



Public-Private Housing Venture in Sheboygan Falls

Randy Meyer, Sheboygan Falls Mayor

"One hundred and seventy-five new single-family homes coming to the City of Sheboygan Falls (population 8,210) is what I call 'a beautiful public private partnership.'"



The Founders' Pointe subdivision, a partnership between the City of Sheboygan Falls, Sheboygan County Economic Development Corporation (SCEDC), Johnsonville, Kohler Co., Masters Gallery Foods, Sargento Foods, and Sheboygan County started construction in April of this year. There will be 54 homes constructed in phase 1 over the next 18 months, which is an incredible building pace for our area. We are using nostalgic zoning, with minimum lot sizes of 60 x 120. Each home in Founders' Pointe will have three bedrooms, two baths, a two-car garage, and a full basement, and the homes will range from 1,322 to 1,512 square feet. Phase II will add a pocket neighborhood of another 45 single-family homes. A piece of land will be sold to a separate developer to construct 36 apartment units next to existing apartments.

The goal is to sell these homes at an affordable price point to encourage workforce to relocate to Sheboygan County, with 80% of the homes being sold to people outside our county and 20% available for people already living in the county. The mortgages on these homes are projected to be under \$250,000, with the value of the lot being used as downpayment assistance. Without the unique innovative partnerships, these homes would sell for over \$350,000. For information on the home selection process, visit SomePlaceBetter.org/homes.

The secret sauce is the partnership of investors. Four private companies: Sargento Foods, Masters Gallery Foods,

Johnsonville, and Kohler Co., all invested \$2 million each into The Forward Fund. Sheboygan County later added \$2 million of ARPA funds and Sheboygan Falls is investing TID incentives. As described by SCEDC Executive Director Brian Doudna, "The companies are not receiving a cash return on their investment, and they are not receiving a charitable deduction. They are helping improve the available workforce for all of Sheboygan County, and do not have priority for their employees to purchase these new homes." The City of Sheboygan Falls TID incentives are helping with infrastructure costs and land purchase.

The SCEDC's goal is to add 600 single-family homes to Sheboygan County. They will continue to revolve the funds, rinse, and repeat the process throughout the county.

Why select The City of Sheboygan Falls Founders' Pointe subdivision for the first new housing site?

Because of City Administrator Shad Tenpas' suggestion, we were able to identify an undeveloped commercial piece of property that could be converted to residential use at a much lower density than apartment buildings. The property is located in our Tax Increment District 4, allowing us to provide incentives, as this is a mixed-use district. We are using the pay-go method to provide these incentives, meaning we do not have to borrow any funds.

SCEDC, through the Forward Fund, purchased the property and is acting as the developer. We negotiated a developer agreement laying out a lot of terms and conditions, including the pay-go incentive. Like all development agreements, there was some good negotiating and give-and-take by both sides, but the SCEDC is a great partner to work with.

Our city team deserves a lot of credit for their caring, innovative, thoughtful review and input into the development. From City Council, to Plan Commission, to city staff, everyone put in extra time and effort to give thorough, yet fast reviews and approvals.

But wait, there's more. As a result of this development, we have been able to enter into a separate agreement to create another 80+ home subdivision (Summerfield Estates) in Sheboygan Falls. A portion of this second subdivision will be amended into TID 4, with the majority going on to our tax roll. We were thoughtful when we set the initial boundaries of TID 4, including a closed city landfill and other city property, which made it possible to meet the 35% test for residential. The benefit of the SCEDC project to the second subdivision is the average one-third acre lot size is not a concern on the second subdivision, as the smaller lot sizes on the SCEDC project make it easy to meet the one-third acre test overall.

Quality local builder, Werner Homes is building the Founders' Pointe homes for the SCEDC, using local subcontractors. The investors in the Forward Fund have reviewed materials and construction techniques to help add character to the homes. Werner Homes is also developing and building Summerfield Estates, the second subdivision mentioned.

Benefits include: attracting workforce to the area, growing single family homes in Sheboygan Falls by 175, four companies investing in Sheboygan Falls even though none of them are located in our city, providing 95 reasonably affordable middle class homes of the 600 SCEDC goal, springboarding the SCEDC project into a second subdivision, growing our tax base, attracting new students to our School District, using local workforce, and most importantly, leading the way in an innovative partnership in Sheboygan County.

About the Author:

Randy Meyer is honored to be serving in his 20th year as the Mayor of Sheboygan Falls. He is a motivational speaker, former financial planner, was recognized as one of the Ten Outstanding Young Americans, and is inducted into the National Wrestling Hall of Fame. Tony is married to Tammy, has a daughter and son-in-law, two wonderful grandchildren, and has a guide dog, Hank.



Hear more about Sheboygan Falls' innovative workforce housing project and ask Mayor Meyer questions about the project at the Housing Deep Dive being held in conjunction with the League's 125th Annual Conference:

Wednesday, October 18, 2023
9:00 am-Noon
Green Bay at the KI Center

Strategies for Creating Housing

- Moderated by Curt Witynski, Witynski Consulting LLC
- Removing Barriers to Housing From Your Zoning Code - Susan Henderson, Director, the Congress for New Urbanism
- Sheboygan Falls' Housing Initiatives - Mayor Randy Meyer
- "Would These Ideas/Strategies Work in Your Community?"
- Madison's Zoning Code Amendments for Housing - Katie Bannon, Madison Zoning Administrator
- Shorewood's Efforts to Increase Housing - Village President Ann McCullough McKaig