closest single family
- Vegetation Buffer
- Site Plan

Drake Avenue Redevelopment – 5th St.

- Street ROW
- Site Plan

Schmalz Park – 6th Avenue South

- Street ROW

~~**Crowley Property – River Road & CR 15**~~

- ~~100’ to closest single family~~
- ~~Site Plan & Greenspace~~

Possible Sites – Comparison: Traffic (Neighborhood Impact)

46-Unit Apartment
322 Trips
per Day (estimate)

Overflow Lot (South of the Community Center)

- North Redding Avenue to 16th Street
  - Neighborhood Connector (16th Street)
- North Redding Ave to Cottonwood Lake Dr
  - Residential Street (Cottonwood Lake Dr)

Kruse Property – 18th Avenue

- 18th Avenue to River Road
  - Neighborhood Connector (18th Ave & River Road)

Drake Avenue Redevelopment – 5th St.

- 5th Street to Drake Avenue to County Road 17
  - Residential Street (5th Street & Drake Avenue)
  - County Road 17 (Neighborhood Connector)
- 5th Street to Prospect Avenue to County Road 17
  - Residential Street (5th Street & Prospect Avenue)
  - County Road 17 (Neighborhood Connector)

Schmalz Park – 6th Avenue South

- 6th Avenue to Highway 62
  - Neighborhood Connector (6th Ave & Hwy 62)

~~Crowley Property – River Road & CR 15~~

- ~~Access: Private Drive or Public Street to River Road~~
  - ~~Residential Street (access)~~
  - ~~River Road (Neighborhood Connector)~~

Possible Sites – Comparison: Amenities

Overflow Lot (South of the Community Center)

- Cottonwood Lake
- Windom Rec Area
- Tegels Park
- Community Center

Kruse Property – 18th Avenue

- Connectivity to school
- Greenspace
- Potential pond
- Connectivity to River Road

Drake Avenue Redevelopment – 5th St.

- Des Moines River
- Mayflower Park
- Greenspace

Schmalz Park – 6th Avenue South

- Des Moines River
- Island Park
- Walkable to Downtown Business District
- Connectivity to Highway 60

~~Crowley Property – River Road & CR 15~~

- ~~Windom Country Club~~
- ~~Connectivity to River Road~~

Possible Sites – Comparison: Development Costs

City development costs will be paid for by TIF (tax revenue from the new development)

Overflow Lot (South of the Community Center)

- $74,470 – $132,530
  - Utilize Existing street, sewer and water for apartment
  - Pedestrian Trail: $74,470
  - Pedestrian Trail: $58,060 (Tegels Park to 24th Street)

Schmalz Park – 6th Avenue South

- $225,000 to $275,000
  - Utilize Existing street, electric, sewer and water for apartment
  - Water Quality/ Water Detention: $50,000 to $150,000 (MnDOT)
  - Pilings: $150,000 (split with developer)
  - Schmalz Park Relocation (north side of Hwy 62): $25,000

Kruse Property – 18th Avenue

- $135,320 – $785,320
  - Utilize Existing street, sewer and water for apartment
  - Land:$35,000 (5 acres)
  - 3 Phase Electric: $23,000
  - Flood Mitigation: $650,000 (potential assessments)
  - Pedestrian Trail: $77,320

Drake Avenue Redevelopment – 5th St.

- $360,330 – $410,330
  - Utilize Existing street, electric, sewer and water for apartment
  - Land: $100,000
  - Leveling the ditch
    - Fill: trucking, placement, and compaction: $80,000
    - Culverts: $80,000 to $120,000
  - Tree trimming and removal: $35,000 to $45,000
  - Pedestrian Trail: $40,330
  - Upper level parking for disc golf course and park: $25,000

~~Crowley Property – River Road & CR 15~~

- ~~$516,000~~
  - ~~Extend the street, sewer and water for apartment: $140,000~~
  - ~~Land: $360,000($30K an acre)~~
  - ~~3 Phase Electric: $16,000~~

Overflow Lot (Cottonwood Lake Drive south of the Community Center)
City Owned Property
1.9 Acres

Apartment Location

Overflow Lot (South of the Community Center) City Owned Property

Site Information
- 1.9 Acres
- Zoned R-3

Financing Benefit
- City Owned
- Large gain in property tax revenue

Infrastructure
- Utilize Existing street, electric, sewer and water for apartment along North Redding Avenue

Amenities
- Cottonwood Lake
- Tegels Park
- Community Center
- Windom Rec Area

Dev Activity	Price $74,470 – $132,530
Street, Sewer, Water & Electric	$0 (existing)
Pedestrian Trail	$74,470 & $58,060

Overflow Lot (South of the Community Center)
City Owned Property
1.9 Acres

Buffer with Single Family

- 750’

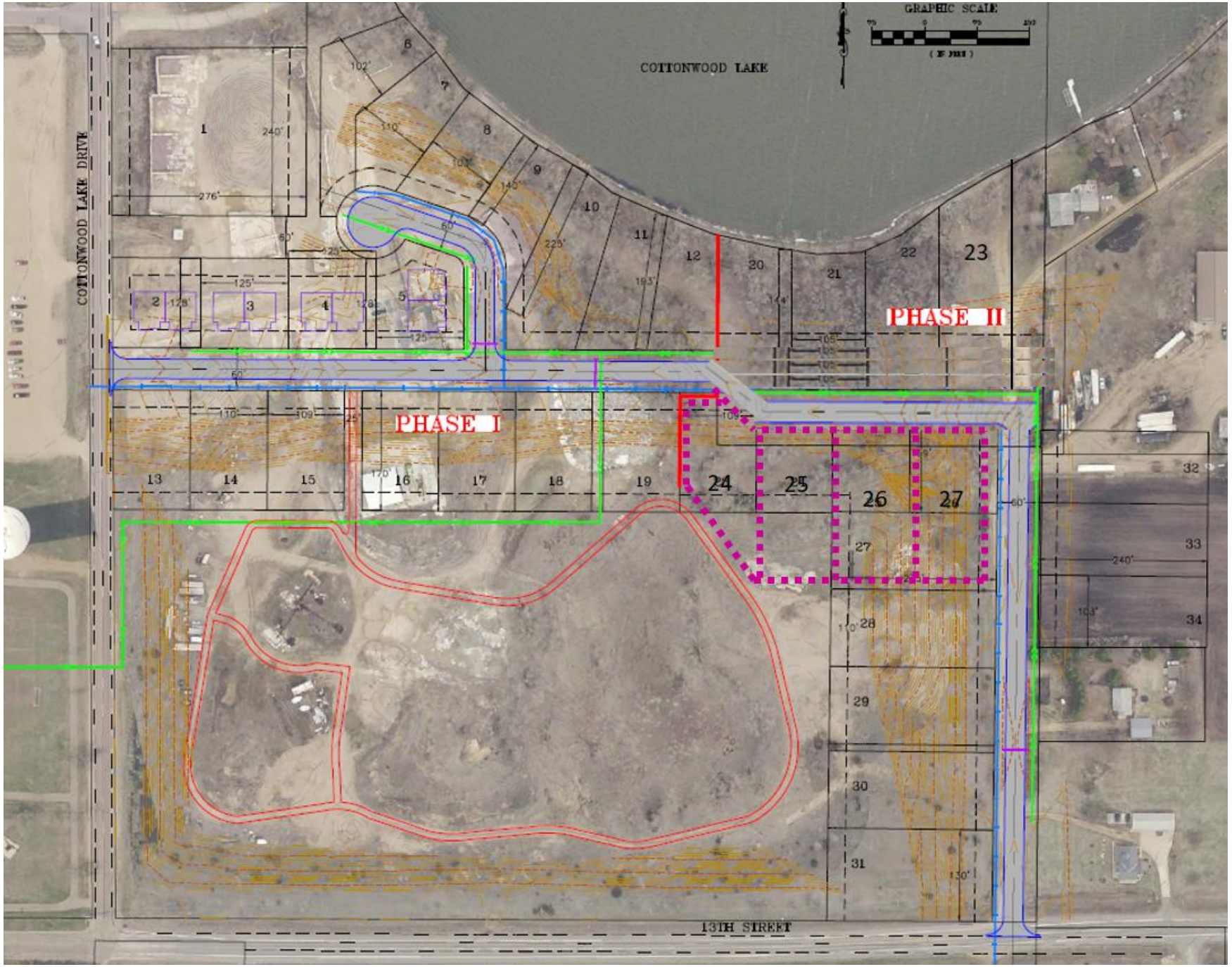
Redevelopment TIF District

The Tax Increment from the 46-unit Market Rate Apartment will help fund the Cemstone Redevelopment

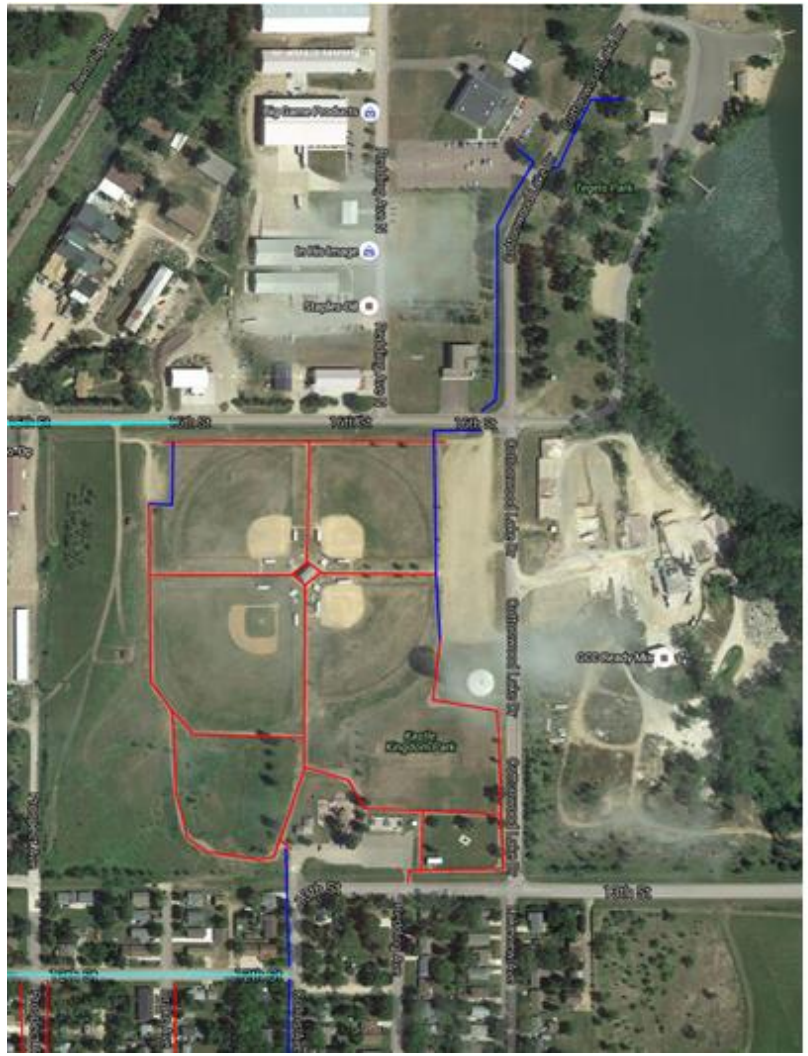
Cemstone Redevelopment Plan

Lot Type	Quantity
Lake Lots	11
City Lots	11
Country Lots	4
Duplex Lots	4
Multi-family Lots	1

Spec House Lots



Windom Regional Recreation Area Sidewalk & Trail Gaps



Existing Sidewalk & Trail

Proposed Sidewalk

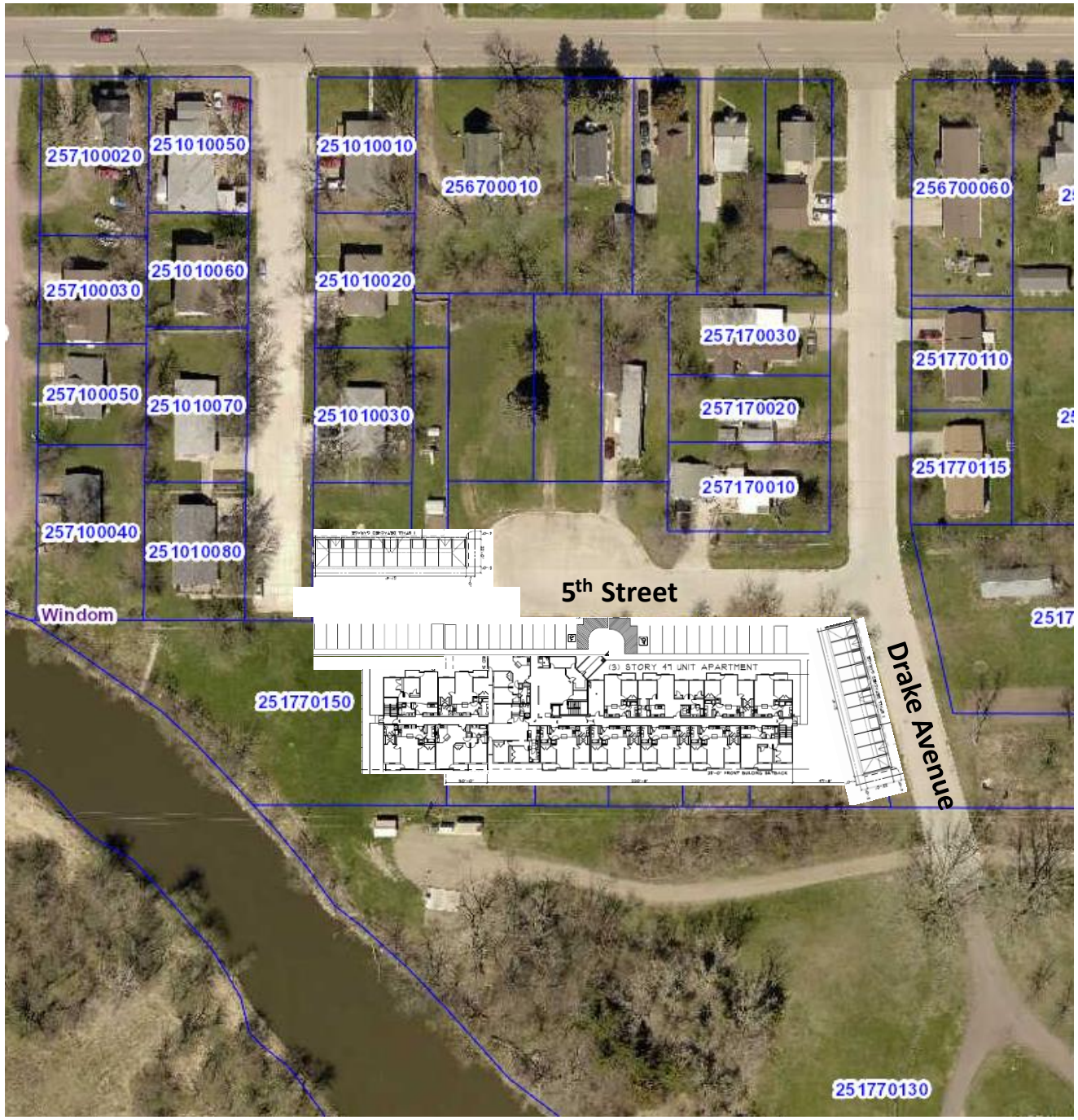
Sidewalk Gap

Drake Avenue Redevelopment
5th Street & Drake Avenue
1.7 Acres

Apartment Location

Drake Avenue Redevelopment

- 46 unit market rate apartment
- Purchase and redevelop 5 properties



Drake Avenue Redevelopment
5th Street & Drake Avenue

Site Information
- 1.7 acres (not in the floodplain)

Financing Benefit
- Portion is City Owned
- Large gain in property tax revenue
- Redevelopment

Infrastructure
- Utilize Existing street, sewer and water for apartment along Drake Avenue

Amenities
- Des Moines River
- Mayflower Park
- Greenspace

Potential Mayflower Park improvements
- Paved connection to Mayflower Park
- Upper level parking for disc golf course and park

Dev Activity	Price $360,330 – $410,330
Street, Sewer, Water & Electric	$0 (existing)
Land:	$100,000
Leveling the ditch	$160,000 – $200,000
Tree trimming and removal	$35,000 – $45,000
Pedestrian Trail	$40,330
Upper level parking	$25,000

Drake Avenue Redevelopment
5th Street & Drake Avenue

Spec House Lots

Potential Mayflower Park Improvements

Cedar Fence

Mayflower Park Parking

Disc Golf Trail

Schmalz Park (6th Avenue South on the Des Moines River)
City Owned Property
3.1 Acres

Apartment Location

Site Information
- Multi-family Lot (Zoned R-3)
- Approximately 1.2 acres is buildable (not in the floodplain – refer to floodplain map)

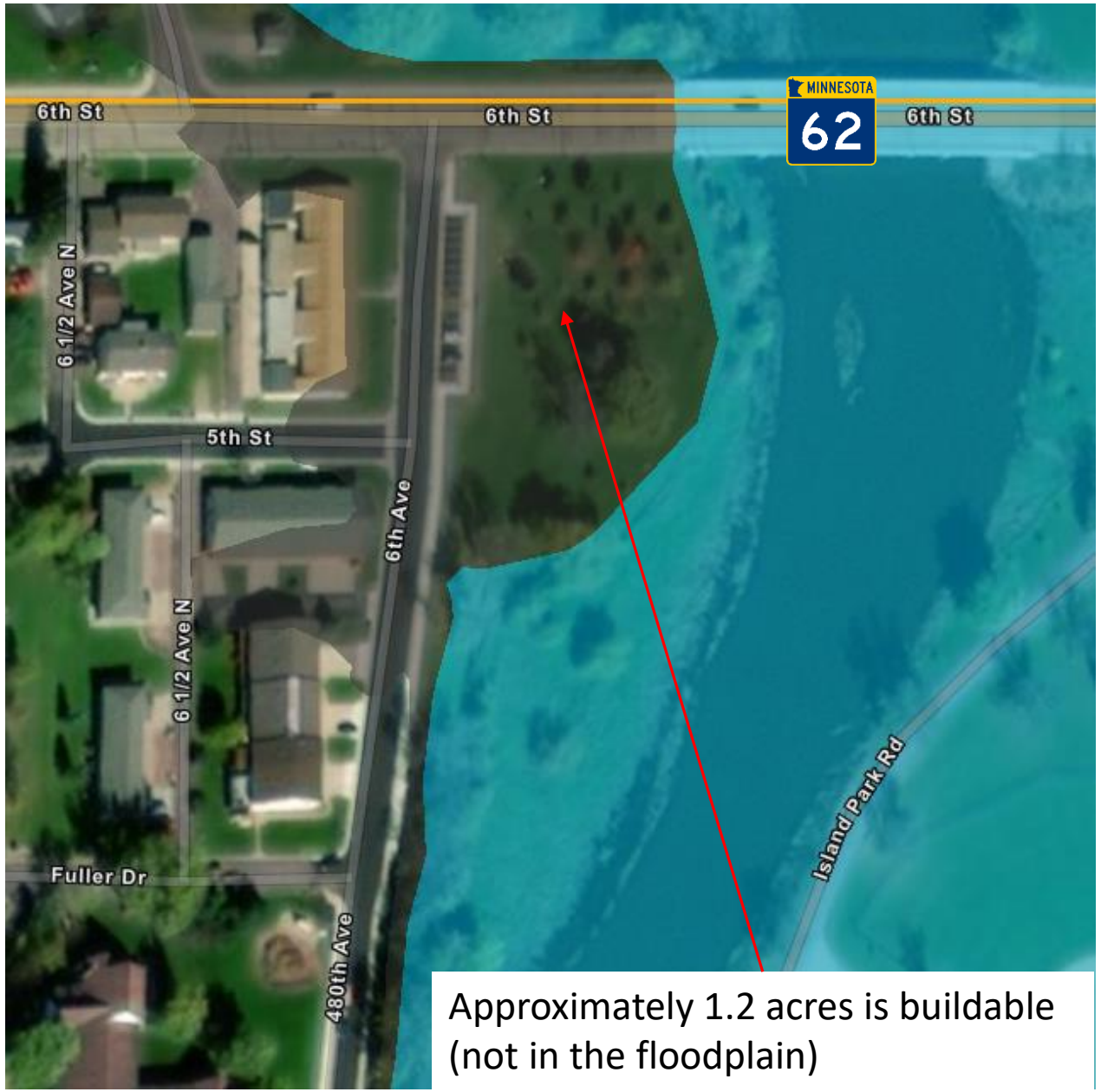
Financing Benefit
- City Owned
- Large gain in property tax revenue

Infrastructure
- Utilize Existing street, sewer and water for apartment along 6th Avenue South
- Lower cost development

Amenities
- Des Moines River
- Island Park
- Walkable to Downtown Business District
- Connectivity to Highway 60

Dev Activity	Price $225,000 – $ 275,000
Street, Sewer, Water & Electric	$0 (existing)
Large concrete catch basin	$50,000 – $150,000
Pilings	$150,000 (split with developer)
Schmalz Park Relocation	$25,000

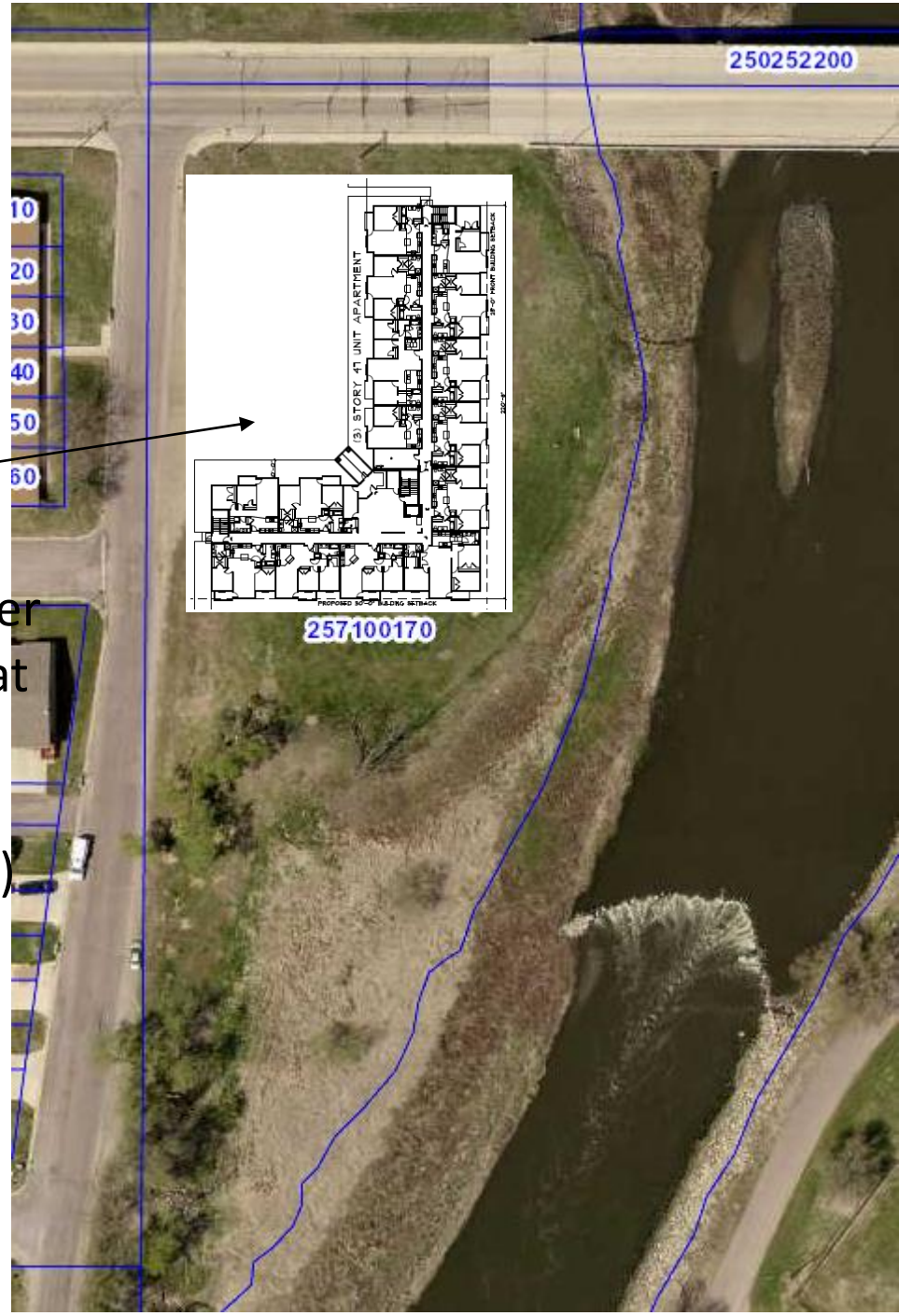
Floodplain Map



Approximately 1.2 acres is buildable (not in the floodplain)

Site Plan

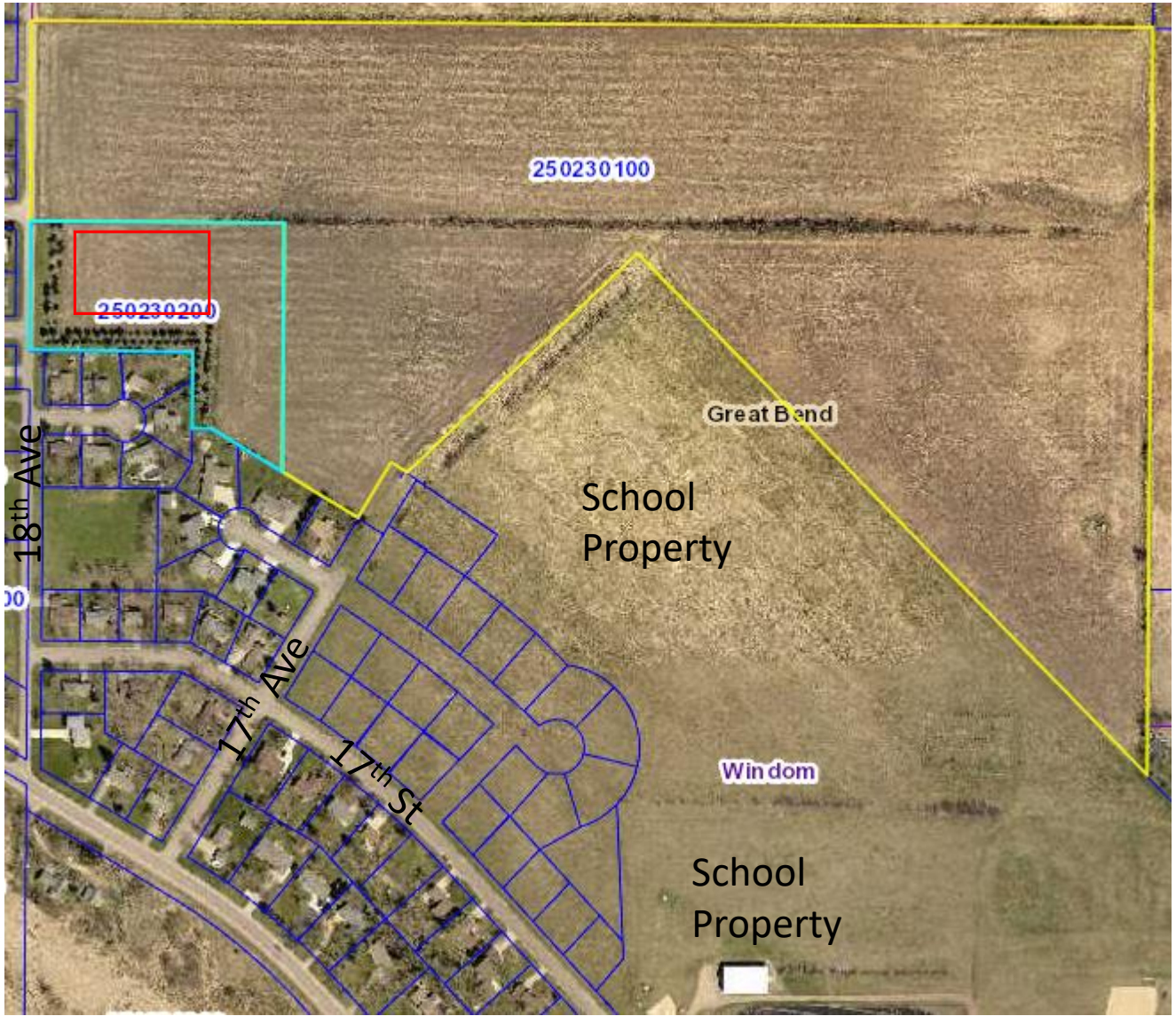
(Drive under garages – at ground level in apartment)



Kruse Property – 18th Avenue by the School
5 & 55 Acres

Apartment Location

Kruse Property
Parcel Number 250230200 & 250230100
5 & 55 Acres



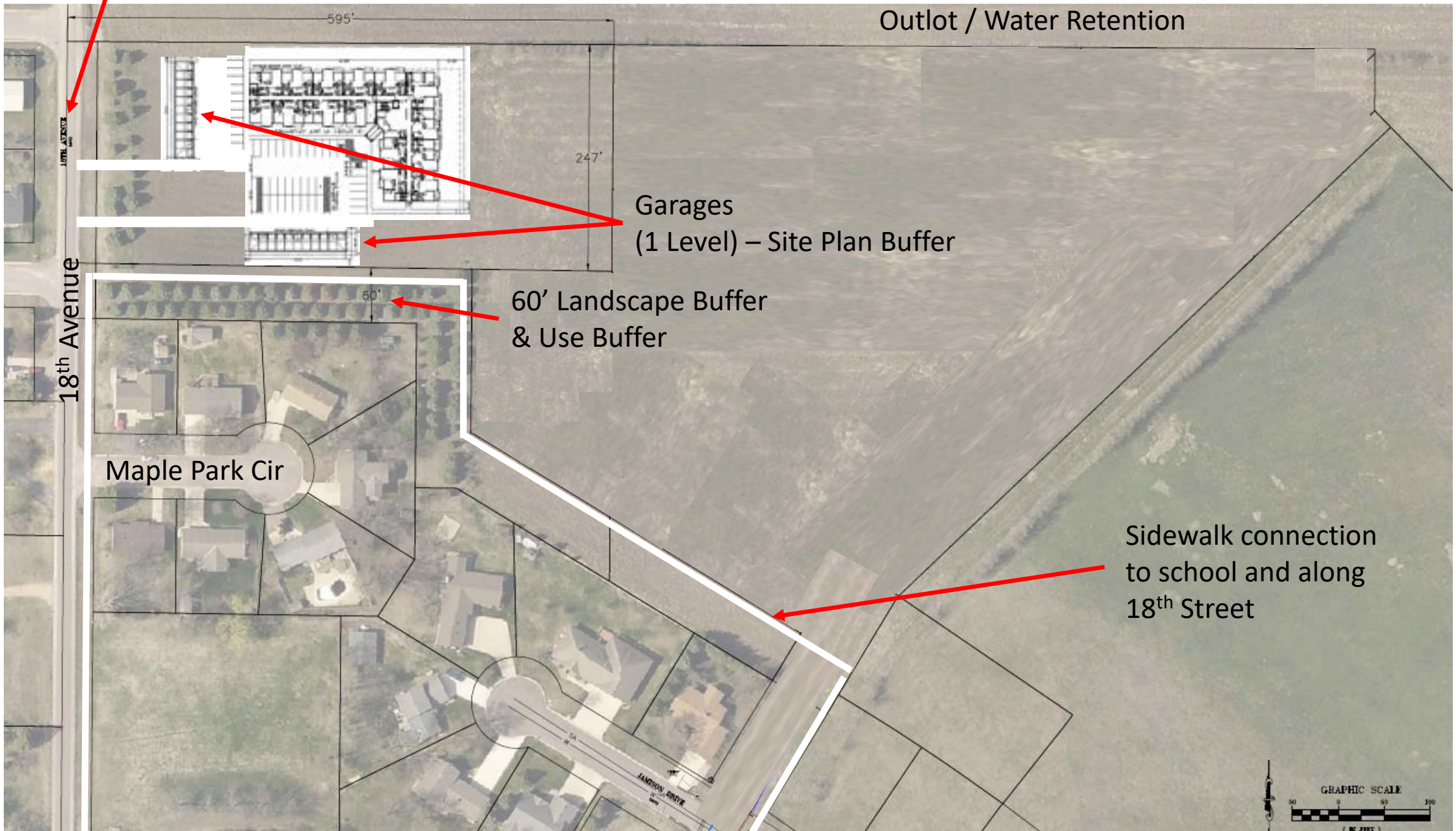
Apartment Location

Site Information
- 60 acres
- Purchase option
- Multi-family Lot
- Duplex or 4 Plex Lots
- Potential Pond Lots
- Potential City Lots
- Potential Country Lots

Infrastructure
- Utilize Existing street, sewer and water for the apartment along 18th Avenue
- Electric extension would be minimal
- Extend infrastructure for the rest of the development

Amenities
- Connectivity to school and River Road
- Greenspace

Dev Activity	Price $135,320 – $785,320
Street, Sewer, Water & Electric	$0 (existing)
Land	$35,000 (5 acres)
3 Phase Electric	$23,000
Flood Mitigation	$650,000 (potential assessments)
Pedestrian Trail	$77,320


66’ Use Buffer (Street ROW) + Site Plan Buffer
Outlot / Water Retention
595'
247'
Garages
(1 Level) – Site Plan Buffer
60'
60’ Landscape Buffer
& Use Buffer
18th Avenue
Maple Park Cir
Sidewalk connection
to school and along
18th Street
GRAPHIC SCALE

Crowley Property Development
River Road & County Road 15
11.7 Acres

Apartment Location

Crowley Property
Parcel Number 250222405

Site Information
- Greenfield Site
- 11.7 Acres

Infrastructure
- Extend infrastructure for entire development

Amenities
- Windom Country Club
- Connectivity to River Road

Dev Activity	Price $516,000
Street, Sewer, Water & Electric	$140,000
Land	$360,000 ($30K an acre)
3 Phase Electric	$16,000

223 Survey Respondents

	1	2	3	4	5
Overflow Parking Lot - South of the Community Center	28.57% 64	8.48% 19	16.96% 38	13.84% 31	32.14% 72
Kruse Property – 18th Avenue by the School	20.98% 47	17.41% 39	15.18% 34	21.43% 48	25.00% 56
Schmalz Park – 6th Avenue South on the Des Moines River	16.59% 37	24.22% 54	22.87% 51	22.42% 50	13.90% 31
Drake Avenue Redevelopment - 5th Street & Drake Avenue on the Des Moines River	23.01% 52	28.76% 65	26.55% 60	16.81% 38	4.87% 11
Crowley Property Development - River Road & County Road 15	13.66% 31	20.70% 47	17.62% 40	24.67% 56	23.35% 53

343 Survey Respondents

	1	2	3	4	5
Overflow Parking Lot - South of the Community Center	26.82% 92	8.16% 28	16.33% 56	13.12% 45	35.57% 122
Kruse Property – 18th Avenue by the School	21.39% 74	17.34% 60	17.92% 62	19.08% 66	24.28% 84
Schmalz Park – 6th Avenue South on the Des Moines River	14.91% 51	23.39% 80	22.81% 78	24.85% 85	14.04% 48
Drake Avenue Redevelopment - 5th Street & Drake Avenue on the Des Moines River	24.50% 85	28.24% 98	25.36% 88	18.16% 63	3.75% 13
Crowley Property Development - River Road & County Road 15	15.23% 53	22.41% 78	16.95% 59	23.56% 82	21.84% 76

369 Survey Respondents

	1	2	3	4	5
Overflow Parking Lot - South of the Community Center	27.25% 97	8.15% 29	16.29% 58	13.48% 48	34.83% 124
Kruse Property – 18th Avenue by the School	21.23% 76	17.32% 62	17.60% 63	19.27% 69	24.58% 88
Schmalz Park – 6th Avenue South on the Des Moines River	15.17% 54	23.03% 82	23.03% 82	24.16% 86	14.61% 52
Drake Avenue Redevelopment - 5th Street & Drake Avenue on the Des Moines River	24.17% 87	28.33% 102	25.00% 90	18.61% 67	3.89% 14
Crowley Property Development - River Road & County Road 15	15.19% 55	22.38% 81	17.40% 63	23.20% 84	21.82% 79

Other Ideas