

# **COMMUNITY, ECONOMIC DEVELOPMENT & HOUSING AUTHORITY (CEDA) ANNUAL REPORT 2022**



## ***Balancing Quality Growth***

### ***Executive Summary***

#### **Fitchburg Community and Economic Development Authority Members:**

Jennifer Clary (Vice Chair), Mark Fairchild, Mark Hamilton, Dan Hardy, Andy Potts, (Chairman),  
Randy Udell (Council Rep) and Jim Wheeler (Council Rep)

#### **Housing Advisory Committee:**

Godwin Amegashie, Jennifer Clary, Mallory Gorman, Joe Maldonado (Council Rep), Brian  
McKee, Marchelle Mertens, Olivia Parry (Chair), Nate Pharmer-Eden and Brian Schimming

**Staff liaisons:** Michael Zimmerman, Economic Development Director and Joyce Frey,  
Economic Development Specialist

## ***COVID-19 Pandemic Eases in 2022, Economic Development and CEDA Respond***

Business is getting back to pre-COVID-19 pandemic routines, but some business practices will not continue as one might think. Many Fitchburg businesses continue to host online meetings, offer curbside pickup, outside dining, and some offer remote working. Many lessons were learned over the past two years, the Fitchburg business community responded quickly and effectively to continue to serve its customers.

The Fitchburg Community and Economic Development Authority (CEDA) responded by developing the **Forward Fitchburg Biz Boost Loan Program** and the **Temporary Premise Expansion Permit**.



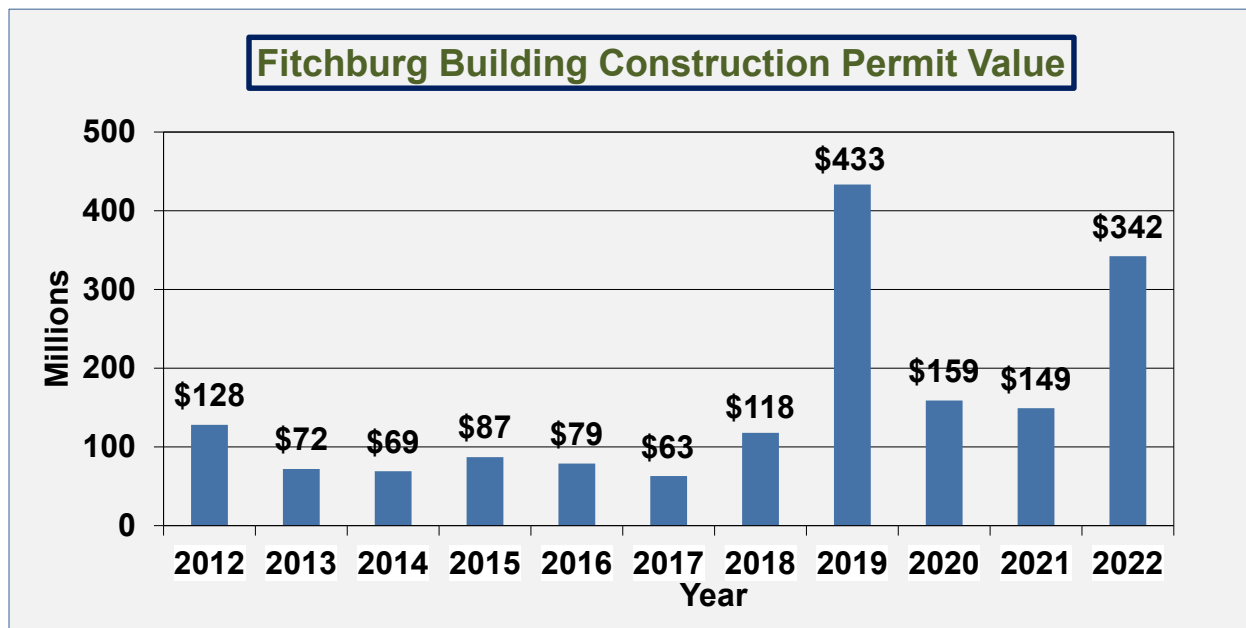
The **Forward Fitchburg Biz Boost Loan Program** offered two-year, one percent loans up to \$10,000. The funding was intended to assist small businesses with relaunching and reopening expenses due to the virus. CEDA transferred \$150,000 from its existing revolving loan fund to seed the loan fund. In 2020, five loans were approved for a total of \$47,500.00 leaving a remaining balance of \$102,500.00. All loans were paid in full on December 31, 2022.

**Temporary Premise Expansion Permit** became a permanent program option in 2022, due to its past success. Customers enjoyed having the option for either indoor or outdoor dining.



The **Economic Development Department** extends its sincere appreciation to the **Fitchburg Chamber Visitor + Business Bureau (FCVBB)** staff for being a great community partner during the past two years of the COVID-19 pandemic. The Four Minute Review weekly newsletter was an invaluable tool for COVID communications. Thank you, Angela, Katherine, and Brandon, for your outstanding commitment to the Fitchburg business community.

## Economic Development



2022 proved to be another great year for construction in Fitchburg. 132 new single-family permits were issued, 12 new duplex, 4 new multi-family and 92 commercial permits for either new buildings or alterations. The total construction value for 2022 was \$342,319,309. Total new apartment units were 382. Realizing the importance of have an inventory of lots available, the city approved the use of ARPA funds to complete two neighborhood plans, South Stoner Prairie in 2023 and Greenfield in 2024.

*The developments highlighted in this annual report reflects the building permit activity value in the above chart. The level of valuation is due to the investment by our private sector partners and the multiple City Departments involved with the development review and entitlement process.*

### **Development Team Meetings Provide a One Stop Shop for Future Projects**



To provide better customer service and collaboration between developers and city staff, the city now offers developers the opportunity to meet with city staff from all departments involved in the approval and permitting process. The city development team consists of administration, assessing, building inspection, economic development, fire, legal, parks, planning and public works. The development team meets every Tuesday from 2:00 pm to 3:30 pm with available time slots for developer meetings. In addition to meeting with developers, the team can

discuss any other matters related to any current or future development projects. Feedback from the development community is that this concept is helpful and beneficial.

## ***Wisconsin Latino Chamber of Commerce Makes Dream Come True by Purchasing Its Permanent Home in Fitchburg***



Ms. Jessica Cavazos, President, and CEO of the Wisconsin Latino Chamber of Commerce (WLCC) had always dreamed of owning a center that the chamber could call home. In 2022, her dream became a reality. The WLCC purchased the former Roughin' It In Style building at 5262 Verona Road. "The Gateway Center" will house the chamber offices, an area for entrepreneurship and educational programs, event space and commercial kitchen. Congratulations to Jessica and the WLCC team! Keep dreaming!

## ***The Hawthorne Suites Becomes MainStay Suites with New Ownership***



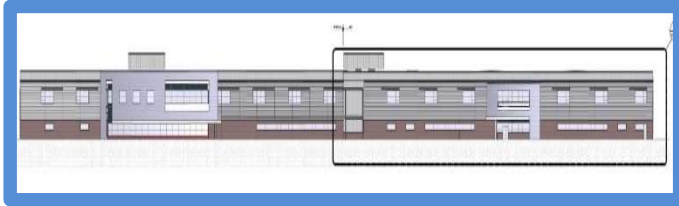
In late December, the Hawthorn Suites located at 5421 Caddis Bend, was sold to a new ownership group. As part of the sale, the new owner rebranded the hotel to a MainStay Suites, part of the Choice Hotel flag. The MainStay Suites is 79 suites and is an extended stay hotel. The phone number remains the same. More information on the MainStay Suites brand can be found at: <https://www.choicehotels.com/wisconsin/fitchburg/mainstay-hotels/wi460>

## ***McKenzie Regional Workforce Center and the Boys & Girls Club of Dane County Gifted Former Thermo Fisher Facility***

The Boys and Girls Club of Dane County received a generous gift from John McKenzie Family, a former Thermo Fisher facility at Verona Road. The property will be home to the Boys & Girls Club of Dane County Headquarters and the McKenzie Regional Workforce Center. The McKenzie Regional Workforce Center will provide training and education for youth interested in the trades, in collaboration with the Madison Area Builders Association. The building is being expanded and renovated.



### ***Promega's Kepler Building Expansion Nearing Completion***



Promega's Kepler Center building expansion began in 2021 and is expected to be complete in March of 2023. The original facility was 99,000 square feet. The 2021 addition is 135,000 square feet. The total investment was approximately \$69 million

### ***The Usona Institute Will Provide Life Changing Therapy and Research Upon Completion***



The 91,550 square foot office, therapy and research/development center is under construction. The Usona Institute will research and provide prescribed therapies for those suffering from PTSD and depression with innovative use of psilocybin. In addition to the therapy center, there are two 1,254 square foot care units for patients.

### ***Encompass Health Rehabilitation Hospital Under Construction***

Encompass Health broke ground on its rehabilitation hospital increasing its bed count from 40 to 56. Construction began in summer of 2022. Phase 2 will double the size to 80,000 sq. ft. and a total of 80 beds.



## ***Kwik Trip C-Store and Car Wash at Syene and East Cheryl Opens***

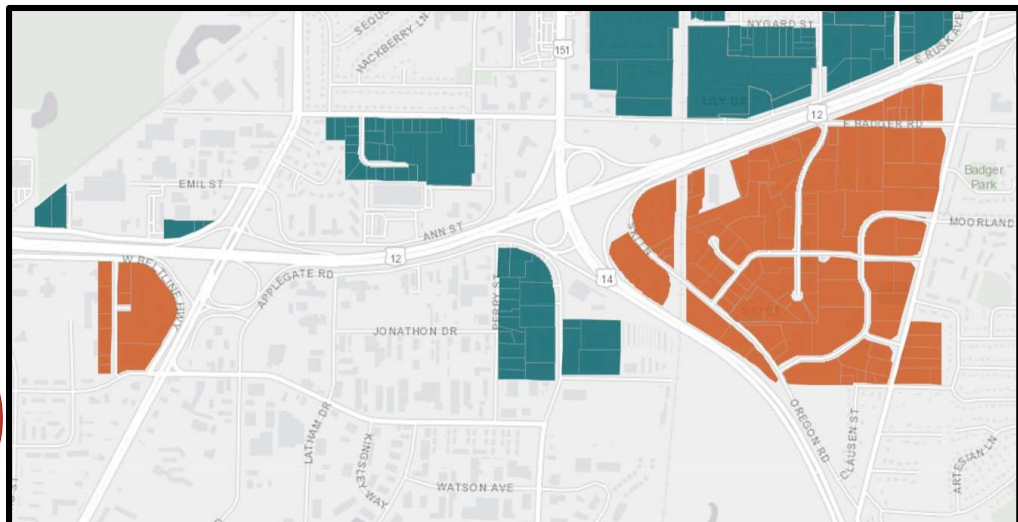


Kwik Trip's 9,000 sq. ft. C-Store and Car Wash opened in October 2022.



## ***Town of Madison Annexation Brings Economic Development Opportunities***

On October 31, 2022, a historic event took place as the Town of Madison dissolved, with a portion of the town coming to the City of Fitchburg and a portion going to the City of Madison. This agreement was entered into 20 years ago. The annexation brought approximately 100 small and large businesses to Fitchburg and approximately 1,600 residents. The area included the Novation Campus and Southdale Neighborhood, along with the property located between Fish Hatchery Road and Bryant Street. (Orange shaded areas coming to Fitchburg)



## ***FCVBB and Economic Development Host Welcome Event for Town of Madison Businesses and FCVBB Members***

The Fitchburg Chamber Visitor + Business Bureau and the economic development department partnered to host a networking event for the Town of Madison businesses at the Delta Beer Labs, which is located in the Novation Campus. It was a successful event and provided both the FCVBB and economic development staff an opportunity to meet with business owners and staff. Economic development staff shared a PowerPoint of the services provided by the economic development department, along with an overview of the Chamber services.

Economic development staff gathered a comprehensive list of businesses, along with contact information, which was shared with the Chamber and Fitchburg staff. The businesses were added to the economic development's business database, along with the apartments.

Economic development staff spent a considerable amount of time with the broker and his clients about what type of projects could be constructed on a property located on Rimrock Road prior to the annexation. A mixed-use project was also approved for the Novation Campus, however, due to current market conditions, construction has been delayed.

In addition to the above-mentioned activities, economic development participated in the community outreach events and organized the "Welcome to Fitchburg Event" the day after the annexation was complete.

## ***Rutabaga Paddle Sports Opened in December 2022***



Rutabaga Paddle Sports opened its retail and warehouse building in December of 2022. Rutabaga is an iconic Madison area business that not only sells quality outdoor sporting gear, it is a great community partner that sponsors community clean-up projects, educational programs and the annual Canoeacopia at the Alliant Energy Center. The pond will be used to try out the kayaks and canoes. Several sustainable features were incorporated into the construction of the facility and pond.

## Two New Developments Approved

Two new neighborhoods are working their way through the development approval process. Royal Capital is bringing forward a development on the Foseid property, a former clean fill site, located on County Highway MM. The mixed-use development will include 100 owner-occupied townhomes, 80 senior apartment units, 10,000 to 20,000 square feet of commercial space, 120 market-rate apartments and some creative public spaces. The 32.8-acre development is in TIF #11. The preliminary plat has been approved.



Hartung Fields, located east of Syene Road and South of Lacy Road, is an approximately 83 acre mixed-used development. Approved is 450 multi-family units, 36 townhomes, 20,000 square feet of commercial space, 180,000 square feet of office space and 300,000 square feet of lab/logistics space. Infrastructure construction will begin in spring of 2023. TIF #14 was approved for Hartung Fields.



## ***General Beverage Prepares for Office Addition/Warehouse Expansion***

General Beverage, a fourth-generation business, is preparing for its future. General Beverage worked with Payne and Dolan to purchase seven acres of land on Cottonwood Drive adjacent to the truck entrance for General Beverage (GB). The seven acres will be set aside for a future warehouse. With having the land for an additional warehouse, GB will be able to remodel the existing offices and construct a second-floor office addition to its headquarters.



## ***Oak Retail Building Approved in the Fitchburg Business Park***

The final business condominium was approved. The condominium is a 11,874 square foot retail building. The brokers are working to secure some retail tenants. 2023 construction is expected.



## ***City Staff Responds to Site Searches***

Economic development staff submitted responses to Project Heeler/Sandals and Project Singularity via Madison Region Economic Partnership. Project Singularity was first issued in 2021 and the 2022 request was for additional information as the next step in the site selection process.



# COMMUNITY DEVELOPMENT

## *City's Senior Housing Options Expand*

- The Courtyard of Fitchburg: 72 unit assisted living and 36-unit memory care (Chapel Valley) is under construction.



- The Cesta (formerly known as the Riversong): 128 senior units and 60 assisted living units in Terravessa is approved.



- Inspiration Point: 8-unit CBRF, 5 duplexes, 6 - 5-unit Townhomes, 1 – 6-unit Townhomes and 1 – 8-unit CBRF (Swan Creek) is approved.



- Quarry Ridge Senior Resort Lifestyle Community opened in July 2022. The community has 130 apartment units.



- The Limerick, 100 affordable senior units and 28 affordable townhomes opened in October 2022.



## ***Four Mixed-Use Projects Approved, Two of Which are Under Construction in Terravessa***

Four mixed-use projects were approved with two of them under construction in Terravessa. The project has 11 apartment units and 4,000 sq.ft. of commercial space



### ***Multi-Family Edge @ Terravessa is Under Construction***



Edge @ Terravessa, a 189-unit market rate apartment building, with a Texas wrap around parking concept, is under construction.

### ***The Arlo Apartments, a Mixed-Use Building is Approved in Uptown***

The Arlo, a mixed-use building, was approved in Uptown. The property will have 57 apartment units and 2,300 sq. ft. of commercial space on the first floor and some outdoor public space.



## ***Inventure Capital Invests in Second Mixed-Use Development in the North Fish Hatchery Redevelopment Corridor***



The Ochalla, a mixed-use development consisting of 170 apartments with 10,400 sq. ft. of commercial space on the first floor, is expected to open in summer of 2023.

## ***Housing Advisory Committee Continues Work on Affordable Housing***

In 2022, the Housing Advisory Committee worked with CEDA for approval to move forward with Phase II of the Rent to Own Townhome Endowment Pilot Program. Phase II is the development of the program guidelines, securing a developer and management company. A separate allocation was set aside if the city would like to evaluate a land trust model. Administration requested further due diligence to better understand the risk/rewards of the Rent to Own Townhome Endowment Pilot Program. Outreach was done to Madison Development Corporation, Urban League of Dane County, Hope Community Capital, and the Dane County Housing Authority to share the program concept and explore possible partnerships.

In addition to the pilot program work, the HAC focused its work on programming ideas for new and existing affordable housing. The consensus of the HAC was to provide investment opportunities into the older existing multi-family units as the number one priority. Staff agreed that reinvestment into existing multi-family is needed and felt that including life safety elements such as sprinklers should be a priority. The HAC heard from Mr. Jack Pearson, Fitchburg Building Inspection Department, who is the main contact for tenant relations. Mr. Pearson provided a comprehensive needs assessment of the existing multi-family units from his years of inspection experience. Mr. Pearson noted his support for providing funding to the multi-family units for general rehab and updates, along with funding to address any noted safety issues. Chief Joe Pulvermacher, Fitchburg Fire Chief, did a presentation on the needs of the existing multi-family units from the fire departments perspective.

During the O'Brien Solar Farm event, Mr. Zimmerman was introduced to Ms. Claire Schaefer Oleksiak, with Sustain Dane. As part of their conversation, Mr. Zimmerman shared that the city was working on housing initiatives. Ms. Schaefer Oleksiak suggested meeting with city staff to discuss some initiatives that she was working on. Economic development staff had a follow up meeting with Ms. Schaefer Oleksiak and John Viner, Senior Program Manager with Elevate Energy. The two organizations are doing a pilot program with the City of Madison and Middleton to provide energy efficient elements to existing affordable multi-family that aren't receiving subsidies from any other programs. This program was then presented to the HAC.

## Housing Developments



The **Crescent Crossing** neighborhood attracted a lot of attention and Phase I quickly built out. Phase II lots are nearing full build out. Located in the Verona School District.



2022 **Terravessa** approvals included single-family and townhomes lots, senior housing, and mixed-use buildings. There continues to be a strong market demand for the neighborhood. Located in the Oregon School District.



**Payne and Dolan** has an approved CDP for a residential subdivision consisting of 124 lots, of which 94 are single-family and 30 are for duplexes, located at Lacy and Fitchrona Road. The lots will be in the Verona School District. Currently looking for a development partner.





**Irish Fields** will consist of 24 townhomes, 32 walk-up apartment units and 172 garden style apartment units. Foundations are being installed.



**Highfield Reserve**

**Highfield Reserve** envisions 257 single-family lots and 12 twin home lots. Infrastructure is being installed.

 A photograph of a two-story house with a white exterior and a dark roof, featuring a front porch and a well-kept lawn with flowers.
 

**Highfield Reserve**  
Fitchburg, Wisconsin

Zoning Submittals  
Planned Development: Specific Implementation Plan  
(Single Family & Twin Homes)

Submitted: February 15, 2022

**VERIDIAN HOMES**  
WANDOWALLE & ASSOCIATES INC.

## Edgewood College Athletic & Wellness Campus Land Rezoned & Received CARPC Approval



Edgewood College Athletic and Wellness Campus land received an urban service extension approval from CARPC. The forty-acre development south of Lacy Road has also been rezoned. Edgewood has acquired the parcel from the O'Brien family.

## Community Development Projects Include Wayfinding, Website Refresh and BCycle



Economic development department staff participated in the refresh of the city's website. The Economic development section was also updated.

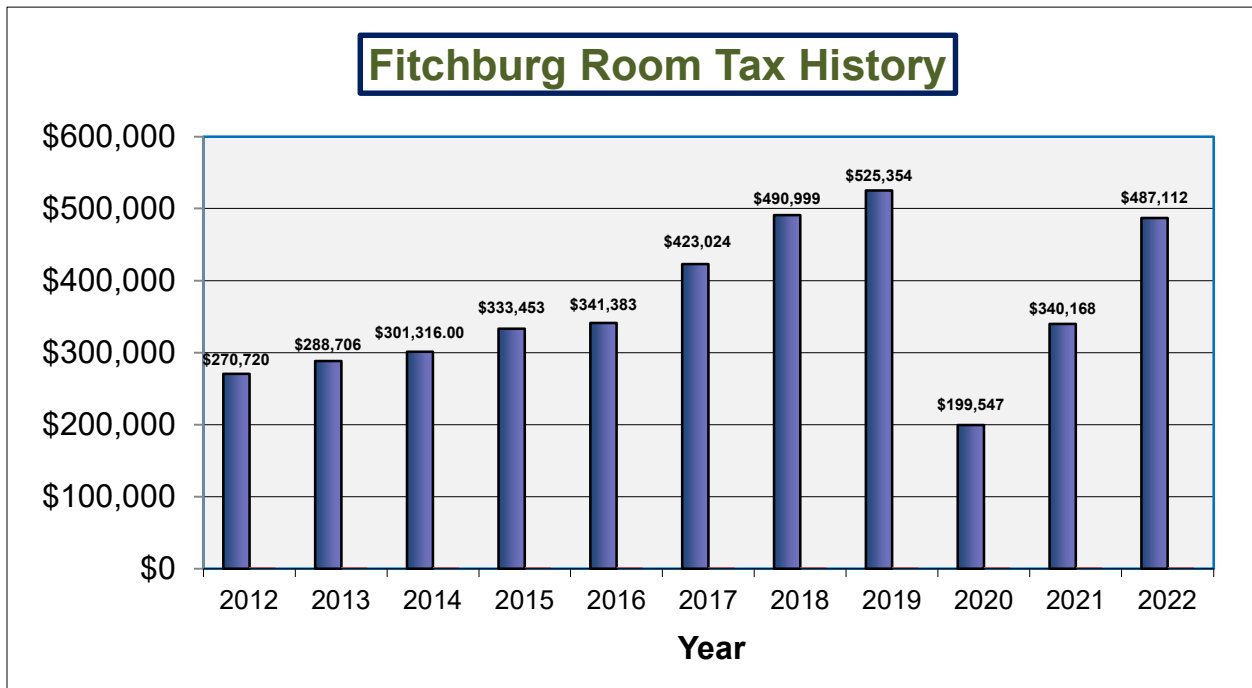


Public Works and Economic Development worked together to issue an RFP and vendor for the city's wayfinding project. The signs were fabricated, and phase I signs were installed. Phase II installation will be completed in 2023 after road projects are complete.



CEDA provided \$50,000 seed funding for the B-Cycle project phase I. The dollars come from the sports infrastructure fund set aside. The Fitchburg Chamber Visitor + Business Bureau and the Fitchburg Bike Committee took the lead on bringing the B-Cycle Program to Fitchburg and secured the private sector sponsorships.

## 2022 Hotel Room Tax Collections



Fitchburg room night demand continues to rebound from the COVID-19 impact with 2022 room tax collections returned to 92 percent of the highest year to date, 2019. As the room night demand increases, as does the hotel room taxes. During the downturn due to the pandemic, allocations reached the lowest at \$199,547 preventing our partners and the Community and Economic Development Authority, who manages the city's allocation, to scale back sponsorships, marketing efforts, and the city's annual business appreciation luncheon. The 2023 budget anticipated that the room night demand would increase, but staff continued to be conservative with estimates and spending. Some marketing dollars were restored and funding to host a business appreciation luncheon was included.



**FITCHBURG CHAMBER  
VISITOR + BUSINESS BUREAU**  
*your business community connection*

In accordance with Wisconsin ACT 55, the City of Fitchburg worked with the Fitchburg Chamber Visitor + Business Bureau (FCVBB) to serve as the City's Tourism Entity. The

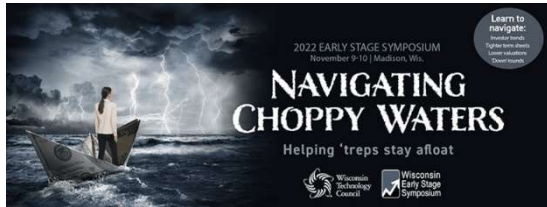


FCVBB receives 70% of the hotel room tax dollars for tourism marketing and tourism promotion. The FCVBB manages our partnerships with the Madison Area Sports Commission and Destination Madison for the City. The remaining 30% of the funds are retained by CEDA.



## Marketing and Promotion

### Economic Development Staff Promote Fitchburg at the Wisconsin Technology Council Events



Economic Development staff attended the Wisconsin Entrepreneurs Conference in Milwaukee in June and the Early Stage Symposium held in November at Monona Terrace. These events provide an opportunity to interact with science and technology companies, business services and building contractors who specialize in this space.

### Economic Development FCVBB Collaborate on

As part of the Chamber and City's partnership agreement, the Chamber provides ad design services to Economic Development. The ad to the right was included in the 2022 Chamber Guide.



and  
City Ad

## ***Professional Development***

- ✓ Attended the Ehlers Public Finance Conference
- ✓ Attended the MadREP and Urban League Economic Development and Diversity Summit
- ✓ Participated in MadREP professional development/topics meetings
- ✓ Attended the WHEDA Annual Housing Conference

## ***Significant Accomplishments in 2022:***

- Prepared for implementation of the affordable endowment townhome housing pilot project and other housing related initiatives.
- Engaged in outreach with the Town of Madison businesses, gather business data, and add businesses to economic development database, potential new Town TID.
- Worked to identify Colburn Hundley, developer for Shea property.
- Collaborated with Royal Capital on PDD-GIP for Foseid property.
- Worked with Edgewood College and Planning on CARPC application.
- Provided assistance with Hartung Fields CDP and creation of TID # 14.
- Completed record organizational initiative.
- Secured ARPA/TID 6 \$\$ for Greenfield and South Stoner Prairie Neighborhood Plans.
- Continued the implementation of the North Fish Hatchery Road Visioning including Ochalla mixed use building.
- Construction of Uptown Kwik Trip.
- Groundbreaking for Encompass Health rehabilitation hospital
- 2022 occupancy of Limestone Ridge and Limerick Affordable Housing developments.
- Closure of TID 6 generated \$2.67 million for housing fund.
- CEDA \$50,000 investment to launch Fitchburg BCycle network

## ***Outside City Committee/Organizational Participation***

- Zimmerman is the city liaison on the Fitchburg Chamber Visitor + Business Bureau
- Frey serves on the Dane County Housing Initiative Committee