

## **CITY OF WHITEWATER**

### **DRAFT PUBLIC BENEFIT OCCUPANCY POLICY FRAMEWORK**

#### **FOR DISCUSSION PURPOSES**

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#### **PURPOSE**

The City of Whitewater utilizes several City-owned facilities for occupancy by nonprofit organizations, public service organizations, cultural organizations, economic development organizations, and historic preservation groups.

The purpose of this draft policy framework is to:

- establish greater consistency in occupancy agreements;
- identify factors used in evaluating public benefit occupancy arrangements;
- create transparency regarding reduced or subsidized occupancy arrangements;
- and provide a framework for future lease negotiations and facility use decisions.

This draft is intended as an initial discussion framework and may be revised based on Park Board, staff, and Common Council input.

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#### **POLICY PHILOSOPHY**

The City recognizes that occupancy of public facilities by qualifying organizations is not solely a commercial real estate transaction.

Certain organizations provide measurable public benefit to Whitewater residents through:

- essential human services;
- arts and culture;
- tourism promotion;
- economic development;
- educational programming;
- historic preservation;
- and community engagement activities.

Accordingly, occupancy arrangements may balance:

- operational costs,
- facility impacts,
- and demonstrated community benefit.

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## OCCUPANCY CLASSIFICATIONS

The draft framework identifies several occupancy categories that may justify differing occupancy structures.

<b>Classification</b>	<b>General Purpose</b>	<b>Potential Occupancy Structure</b>
Essential Human Services	Food security, emergency assistance, health/safety services	Nominal or waived occupancy
Community Enrichment	Arts, culture, recreation, education	Subsidized occupancy
Economic Development	Tourism, downtown development, workforce/business support	Reduced market occupancy
Historic Preservation	Stewardship of historic City facilities	Long-term negotiated agreements
Market-Rate Occupancy	Primarily private or commercial use	Market-rate occupancy

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## PUBLIC BENEFIT CONSIDERATIONS

The framework proposes evaluating occupancy requests using measurable public benefit factors rather than subjective determinations.

Potential evaluation considerations may include:

- number of Whitewater residents served;
- public accessibility;
- community programming;

- economic or tourism impact;
- volunteer involvement;
- historic or cultural value;
- and operational responsibilities assumed by the occupant.

The intent of this framework is to:

- improve consistency,
- document rationale for occupancy arrangements,
- and reduce uncertainty regarding future occupancy decisions.

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## **COST CONSIDERATIONS**

The framework also recognizes that occupancy arrangements create operational impacts to City facilities.

Potential cost considerations may include:

- square footage occupied;
- utility usage;
- elevator usage;
- custodial impacts;
- maintenance responsibilities;
- snow and grounds maintenance;
- HVAC usage;
- and facility wear and tear.

The intent is not necessarily full cost recovery in all situations, but rather improved transparency and consistency in occupancy decisions.

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## **LEASE AND REVIEW STANDARDS**

The draft framework proposes that future occupancy agreements generally include:

- written lease agreements;

- insurance requirements;
- maintenance responsibilities;
- reporting expectations;
- renewal schedules;
- utility responsibilities;
- and periodic review provisions.

The framework also proposes:

- periodic review of occupancy agreements;
- annual reporting by subsidized occupants;
- and consideration of CPI-based occupancy adjustments where appropriate.

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## **EXISTING AGREEMENTS**

Existing occupancy arrangements vary significantly based upon:

- historical agreements;
- operational responsibilities;
- public benefit provided;
- and organizational purpose.

The intent of this framework is not to immediately modify existing agreements, but rather to:

- create future consistency,
- establish guiding principles,
- and provide a framework for future review and negotiation.

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## **NEXT STEPS FOR DISCUSSION**

Potential next steps may include:

1. Park Board discussion and feedback;

2. refinement of occupancy classifications;
3. development of a public benefit evaluation worksheet;
4. creation of standard lease templates;
5. review of operational cost factors;
6. and future Common Council consideration.