

**CITY OF CEDARBURG  
COMMON COUNCIL  
AUGUST 28, 2023**

A meeting of the Common Council of the City of Cedarburg, Wisconsin, was held on Monday, August 28, 2023, at City Hall, W63 N645 Washington Avenue, second floor, Council Chambers, and online utilizing the Zoom app.

Mayor Michael O’Keefe called the meeting to order at 7:00 p.m. A moment of silence was observed, and the Pledge of Allegiance was recited.

Roll Call: Present - Mayor Michael O’Keefe, Council Members Jim Fitzpatrick, Kristin Burkart, Patricia Thome, Robert Simpson (Zoom), Kevin Curley, Mark Mueller, Melissa Bitter

Also Present - City Administrator Mikko Hilvo, Attorney Michael Herbrand, City Clerk Tracie Sette, City Planner Jon Censky, interested citizens and news media.

**STATEMENT OF PUBLIC NOTICE**

At Mayor O’Keefe’s request, City Clerk Sette verified that notice of this meeting was provided to the public by forwarding the agenda to the City’s official newspaper, the *News Graphic*, to all news media and citizens who requested copies, and by posting in accordance with the Wisconsin Open Meetings Law. Citizens present were welcomed and encouraged to provide their input during the citizen comment portion of the meeting.

**COMMENTS AND SUGGESTIONS FROM CITIZENS**

**PUBLIC HEARING**

A Public Hearing was opened by Mayor O’Keefe at 7:01 p.m. regarding the newly proposed Floodplain Ordinance as drafted by the Department of Natural Resources (DNR). Planner Censky explained that Ordinance No. 2023-12 was drafted by the DNR and approved by the Plan Commission. He further explained new floodplain maps will be distributed by the DNR which will fix the prior incorrect maps. There were no comments from citizens.

A motion was made to close the public hearing at 7:05 p.m. by Council Member Thome, seconded by Council Member Burkart, and carried by a roll call vote with Council Members Bitter, Fitzpatrick, Curley, Simpson, Thome, Mueller, and Burkart voting in favor.

**NEW BUSINESS**

**DISCUSSION AND POSSIBLE ACTION ON ORDINANCE NO. 2023-12 TO CREATE SECTION 13-1-78 AND REPEAL SECTIONS 13-1-66, 13-1-67, & 13-1-68 OF THE CITY OF**

**CEDARBURG ZONING CODE REGARDING A NEW FLOODPLAIN ORDINANCE AS MANDATED BY THE WISCONSIN DEPARTMENT OF NATURAL RESOURCES (DNR)**

A motion was made by Council Member Thome, seconded by Council Member Mueller, to approve Ordinance No. 2023-12 to create Section 13-1-78 and repeal Sections 13-1-66, 13-1-67, & 13-1-68 of the city of Cedarburg Zoning Code regarding a new Floodplain ordinance as mandated by the DNR. Motion carried without a negative vote.

**PRESENTATIONS**

**A PRESENTATION BY LIGHTHOUSE HOSPITALITY GROUP ON POTENTIAL NEW HOTEL TO BE LOCATED ON PIONEER ROAD**

Lighthouse Hospitality Group presented a proposal for a Hotel with banquet facilities to be constructed on Pioneer Road near La Rosa Landscape Company and Zuern Builders. The proposed project is similar to the Heidel House located in Green Lake, Wisconsin. A feasibility study was conducted, and the results affirmed that a boutique hotel with the backing of a national chain would provide the best fit for the area. The décor would be constructed to match the look of Cedarburg. The project would include a total of 69 rooms along with a community room large enough to hold 40-50 people. This new project is estimated to bring an additional 21,000 visitors to Cedarburg annually. A five (5) year operational pro forma was shared which included an estimated assessment of \$9M upon completion of building. It is also estimated that the city would be eligible to collect approximately \$96,000 in room tax from this project. Various Tax Incremental Finance (TIF) options were presented including an Up Front TIF, Paygo, and a hybrid of both. The Lighthouse Hospitality Group requested an Up Front TIF as it nets the greatest rate of return for the developer.

**TAX INCREMENTAL DISTRICT (TID) PRESENTATION AND DISCUSSION BY EHLERS FINANCIAL GROUP**

Todd Taves of Ehlers Financial gave a brief overview of Tax Incremental Financing (TIF). He began with the explanation there are four (4) valid reasons that a Tax Incremental District (TID) may be created. Promoting mixed use is one of the reasons and fits the hotel project and location. He explained in further detail the Up Front TIF is the least desirable option for the City and recommends against it, should the City pursue a TIF district. The second type of TIF is a Paygo. This represents a decreased rate of return for the developer but implies the most amount of security for the City. Finally, a hybrid of the first (2) types of TID's provides for a middleground for both the developer and the City. The Council had many questions and mixed reactions to a potential TID. Council Members Curley and Mueller expressed limited support for a Paygo TID only with strict controls in a potential developer's agreement. The Council requested the CDA fully vet the possibility of a hotel without a TIF. The Developers explained that if, at the very least, a hybrid type of TID is not approved, they will not pursue the project.

**DISCUSSION AND POSSIBLE ACTION ON POTENTIAL NEW HOTEL AND POSSIBLE TAX INCREMENTAL DISTRICT (TID)**

No action was taken by the Council on this item.

**DISCUSSION AND POSSIBLE ACTION ON APPROVAL OF RESOLUTION NO. 2023-14 AUTHORIZING SUBMISSION OF A COMMUNITY DEVELOPMENT INVESTMENT (CDI) GRANT THROUGH THE WISCONSIN ECONOMIC DEVELOPMENT CORPORATION (WEDC)**

Grants are available for Wisconsin municipalities for supporting urban, small city and rural community (re)development efforts for shovel ready projects with an emphasis on downtown community driven projects. Owners of the Daily Dose Cedarburg, Tom and Becky Brolin, have asked the City to assist with redeveloping the property at N56W6093 Portland Rd by applying for the CDI grant through the WEDC. As part of the application process, the WEDC requires a resolution from a municipality to apply. Funding would occur only with a signed Memo of Understanding between the parties.

A motion was made by Council Member Burkart, seconded by Council Member Curley, to approve Resolution No. 2023-14 authorizing the submission of a CDI grant through the WEDC. Motion carried without a negative vote.

**DISCUSSION AND POSSIBLE ACTION ON APPROVAL OF ONE-TIME EVENT ON SEPTEMBER 17, 2023 HELD AT ERNIE'S WINE BAR**

Ernie's Wine Bar is planning to hold an event on September 17, 2023 at their location N49 W5471 Portland Road, Cedarburg. It is a one-time event to be held outside in the approved outdoor alcohol licensed premise from 2:00 p.m. – 7:00 p.m. Since it is a one-time event, they requested a reduced fee of \$50.00.

A motion was made by Council Member Thome, seconded by Council Member Mueller, to approve the one-time event to be held at Ernie's Wine Bar on September 17, 2023 from 2:00 p.m. – 7:00 p.m. Motion carried 6-1 with Council Member Burkart voting nay.

**CONSENT AGENDA:**

A motion was made by Council Member Thome, seconded by Council Member Fitzpatrick, to approve the following consent agenda items. Motion carried without a negative vote.

- August 14, 2023 Common Council meeting minutes
- New 2023-2024 Operator Licenses for period ending June 30, 2024 for Stephen R. Anderson
- Payment of bills dated 07/22/2023 through 08/20/2023, transfers for the period 08/12/2023 through 08/28/2023, and payroll for period 08/06/2023 through 08/19/2023

**ADMINISTRATOR'S REPORT**

Administrator Hilvo's report was included in the Council packet.

**COMMENTS AND SUGGESTIONS FROM CITIZENS** - None

**COMMENTS AND ANNOUNCEMENTS BY COUNCIL MEMBERS** - None

**MAYOR'S REPORT** – None

**ADJOURN TO CLOSED SESSION**

A motion was made by Council Member Burkart, seconded by Council Member Mueller, to adjourn to Closed Session at 9:43 p.m. pursuant to Stated Statute 19.85(1)(g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. Specifically discussed was the Christiaansen v Cedarburg small claims case No. 2023SC000453. The Common Council remained in Closed Session pursuant to State Statute 19.85(1)(c) to consider employment, promotion, compensation, or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. Specifically discussed was a possible wage increase for 2024 market adjustments and the Administrator's Evaluation.

**RECONVENE TO OPEN SESSION**

Open Session reconvened at 10:30 p.m.

**DISCUSSION AND POSSIBLE ACTION ON CHRISTIAANSEN V CEDARBURG, SMALL CLAIMS CASE NO. 2023SC000453**

A motion was made by Council Member Mueller, seconded by Council Member Simpson, to approve the payment of the claim in Christiaansen v Cedarburg. Motion carried 6-1 with Council Member Burkart voting nay.

**DISCUSSION AND POSSIBLE ACTION ON WAGE INCREASES TO 2024 MARKET ADJUSTMENTS**

A motion was made by Council Member Burkart, seconded by Council Member Fitzpatrick to approve the individual wage increases to 2024 market adjustments as discussed in Closed Session. Motion carried without a negative vote.

**ADJOURNMENT**

A motion was made by Council Member Mueller, seconded by Council Member Fitzpatrick, to adjourn the meeting at 10:40 p.m. Motion carried without a negative vote.

Tracie Sette  
City Clerk