

VILLAGE OF GRAFTON
REQUEST FOR VILLAGE BOARD CONSIDERATION

ITEM DESCRIPTION: Review and action on Draft Comprehensive Plan Amendments related to the Farmstead on Falls at 912 Port Washington Road

REPORT PREPARED BY: Jessica Wolff, Director of Planning and Development

REPORT DATE: January 9, 2022

MEETING DATE: January 16, 2022

ADMINISTRATOR'S COMMENTS:

No additional comments to this report JT
See attached comments

FISCAL SUMMARY:

Budget Line Item:	N/A
Budget Line Item:	N/A
Budgeted Expenditure:	N/A
Budgeted Revenue	N/A

STATUTORY REFERENCE:

Wisconsin Statutes:	66.1001
Municipal Code:	N/A

BACKGROUND / ANALYSIS:

At the November 22, 2022 Plan Commission meeting, the Plan Commission recommended approval of an amendment to the Village's Comprehensive Plan for a multi-family development at the northeast corner of Port Washington Road and Falls Road at 912 Port Washington Road. The development, known as The Farmstead on Falls, encompasses 9.8 acres on a single parcel that is currently in the Town of Grafton (06-020-11-010.00). The concept plan identifies a 0.9-acre commercial outlot on Port Washington Road, an 8.6-acre site for the multi-family development, and approximately 0.3 acres of right-of-way dedication.

This property is currently identified on the Village's Comprehensive Plan Future Land Use Map as "Office" and "Neighborhood Mixed Use." The proposed Comprehensive Plan amendment would change the map designation from "Office" to "Medium Scale Multi-Family Residential" to align with the proposed multi-family development. The "Neighborhood Mixed Use" area is consistent with the proposed commercial outlot and would remain. The amendment also includes various text amendments that are identified on the following pages.

The following new information is attached to this report:

- Lumberyard Area Property Values Comparison: There were concerns about negative impacts on property values of homes near the proposed development. This is a table of assessed property values of property near the Lumberyard 1505 redevelopment site which includes apartments from 2015 to 2022 (before and after construction). There was no demonstrated decline in property values in close proximity to the Lumberyard over this period. In fact, residential assessed property values increased an average of 26 percent.

- Developer Statement: This is a statement by Brian McClaren which addresses concerns about adjacent property values, estimated impact on school district enrollment, estimated impact fees from the development, and statements from real estate professionals on demand for high end apartments in Grafton.
- Farmstead on Falls Renderings: Architectural renderings of the proposed development and site.

The review and adoption process for the Comprehensive Plan Amendment is as follows:

<u>Meeting Required</u>	<u>Date</u>	<u>Status</u>
Plan Commission Concept Plan discussion	August 23, 2022	Completed
Plan Commission public hearing and recommendation on Comprehensive Plan Amendment	October 25, 2022	Completed
Plan Commission recommendation on Comprehensive Plan Amendment	November 22, 2022	Completed
Village Board action	January 16, 2023	This meeting

STAFF COMMENTS:

The 2016 Comprehensive Plan included a nuanced housing policy. First, the Village selected the “Fine-Grained” Planned Neighborhood policy which states that within the “Planned Neighborhood” areas on the Future Land Use Map, each development must meet the residential balance policy of a minimum of 64 percent single family units, a maximum of 16 percent two family units, and a maximum of 20 percent multi-family units. There is no change to this policy. Second, the Village decided to direct new multi-family development to the South Commercial District, Downtown, and in selected infill and redevelopment sites; this amendment includes changes to the location of allowed new multi-family development.

Staff supports the requested Future Land Use Map amendment from “Office” to “Medium Scale Multi-Family Residential” to align with the proposed multi-family development. In addition to the map amendment, the following key text amendments are proposed (see the PDF link in the attachments for the full Plan text). In addition, please see the attached 2020 U.S. Census data on housing types for Grafton and surrounding communities.

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Table 8: Housing Types Comparison (2020)

<u>Community</u>	<u>Single Family</u>	<u>Two Family</u>	<u>Multi-Family</u>	<u>Mobile Home</u>
<u>Grafton</u>	<u>55%</u>	<u>17%</u>	<u>29%</u>	<u>0%</u>
<u>Cedarburg</u>	<u>66%</u>	<u>9%</u>	<u>25%</u>	<u>0%</u>
<u>Germantown</u>	<u>63%</u>	<u>11%</u>	<u>23%</u>	<u>3%</u>

<u>Mequon</u>	<u>74%</u>	<u>15%</u>	<u>10%</u>	<u>0%</u>
<u>Port Washington</u>	<u>59%</u>	<u>12%</u>	<u>29%</u>	<u>0%</u>
<u>Saukville</u>	<u>48%</u>	<u>23%</u>	<u>29%</u>	<u>0%</u>
<u>Sussex</u>	<u>64%</u>	<u>7%</u>	<u>29%</u>	<u>0%</u>
<u>West Bend</u>	<u>52%</u>	<u>15%</u>	<u>33%</u>	<u>0%</u>

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Table 11: Village of Grafton Housing Types (2020)

	Number of Units	Percent of Total
<u>Single Family</u>	<u>3,027</u>	<u>55%</u>
<u>Two Family</u> <u>Including townhomes</u>	<u>919</u>	<u>17%</u>
<u>Multi-Family</u>	<u>1,587</u>	<u>28%</u>
<u>Total</u>	<u>5,533</u>	

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Multi-Family Development Outside of Planned Neighborhoods

In addition to the limited amount of multi-development anticipated in Planned Neighborhoods, multifamily development is planned in other locations. These areas are generally shown as Small Scale Multi-Family Residential and Medium Scale Multi-Family Residential on the Future Land Use Map. These areas are described on the following page.

Senior Housing Developments

Multi-family development restricted to residents 55 or over will be exempt from the residential balance policy. As the baby boomer population ages, the Village will need more housing options for individuals who are looking to downsize from their single family homes but who wish to continue living in Grafton. Multi-family development restricted to senior citizens will be permitted only in locations designated as Community Mixed Use and Downtown Mixed Use on the Future Land Use Map.

South Commercial District and Downtown

~~Currently, the Village allows~~ The Village supports and wishes to direct new multi-family development only in the Downtown and in the South Commercial District (generally Wisconsin Avenue between 9th Avenue and 1st Avenue). The Village will continue to consider multi-family development in these locations on a case-by-case basis.

Infill and Redevelopment Sites

Redevelopment and infill projects face inherent challenges, as they tend to involve smaller sites, additional costs for demolition, environmental cleanup costs, hazards or contamination, and unusual or nonconforming site conditions. The Village sees infill and

redevelopment as a priority, as it reduces blight, makes the most of underutilized or vacant sites, uses existing infrastructure, relocates undesirable or incompatible uses, and increases the Village's tax base. Redevelopment is also important to maintain a strong downtown and vibrant village center. The Lumberyard project and other recent redevelopment projects will be catalysts for further redevelopment and investment in the core of the Village, particularly in the South Commercial District and the Downtown.

In order to drive further redevelopment in these targeted locations, the Village will allow multi-family development in locations designated as Downtown Mixed Use on the Future Land Use Map and locations in the South Commercial District designated as Community Mixed Use. The higher value of multi-family development is often able to offset the higher costs of preparing a redevelopment or infill site for new development. By leveraging the advantages of multi-family housing in the South Commercial District and the Downtown, the Village hopes to promote investment and transform these challenging redevelopment areas.

Recommendations for specific redevelopment and infill sites are described in Part Three of this document. Some infill sites may be appropriate for multi-family development outside of the South Commercial District and Downtown. These areas are identified on the Future Land Use Map in addition to the Planned Neighborhood areas. These areas will be exempt from the residential balance policy.

Port Washington Road South of WIS 60

The Village will consider new multi-family development along Port Washington Road south of WIS 60 on a case-by-case basis. These decisions would take into account factors including, but not limited to, market conditions, demand, surrounding uses, quality of the proposed development, availability and capacity of Village utilities and other infrastructure, and consistency with the "Quality Life. Naturally." brand.

When reviewing multi-family development, the Village should encourage mixed use buildings with first floor commercial uses in redevelopment areas, as opposed to all-residential projects. The Village could consider adopting a policy that provides tax increment financing for residential projects only when they involve mixed use buildings and/or redevelopment.

The projected residential balance at build-out for the Fine Grained Planned Neighborhood policy does not take into account future infill, redevelopment, or senior housing projects that would contain multifamily dwelling units. Consequently, the actual residential balance at build-out will likely include a higher percentage of multi-family units than projected above.

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Small Scale Multi-Family Residential: Residential development, including apartment buildings with ~~up to 8 units, with~~ densities averaging 10 dwelling units per acre. Development in this category should include top quality building materials and design, generous landscaping, functional outdoor space, and other resident amenities. The

recommended Village zoning district is MF-14 Multi-Family Residential 14 or Planned Unit Development (PUD). ~~Low Density Multi-Family Residential (MFR-2)~~. Currently, the ~~MFR-2 zoning district allows up to 8 dwelling units per acre; the Village should consider amending the Zoning Ordinance to allow for 10 dwelling units per acre in this zoning district.~~

Medium Scale Multi-Family Residential: Residential development, including apartment buildings ~~with more than 16 units~~, with densities averaging ~~45~~ 20 dwelling units per acre. Development in this category should include top quality building materials and design, generous landscaping, functional outdoor space, and other resident amenities. The recommended Village zoning districts for this land use category are MF-20 Multi-Family Residential 20 or Planned Unit Development (PUD). ~~Recommended Village zoning districts include Medium Density Multi-Family Residential (MFR-1). Currently, the MFR-1 zoning district allows 8 to 14.5 dwelling units per acre; the Village should consider amending the Zoning Ordinance to allow for 15 dwelling units per acre in the MFR-1 district.~~

ACTION REQUESTED:

Motion to approve the Public Participation Plan for the November 2022 Comprehensive Plan Amendment.

Motion to approve an ordinance for adoption of the Village of Grafton Comprehensive Plan Amendment related to the Farmstead on Falls development.

ATTACHMENTS:

- I. [Public Participation Plan](#) and [Village Board Resolution](#)
- II. [Village Board Comprehensive Plan Adoption Ordinance](#)
- III. [Housing Data](#)
- IV. [Lumberyard Area Property Values Comparison](#)
- V. Comprehensive Plan Amendment – [Future Land Use Map](#)
- VI. Comprehensive Plan Amendment – [Full Plan Text](#)
- VII. [Farmstead on Falls Concept Plan \(August 2022\)](#)
- VIII. [Farmstead on Falls Concept Plan \(January 2023\)](#)
- IX. [Developer Statement](#)
- X. [Farmstead on Falls Renderings](#)
- XI. [August 8, 2022 Traffic Study](#)