

CITY of SHEBOYGAN

**GATEWAY
NEIGHBORHOOD
REVITALIZATION
PROGRAM**



MAY 2011

GRAEF



TABLE OF CONTENTS

Revitalization Program	3
Existing Conditions	5
Target Improvement Areas	13
Funding Opportunities	21

Prepared for the **City of Sheboygan**

GRAEF
125 S. 84th Street, Suite 401
Milwaukee, WI 53214-1407

REVITALIZATION PROGRAM

The City of Sheboygan offers a variety of neighborhood programs and initiatives throughout the various neighborhoods in the community. Assisting homeowners, increasing house values, improving the character, and stabilizing the neighborhood are critical components of a neighborhood revitalization program. Gateway Neighborhood is the first established association and the focus for this report. The Gateway Neighborhood's mission is to foster safety and long term value for its residents, businesses, investors, and visitors.

The Gateway Revitalization Program is a demonstration project to produce new affordable homes on vacant scattered sites, rehabilitate existing owner-occupied homes,

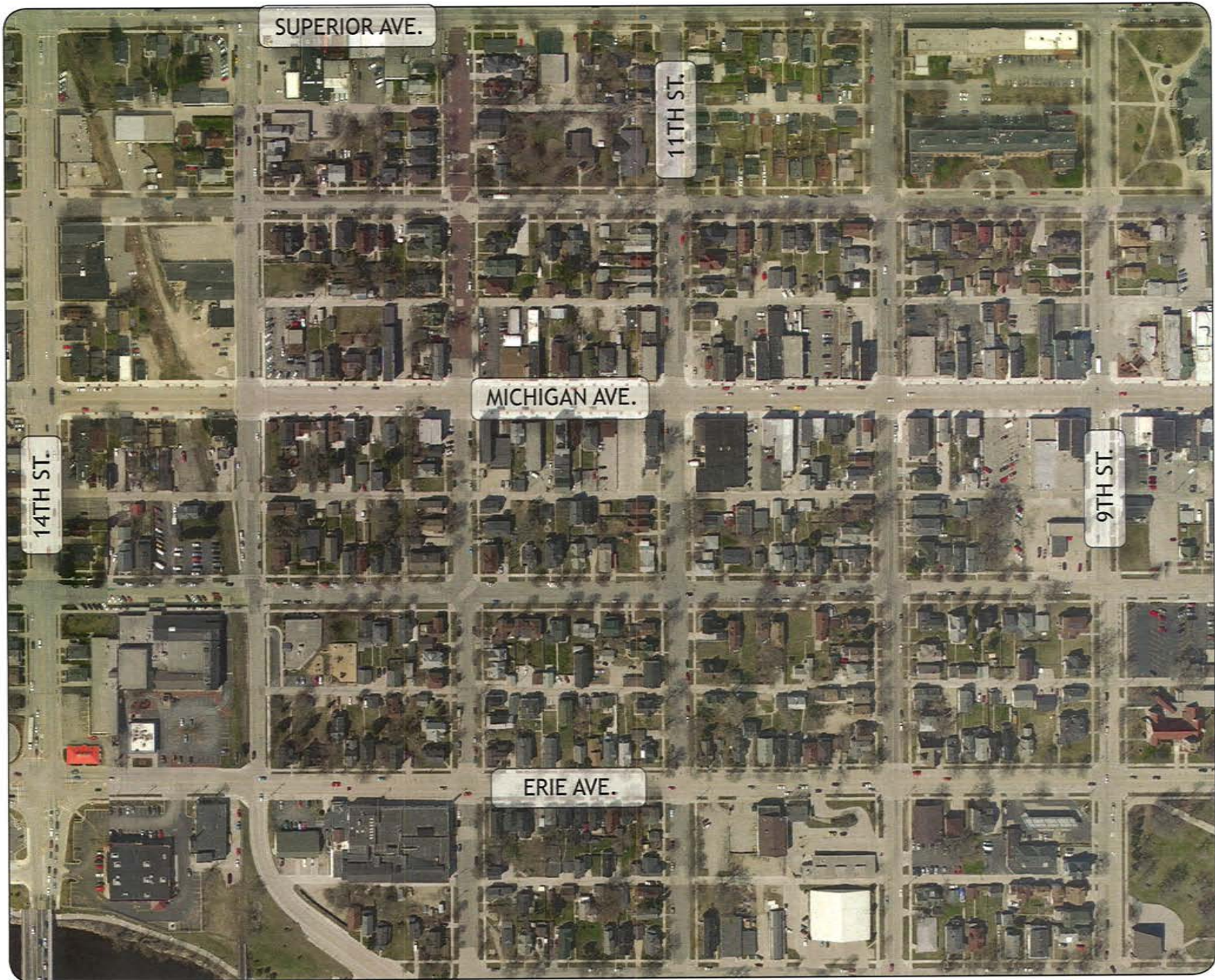


consolidate remnant and alley parcels, and encourage investment within a narrow geographic area, thereby making an immediate visible impact on the neighborhood. A secondary focus is to provide resources and incentives to existing homeowners and landlords to improve their properties. New construction and investment are proven catalysts for neighborhood restoration.

GRAEF worked with the City of Sheboygan to determine a realistic set of options for targeted redevelopment in the Gateway Neighborhood. Revitalization recommendations create a realistic vision for the Gateway Neighborhood by:

- building on recent investments
- identifying new development opportunities
- creating a unique character for the area.

Exhibit A: Gateway Neighborhood



EXISTING CONDITIONS

The Gateway Neighborhood is located north and west of the downtown, in the central city. (Exhibit A) The primary boundaries are Superior Avenue to the north, 14th Street to the west, Ontario Street to the south, and 9th Street to the east. The neighborhood is primarily housing with commercial activity clustered along Michigan Avenue and sections of Erie Avenue, 9th Street, and 14th Street. (Exhibit B) Exhibits C, D, and E illustrate the amount and location of the vacant parcels, single family parcels, duplex units, and multi-family parcels.

Many of the residential streets have a similar character of houses on small lots, with about 50% of the houses being duplex or multi-family units.

A new community center is located in the neighborhood, and the City is investing in a new park at the corner of Erie Avenue and 10th Street.

GATEWAY DATA

Total number of parcels: 418

Vacant Parcels: 8

Single Family Residential Parcels: 103

Duplex Residential Parcels: 187

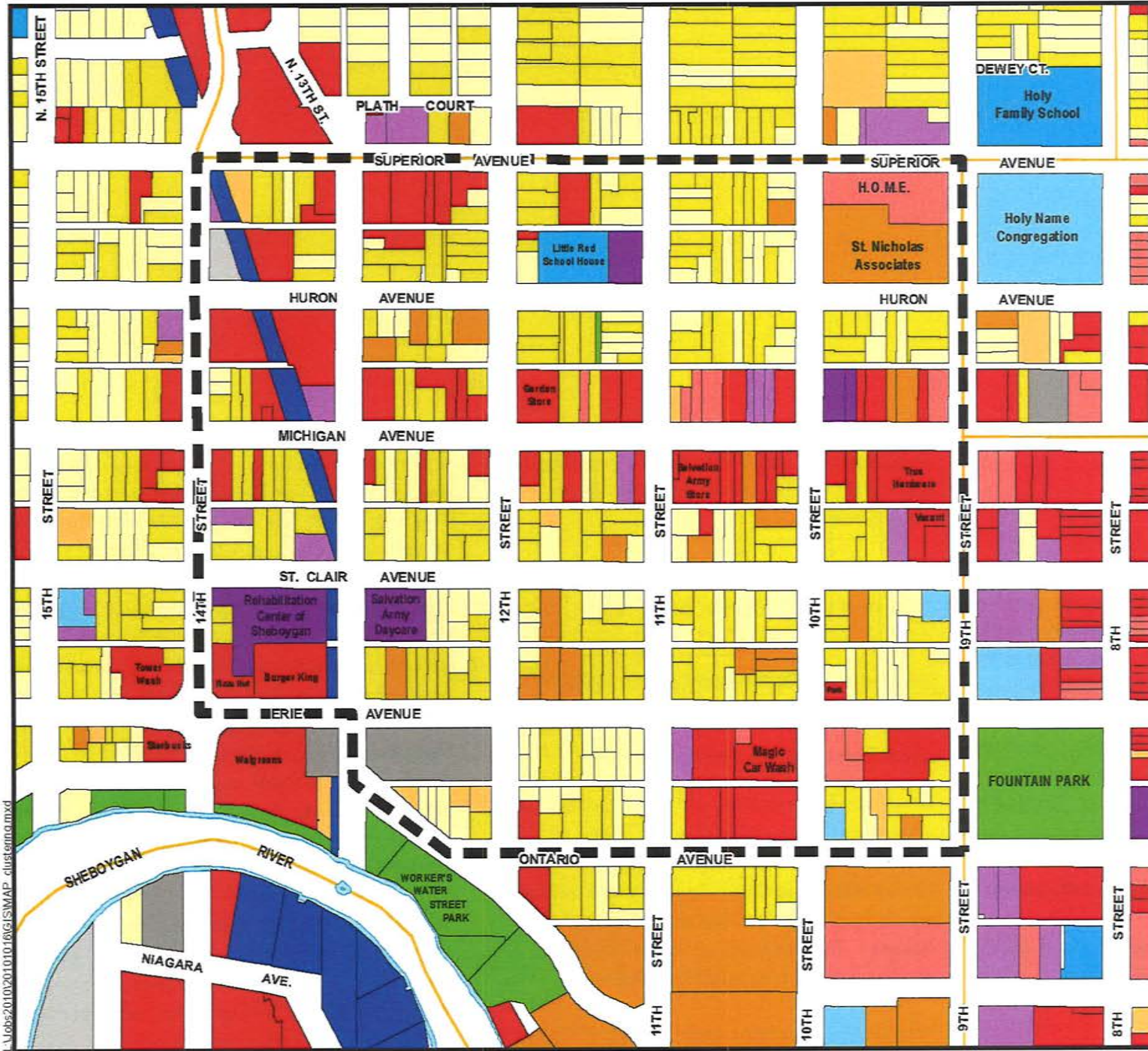
Multi-Family Residential Parcels: 21

A significant number of alley houses exist throughout the neighborhood. Many of these structures are located on the right-of-way line of the alleys, blocking views into the mid-block yards and limiting alley access from the front houses. The majority of these structures are duplex units or multi-family buildings.

The Existing Activities map, Exhibit F, identifies

City owned parcels, properties with inspection and police violations — parcels identified by the City Inspection Department and the Police Department as the properties with the most inspection citations, police calls, and violations, properties that need facade improvements due to asbestos siding, properties that are undergoing facade improvements under a City grant program, properties that have undergone lead abatement, and properties that are tax delinquent two or more years in the Gateway Neighborhood. A new neighborhood park, Huron Avenue road reconstruction, potential urban gardens, and City-purchased houses for rehabilitation are “recent investments” that should be built upon.

The Existing Activities map was used to identify clusters for redevelopment based on the number of susceptible to change properties, ability to impact the greater neighborhood, and proximity to other investments.

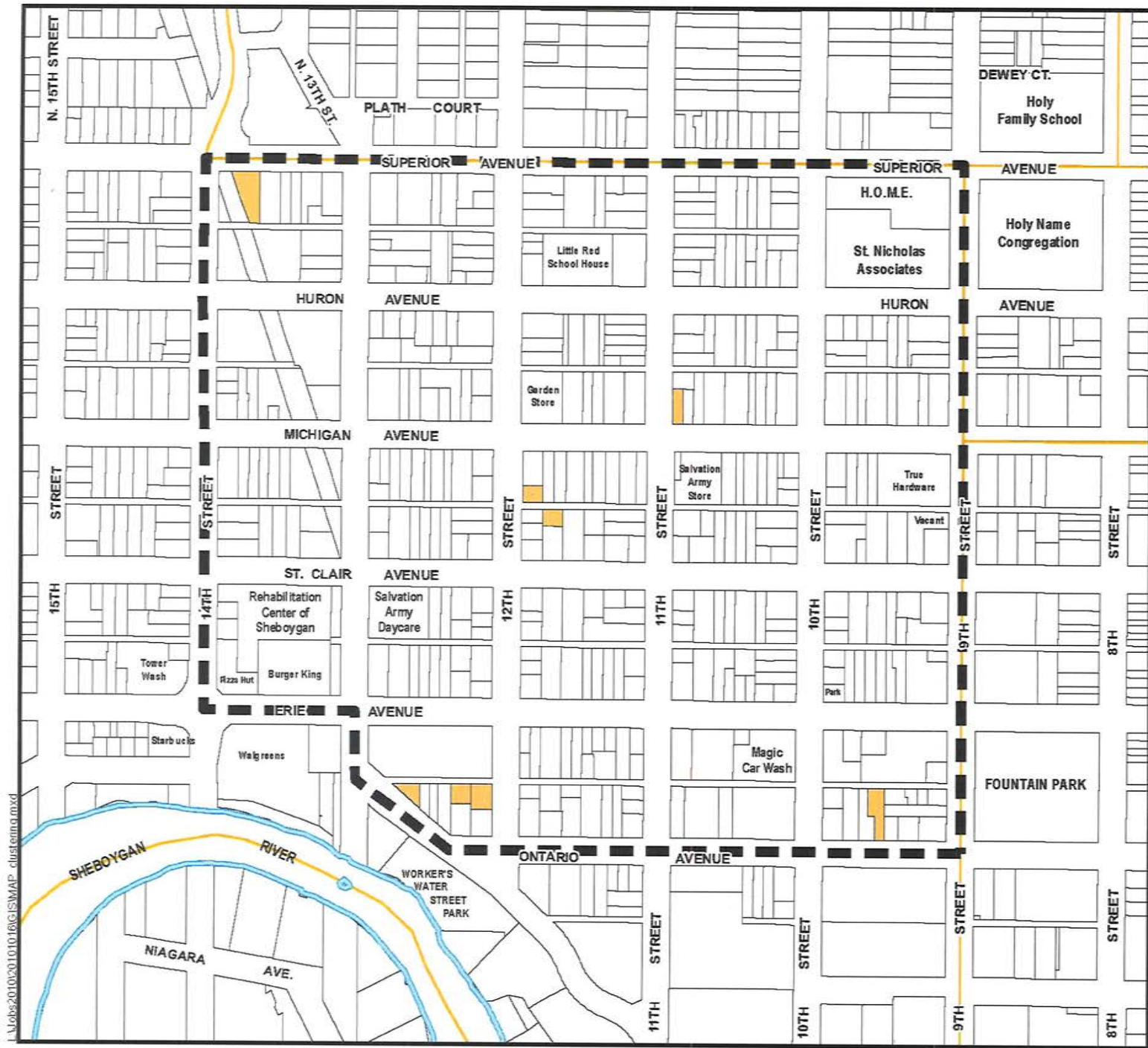


Legend

- Gateway Boundary
- Land Use**
- Manufacturing
- Storage
- Commercial
- Offices
- Multi-Family
- Two Family
- Single Family
- Vacant
- Recreation
- Agriculture
- Education
- Public / Quasi-Public
- Transportation
- Utilities
- Public Services
- Off Street Parking
- Census Tracts

GräEF

0 125 250 500 Feet N

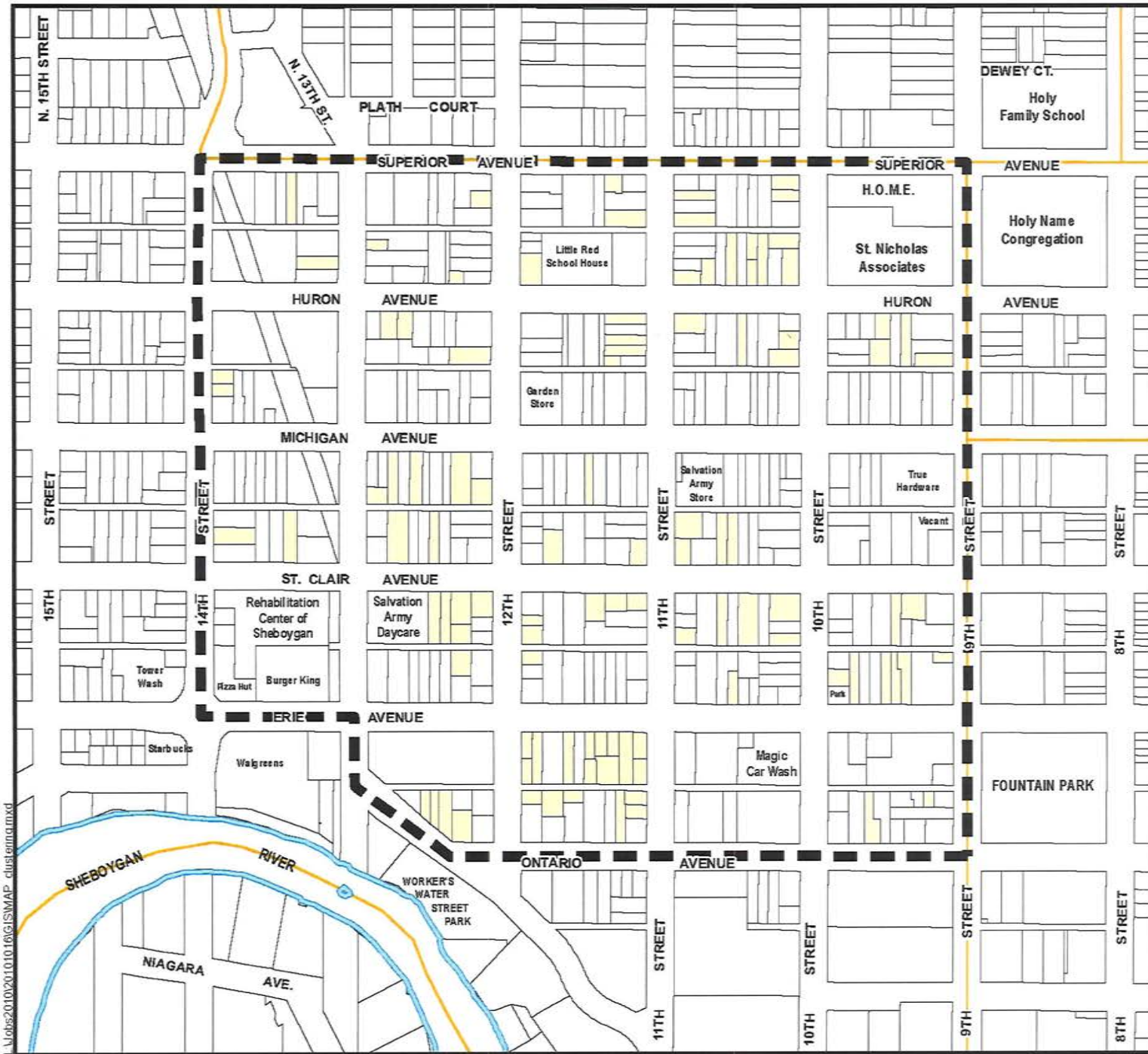


- Legend**
- Gateway Boundary
 - Gateway Vacant
 - Census Tracts



I:\Jobs\2010\20101016\GIS\MAP_client.mxd

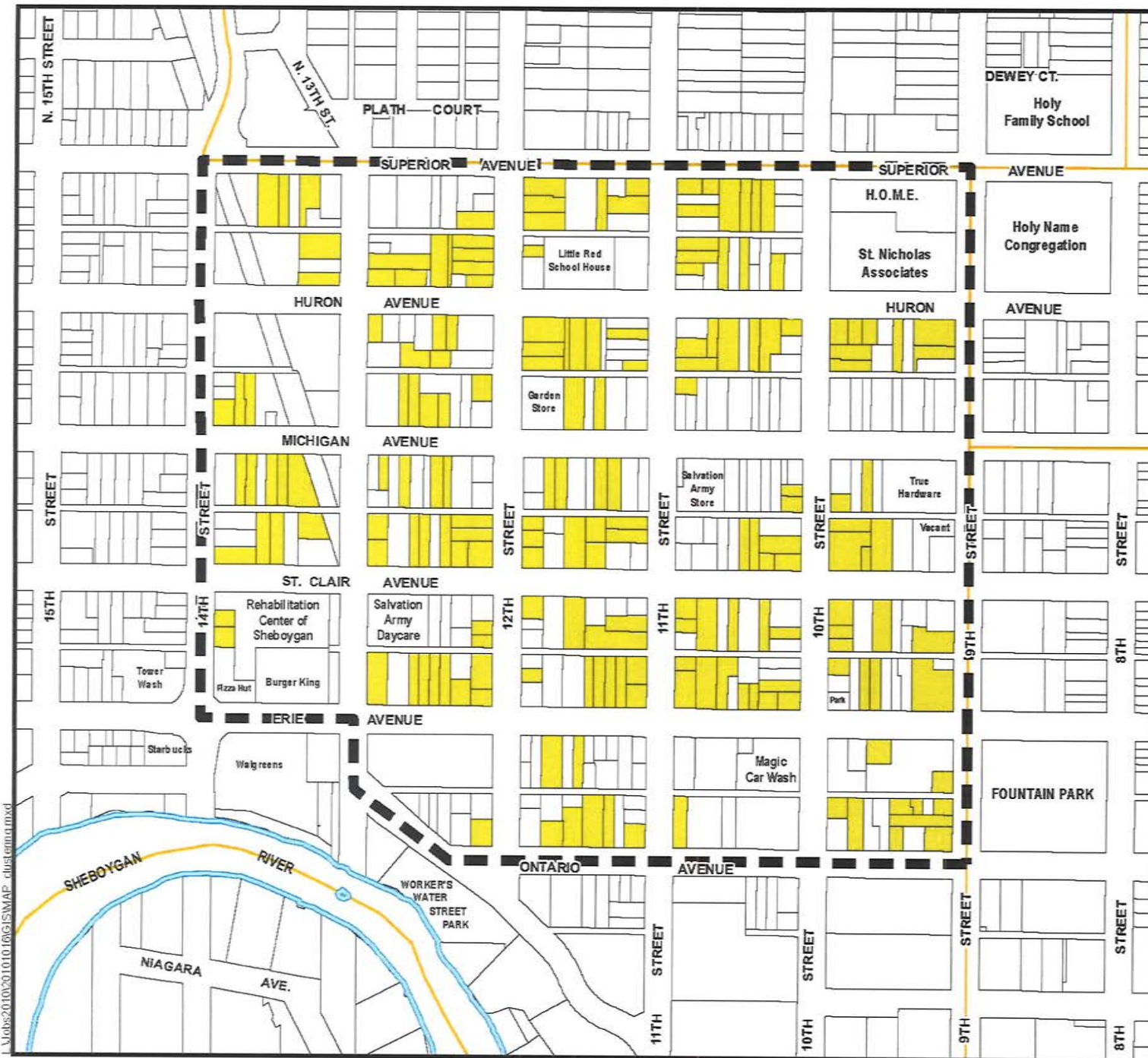
Exhibit D: Single Family
Parcels



Legend

-  Gateway Boundary
-  Gateway Single Family
-  Census Tracts

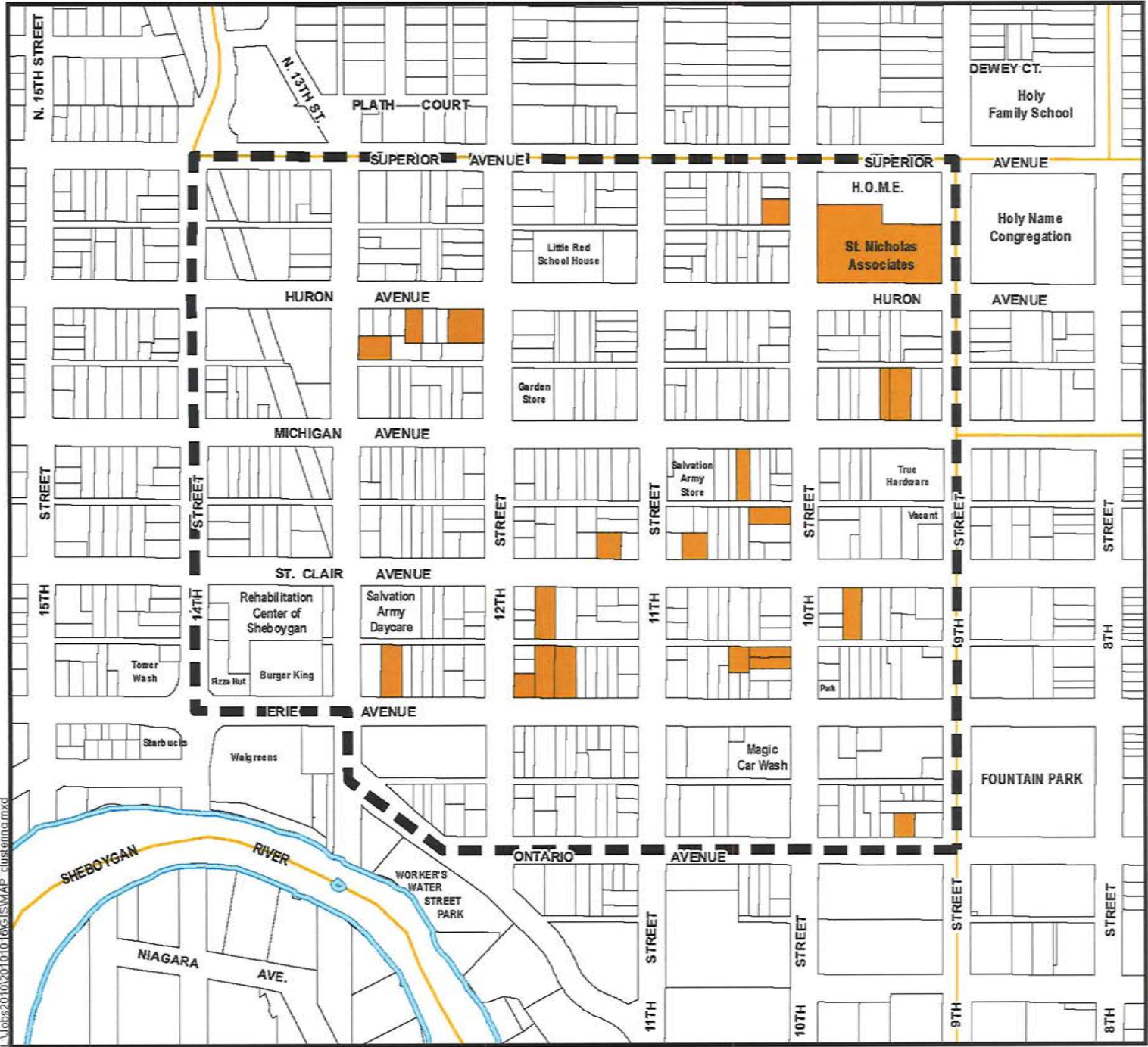




- Legend**
- Gateway Boundary
 - Gateway Two Family
 - Census Tracts



L:\Jobs\2010\101016\GIS\MAP_c11210101.mxd



- Legend**
- Gateway Boundary
 - Gateway Multi-Family
 - Census Tracts

GRAEF

0 125 250 500 Feet N

GATEWAY DATA

City owned parcels: 5

Inspection and Police Violations: 8

Properties needing facade improvements: 55

Properties utilizing facade grants: 9

Lead Abatement Grant Recipients: 9

Tax delinquent 2 or more years: 30

The goal to revitalizing the neighborhood is to create clusters of redevelopment sites that will influence surrounding residents to improve their properties.

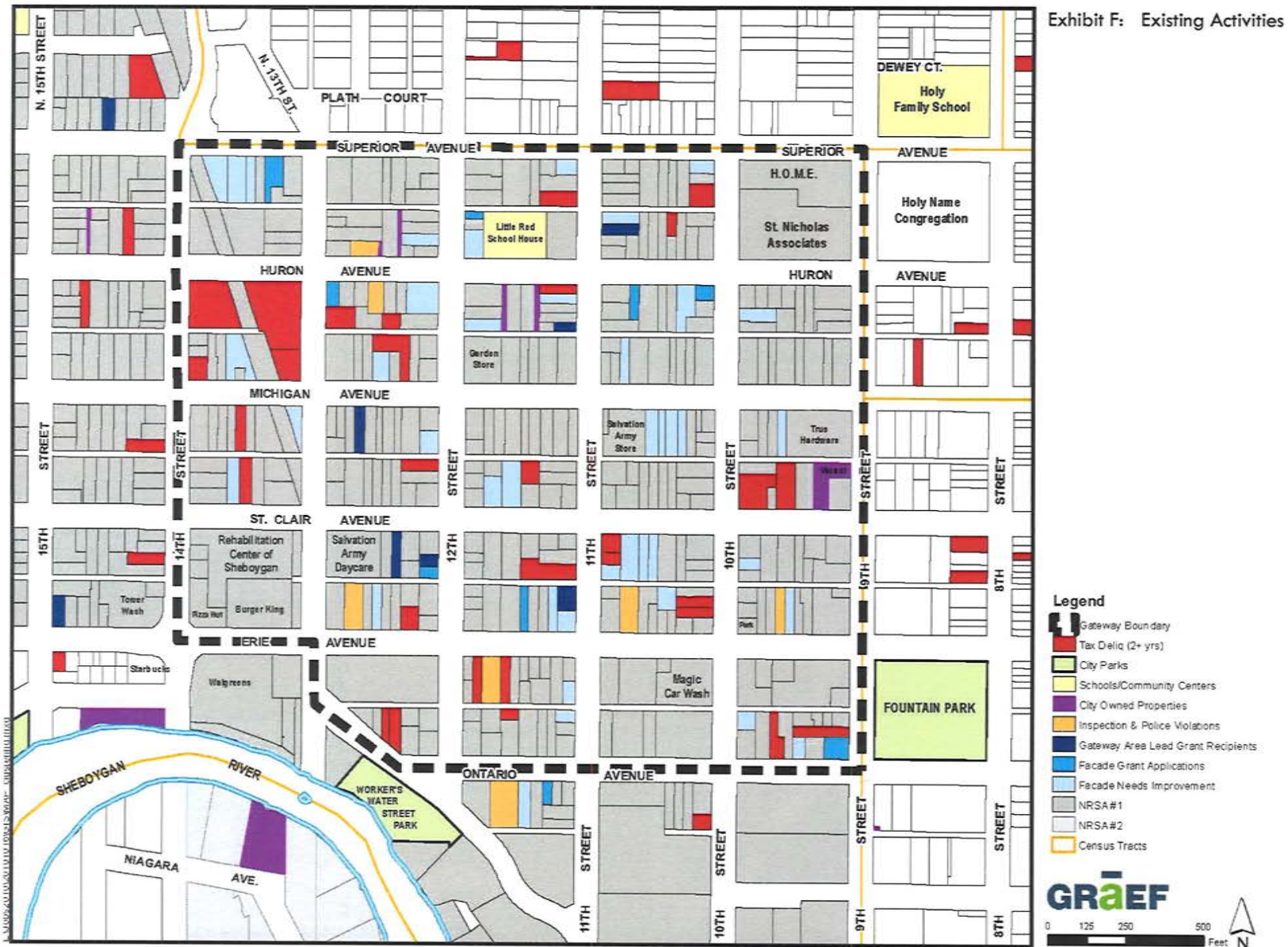
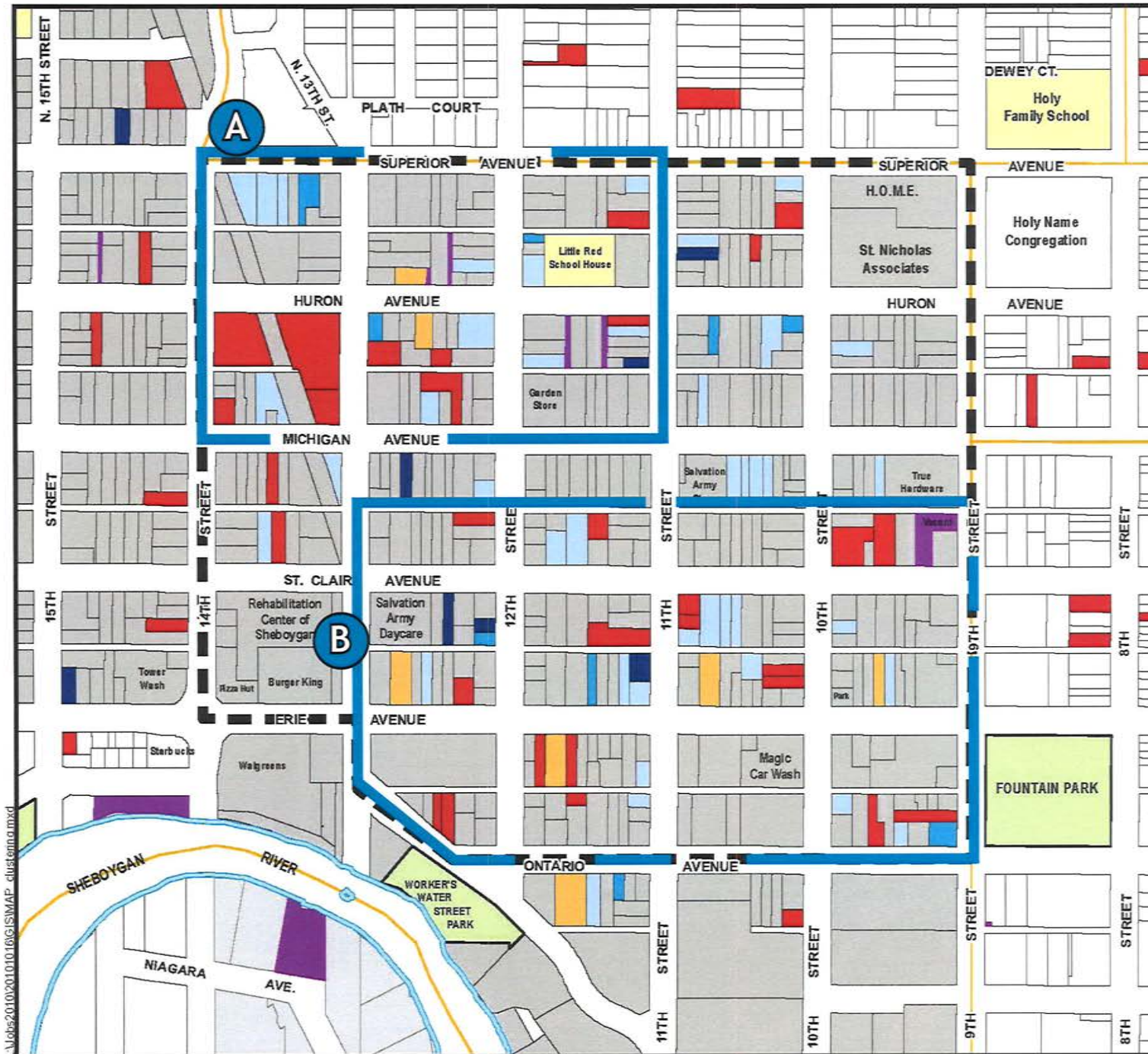


Exhibit G: Target Improvement Areas



Legend

- Gateway Boundary
- Tax Deliq (2+ yrs)
- City Parks
- Schools/Community Centers
- City Owned Properties
- Inspection & Police Violations
- Gateway Area Lead Grant Recipients
- Facade Grant Applications
- Facade Needs Improvement
- NRSA #1
- NRSA #2
- Census Tracts



TARGET IMPROVEMENT AREAS

Successful revitalization of a neighborhood depends on the availability of sites to be improved, willingness of residents to invest in their properties, and improved sites to impact surrounding property owners to invest in their properties. Susceptible to change properties — properties available for new construction or properties that can be redeveloped — offer the greatest opportunity for investment. Selected target areas should face one another to create the greatest impact for improving the character and value, face other properties that are being improved or where investment is occurring.

The Gateway Neighborhood Priority areas were selected based on:

- number of sites available for investment
- ability for improved lots to face one another
- adjacency to a neighborhood or City improvement
- visibility and ability to impact the overall neighborhood character.

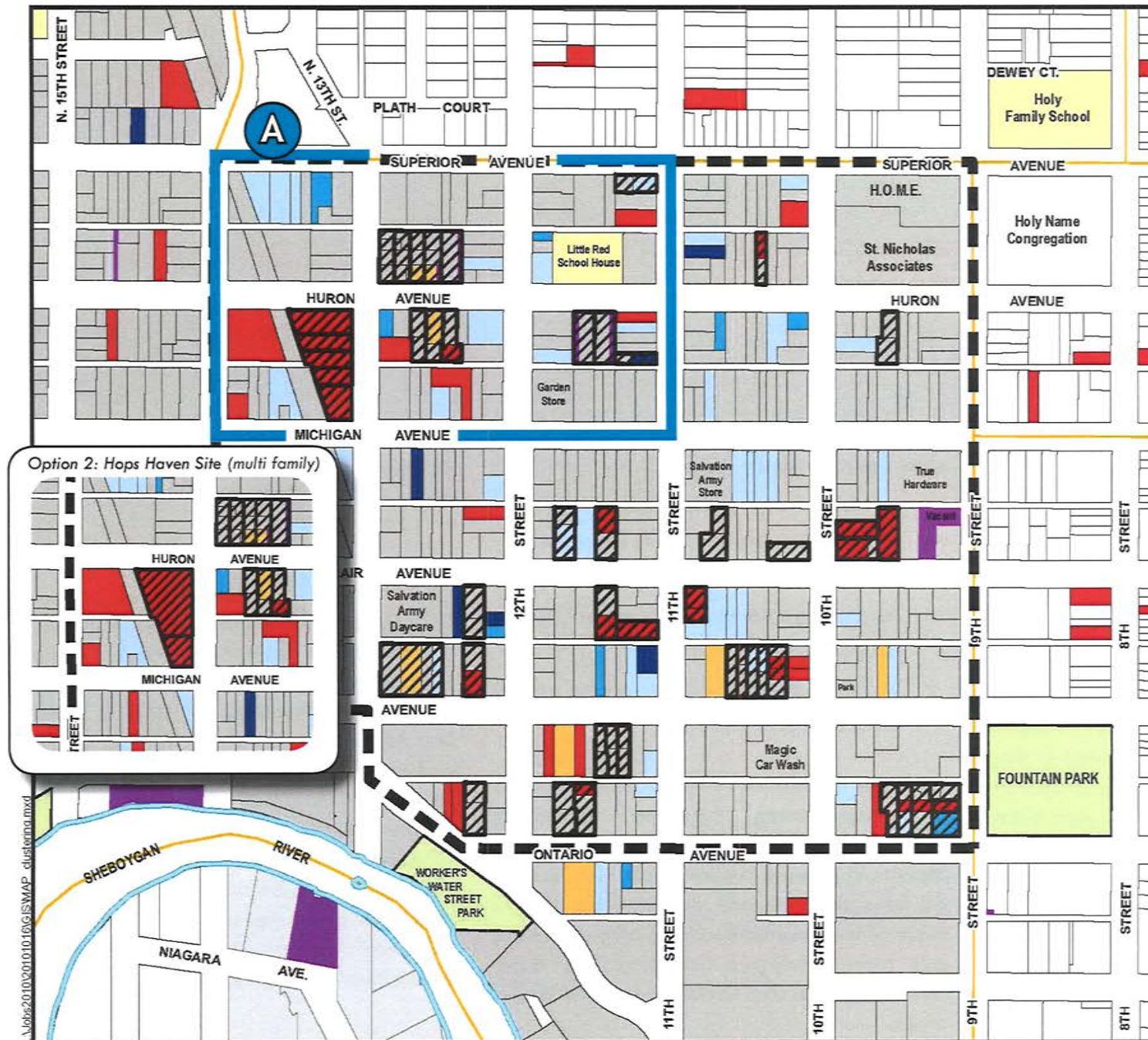
This study focuses on residential development and reinvestment, however, commercial improvements along Erie Avenue and 14th Street will provide amenities and services for the area residents and also increase the tax value of the neighborhood. Priority areas are only recommendations and should not deter investment on a site outside one of the target areas.

The two primary revitalization clusters are: A) Huron Avenue West and B) Erie Avenue Area. (Exhibit G)

A. HURON AVENUE WEST

This cluster was selected due to the large redevelopment parcel between 13th and 14th Streets, the number of properties that represent opportunities, proximity to The Little Red Schoolhouse Gateway Community Center, and proposed street improvements. Investment on several adjacent properties provides a greater impact for the area, when possible properties facing each other were selected to reinforce the added value along Huron Street. Additional properties on 11th Street were also selected for change when an alley parcel can be combined with an existing property.

Exhibit H:
 Area A - Huron Ave. West
 Proposed Property Changes
 Option 1



- Legend**
- Gateway Boundary
 - Revised Parcels
 - Tax Deliq (2+ yrs)
 - City Parks
 - Schools/Community Centers
 - City Owned Properties
 - Inspection & Police Violations
 - Gateway Area Lead Grant Recipients
 - Facade Grant Applications
 - Facade Needs Improvement
 - NRSA #1
 - NRSA #2
 - Census Tracts



EXISTING CONDITIONS:

Total Parcels: 96

City-owned Sites: 4

Tax Delinquent Sites: 9

Inspection & Police Violation Sites: 2

Facade Grant Opportunities: 13

Active Facade Grant Projects: 3

Existing Single Family Unit Parcels: 17
1 alley structure

Existing Duplex Unit Parcels - 43
2 alley structures

Proposed Bike Trail

Running diagonally through the west end of the site is the proposed Martin-Mead Urban Trail (M & M) bike trail. The proposed trail will connect the north and south sides of Sheboygan and offer a great recreation feature for Gateway residents.

RECOMMENDATIONS:

Former Hops Haven Site

Large parcels are often difficult to find in a developed neighborhood, therefore the former Hops Haven block should be redeveloped to add vitality and spur investment in the area. Two development scenarios are provided for the former Hops Haven site.

Option 1 illustrates how the parcels can be divided into four new single family lots facing 13th Street, with commercial facing Michigan Avenue. Option 2 illustrates one large parcel that accommodates multi-family buildings that face 13th Street. Both scenarios should integrate the proposed bike path and utilize it as an amenity for any new development. Given the traffic volumes along 14th Street, a commercial use can be located at the corner

of Huron Avenue and 14th Street, or higher density multi-family buildings.

1200 Block

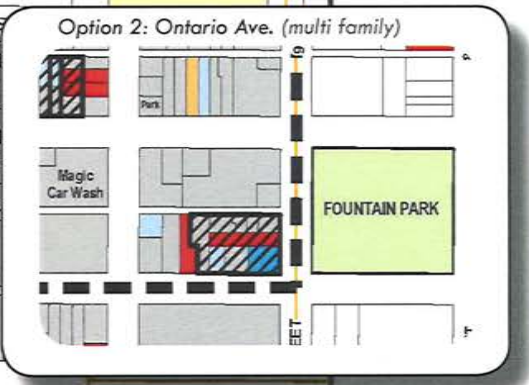
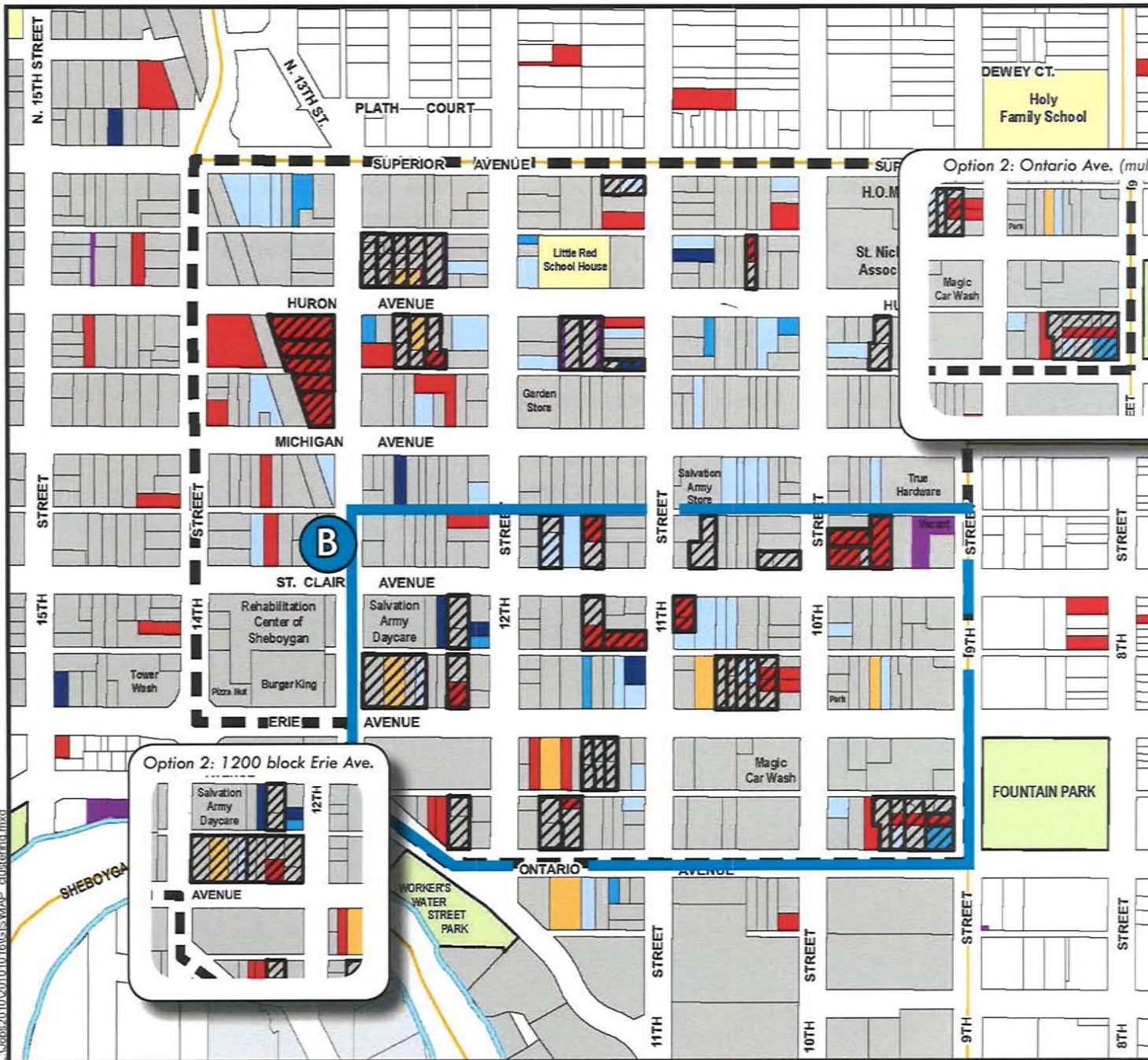
The 1200 block of Huron Avenue offers significant opportunity for redevelopment given the condition and location of existing structures. Five new single family lots are proposed on the north side of the street. Facing the houses on the south side of the street provides a more cohesive neighborhood feeling and an improved street facade for Huron Avenue.

Three revised residential parcels are proposed on the south side of the street — alley lots are combined with the existing parcels fronting the street.



Former Hops Haven site at Huron Avenue and 13th Street

Exhibit H:
 Area B - Erie Ave.
 Proposed Property Changes
 Option 1



- Legend**
- Gateway Boundary
 - Revised Parcels
 - Tax Deliq (2+ yrs)
 - City Parks
 - Schools/Community Centers
 - City Owned Properties
 - Inspection & Police Violations
 - Gateway Area Lead Grant Recipients
 - Facade Grant Applications
 - Facade Needs Improvement
 - NRSA #1
 - NRSA #2
 - Census Tracts





Huron Avenue and 12th Street

1100 Block

Two city-owned parcels are combined with adjacent properties. This will allow for consistent property maintenance and improved property value for the existing homeowners.

Public Infrastructure Recommendations

Huron Avenue should be resurfaced and improved as planned by the City. As possible, improvements should include street trees and integrated street and pedestrian lighting.



Little Red School House Gateway Community Center, 1100 block of Huron Ave.

B. ERIE AVENUE AREA

As the primary east/west corridor from I-43 to downtown, Erie Avenue serves as the front door to the downtown. This area includes several investment opportunities clustered together, a new City park, and transitions south to recent investment near the river. The visibility of this area and existing traffic counts (19,000 ADT) provides opportunities for integrating unique commercial uses, alternative housing types, and improved streetscaping features.

Investment on clustered properties provides a greater impact for the area, when possible, properties facing each other were selected.

EXISTING CONDITIONS:

The area includes 187 parcels.

City-owned Sites – 2

Tax Delinquent Sites – 17

Inspection & Police Violation Sites – 4

Facade Grant Opportunities – 19

Active Facade Grant Projects – 3

Existing Single Family Parcels – 58
7 alley structures

Existing Duplex Parcels – 90
3 alley structures

Constraints – Erie Avenue has significant grade changes, both from east to west and north to south. The topography can offer opportunities



Erie Avenue

for separation, but also presents challenges for redeveloping existing sites, integrating accessible parking areas, and its impacts redevelopment costs.

RECOMMENDATIONS:

St. Clair Avenue

Several alley structures are identified to be combined with existing front parcels along St. Clair Avenue. The existing lot width is followed to maintain the neighborhood character of the street.

1200 Block – Erie Avenue

This block serves as a “gateway” into the neighborhood and offers an opportunity for new multi-family units, unique commercial uses within the existing housing structures, or new commercial structures. Option 1 shows four parcels combined to provide for these market-driven uses, parking along the alley.

Multi-family housing could be in the form of attached condominium structures with individual front entrances on Erie Avenue. Small front gardens or porches could be integrated into the street facades and set the precedent for

future multi-family housing in the neighborhood.

The existing housing structures could be renovated as commercial uses, with shared parking along the alley. A new commercial structure could also be integrated, with architectural features and an appropriate scale for the neighborhood.

Option 2 includes all the parcels on the block, dividing the block into two large properties for multi-family units. Two sets of attached condominium structures, with integrated pedestrian spaces, will offer new housing choices and improve the visual character of the gateway into the neighborhood.

1100 Block – Erie Avenue

Three revised residential parcels are proposed on the south side of the street. Alley lots are combined with the existing parcels fronting the street.



1200 block of Erie Avenue



Ontario Avenue and 9th Street

1000 Block – Erie Avenue

Five revised residential parcels are proposed on the north side of Erie Avenue. Alley lots are combined with the existing parcels fronting the street. If significant renovation is desired, the City should discuss combining two of the smaller lots to create one new residential lot. Multi-family buildings could also be considered if all of the parcels were to be combined.

1100 & 1200 Blocks – Ontario Avenue

Three revised residential parcels are proposed on the north side of Ontario Avenue. Alley lots are combined with the existing parcels fronting the street.

900 Block – Ontario Avenue

Adjacent to Fountain Park and across from a large multi-family complex, this site offers an opportunity for improving the existing housing units or providing new multi-family structures. Option 1 revises the residential parcels and combines the alley lots with the existing front parcels. Existing houses could have alley access, improved backyard space, and follow a traditional urban development pattern. Option 2 combines the nine parcels into one multi-family property. The size of the proposed property could accommodate two attached condominium structures, either both facing Ontario Avenue or one facing Fountain

Park. The property could also accommodate a large central hallway, multi-family structure. Pedestrian features and landscaping should be integrated with any multi-family concept.

Public Infrastructure Recommendations

Streetscaping elements — lighting, crosswalk enhancements, landscaping, and neighborhood identification elements, are critical to the overall character of the area and the gateway to downtown. Due to the traffic volumes and traffic speed, pedestrian connections between the northern and southern parts of the neighborhood are difficult. Traffic calming features at one or two critical intersections, along with crosswalk enhancements, would provide safer pedestrian connections and improve the visual appearance for those driving through the neighborhood.

ALLEY STRUCTURES

There are several structures located on the alleys throughout the neighborhood that limit views into the properties and limit access to the alleys from the front houses. The houses do not have conventional addresses and do not fit a traditional urban development pattern.

RECOMMENDATION:

As redevelopment occurs in the neighborhood, the alley structures should be removed to allow for additional yard space, garage space, and sufficient right-of-way space within a traditional urban development pattern.

FUNDING OPPORTUNITIES

Successful neighborhood investment projects require funding from both the public and private sectors. Economic hardships from both sectors can delay projects, or prevent them from happening at all. Alternative funding ideas and resources can help the implementation of these projects, allowing investment to occur and increasing property values. Examples of current funding options and new funding ideas are listed below.

LEAD ABATEMENT

The City is completing a successful three-year Lead Abatement grant program, including nine lead reduction activities in the Gateway Neighborhood. Through this program the City provides a match to the grant from their

GATEWAY REVITALIZATION PROGRAM

Housing Rehabilitation Revolving Loan Program, allowing homeowners and landlords the ability to afford the abatement project. During this process the City developed a financing tool and program to be able to outline the specific funding costs so the homeowner could determine the most cost-effective approach to completing the project.

Community partnerships were established to support the project and educate homeowners about the process and benefits of lead abatement. Partners for Community Development and the Hmong Mutual Assistance Association participated in the program.

REHABILITATION LOAN PROGRAM

Working with Community Development Block Grants, the City offers a loan program for rehabilitating either owner-occupied houses or owner-investor houses. The loan is 4% over 15 years with 25% down. Priority is given to

houses in the central city, including the Gateway Neighborhood. A loan may be deferred, or the amount of interest for owner-occupied applicants is determined by family size and median income. All loans are based upon the homeowners equity.



ASBESTOS FACADE GRANTS

Improving the appearance of houses and reducing the potential health impacts of asbestos siding has a positive affect on the neighborhood. The City surveyed the Gateway Neighborhood and identified

houses with asbestos siding and offered the property owners a maximum of \$5,000 to put towards the exterior of their house for siding, windows, and doors. 30 properties were identified as needing facade improvements under this program, nine property owners have applied for the grant and are proceeding with rehabilitation efforts.

FORGIVABLE LOANS

The City should consider working with local banks/lenders to develop a forgivable loan program specific to the Gateway Neighborhood homeowners. The loan could be a five year forgivable program, requiring the homeowner to own and occupy the home for five years or repay the loan at an agreed upon rate if they sell before the five year time frame.

Criteria for applicants, such as ownership, income level, and type of improvement



should be developed. Types of improvements permitted may include exterior and interior, per a pre-approved application.

Two or three banks should be identified as “partners” that can provide home ownership educational programs, offer loan assistance, and commit to working with homeowners who meet the application requirements. An understanding of the loan process, responsibilities of home ownership, and the value to the individual and community are critical to the stability of the neighborhood. By working with preferred lenders the applicants can have a stream-lined process.

VACANT PROPERTIES FOR A \$1

Implementing a Tax Increment District for the neighborhood or other program to allow the City to sell city-owned vacant lots for a \$1 would also encourage reinvestment in the area. Incentives could include a minimum of five years of owning and occupying the house and/or performing on-going maintenance. A similar program for selling properties with existing structures could be developed, including a reduced loan interest rate to increase the home ownership level in the neighborhood.

Utility improvements, water lateral replacement, sidewalk improvements, or other infrastructure requirements could be provided at a shared cost with the City. The utility cost could also be part of a City loan, with the house improvements being part of a forgivable loan.

Special preference could be given to first-time home buyers.

RENTAL CONVERSION TO OWNER-OCCUPIED

The City can encourage rental conversions to owner-occupied units to increase home ownership in the neighborhood. This approach includes converting duplexes into two owner-occupied units or one single-family unit. Conversions should be targeted on blocks where there is already a 50% home ownership rate, therefore the incentive may be greater based on surrounding home values.

Qualified work would be building improvements required for the conversion of the duplex to a single family structure. Eligible work could include electrical or plumbing, installation or modification of interior stairs, necessary work on load-bearing or partition wall changes, or structural access changes.

Special preference could be given to first-time home buyers.

TAX INCREMENTAL DISTRICT

The City can also explore the use of Tax Incremental District financing for public infrastructure improvements in the neighborhood, as well as property purchasing or housing financing. State statutes should be explored to determine the best use of this type of funding.