



REDEVELOPMENT RESOURCES

Watertown Riverfront/Downtown Redevelopment Initiative

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I. INTRODUCTION

The City of Watertown has engaged Redevelopment Resources LLC with the task of constructing ideas on how to best redevelop and assist in revitalizing downtown Watertown including the Rock River corridor. Whether a community's central business district spearheads the local economy or serves as a regional retail destination, the downtown is always the single most important identifying feature of any city and characterizes the community overall. The city has chosen well to undertake this redevelopment work as the overall economy appears to be improving in pace.

Downtown Watertown is already 'ahead of the (development) game' in terms of offering a lively business district, bisected by the Rock River; has a significant retail and service business mix as well as a superior inventory of historic buildings like few other communities in Wisconsin. Downtowns are far more important to a community than periodically gauging their retail temperature and planning for improvements; downtown economies are critical to a healthy and balanced community which draws and attracts people and investments.

Sampling methods can help measure the impact which downtown delivers within Watertown's economy and community. Economic impact from the central business district was quantified by sampling number of businesses, downtown employees and property values. This data suggests that the central business district yields a significant contribution serving the city and residents and when

viewed as a whole, the downtown is one of the top five private, taxable corporations in Watertown. Thus, 'Downtown Watertown' is a significant and vital client of the city and should (as any other major asset) be preserved, managed and enhanced, in order for it to continue, as well as, increase its economic impact in delivering jobs, incomes, tax base and service to the community.

In approaching its work, Redevelopment Resources followed a foundation and research path to include personal interviews, review of previous planning and development documents, on-site visits, focus groups and review of other existing data. Based on this input redevelopment initiatives for the Rock River and the Main Street study area are offered in three levels of effect: 'Small', 'Impact' and 'Transformative' scales; each resulting in delivering various levels of influence bringing about change.

The team has considered not only what would be beneficial for residents and visitors to the community, but also for the future of the businesses in downtown as well as the rest of the business community in Watertown. What follows is a review and set of realistic recommendations for enlivening the downtown, energizing the riverfront and revitalizing the building stock to the highest and best use, working toward a vibrant future for downtown Watertown.

II. REDEVELOPMENT UNDERPINNINGS

Several underpinnings or foundational principles guide and support the redevelopment process and should be considered when undertaking downtown revitalization. These guiding principles include:

- Attracting 'people' into the downtown: Successful downtowns are all about 'people'. Attracting residents and visitors into the city's center invites investment and doing so requires creating an appealing event and destination-styled environment which can be supported through
- Eliminating blighting influences: Ridding the downtown of aging, deteriorating, obsolete and non-code complying properties is essential to improving the attractiveness and livability of the central business district. Creating demand for exciting new and different retailing, housing, entertainment and a variety of services can be accelerated by
- Re-purposing waterfront land uses: Historically, use of waterfront property has evolved from early transportation and industrial corridors to residential, commercial and leisure functions today. To benefit from new economic opportunity industrial properties (like the 7Up Bottling Company at 410 S. 1st Street and Johnsonville products at 104 E. Division Street) should be considered for acquisition, relocation and redevelopment. In addition, public parking located on waterfront land provides little direct economic benefit and is not focused on



- Ensuring the highest and best use of property: Improving property values and creating retail, housing, offices and leisure or entertainment opportunities may be attained by designing bold public spaces, new amenities, updating and renovating the commercial building stock (especially appreciated are historic renovations) and re-purposing land and business of which one strategy includes
- Land-banking: Acquiring property for inclusion into a 'land bank' is a prerequisite element for impact redevelopment to occur. In order to create new, different and higher economic uses creating an inventory of re-developable land speaks to community readiness in making property available for immediate development.

There are also accompanying principles which support revitalization including the following:

- Installation of public infrastructure (including public financing and program components, Wi-Fi and others) are paramount in successful downtowns,
- Management of (retaining, supporting and recruiting) fresh retail, business mix and community service is a 'constant variable' relative to downtown revitalization, and
- Programming for events, festivals, promotions in and along public spaces and places always speaks to bringing more and more people to the downtown.
- Parking and traffic together is the component of redevelopment and revitalization which offers a universal challenge in every downtown. It is so in Watertown because traffic flows into and through the area to serve local businesses in and around Main Street as well as Main Street acting as thoroughfare State Highway 19. As the community changes so should considerations for parking and traffic. Team members made several observations and recommendations, which are outlined later in this report.

III. THE IMPORTANCE OF DOWNTOWN

Having a strong lively economy is important in attracting people and families to move to, live, work and stay in a community is equally important as a low tax rate. Investments in the arts, culture, entertainment, history and events draw people to a city and downtown area. Investments in redeveloping downtown are just that; they're investments. Communities across Wisconsin like Eau Claire, Green Bay, Wausau, Stevens Point, La Crosse and others know that public and private investments in urban redevelopment provide greater long term benefits than the initial costs. With downtowns being a community's single most important identifying feature, downtowns need to provide a basis or justification to bring business and families to Watertown. This is only one reason that downtowns are important. There's another equally compelling reason for investing in the downtown: a new perspective.

Universally downtowns are viewed as a collection of separate, individual and independent retailers. However, a new perspective by viewing the Central Business District as one corporation brings the importance of downtown into focus. In surveying and estimating

Watertown's Main Street properties it is found that the over 110 buildings and businesses employ approximately 550 employees. These businesses pay an estimated \$13,750,000 in annual wages ($550 \times$ estimated annual income of \$25,000) and constitute about \$12.7M in tax base (111 buildings with an estimated average assessed value of \$115,000). Those estimates for jobs, income, and tax base are just for Main Street alone. Applying the sampling and estimating methods from Church Street to 9th Street and Cady to Jefferson Streets would multiply that impact.

Compared to the Watertown Economic Development Organization's list of top five corporations, the downtown may be the largest single private taxable corporation in the entire community. So whether downtown Watertown serves as a regional retail and service center or whether it is one of the top largest corporations in the community, the downtown corporation warrants support and continuing investment to preserve and expand its tax base, employment, incomes and service to the city.



IV. OPPORTUNITY ASSESSMENT

The Redevelopment Resources team visited Watertown numerous times over the Spring and Summer of 2014, starting with a day-long assessment in April. The observations below are categorized in groups of opportunities including Land Use and Urban Design, Redevelopment, Market and Organizational Structure (which tie to funding) opportunities.

A. Land Use and Urban Design Opportunity Assessment

The following is a summary of land use and urban design opportunities for downtown Watertown based on observations made during an initial site visit conducted in April 2014. These opportunities will be evaluated and provide the framework for master plan recommendations. Opportunities are divided into several categories including downtown boundaries, transportation, parking, land use, and streetscape.

Downtown Boundaries

The city provided the Redevelopment Resources consultant team with a draft downtown map that shows the extent of the Main Street downtown district extending from Washington Street on the west to Ninth Street on the east and from Milwaukee Street on the south to Cady Street on the north (see map). These boundaries will be evaluated and revised as part of the master plan. After initial observation, it is suggested that the westerly boundary of the downtown be moved to Church Street/STH 26 since STH 26 is the primary entrance into the downtown from the STH 26 Watertown Bypass and St. Bernard's Catholic Church, located at the SW corner of Church Street and Main Street, is an iconic historic structure that creates a dramatic entrance into the downtown. See Map; Appendix 1

Transportation

Main Street (STH 16/19) is an 80' right-of-way (ROW) with a 50' street between Church and the Rock River tapering to an 66' ROW and a 46' street between the river and Ninth. There are six traffic signals located on Main Street in the twelve blocks between Church and Ninth. Pedestrian crosswalks are striped but are not highly visible. Consideration should be given to more visible colored concrete crosswalks. There are multiple one way streets east of the river that can make the downtown difficult to navigate for visitors. Conversion of one way streets to two-way should be evaluated.

Traffic in the downtown is active and at times functions like a 'race-way'. Because of the width available in the right of way, the plan calls for constructing a median or boulevard on Main Street from Church east to the Rock River; the effect is to soften entry into the downtown as well as landscaping tends to slow traffic. An additional technique to slow traffic is to create angled parking on several blocks along Main Street. Angled parking provides for additional spaces, is easy to park and according to several community police departments there are fewer accidents than with a parallel parking configuration.

One additional note on traffic is the pattern itself. On Main Street from the Rock River east to 8th Street including side streets, all but 1st and 2nd Streets have a one-way pattern of some nature. Although residents may be familiar with the one-way pattern and the 'looping' of traffic by having become accustomed over a period of years, visitors may find the pattern awkward and somewhat confusing.

Land Use

There is a continuous pattern of zero setback, 2-4 story historic buildings with commercial storefronts along Main Street between Washington Street and Sixth Street. The storefronts are mostly occupied but many upper stories are vacant. Better utilization of upper floors should be prioritized.

The first block of Main Street east of Church Street and the four blocks of Main Street east of Fifth Street include newer one story commercial uses with large setbacks that depart from the historic massing and storefront pattern of Main Street. A continuous Main Street streetscape with street trees, furnishings and lighting will assist in creating a cohesive identity for the downtown.

The land use pattern surrounding Main Street is less dense with a mix of older commercial and residential structures. Several sites may be candidates for redevelopment.

The downtown includes several institutional uses such as City Hall, Fire Station, Library, Park and Recreation Department, and Senior Center that enhance the role of downtown as a civic center.

The west side of the river between Milwaukee Street and Emmet Street has undergone recent redevelopment with two new 4-story residential structures. Additional redevelopment opportunities include the removal and relocation public and private parking lots and the potential redevelopment of industrial sites when businesses relocate.

Streetscape

Streetscape improvements are important in creating identity and destination appeal, improving the safety and walkability, traffic calming, and enhancing the historic character of the downtown. Today, streetscaping in downtown Watertown is limited to ornamental street lights, benches and trash receptacles, directional signage and colored concrete sidewalk terraces. Several opportunities to enhance the downtown streetscape character should be considered.

Beautifying and signing the main approach into the downtown on STH 26/Church Street can assist visitor navigation and first impressions. Possible improvements include planting street trees in the wide boulevard along South Church Street and providing downtown trailblazer signage beginning at the Watertown Bypass and leading into the downtown.

Downtown entrances are not clearly marked. Downtown entrance signs and landscaping should be located at Church Street and Main Street and Main Street and Ninth Street.

The downtown district is long, comprising twelve blocks between Church Street and Ninth Street. Street trees and colored crosswalks should be added to visually break up the length of the corridor and unify the district. Consideration should be given to dividing the corridor into streetscape zones with the most intensive streetscape zone between Water Street and Second Street to emphasize the river as the major destination and focal point of the downtown. A major public space should be considered for Main Street that can serve as a central gathering place for visitors and residents and a location for community and downtown special events.

Enhancements to the historic character and identity of the downtown should be prioritized including the installation of an historic interpretive signage program, expansion of the downtown mural program and historic façade and building improvements. Bicycle parking and signage should be provided to enhance Downtown Watertown as a bicycle-friendly destination.

The Rock River is the major focal point of the downtown but visual and physical access is limited and the riverfront character needs improvement. Views to the river from Main Street should be expanded and pedestrian access to the river from adjoining streets should be improved. Riverfront beautification should be prioritized including:

- the removal of deteriorating walls and replacement with sloping landscaped banks;
- selective removal of vegetation to open views to the river;
- phased removal and relocation of parking lots on the river;
- addition of ornamental lighting, public art, interpretive signage, and accent lighting for the Milwaukee Street, Main Street and Cady Street bridges to enhance the night time ambience of the river.
- Finally, the use of the riverfront should be improved with a continuous at grade riverwalk on both sides of the river and the addition of fishing platforms, transient docking, canoe/kayak launches, seating pockets and river overlooks.

Parking

Angled parking on Main Street was discussed with Watertown's city engineer and the Wisconsin Department of Transportation (DOT). With the state having jurisdiction on the Main Street/Highway 19 route the DOT indicated that there was insufficient width of the right-of-way to create angled parking on either one or both sides of the street to meet standards.

Relative to general parking within the downtown area there appears to be available parking of public and private spaces for employees and shoppers/visitors, if one could walk from available parking spaces to their destination. If the downtown will grow as planned then additional public parking would be desirable. There are public parking lots on North 1st Street (along the river), on East Madison Street from 4th to 5th Streets; at the southwest corner of 2nd and Jones, on Water Street south of Main Street as well as on south 1st Street along the river. During most all business days there was sufficient on-street parking available on E. Market Street. If additional public parking would be desired, a candidate location would be behind the 200 block of E. Main Street along E. Market Street. Although property would have to be acquired, the location would put the public in reasonably close proximity to Main Street destinations.

B. Redevelopment Opportunities

Creating an attractive and appealing commercial building stock will draw people into the downtown, who will spend money resulting in support for new and existing businesses. High quality façade renovations will create new energy downtown and improve the building stock.

There exists an opportunity to create a downtown anchor development which would act as a draw for residents and visitors alike.

Removing blighted buildings and redeveloping others will serve many purposes, including but not limited to improving the existing building stock, increasing property values, enticing more visitors to the downtown, increasing the opportunity for business growth and elevating the level of energy in the downtown.

Redevelopment of public parking along the river (transitioning it to a higher and better use) is recognized as an opportunity.

Enlivening second stories throughout the downtown is also an opportunity for redevelopment. A study presented by the Wisconsin Economic Development Corporation estimates that full utilization of currently vacant spaces within the downtown would result in 148 additional residential units, 13 additional businesses and 59 additional employees. Provided this renovation is financially feasible for property owners, City officials should facilitate and encourage the development of second story spaces.

C. Market Opportunities

Downtown Watertown is an exciting district with a foundation of historic buildings, the Rock River flowing through it, as well as being a Main Street community. These assets have created a solid business district which is the home to many long-time and newer businesses. But even with these assets, every highway or downtown business district, and even a community shopping center needs to be ever cognizant of how to stay competitive in the marketplace.

The natural attrition of businesses, an under-defined business mix, competition from newer market areas and retailers, savvy consumers with high demands, and an aging real estate stock (historic or not) can slowly erode the identity of any business district. Downtown Watertown has worked diligently with the assistance of the Main Street Program to keep this business district competitive. This work is non-stop on so many levels, and will always require more and more time, and more and more resources.

An important key to this work is identifying leadership who will share and support the cause politically, technically and financially. The next thing to do is to carefully evaluate the value of each project or cause by the return on the capital (political, financial, time) that needs to be invested.

D. Organizational Structure Opportunities

Municipal corporations organize themselves to meet policy goals and adopted budgets constitute how established policy goals are to be executed. Many communities administer policies and budgets separate from one another but in reality they are inextricably linked. The difficulty at times can be that the resulting structure of municipal government doesn't meet community goals. The high cost of employing personnel, which is usually a community's greatest budgetary expense, is often the first victim of maintaining or lowering budgets and reducing expenses.

This method of saving taxpayer money can be counterproductive in part because experienced talented staff brings the greatest benefit to residents and the community overall. Communities (sometimes under the goal of 'operational efficiency') support fewer and fewer staff positions which are then asked to do more and more work and given greater responsibilities with few additional resources. At some point the productivity curve skews downward and, although money is saved and taxes are lowered, policies and goals are left unattended or unmet.

Even considering Main Street and the Watertown Economic Development Organization, the City of Watertown's staffing pattern for downtown redevelopment and revitalization is insufficient to meet existing (and ever increasing) local economic development and redevelopment demands in the community. The city is relying on private groups, non-profit organizations and consultants to advise and undertake this work rather than employing full-time staff. An opportunity exists to evaluate existing staffing structure and plan for the most effective utilization of staff resources.

One method of addressing redevelopment issues is to use existing tools which have been (or currently are) underemployed. The City of Watertown created its Community Development Authority (CDA) on August 15, 1989, which under current Wisconsin state statute (66.1335) has broad powers for administering both housing and redevelopment programs throughout its jurisdiction.

Redevelopment Resources undertook the following steps in reviewing the structure and function of the Watertown CDA:

- Financial statements from 2011 and 2013 were reviewed;
- Questions were posed and answers received from the Executive Director;
- Annual budgets were reviewed and
- CDA minutes over the past two year period were read.

Some findings are discussed below:

1. Agency Overview

Based on information made available from the Watertown CDA, it is a small agency and currently stable in its operation relative to providing affordable housing to its constituency. The CDA operates 79 public housing units of which 56 units serve senior and disabled residents at Johnson Arms and 23 units are serving families in scattered sites. Based on submissions to the U.S. Department of Housing and Urban Development via its PHAS (Public Housing Assessment Program), the agency is designated as a 'high performing' housing authority.

2. Financing:

In reviewing the 2013 financial audit, of note is the approximate property 'book value' of \$1,384,474 (which is accounted for by subtracting the accumulated depreciation of \$3,156,611 from the asset values of \$4,541,085). This signals no expansion of the housing inventory and that the existing building assets are aging and will require additional capital funding in the future to be maintained. Total operating expenses are \$554,426 and after considering depreciation of \$200,856 actual cash expenses total \$353,570. With Unrestricted Net Position (working capital/cash) at \$198,339 there is a cash operating reserve of 56% (of annual cash expenses) which would carry the agency for a period of 5 to 6 months (based on usual annual expenses).

3. Staffing:

Relative to personnel the Community Development Authority has two full-time employees which is a minimal staffing level necessary to operate a public housing program. The Executive Director is responsible for managing and administering the agency overall. Those duties include reviewing prospective tenant applications, income qualifying, leasing, reporting to the U.S. Department of Housing and Urban Development (HUD), securing contracts, auditing and numerous other responsibilities. The maintenance employee is responsible for maintaining grounds and buildings, turning-over vacant units, seasonal duties and attending to work orders. Average number of 'work orders' is estimated at 250 per month. No outsourcing of functions (lawn mowing, snowplowing, painting, etc) is undertaken. How can redevelopment issues be addressed without adding fulltime employees?

4. Programming:

According to the Executive Director the CDA has:

- a. Not been involved with any new programs or activities in the past several years,
- b. No operational or programmatic challenges are before the agency,
- c. No applications or participation in any programs outside of HUD or the Wisconsin Association of Housing Authorities (WAHA), and
- d. No trends are affecting the agency's current operation.

After review of the CDA's financing, staffing and programming elements, the agency is functioning purely as a property management office. The inventory of housing is aging; cash position is at a modicum; staffing is minimal and there are no new housing programs or other community initiatives of any type being undertaken based on information made available to reviewing consultant. There appears to be no evidence that the Watertown Community Development Authority is using its powers under state statute for any redevelopment activity within the community.

V. LEVELS OF IMPACT

There are generally three "Levels of Impact" with capacities to influence downtown revitalization efforts. 'Small, Impact and Transformative' redevelopment scales each possess the ability to bring about change (relative to creating jobs, incomes, tax base). They are based on different weights of investment made in achieving goals aimed at attracting people, eliminating blight, re-purposing waterfront (the Rock River being one of Watertown's greatest contributing assets) and seeking the highest and best use of all downtown property.

The benefits associated with each of the three levels of impact are based on the amount of money invested and the degree to which they target an identifiable market. When investments overlap by achieving two (or more) goals simultaneously the benefit can have wider impact.

- **The Small scale** level of impact is an amenity-based investment, one where effort is aimed at beautifying and improving design and aesthetics. People enjoy coming to attractive appealing places which create a desirable environment. Examples of amenities include:
 - Benches and street furniture, bicycle racks, way-finding signage and (often overlooked is) clean/litter free spaces
 - Banners, Flags, seasonal decorations
 - Landscaping, hanging baskets, street trees
 - Lighting to include both ornamental street lights, illuminating the Main Street Bridge over the Rock River, or creating a lighted marquis at the theater
 - Public restrooms and shelters
 - Small scale parking & traffic related improvements, such as diagonal parking
 - Promotions, events, fairs and other leisure functions

- **The Impact scale** of investment is directed at making noticeable and remarkable changes in the downtown. These may include:
 - Acquisition, demolition and remediation of blighted properties for land banking or redevelopment,
 - Rehabilitating the downtown's commercial building stock,
 - Developing bold public green spaces and outdoor artworks offer both aesthetic appeal and interactive opportunities,
 - Major design features or creating monument-styled entry points which signal arrival and celebration of the downtown.
- **The Transformative scale** of investment makes just that, developments which inherently can transform the old into new and impactful developments within the central business district. These include:
 - Performance venues, galleries, exhibits - the arts mean business.
 - Office buildings
 - Hotels with meeting and banquet facilities
 - Retail shopping and entertainment complexes
 - Libraries

Public financing participation changes as a community installs small scale improvements and moves through the redevelopment process. Initially, investments are usually public in nature. The investment begins to be shared with impact scale developments such as commercial rehabilitation, and shared again when partnering for transformative type of redevelopments.

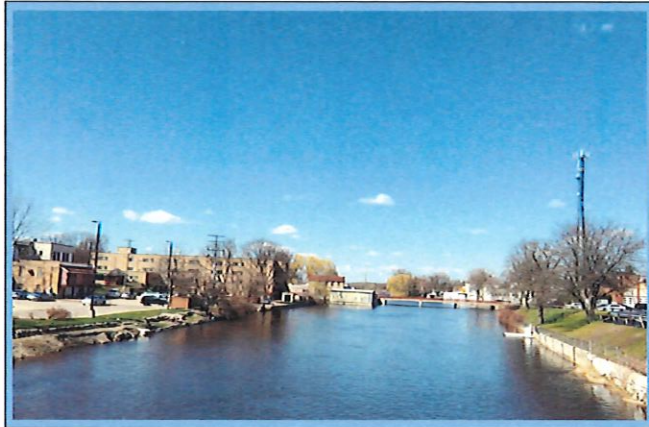
Other features of proposed redevelopment projects include their ability to piggyback or serve two objectives; like acquiring blighted properties to create new public green space. Each level of investment also speaks to the amount of jobs, incomes and property taxes that can be achieved. The higher the investment level the greater it serves these purposes, although not every impact investment will create jobs and generate property taxes. Some investments are strategic in that they create the basis for advancing the community's economic foundation.

Finally, the motivation in redeveloping the downtown area is primarily not to attract guests and visitors but to serve existing residents. Once residents and others in the market area are better served then other families and businesses will be attracted to the area.

VI. RECOMMENDATIONS

Based on visits the team members of Redevelopment Resources made to Watertown and our subsequent Opportunity Assessment, along with our experience and cumulative past project and community success, in addition to select items from the 2007 Riverfront Redevelopment Master Plan and 2007 Riverwalk Arts and Interpretation Master Plan; the following recommendations are offered. Recommendations are offered in ascending order of impact, beginning with the small scale, then impact scale and finally transformative.

A. Riverfront Development/Redevelopment Recommendations



Objectives:

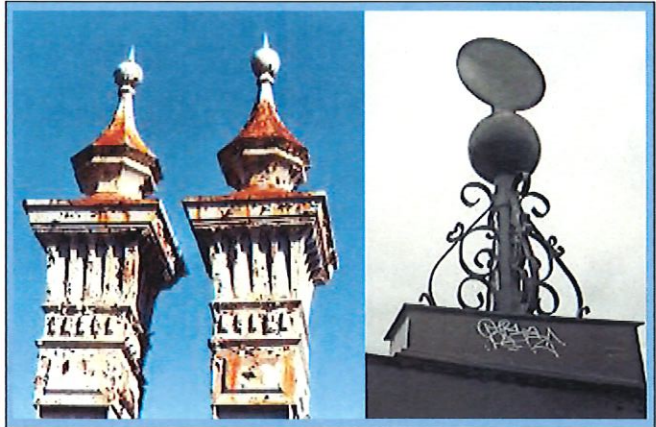
1. Improve public access to the riverfront
2. Enhance the river as a major focal point of the Downtown
3. Promote appropriate redevelopment along the river
4. Create a riverfront district
5. Enhance the river's environmental character and scenic beauty
6. Promote the river as an educational and recreational resource

Creating better physical and experiential connections between Main Street and the riverfront has been a topic of studies and conversation for many years. Developing experiential places and spaces is an important goal which provides a community legacy for generations to come. In the meantime – identify the river in a broader way. It is easy to miss the river view or connection when driving Main Street. Presented here are recommendations to capitalize on what already exists.

Small Scale Riverfront Recommendations

RS1. Define the river at the bridge

Main Street is an active street with vehicular traffic. The bridge itself doesn't stand out, and it is easy to go over it without noticing the river is there. Add architectural details to the top of the



bridge that can bring attention to it. This might include overlooks and finials at each end, interesting art sculpture, even flag poles. Consider concrete planters at each end of the bridge planted with bright flowers in the summer and Christmas trees in the winter.

RS2. Light the bridges

Install accent lighting on the Main Street, Milwaukee Street and Cady Street bridges, and shine lights down onto the river. The lighting should not be street lighting, but specialty lighting such as low voltage rope lights that could provide detail and effect to the top of the bridge. These might be clear lights or even colored lights during the winter holidays. Use spotlights on either side of the bridge facing the river to place more focus and attention on the river area.

RS3. Selectively remove vegetation to open up views to the river

Portions of the riverbank between the Milwaukee and Cady Street bridges have dense vegetation that block views and access to the river from adjoining streets and open spaces. Consult an arborist to identify opportunities for clearing, particularly invasive and non-native vegetation. Develop a tree planting program for the riverfront that complements new public improvements and enhances wildlife habitat.

RS4. Add historic lighting

Add historic street lighting on Water Street and First Street between Cady Street and Milwaukee Street to visually define this area as a Riverfront District.

RS5. Construct kayak/canoe launches north and south of Main Street

Construct canoe/kayak launches north and south of Main Street. Promote the launches by supporting riverfront events such as kayak / canoe races, a river fest with performance sites in the public parking lots on both sides of the river, and one-mile bicycle loop course on First Street and Water Street between Cady Street and Milwaukee Street.

RS6. Install an interpretive sign with map

Adding an interpretive sign with a map illustrating the regional Rock River system with designations for attractions, parks, and kayak/canoe trails, bicycle trails etc. at the Main Street Bridge will work to inform people about the amenities of the river.

RS7. Create the "Heart of the River"

A popular attraction or tradition in certain European communities has couples purchase a keyed padlock, write their names on it, lock it to the bridge or a railing/fence near the river, and



then throw the key into the river. Maybe there could be an opportunity to create a fence specifically near the river by the current walk-way where this idea could be tried. Have a "Heart of the River" or "River Romance" event where restaurants could sponsor romantic dinners, stores could be open, bars could offer special drinks, and locks could be sold by Main Street. Hosting an activity that showcases the river, but doesn't require redevelopment, or significant capital investment is a fun way to begin a tradition and create a reason for visiting Watertown.

Impact Scale Riverfront Recommendations

RI1. Construct walkways

Construct walkways to access the riverfront at street ends and public parking lots. Create riverfront nodes at access points with seating, overlooks, public art and interpretive signage.

RI2. Implement a coordinated storm water management program

In an effort to improve the water quality of the Rock River for recreation purposes, a coordinated storm water management program should be investigated and implemented.

RI3. Redevelop low value uses on riverfront

Parking along the riverfront is not the highest and best use for such high value real estate. Redevelop riverfront parking lots and industrial sites as noted on the map of potential redevelopment sites, *Exhibit 1 on following page*.

RI4. Reconstruct Main Street Bridge

Reconstruct the Main Street Bridge with overlooks and historic lighting.

Transformational Scale Riverfront Recommendations

TR1. Redevelop west side of river at Main Street

Redevelop the west side of the river between Main Street and Emmet Street for a riverwalk, riverfront amphitheater, transient docking, and kayak/canoe launch, *See Implementation Strategy 4*.

TR2. Create a Town Square

The Town Square will offer a visual contrast with the urban environment and will provide the city with "a sense of community". The proposed Square will serve as a venue for events, festivals, fairs, concerts, weddings, parades, programming space for most all community activities including the library and provide vastly improved access to the waterfront. Acquire, relocate and clear the 100 block of West Main Street to make way for a public green space/ town square. *See Implementation Strategy 5*

TR3. Develop the Riverwalk

Complete a phased development of the riverwalk with landscaping, ornamental lighting and interpretive signage on both sides of the river between Cady Street and Milwaukee Street.

B. Downtown Recommendations

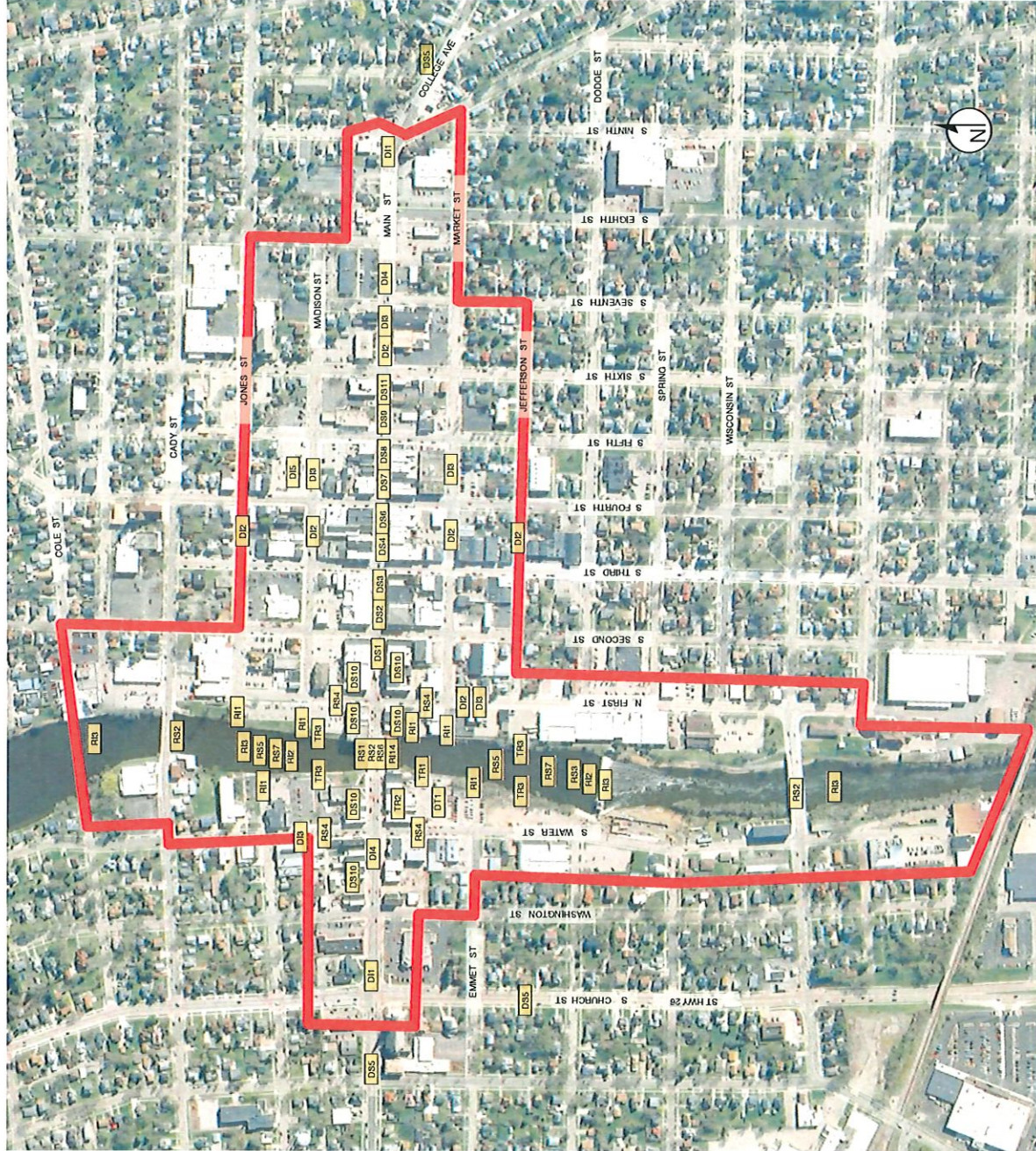
Objectives:

1. Improve the safety and walkability of the Downtown
2. Improve the identity and destination appeal of the Downtown
3. Create a Town Square as a community gathering space, events area and a focal point of the Downtown
4. Enhance the historic character of the Downtown
5. Promote rehabilitation and redevelopment to establish the downtown as a vibrant, mixed use activity center for the community and region

Redevelopment Resources reviewed the boundaries of downtown as presented at the beginning of this study (*Appendix 1*). The downtown boundaries should be revised to include all of Main Street west to Church Street (STH 26) with future expansion to Cole Street on the north and the railroad tracks on the south.

As part of the downtown planning work, these recommendations are included to support and add to redevelopment opportunity programming. In an effort to support current demographic information that downtown Watertown already has, an "on the street market assessment" was undertaken. This work included a focus group with business-persons from the study area, a review of background and demographic data, and time spent driving, parking, walking and shopping the downtown district. From this work the following recommendations are made to better support Watertown's market position and capitalize on the community's assets.

Exhibit 1 • Redevelopment Recommendations Map



Small Scale Riverfront Recommendations

- RS1. Define the river at the bridge
- RS2. Light the bridges
- RS3. Selectively remove vegetation to open up views to the river
- RS4. Add historic lighting
- RS5. Construct kayak/canoe launches north and south of Main Street
- RS6. Install an interpretive sign with map
- RS7. Create the "Heart of the River"

Impact Scale Riverfront Recommendations

- RI1. Construct walkways
- RI2. Implement a coordinated storm water management program
- RI3. Redevelop low value uses on riverfront
- RI4. Reconstruct Main Street Bridge

Transformational Scale Riverfront Recommendations

- TR1. Redevelop west side of river at Main Street
- TR2. Create a Town Square
- TR3. Develop the Riverwalk

Small Scale Downtown Recommendations

- DS1. Enforce City ordinances
- DS2. Create uniform sign guidelines
- DS3. Expand Downtown historic mural program
- DS4. Parking signage
- DS5. Trailblazer signage
- DS6. Two way streets
- DS7. Bicycle amenities
- DS8. Streetscape
- DS9. Allow business to utilize sidewalk
- DS10. Arts/entertainment/river-related businesses
- DS11. Help downtown businesses

Impact Scale Downtown Recommendations

- DI1. Entrance feature
- DI2. Blight elimination and clearance
- DI3. Create a commercial rehabilitation program
- DI4. Reconstruct Main Street
- DI5. Expand Downtown Parking

Transformational Scale Downtown Recommendations

- DT1. Develop a Downtown Hotel
- DT2. Redevelop 207-209 Main Street

The City of Watertown has made a commitment to a branding process that will help identify who and what Watertown is to the outside world. This work will also be important for the community, transitioning old perceptions into new realizations of Watertown's amazing assets. It is important for downtown Watertown to capitalize on this process and use it as a launching point for a new marketing push.

Every downtown is looking for an edge or angle, trying to determine what sets it apart from other downtown districts in order to attract new and repeat visitors. Watertown is fortunate to have a large inventory of intact historic buildings – giving the downtown a very definite and definable “edge”. However, this amazing backdrop of history and architecture on its own does not create the sense of place that today's customers and visitors expect. To meet those expectations, the downtown absolutely must “put its best foot forward” visually. Here are some ways that downtown Watertown could work toward creating a more welcoming and stimulating environment:

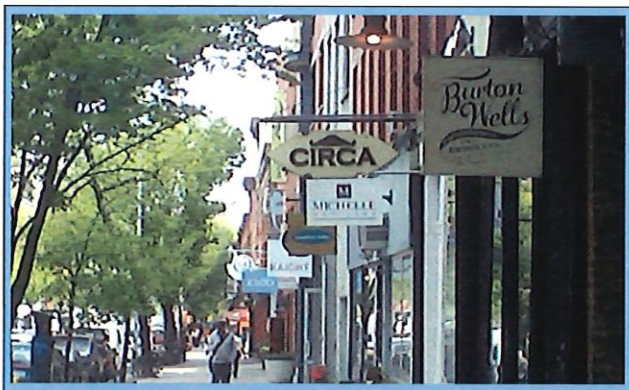
Small Scale Downtown Recommendations

DS1. Enforce City ordinances

Historic buildings are critical to the fabric of downtown. Buildings and property owners should be held to minimum maintenance standards. Ensure City ordinances allow for regular building inspection and enforceable maintenance requirements. One building in disrepair can completely change the feel of an entire block. Maintaining an historic building is a labor of love and a constant commitment of time and money. Encourage property owners to do the very best they can, but at a minimum properties must keep safe, clean and within all ordinances and building codes that the municipality has established.

DS2. Create uniform sign guidelines

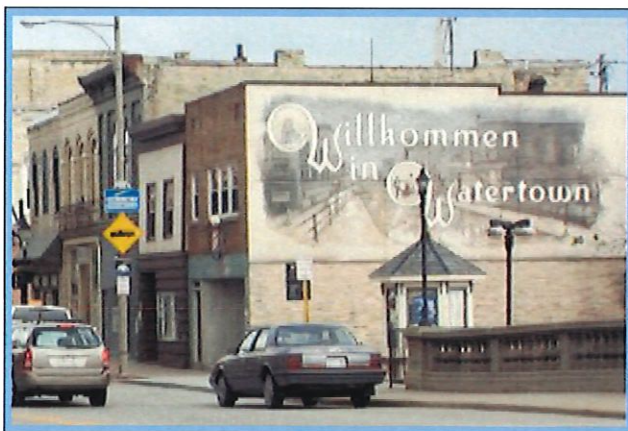
Over the years there may not have been specific sign standards for downtown Watertown, which has resulted in signs that may be dated, faded, in poor repair – or made of materials that do not support the historic nature of downtown. The City and Main Street should adopt sign recommendations for the downtown,



with the thought of more controlled sign standards in the years to come. Blade signs (those that are perpendicular to the street and hang over the sidewalk) are not only more fitting to an historic building, but can be seen easier at street level. Watertown Mainstreet should develop a fund for matching grants for signage upgrades, much like grants for façade renovations.

DS3. Expand Downtown historic mural program

Watertown already has great murals in the downtown, representing heritage and historical times. Create partnerships with the arts community and property owners to encourage further historic mural art in the downtown. This art can be an interactive process with the school district - it can be in empty storefronts and appropriate building faces. Some communities have utilized this type of art as a marketing feature. Much like Cuba Missouri on Route 66, who found an edge and utilized mural art to create a destination, Watertown could attract attention through murals.



DS4. Parking signage

Provide more visible and attractive signage for all public parking lots. Locate visible signage on Main Street to direct visitors to public parking lots.

DS5. Trailblazer signage

Add downtown trailblazer signage on STH 26 and STH 16/19 approaches to downtown and along designated bicycle trails.

DS8. Streetscape

Watertown has a beautiful backdrop of historic buildings. However, the scale and length of downtown creates hard, concrete surfaces in the district. Add color and texture to the street and building faces. Summer flowers are wonderful and help provide the "alive and active" spaces customers and visitors are looking for. Adding more green – trees, shrubs, planting areas to the street would go a long way to soften the streetscape. Consider "selling" each tree to a local sponsor, i.e. families, businesses or organizations. Undertake a manageable block by block plan instead of trying to improve the entire street at once.

DS6. Two way streets

Evaluate the conversion of one way streets into two way streets.

DS7. Bicycle amenities

Bicycle amenities should be provided to enhance its position as a bicycle destination. Provide signage directing bicyclists to the downtown along community bicycle routes and install bicycle racks throughout the downtown and along the river viewing/access points.



Potential Redevelopment Overview



Current Redevelopment Overview

DS9. Allow business to utilize sidewalk

Allow businesses to better utilize streets and sidewalks to support retail activity with more outdoor seating, carts, and stands. Encourage retailers to “spill” inventory out their front doors. Make sure that City ordinances will support these efforts.

DS10. Arts/entertainment/river-related businesses

When a vacancy occurs in the blocks between Washington Street and Second Street, target arts/entertainment and river related businesses to fill the vacant space.

DS11. Help downtown businesses

The business world is shifting very quickly these days. Businesses can no longer rely on what was done in the past, but what must be done in the future. Supply as much relevant market information and support to your businesses so they can be the best they can be. Here is some information they must be focused on:

1. Customers are more connected and in control. By 2015, technology will pervade living and shopping experiences. Consumers will have even more instant access to comparison pricing, “deals of the day” websites, and of course the ability to shop the world on-line.
2. The future of retail is selling less of more. With expanded access, consumers will buy less of what’s “popular” and more of what “suits me”. Retailers that can figure out how to deliver what niche markets are looking for will reap the profits.
3. Retailers will need to allow their customers to purchase when and where they want to. That includes traditional in-store commerce, e-commerce, m-commerce (mobile), f-commerce (Facebook), s-commerce (social) and v-commerce (video enabled like YouTube).
4. Vintage retail (secondhand) will continue to be an emerging trend. Used will be huge, it is eco-conscious and affordable.
5. Retailers will define themselves more by the customers they serve, rather than the products they sell. Retailers will grow by positioning themselves as more than just purveyors of “stuff” but also as one-stop purveyors of lifestyles or needs.
6. Shopping centers of the future will shift with the demise of the anchor store as the main draw. The place becomes the destination. Consumers will be attracted to areas that offer the ultimate in simplification and convenience – a “pre-packaged total lifestyle experience” where busy consumers can shop, work, socialize, eat, be entertained and live. Sounds like a healthy downtown!

Impact Scale Downtown Recommendations

DI1. Entrance feature

Construct an impact entrance feature at each end of Main Street, announcing that “you have arrived!” As part of the long term marketing of downtown these features can represent the branding theme, i.e. historical, playful, or artistic. The entrance feature could be a gateway arch, a monument, fountain or other feature with landscaping. Evaluate the potential to construct a roundabout at Main Street and Ninth Street.



DI2. Blight Elimination and Clearance

Creating an impact within a community is most often thought of as building something new. Considering that blight creates no new tax base, few new jobs or incomes, targeting those properties for re-use can and does, indeed, create a positive impact. Blight tends to have an adverse effect on surrounding properties thus creating challenges for downtown revitalization. See *Implementation Strategy 1*.



DI3. Create a Commercial Rehabilitation Program

Creating an attractive and appealing commercial building stock to house new and existing retail and service will draw people into the downtown, who in turn spend, which results in support for (and an impact upon) new and existing businesses. The activity consists of undertaking two kinds of rehabilitation: 1) Historic Renovations and 2) Façade Improvements. Both types of rehabilitation require architectural design to create the best value for investing grants and loans. See *Implementation Strategy 2*.

DI4. Reconstruct Main Street

Work with WISDOT to reconstruct Main Street (STH 16/19) with 12' sidewalks and a 42' street east of Water Street, 12' sidewalks and a 50' street with a landscaped boulevard west of Water Street, and colored concrete crosswalks and street trees throughout the downtown, See *Implementation Strategy 3*.

DI5. Expand Downtown Parking

Construct a two-level parking deck on the existing public surface parking lot on Madison Street between Fourth Street and Fifth Street.

Transformational Scale Downtown Recommendations

DT1. Develop a Downtown Hotel

Hotel development includes construction and operation of a new 75 room boutique hospitality property located south of Main Street and east of Water Street along the Rock River (and immediately south of the proposed town square). A proposed hotel would serve the city as a downtown main feature providing benefit not only as a banquet, event and meeting facility but offer "centerpiece vitality" to the entire downtown and community. See *Implementation Strategy 6*.

DT2. Redevelop 207-209 Main Street

Dedicating resources to support the redevelopment of this significant property will aid in the transformation of downtown. Include in the plan, property acquisition for parking support.

C. Organizational Structure Recommendations

OS1. A staffing review at all levels of the municipal corporation may want to be considered to determine how to best proceed in managing the business of governing to address very significant city matters.

OS2. As part of implementation services, utilize Redevelopment Resources municipal finance professional to study City's Tax Increment Financing Districts for comprehensive review and analysis.

OS3. A cursory review of the City's Tax Increment Financing districts has taken place and it is the recommendation of the Redevelopment Resources team to create a new TIF District to support the implementation of this Riverfront/Downtown Redevelopment Initiative.

OS4. A workshop should be conducted with the CDA board of directors to educate all members on powers and capabilities of a CDA, along with examples of how effective CDAs utilize their powers and function as a proactive development agent for the City. See State Statute 66.1335

OS5. Engage Redevelopment Resources to work closely with existing CDA staff and board members to bring the organization to a level of performance in keeping with full utilization of powers under state statute.

OS6. Transition the existing property management office to operate under a newly created "Housing division" of the CDA. Utilize full financial resources of CDA under "Development division" with new staff leadership. Outsource initial set up for the first one to two years of operation to qualified executive leadership, potentially Redevelopment Resources.

OS7. New "Development division" of CDA should research and implement programs for redevelopment and community development utilizing all available resources and leveraging TIF and private sector resources as well.



Current Redevelopment Overview



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Potential Redevelopment Overview

VII. IMPLEMENTATION STRATEGIES

Although implementation is usually found at the end of a planning process (after defining the problem, establishing goals, data collection/analysis and evaluation) putting plans into effect should always be kept in mind throughout the redevelopment process because executing activities has the single most profound effect in achieving urban revitalization success.

The following implementation activities have been selected and are being recommended to the City of Watertown in order to address current challenges as well as to preserve and expand on its downtown assets. Initiating and carrying-through with each of these strategic activities will have an impact on transforming the downtown and achieving redevelopment goals.

The following implementation activities have been selected and are being recommended to the City of Watertown in order to address current challenges as well as to preserve and expand on its downtown assets. Initiating and carrying-through with each of these strategic activities will have an impact on transforming the downtown and achieving redevelopment goals.



IMPLEMENTATION STRATEGY 1

Redevelopment Recommendation: Blight Elimination

Blight Elimination & Clearance

Redevelopment Objectives:

- Eliminating blighting (underutilized) influences
- Re-purposing waterfront land
- Ensuring highest and best use of property.
- Land banking

Investment Level:

"Impact" Activity. Creating an impact within a community is most often thought of as building something new. Considering that blight creates no new tax base, few new jobs or incomes, targeting those properties for re-use can and does, indeed, create a positive impact. Blight tends to have an adverse effect on surrounding properties thus creating challenges for downtown revitalization.

Sources of funding:

TIF, levy, state (WEDC/DNR) and federal grants.

Implementation:

Identifying properties, budgeting, discussion with owners.

Investment Level: Description:

Eliminating blight can be managed at three levels and all three levels may include environmental remediation.

Level 1: Inspection, Re-zoning and Code Enforcement via city ordinances and rehab;

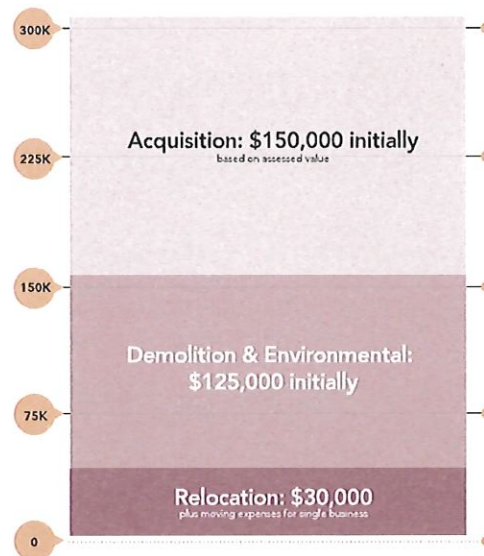
Level 2: Long term acquisition and/or rehabilitation and adaptive re-use; and

Level 3: Acquisition, clearance and remediation.

Several properties along the Rock River corridor are identified as challenging properties.

BUDGET ESTIMATE:

Contributions will take the form of grants/loans and levy.



IMPLEMENTATION STRATEGY 2

Redevelopment Recommendation

Commercial Rehabilitation

Creation of a Commercial Rehabilitation Program



Redevelopment Objectives:

- Ensuring the highest and best use of property
- Eliminating blighting influences
- Attracting people into the downtown

Investment Level:

An 'Impact' Level of Investment. Creating an attractive and appealing commercial building stock to house new and existing retail and service will draw people into the downtown, who in turn spend, which results in support for (and an impact upon) new and existing businesses.

Activity Description:

The activity consists of undertaking two kinds of rehabilitation:

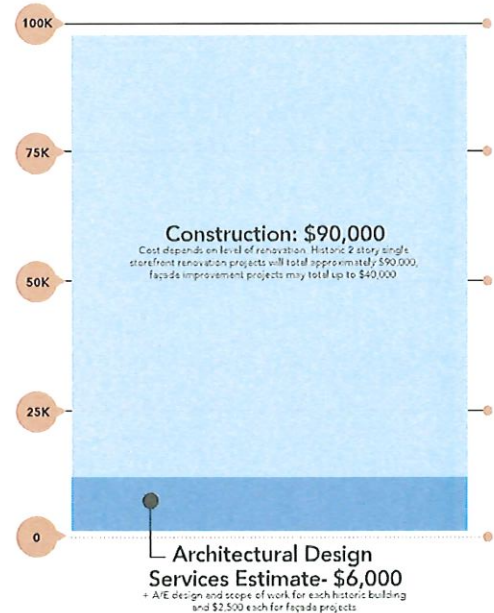
- 1) Historic Renovations
- 2) Façade Improvements. Both types of rehabilitation require architectural design to create the best value for investing grants and loans.

Historic renovations are those which pledge to return to the property to its original architectural style and character using the Secretary of the Department of Interior's standards for historic Rehabilitation. Façade improvements consist of a lower level cleaning and refurbishing of the storefront by adding attractive lower cost treatments, signage and entry features. Small grants and loans are made by the city to the property owners. A sample program guidelines and application are attached in Appendix 2-3.

Implementation:

- Create and approve a downtown commercial rehabilitation such as small grant and loan program. (See Appendix 2-3 for sample program guidelines and application).
- Procure A/E services and work with property owners.

CITY BUDGET ESTIMATE:



IMPLEMENTATION STRATEGY 3

Streetscape Improvements 200 Block of Main Street



Scope:

200' long streetscape with 6' concrete sidewalk, 6' colored concrete terrace, 6 street trees 35' o.c. in tree grates, three ornamental lights 70' o.c. not including street and utility reconstruction. Assume both sides of the street.

Concrete sidewalk:
2400 sf x \$5/sf = \$12,000

Colored concrete terrace:
2400 sf x \$15/sf = \$36,000

Street trees in grates (6 per side)
12 @ \$2,000/ea = \$24,000

Street Lights (assume 3 per side):
6 @ \$7,500/ea = \$45,000

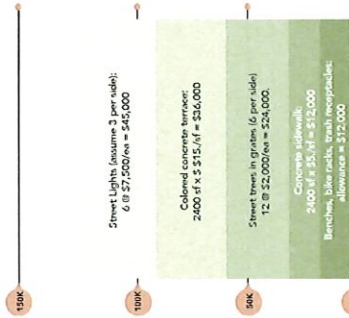
Benches, bike racks, trash receptacles:
allowance = \$12,000

**TOTAL STREETScape
IMPROVEMENTS: \$129,000.00**

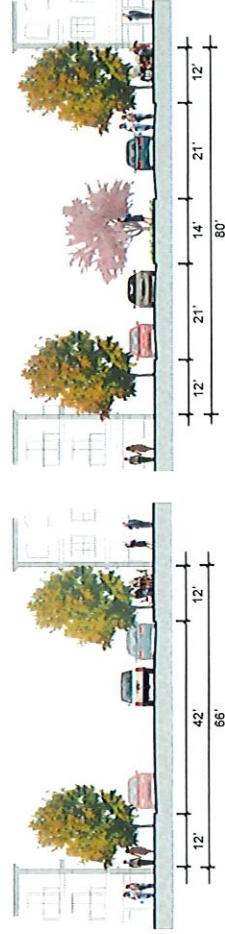
Note: Budget does not include demolition, street and utility construction, design/engineering and contingency.

BUDGET ESTIMATE:

Contributions will take the form of grants/loans and levy

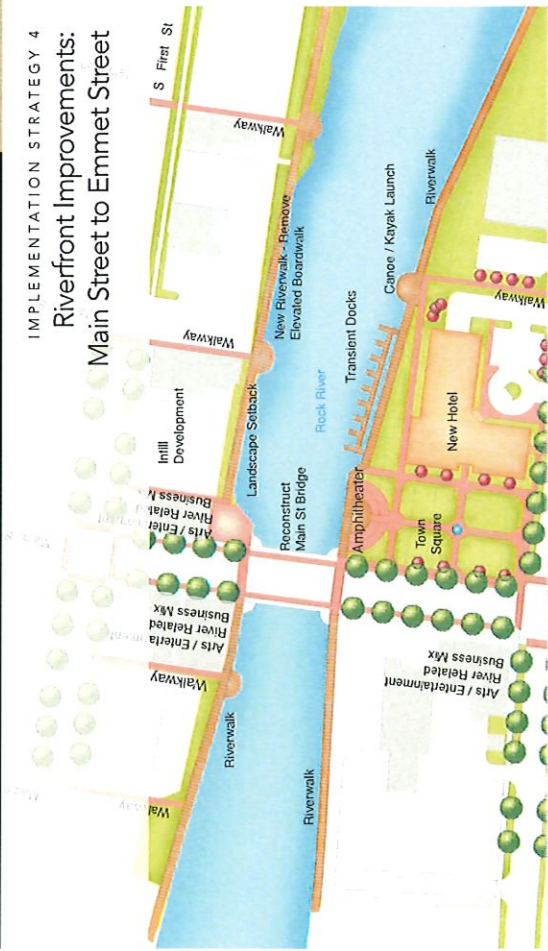


REDEVELOPMENT RESOURCES



IMPLEMENTATION STRATEGY 4

Riverfront Improvements: Main Street to Emmet Street



Transient Docks

\$55/ft for truss system floating dock (wood decking) with 10 - 3' x 15' finger docks @ 45 SF x \$55 = \$2,475 (round up \$2,500) = \$25,000. Head pier 8' x 125' = 1000 sf x \$55 = \$55,000. The head pier should be 8' wide for stability of the system but could be 6' wide since this will be mostly for small watercraft i.e. canoes. Overall cost would be \$25,000 (fingers) + \$55,000 (head pier) = \$80,000 for floating docks + 40' gangway @ \$20,000 = \$100,000.

A conservative number for anchorage would be \$125,000. That will allow for 1 pile per interior finger and 2 per outer finger docks which will be needed for the river velocity in Watertown. Piles should be in the \$10,000 each range. That is for keeping the system in water all year round. If it is removed during winter then you could reduce the cost, no more than 30%.

SUBTOTAL TRANSIENT DOCKS = \$225,000.00

Amphitheater

Riverfront amphitheater approximately 60' diameter half circle with 8 seating steps.
SUBTOTAL AMPHITHEATER = \$150,000.00 allowance

Riverwalk

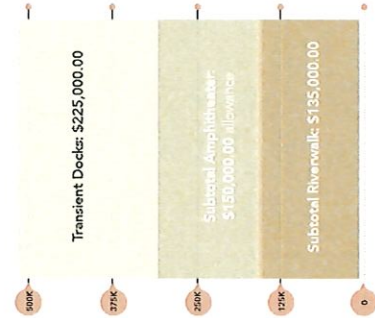
350' long, 10' wide paver riverwalk with railing, lighting and furnishings
Riverwalk (colored concrete pavers) = 3500sf x \$15/6ft = \$52,500.
Railing = 350lf x \$140/lf = \$49,000.
4 Lights @ \$7,500 ea. = \$30,000.
4 benches @ \$750 ea. = \$3,000.
Landscaping = \$5,000 allowance
SUBTOTAL RIVERWALK = \$135,000.00

TOTAL RIVERFRONT IMPROVEMENTS = \$570,000.00:

Note: Budget does not include demolition and clearing, site preparation, shoreline reconstruction, design/engineering and contingency.

BUDGET ESTIMATE:

Contributions will take the form of grants, loans and levy



REDEVELOPMENT RESOURCES



Hotel Program

- 75 Rooms
- 3,500 Sq ft. Conference and Banquet
- Restaurant
- Drop Off and Surface Parking
- 45 - 50 Parking Stalls Below Building

Riverfront Redevelopment Recommendation: Main Street Town Square

Development of green space in the form of creating a "Main Street Town Square"



Redevelopment Objective(s): Green space addresses several guiding principles including

- Attracting people into the downtown
- Eliminating blighting (underutilized) influences
- Repurposing waterfront property.

Investment Level:

Impact level investment. Although a Town Square can be thought of as an Impact investment, when implemented with other impact or transformative investments, it can change the entire character of the downtown.

Activity Description:

Development of the proposed Town Square will require acquisition of all the commercial properties on the (south side of the) 100 block of West Main Street from the Rock River to Water Street. Through preparation and approval of a Redevelopment Plan, all buildings (businesses and residential persons) would be acquired and re-

located from their current location. Once acquired, buildings would be demolished; environmental remediation would be undertaken, followed by preparation/construction of public open green space.

The Town Square will offer a visual contrast with the urban environment and will provide the city with a downtown venue for events, festivals, fairs, concerts, weddings, parades, programming space for most all community activities including the library and provide vastly improved access to the waterfront.

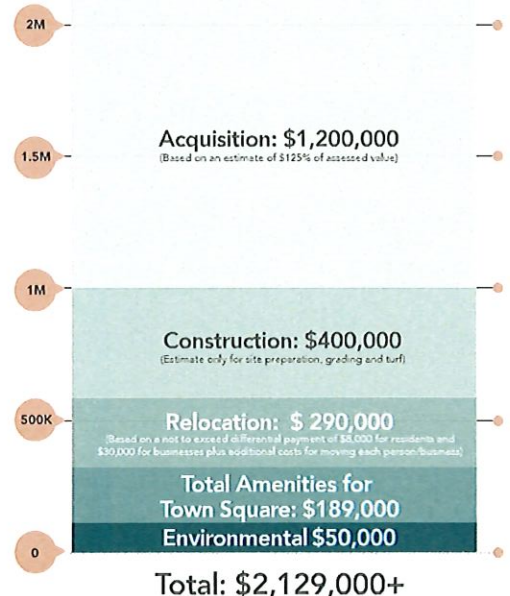
Sources of Funding:

TIF, levy, private contributions and state and federal grants.

Implementation:

Preparation of a city Redevelopment Plan (Wis Stats Ch. 66) and a Relocation Plan (submitted to the Wisconsin Department of Administration). Procure A/E contracts for site planning and design.

CITY BUDGET ESTIMATE:



REDEVELOPMENT RESOURCES

Redevelopment Recommendation: Hotel Development

Development of a Downtown Hotel



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Redevelopment Objectives: A proposed downtown hotel is intended to meet objectives directly related to:

- Attracting people
- Eliminating blighting influences
- Re-purposing waterfront property
- Ensuring the highest and best use of property
- Creating tax base
- Providing meeting and event space

Investment Level:

A Transformative Investment. Proposed hotel with associated public parking will dramatically improve the appearance, energy and economy of the downtown.

Activity Description:

Hotel development includes construction and operation of a new 75 room boutique hospitality property located south of Main Street and east of Water Street along the Rock River, immediately south of the proposed town square. A hotel would serve the city as a downtown anchor providing benefit not

only as a banquet, event and meeting facility but offer "centerpiece vitality" to the entire downtown and community.

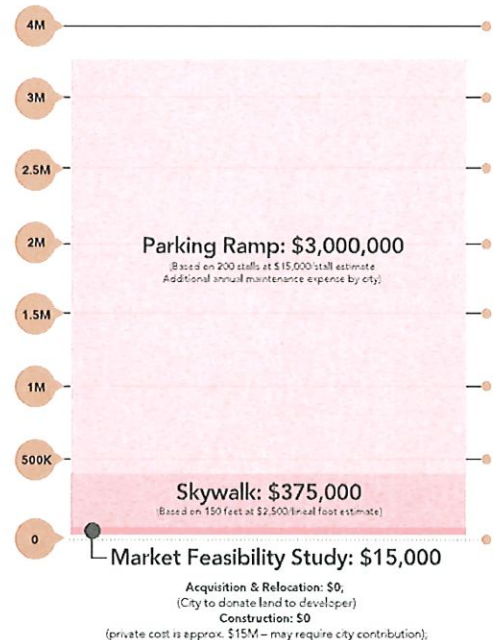
Two related developments are necessary to hotel development. It would be necessary for the town square and an adjacent parking structure to be developed in conjunction with a proposed hotel. The proposed hotel location is predicated upon the town square becoming the hotel's front yard (so as not to view the rear of the existing commercial properties along Main Street). In addition an approximate 200 stall parking structure would serve the hotel as well as library patrons and general public for events on the Square.

Sources of Funding:

TIF Increment; CDA Loan; Room tax revenue, State/federal grant(s), levy and parking revenues.

Implementation next steps: Although market indicators are favorable, a formal market study is recommended. Hotel 10-year proforma is located in the appendix

CITY BUDGET ESTIMATE:



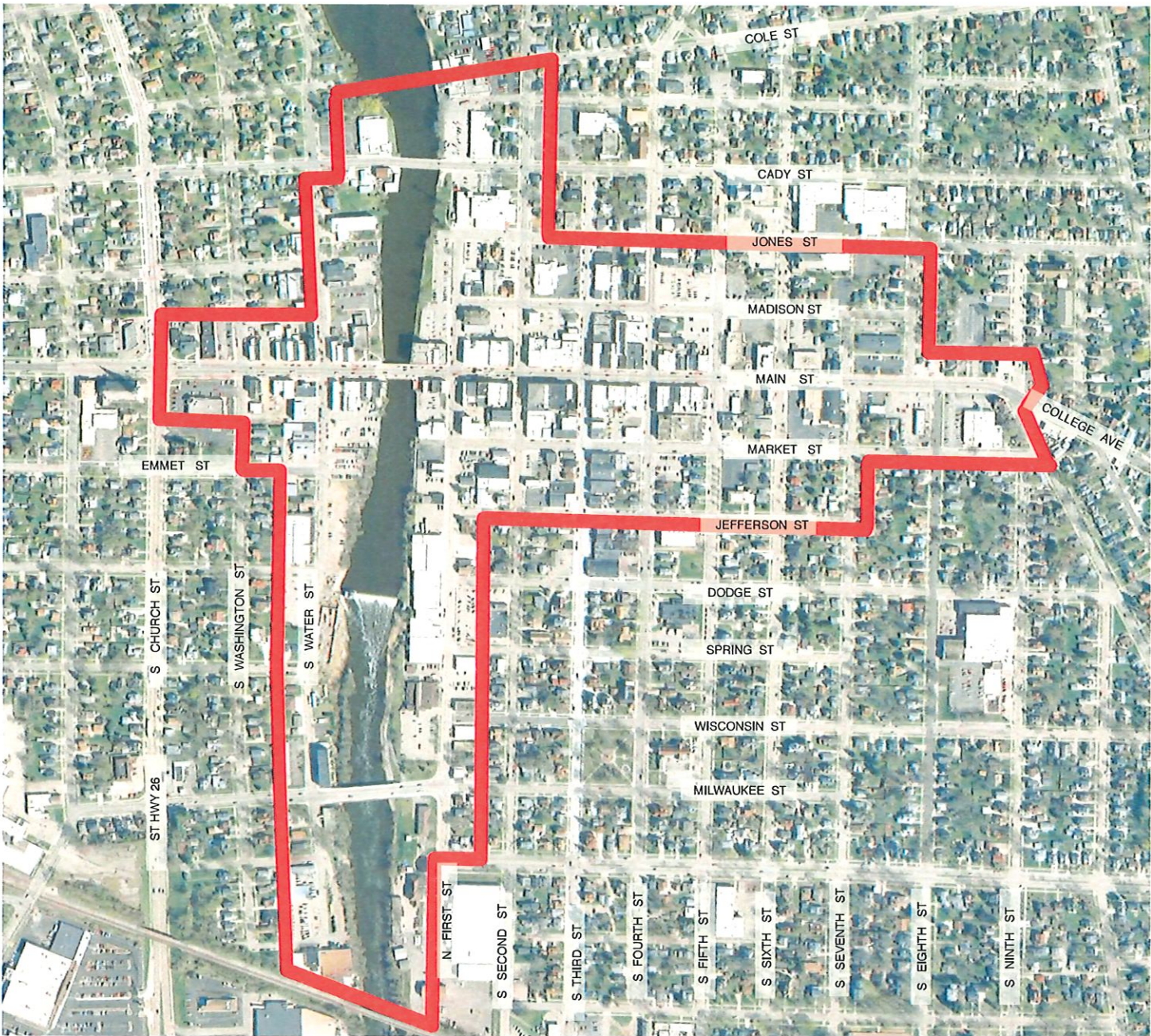
Watertown Downtown/Riverfront Redevelopment Initiative Recommendations Summary

Activity		Minimal Investment for City	Small Scale Investment	Mid level investment	Large Scale Investment
SMALL SCALE RECOMMENDATIONS					
RS1	Define the river at the bridge		•		
RS2	Light the bridges		•		
RS3	Selectively remove vegetation	•			
RS4	Add historic lighting		•		
RS5	Construct kayak/canoe launches			•	
RS6	Install interpretive sign with map		•		
RS7	Create the "Heart of the River"		•		
DS1	Enforce City Ordinances	•			
DS2	Create uniform sign guidelines	•			
DS3	Expand historic mural program	•			
DS4	Improve parking signage		•		
DS5	Install trailblazer signage		•		
DS6	Evaluate one-way street configuration	•			
DS7	Provide bicycle racks		•		
DS8	Install streetscape			•	
DS9	Encourage sidewalk utilization	•			
DS10	Recruit arts & entertainment business	•			
DS11	Help downtown businesses	•			
IMPACT SCALE RECOMMENDATIONS					
RI1	Construct walkways to riverfront			•	
RI2	Implement storm water management program		•		
RI3	Redevelop low value uses on riverfront			•	
RI4	Reconstruct Main Street Bridge				•
DI1	Construct entrance feature			•	
DI2	Eliminate blight		•		
DI3	Create commercial rehabilitation program			•	
DI4	Reconstruct Main Street				•
DI5	Expand downtown parking				•

Activity		Minimal Investment for City	Small Scale Investment	Mid level investment	Large Scale Investment
TRANSFORMATIVE SCALE RECOMMENDATIONS					
RT1	Redevelop west side of river at Main Street				•
RT2	Create a Town Square				•
RT3	Develop the river walk				•
DT1	Develop a downtown hotel				•
DT2	Redevelop 207-209 Main Street				•
ORGANIZATIONAL STRUCTURE RECOMMENDATIONS					
OS1	Review staffing at all levels	•			
OS2	Initiate financial review	•			
OS3	Create TIF District #6		•		
OS4	Conduct strategic planning workshop w/ CDA board	•			
OS5	Retain Redevelopment Resources for ongoing work with CDA and plan implementation			•	
OS 6	Create separate housing and development divisions of CDA	•			
OS7	New development division outsourced		•		

Appendix

Appendix 1 • Downtown Boundry Map



Appendix 2



WATERTOWN CENTRAL BUSINESS DISTRICT COMMERCIAL REHABILITATION PROGRAM POLICY

Purpose: The Watertown Commercial Rehabilitation Program is a loan program designed to stimulate rehabilitation and redevelopment of commercial real estate within downtown Watertown.

Type of Funding: The program provides low interest loans to be administered by and subject to approval from the Community Development Authority. Loans shall be offered as funding is available. Funds shall be maintained and monitored by the City Treasurer. Rehabilitation projects shall be completed in accordance with guidelines as outlined in Federal Historic Standard for Rehabilitation and comply with applicable city codes and ordinances.

Financing Terms: Financing assistance shall be made as loans with a 15 year amortization schedule, at 1.5% interest rate, deferred for 1 year repayable in the next 6 years, with a balloon payment (of all accrued interest and remaining principal) to be paid at the end of year 7. A promissory note shall be executed by and between the City and the borrower and final estimated value of the rehabilitated building shall support all existing debt. A mortgage, usually in a subordinated position behind a commercial loan, shall secure the city's interest in the property. Loan terms may be negotiated under special circumstances and approval of designated staff and CDA.

Eligible Expenditures: Funds are to be used for physical improvements including but not limited to exterior facade and necessary structural, electrical, plumbing and other building system components. Fees and other project related expenses, such as required design/architectural/engineering costs, title insurance, credit report and recording fees are considered project eligible costs and will be added on to the loan amount.

Program Boundaries: Eligible properties include those which are within and are immediately adjacent to _____. Other Economic Development Commercial Facade projects outside this area will be considered on a case-by-case basis.

Application Process: Applications are reviewed on a first-come, first-served basis. An application fee of \$50.00 will be received from the applicant before CDA/City staff and consultant advisors can process the application.

Appendix 3

CITY OF WATERTOWN COMMERCIAL REHABILITATION PROGRAM APPLICATION



Please provide information on your proposed project. Your signature below indicated you or your firm's intent to apply for commercial rehabilitation program funding and that you have received a copy of the program guidelines. Please return to City Hall, 106 Jones Street, with your check in the amount of \$50.00 for the application fee.

Applicant name _____

Address _____

Home Phone _____ Work Phone _____

Property Owner(s) _____

Project Address _____

Scope of Work to be Undertaken: (can attach contractor estimates, if available)

Estimated Timeframe for Project Completion:

Property Mortgage Holder(s):

I certify that the information in this application is correct and accurate to the best of my knowledge.

Applicant Date

Economic Development Committee Review

Signature Date

☐ (check if box is reviewed)

☐ (check box if recommendations)

Appendix 4

HOTEL PROFORMA

INVESTMENT PROFORMA											
OPERATING STATISTICS											
	2016	2017	2018	2019	2020	2021	2022	2023			
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8			
Rooms Available	27,375	27,375	27,375	27,375	27,375	27,375	27,375	27,375			
Occupancy	65%	70%	72%	73%	73%	73%	73%	73%			
Rooms Occupied	17,794	19,163	19,710	19,984	19,984	19,984	19,984	19,984			
Average Rate	\$ 128.00	\$ 134.40	\$ 139.80	\$ 144.00	\$ 148.30	\$ 152.70	\$ 157.30	\$ 161.00			
Rev/PKR	\$ 83.20	\$ 94.08	\$ 101.00	\$ 105.00	\$ 108.00	\$ 111.00	\$ 115.00	\$ 118.00			
Revenue	\$ 2,277,600	\$ 2,575,440	\$ 2,755,458	\$ 2,877,600	\$ 2,963,590	\$ 3,051,519	\$ 3,143,441	\$ 3,217,384			
Rooms	106,763	119,574	127,295	132,935	136,923	141,031	145,262	149,619			
Danquet & Catering Revenue Commissions on space/ revenues (net)	4,448	4,982	5,304	5,539	5,705	5,876	6,053	6,234			
Telephone	50,000	50,000	50,000	54,500	54,500	54,500	59,405	59,405			
Restaurant Lease (2,500 sf @ \$20.00 per year 1) net, net (3% annual increase adj. every 3 yrs)	142,350	159,452	169,727	177,247	182,564	188,041	193,682	199,493			
Other Departments	\$ 2,381,161	\$ 2,909,428	\$ 3,107,780	\$ 3,247,881	\$ 3,343,282	\$ 3,440,966	\$ 3,547,835	\$ 3,652,135			
Total Revenue	\$ 2,277,600	\$ 2,575,440	\$ 2,755,458	\$ 2,877,600	\$ 2,963,590	\$ 3,051,519	\$ 3,143,441	\$ 3,217,384			
Rooms	587,194	594,996	633,415	664,690	687,954	706,593	729,851	751,746			
Telephone	13,344	14,946	15,912	16,617	17,115	17,628	18,159	18,702			
Other Departmental Expenses	\$ 80,072	\$ 89,249	\$ 95,012	\$ 103,193	\$ 108,262	\$ 116,289	\$ 124,478	\$ 132,762			
Total Departmental Expenses	\$ 680,610	\$ 794,191	\$ 844,339	\$ 878,011	\$ 904,247	\$ 932,910	\$ 963,437	\$ 994,910			
Total Departmental Profit	\$ 1,900,551	\$ 2,210,237	\$ 2,363,445	\$ 2,466,870	\$ 2,555,020	\$ 2,608,456	\$ 2,680,338	\$ 2,748,925			
Underbilled Operating Expense	\$ 307,500	\$ 318,263	\$ 329,402	\$ 340,931	\$ 352,863	\$ 363,449	\$ 374,353	\$ 385,383			
Administrative & General	300,000	310,500	321,308	332,615	344,257	355,585	366,222	376,179			
Marketing	91,104	103,018	110,218	115,106	118,544	122,061	125,738	128,695			
Franchise Fee (4.0% of GRR)	133,453	148,749	158,354	166,173	171,989	177,148	182,463	187,937			
Utility Costs	112,500	116,438	120,513	124,731	129,096	132,969	136,958	141,067			
Property Operations & Maintenance	\$ 944,557	\$ 996,967	\$ 1,039,853	\$ 1,079,550	\$ 1,116,249	\$ 1,150,212	\$ 1,184,731	\$ 1,219,601			
Total Underbilled Expenses	\$ 955,904	\$ 1,212,270	\$ 1,323,580	\$ 1,387,311	\$ 1,418,271	\$ 1,459,245	\$ 1,505,624	\$ 1,559,664			
Gross Operating Profit	\$ 77,435	\$ 87,283	\$ 93,234	\$ 97,436	\$ 100,298	\$ 103,229	\$ 106,435	\$ 108,964			
Management Fees	\$ 878,559	\$ 1,125,987	\$ 1,230,357	\$ 1,280,878	\$ 1,317,072	\$ 1,355,016	\$ 1,397,189	\$ 1,420,300			
Income Before Fixed Charges	\$ 90,000	\$ 91,800	\$ 93,606	\$ 95,509	\$ 97,419	\$ 99,307	\$ 101,355	\$ 103,382			
Property Taxes	\$ 37,500	\$ 38,813	\$ 40,171	\$ 41,577	\$ 43,032	\$ 44,338	\$ 45,693	\$ 47,022			
Insurance	\$ 25,812	\$ 26,810	\$ 27,810	\$ 28,815	\$ 29,815	\$ 30,815	\$ 31,815	\$ 32,815			
Reserve For Replacement	\$ 13,312	\$ 13,312	\$ 13,312	\$ 13,312	\$ 13,312	\$ 13,312	\$ 13,312	\$ 13,312			
Total Fixed Charges	\$ 76,624	\$ 78,935	\$ 81,793	\$ 84,704	\$ 87,669	\$ 90,965	\$ 94,220	\$ 97,159			
Income Available For Debt Service	\$ 13,376	\$ 12,865	\$ 11,813	\$ 10,735	\$ 9,750	\$ 8,342	\$ 7,133	\$ 6,223			
Debt Service :	\$ 485,000	\$ 680,463	\$ 680,463	\$ 680,463	\$ 680,463	\$ 680,463	\$ 680,463	\$ 680,463			
(\$9,700,000, 5.8%, 10 Yr, 25yr Amortization thereafter) (ref 12/19 \$16,612,000 - 5.5%, 25 yr amort)	\$ 240,247	\$ 256,723	\$ 262,854	\$ 268,414	\$ 274,076	\$ 279,995	\$ 286,202	\$ 292,707			
Net Cash Flow	\$ 240,247	\$ 256,723	\$ 262,854	\$ 268,414	\$ 274,076	\$ 279,995	\$ 286,202	\$ 292,707			