

January 15, 2026/January 20, 2026

**Update on Status of Whitewater's Downtown
Prepared for the CDA Board and Common Council**

Introduction

The Community Development Department has been requested by council members and the city manager to provide a status update on the City of Whitewater's downtown area. This memo is prepared to inform the CDA board, Common Council, and residents about current efforts to continue sustaining and improving the city's downtown area.

It should be noted that the city is not the sole entity responsible for maintaining the downtown. Local organizations such as the Whitewater Area Chamber of Commerce and Downtown Whitewater, Inc also play a leading role in ensuring the downtown area remains a resilient focal point of the community in terms of the local economy, maintaining a quality of life for residents, and being attractive to visitors.

Downtown area definition

This report takes a focused examination of the downtown area, which approximates with the current boundary of Tax Increment District (TID) #12, which was created in 2021. TID #12 is displayed here in green.





Current Downtown Composition & Occupancy

The Community Development Department recently conducted a visual survey of the above area on January 5, 2026. This snapshot of the downtown area showed the following:

Occupancy Table:

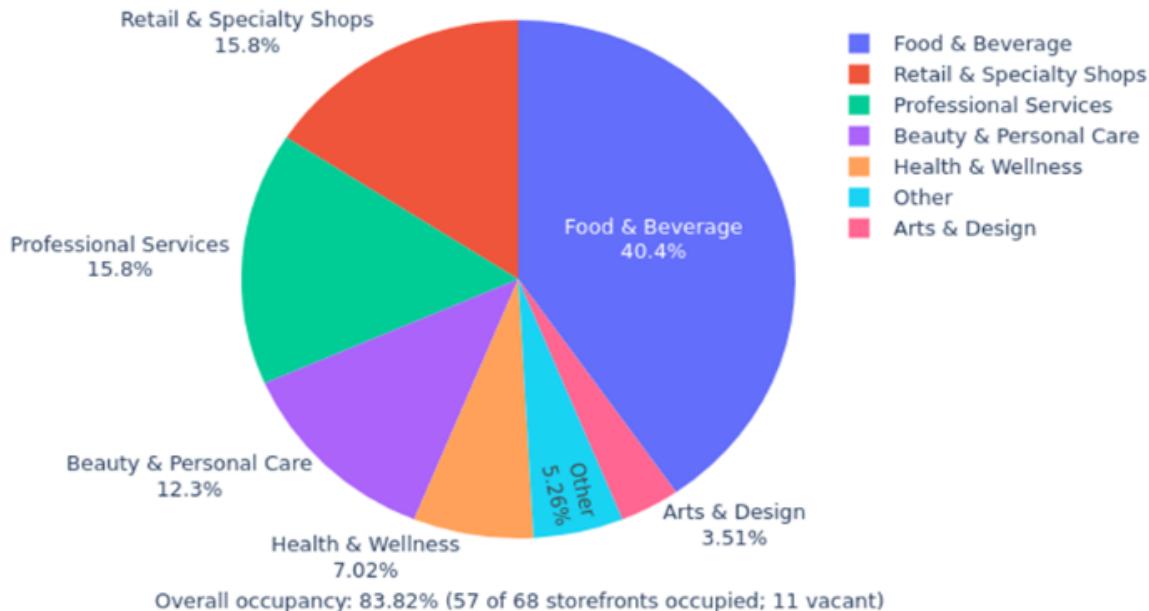
Category	Occupied	Occupancy Rate (%) (Occupied/Total*100)
Food & Beverage	23	33%
Retail & Specialty Shops	9	13%
Health & Wellness	4	5%
Professional Services	9	13%
Beauty & Personal Care	7	10%
Arts & Design	2	3%
Other	3	4%
Total	57	

Currently Vacant Downtown Storefronts:

- 147 W Whitewater
- 106 W Center
- 166 W Center
- 160 W Center
- 139 W Center
- 137 W Center
- 183, 185, 187 W Main (Bower's House, currently for sale)
- 161 W Main Street
- 147 W Main Street
- 113 E Main Street Suite C

Vacancy Rate: 15% (10 of 68 ground floor storefronts)

Occupancy Mix by Type – Downtown Whitewater (Jan 2026)



National benchmarks for small to mid-sized communities often cite 5%–10% as ideal for retail corridors, allowing for normal turnover and flexibility. Wisconsin Main Street program guidance and similar economic development sources generally consider under 10% as healthy.

Seasonal fluctuations and redevelopment projects can temporarily push rates higher, but sustained vacancy above 12% usually indicates structural challenges (e.g., demand gaps, building conditions, or zoning issues).

The vacancy rate of ≈15% is above the typical healthy range, suggesting an opportunity for targeted strategies like business recruitment, pop-up programs, or adaptive reuse initiatives.

Habitat for Humanity development

A recent positive development for the area immediately adjacent to the downtown area is the recent approval of Habitat for Humanity of Walworth County's redevelopment project of the 212 E Main St site. Habitat recently received a Conditional Use Permit, which will allow for the construction of two new duplex buildings (four units total), of owner-occupied single-family attached housing.



This redevelopment of a formerly blighted parcel will result in a formerly assessed property of \$60,700.00 (2024 assessment) to be assessed at a projected \$1.2 million once construction is finished. Bringing more working individuals and families living within close proximity to the downtown is a logical way to help ensure businesses see a steady flow of customers throughout the year.

Jefferson Street redevelopment

The Community Development Authority currently owns three separate parcels that comprise approximately 1.4 acres within the eastern boundary of TID #12, including the now vacant “Wrap & Ship” building (116 E Main St), which was part of a property swap agreement with Faith Tanis Properties, LLC for land in the Business Park.

The building currently located on the property has a small footprint and is unlikely to attract strong commercial business interest. Further, there are other more attractive available first-floor spaces available for lease or sale downtown. At the same time, the site is well located and could be considered a future focal point of the downtown, given its high visibility near the intersection of E Main St and E Milwaukee St. Given those factors, staff believe that this is an obvious site for a CDA-initiated catalytic redevelopment project, with an aim of bringing the property back on the tax rolls at a much higher use.

With that in mind, the Community Development Department has begun soliciting bids for possible demolition of the “Wrap & Ship” building. It is likely that a selected bid will come to the CDA board for approval at a future meeting.

City staff have also engaged with Redevelopment Resources (a recognized Wisconsin-based firm that has done work for the city in the past) to evaluate the site, in order to make an informed opinion on likely future “highest and best use” of the site. After that recommendation is made, city staff intend to solicit Requests for Proposal from appropriate private developers.

Possible Future Veteran’s Park

Another CDA-owned property within the downtown area is a small 0.15 acre parcel located at 108 W Main St. This was the former location of the “Baker’s Building”, which was torn down in the later part of 2025. This location has been suggested as a future home of a small city park, which could include a new veteran’s memorial, or possibly relocation of an existing monument. Given the small size of the parcel and its close proximity to Whitewater Creek, a park is a sensible use of this location.

The Community Development Department has contacted the University of Wisconsin – Madison’s Bachelor of Landscape Architecture program, to solicit design services for this park. Once site design is completed, future site construction could be funded through the Parks & Recreation Department budget, TID #12 funds, donations, or applicable grants.



Code Enforcement Activities

The Community Development Department contracts with Municipal Code Enforcement for code enforcement activities as well as zoning administration. In 2025, a total of 19 permits, Conditional Use Permits, and property maintenance orders were issued within the downtown area. One letter was sent out to all property owners in the downtown regarding removal of pet waste.

In general, city staff intend to continue working with Municipal Code Enforcement to take a more proactive and less reactive approach to code enforcement throughout the city, including in the downtown area. Proper code enforcement can help ensure properties are maintained, property values are preserved, and economically vital areas like the downtown remain attractive to both residents and visitors.

Business Retention & Expansion (BRE) visits

The city recently resumed its BRE visit program and conducted three initial visits in late 2025. This program will continue throughout 2026, with a goal of 24 visits total. Two visits have already been scheduled for January 2026. Visits are conducted in coordination with the Whitewater Area Chamber of Commerce's Executive Director.

BRE visits are a recognized "best practice" in economic development and are an opportunity to learn about local business needs, future opportunities, and to maintain positive public-private relationships. Business specific information is maintained confidentially.

While the BRE program is not currently focusing specifically on the downtown, one recent visit was to Premier Bank's location in downtown Whitewater. Any business located within the City of Whitewater can request a BRE visit by contacting the city's Economic Development Coordinator, Ashwini Rao (arao@whitewater-wi.gov).

CDA Façade Loan Program

Since 1991, the Community Development Authority has maintained a Commercial Façade Loan Program, which operates on a revolving basis (i.e. monies loaned out are repaid and go back into the loan fund). The goal of the program is to maintain and preserve commercial properties, increase retail foot traffic, preserve current businesses, and attract new businesses. Funds may be used for items such as exterior painting, masonry work, awnings, exterior lighting, entrance enhancement, etc.

Currently, two downtown borrowers are utilizing this program. Bower's House (187 W Main St) received a loan of \$75,000 in 2022 and Shabani Investments (136 W Main St) received a loan of \$50,000 in 2024.



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Whitewater, WI 53190

A total of just over \$42,000.00 currently remains available to loan out. At the January 15, 2026 meeting, the CDA board will be presented with some suggested policy recommendations to continue preserving the program into the future, and staff plan to re-publicize the program as we approach Spring 2026.

Other CDA Loan Programs

Action Fund Loan Program

The primary purpose of the program is to provide stop gap financing to startup businesses. The Action Fund has been typically used to match the Capital Catalyst funds and currently has a balance of \$465,000 in two separate accounts. At the December CDA meeting, the Board agreed to consolidate the two Action fund accounts into a single account to ensure efficiency. The Action Fund has three loans in active repayment- Pauquette Center, Learning Depot and Safepro Tech. Loans in default are Fine Food Arts and Slipstream under this funding. Edgerton Hospital loan is a forgivable loan and so is in deferral. SafePro Technologies is also in deferral as it is a new loan.

Capital Catalyst Loan Program

As of Nov 30, the Capital Catalyst Loan Fund has a balance of approximately \$141,346. The Capital Catalyst Fund makes grants, debt and equity investments in startup and early-stage businesses. Funds are typically invested into innovation-based businesses located in, or those that will locate within, the City of Whitewater or those businesses having a direct effect upon the local economic well-being of the City. Capital Catalyst has two loans provided to Slipstream and one to Scanalytics that are in default.

Moving Forward, City Staff and Finance Dept. will collaborate on best practices and agreeable terms and conditions for these loans. City Staff will also develop a framework and recommendations for the use of Catalyst/Action fund monies, which may be used to assist existing downtown businesses and start-ups.

Infrastructure

In limited instances, the city has provided direct infrastructure support, when needed, to downtown local businesses. In August 2024, John Beres Builders, Inc conducted sanitary sewer and water lateral installation for the "Bower's House" property (187 W Main St). This was done in order to replace the previous lead lateral, upsize to a more appropriately sized water lateral, and maintain a critical downtown property, which is currently for sale.

Along with other organizations, the Community Development Department maintains a positive relationship with the Wisconsin Economic Development Corporation (WEDC) and



recently met with their staff in November 2025 to discuss potential future opportunities for assistance and collaboration.

WEDC offers several programs that can assist with downtown property development, revitalization, and expansion. One example is the Community Development Investment (CDI) program. The City of Whitewater previously utilized a CDI grant in FY 2022 to assist with renovations of the Bower's House property. Other WEDC programs can assist with small business training, innovation, and brownfield remediation and redevelopment.

The city is also able to utilize Tax Increment Financing (TIF) dollars to support infrastructure projects in the downtown, which may directly or indirectly support local businesses. Further, the Community Development Authority's loan programs are also a source of assistance for downtown businesses, as noted previously in this memo.

Partner Organizations

It should be noted that the Community Development Department team remains engaged with stakeholder groups within the downtown area, including the Whitewater Area Chamber of Commerce, which the Community Development Director is a meeting-attending board member of.

Further, as council members received a memo update on in the December 16, 2025 Common Council meeting packet, staff are working with Downtown Whitewater, Inc on a new Memorandum of Understanding (MOU), which will be brought to council at a later date. The MOU will cover mutually agreed upon expectations regarding events, downtown beautification, reporting, marketing, and other efforts, in consideration of the city's continued annual investment in the organization. Downtown Whitewater, Inc is currently in the process of forming a new board, and the Community Development Director will be meeting with them later this month.

Summary

Whitewater's downtown remains a central economic and community asset, supported by a diverse mix of businesses, but current data shows a ground-floor vacancy rate of approximately 15 percent—above generally accepted benchmarks for a healthy downtown corridor. In response, the City of Whitewater, through the Community Development Department and Community Development Authority, is actively pursuing targeted redevelopment of underutilized properties, reinvestment through long-standing loan programs, nearby housing development, infrastructure support, resumed business retention efforts, and strengthened partnerships with local and state organizations. These actions reflect a deliberate strategy to stabilize occupancy, return properties to productive use, and position the downtown for sustained reinvestment and long-term vitality rather than relying on market forces alone.