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City of Waukesha Cover Sheet

Committee: Redevelopment Authority	**Meeting Date:** 10/20/2025
ID Number: 25-02386	**Ordinance/Resolution Number (if applicable):** N/A
Name of Submitter: Jeff Fortin, Economic Development Project Manager	**Target Next Board/Council Meeting Date:** 11/4/2025
Agenda Item Title: Review and possible action on the Redevelopment Authority Real Estate Purchasing Policy	

Issue Before the Board/Council:
Consider adopting a new policy that sets guidelines and criteria for the Redevelopment Authority to purchase property for development or redevelopment, provided the acquisition supports the goals outlined in the City's Strategic Plan, Central City Master Plan, and other officially adopted planning documents.

Options & Alternatives:

- The Council could make modifications to the policy.
- The Council could not adopt the policy and keep the status quo of requiring all purchases to be approved by the Council.

Additional Details:
During the 2025 Common Council retreat/workshop one of the directives to staff was to create a policy that would allow the Redevelopment Authority to purchase properties with a high potential for redevelopment/development with a focus on blight reduction, adding housing units, improving the quality of life of residents and neighborhoods, job creation, and adding taxable value.

The proposed policy establishes a defined process, criteria for acquisition, due diligence, and post-purchase requirements.

What is the Strategic Plan Priority this item relates to: People Centered Development
What impact will this item have on the Strategic Plan Priority? This program will impact People Centered Development by creating more opportunities to add workforce housing units. Additionally, adding taxable value through redevelopment of these sites will improve financial sustainability.

Financial Remarks: Funding for this program will come from interest on American Rescue Act Plan fund and stabilization fund, net proceeds from the sale of city owned property, and the Redevelopment Authority Affordable Housing Development Fund.

Suggested Motion: I move to approve the Redevelopment Authority Real Estate Purchasing Policy.

Reviewed By:

Finance Director Joseph P. Ciurro	**Date Reviewed**
City Attorney Brian Running	**Date Reviewed**
City Administrator Anthony W. Brown	**Date Reviewed**

Waukesha Redevelopment Authority
Real Estate Purchasing Policy

Purpose and Intent

The City of Waukesha Redevelopment Authority (RDA) was created in 1982 to spearhead redevelopment efforts in the downtown and central city areas. Typical RDA activities are focused on blight elimination, slum clearance and urban renewal programs and projects.

This policy is to guide the City of Waukesha Redevelopment Authority when acquiring strategic properties that can be used to further the city's economic development and workforce housing goals. Strategic properties include properties with a strong redevelopment potential with a focus on blight reduction, adding housing units, improving the quality of life of residents and neighborhoods, job creation, and adding taxable value.

The ability to purchase property derives from Wisconsin Statutes Section 66.1333(3)

Acquisition Criteria

Any acquisition shall meet one or more of the following criteria

1. **Alignment with Strategic Goals:**
   Properties that support the goals and objectives outlined in the City's Strategic Plan for 2024–2029.
2. **Sites identified in official city planning documents**
   Including, but not limited to:
   a. Central City Master Plan (2012)
   b. City of Waukesha Comprehensive Plan (2024)
   c. St. Paul Avenue Corridor Plan
   d. Sunset Drive and West Avenue Plan
3. **Strong Redevelopment Potential**
   Properties with characteristics conducive to impactful redevelopment.
4. **Eligibility for External Funding**
   Sites that can leverage financial assistance from programs such as:
   a. Wisconsin Economic Development Corporation (WEDC) grants
   b. EPA Brownfields Grants
   c. Waukesha County Center for Growth's GROW Fund Loans
5. **Workforce Housing Opportunities**
   Properties identified as suitable for workforce housing development.
6. **Tax Incremental District (TID) Potential**
   Sites located within existing or proposed TIDs that support redevelopment efforts.
7. **Low-to-Moderate Income Neighborhoods**
   Properties located in HUD-designated LMI areas where City funds can be paired with additional resources such as:

   a. Community Development Block Grants (CDBG)
   b. HOME Investment Partnerships Program (HOME Funds)

8. **Tax Credits**
   Properties that could potentially be eligible for Historic or Low Income Tax Credits (LIHTC), including properties that score high for that year's LIHTC's program parameters.
9. **Strategic Adjacency**
   Properties adjacent to privately held land slated for development or redevelopment.
10. **Tax Foreclosure Properties**
    Acquisitions that advance the City's economic development or housing goals through the reuse of tax-foreclosed properties.
11. **Municipal or Public Use**
    Properties identified for future municipal projects or public use

Due Diligence Items

The terms of an offer to purchase will vary based on the specific property and will be determined by the Redevelopment Authority (RDA) during the preparation of the purchase contract or offer. However, at a minimum, all offers shall include:

- Phase I and Phase II Environmental Assessments
- Title Contingency
- Property Inspection and Site Visit: Staff will conduct a site visit with real estate and construction professionals to assess potential costs related to demolition, environmental remediation, site preparation, and other factors beyond the sale price.

All offers to purchase or purchase contracts must be reviewed by the City Administrator, City Attorney, and Finance Director prior to submittal.

Process

Once a property (or properties) meeting the outlined criteria is identified, staff will place the item on the next Redevelopment Authority (RDA) meeting agenda. In certain cases, a special meeting may be scheduled to consider potential purchases. When evaluating a property for acquisition, the RDA may enter Closed Session under Wisconsin Statutes §19.85(1)(e) to discuss competitive bargaining matters.

Prior to making an offer, staff will obtain a broker's opinion of value, commission an appraisal, or consult with the City Assessor to determine a fair purchase price.

The RDA must identify the funding source(s) at the time of approving any offer to purchase or purchase contract.

If the RDA is acquiring property for transfer to a previously identified developer, a development agreement may be required. This agreement will be subject to Common Council approval.

RDA real estate activities will be reported to the Common Council during the RDA Report portion of the Council agenda.

Post-Purchase

For properties without an identified developer, the Redevelopment Authority (RDA) may choose to list the property for sale, specifying acceptable uses, or issue a formal Request for Proposals (RFP). In addition, RDA staff will proactively engage with potential developers whose portfolios align with the desired use, scale, and design of the site.

Staff will coordinate all property maintenance, including lawn care, snow removal, and general upkeep, in collaboration with the appropriate city departments.

To support future development, staff will also pursue available grants, loans, and other assistance programs that could serve as incentives for investment in the acquired property.