

ECONOMIC DEVELOPMENT BOARD
July 31, 2019

EDB20190731-1
UNAPPROVED

A meeting of the Economic Development Board of the City of Cedarburg, Wisconsin, was held on Wednesday, July 31 at 7:00 p.m. at City Hall, W63 N645 Washington Avenue, second floor, Council Chambers.

The meeting was called to order by Council Member Jack Arnett at 7:00 p.m.

Roll Call: Present: Greg Zimmerschied, Mike Pahl, Sara Dunstone, DJ Burns, Eric Stelter, Council Member Jack Arnett

 Excused: Jim Pape, Joe Kassander

 Also present: Brian Collins, Sandy Wirth, Council Member Thome

STATEMENT OF PUBLIC NOTICE

Council Member/Chair Arnett acknowledged that the agenda for this meeting was posted and distributed in compliance with the Wisconsin Open Meetings Law.

APPROVAL OF MINUTES

Motion made by Eric Stelter, seconded by DJ Burns, to approve the June 26, 2019 meeting minutes. Motion carried without a negative vote with Jim Pape and Joe Kassander excused.

COMMENTS & SUGGESTIONS FROM CITIZENS – None

REPORTS

Council Member Arnett reported:

- Lynn Knutson has stepped off the Board, due to no longer residing or having a business in Cedarburg. She will remain on sub-committees. Chairperson Arnett thanked Lynn Knutson for her years of service on the Economic Development Board.
- Road repair was the main emphasis at a recent Council/Budget review meeting on July 15.
- Dairy odor problem has been fixed.
- Expense was approved for the Highway 60 Business Park engineering to review costs, at the July 8 Common Council meeting.

UNFINISHED BUSINESS

Review Project Sub-Committee Reports; and Action Thereon

Brand Strengthening: No Report

Beautification: No Report

Social Media: No Report

NEW BUSINESS

Discuss Business Attraction and Recruitment; and Action Thereon

Chairperson Arnett shared that currently the Economic Development Coordinator works 20 hours per week and keeps the commercial space listing updated. Greg Zimmerschied gave an overview of why the position was created in 2009 by the ad hoc Downtown Master Plan Committee. The position was created to offer those interested in opening a business in the City of Cedarburg a single place to learn about available commercial properties, loan programs, along with City commission approvals and permits. Prior to this position, those interested in starting a business were contacting both the Chamber of Commerce and the City. Originally, the position was funded by the City of Cedarburg, Chamber of Commerce and Festivals of Cedarburg. Coordinator Sheffield is the second coordinator since the position was created. The Economic Development Coordinator reports to the City Administrator/Treasurer.

Mike Pahl is interested in knowing the number of business openings/closings over the years.

Eric Stelter asked about managing the mix of businesses downtown. He stated that there should be active involvement in managing the mix to avoid what he sees in communities like Hartford where it is all service-related businesses. Without retail, the draw of the downtown disappears. Eric Stelter also stated other communities distribute marketing materials that are more updated than Cedarburg's for business attraction. He questioned how Mequon secured the new businesses in the Mequon Public Market.

Sara Dunstone stated there needs to be more active recruiting of businesses such as restaurants. She added the branding research indicated more restaurants are wanted by those who participated in the branding research.

Brian Collins stated recruiting restaurants is not that simple. It is very expensive to install a commercial kitchen. Most of the buildings do not have a kitchen.

Greg Zimmerschied agreed that a better job could be done recruiting, but believes the problem is wider than recruiting. He questioned why a prominent restaurant in Milwaukee would not consider Cedarburg. Why is Cedarburg ranked 8 out of 10 for opening a restaurant? Wauwatosa and the Third Ward have many apartments, thus higher density. Other factors such as insufficient room tax and locals not shopping/dining downtown play into this. The City has successful events like the Ozaukee County Fair, Festivals, and Summer Sounds yet we have no funds. Greg Zimmerschied suggested starting an angel investment group to assist businesses.

Council Member Arnett asked Brian Collins about the possibility of reaching out to brokers with marketing information. Brian Collins said very few of his tenants use brokers.

Sandy Wirth stated Festivals are very successful, but we need daytime success. Marketing to technology companies would assist with daytime use of downtown, but high-speed fiber would need to be installed to attract those types of businesses.

Council Member Arnett requested a short-range plan. What can the Committee do next month? Cedarburg's density will increase with the addition of tenants moving into Arrabelle and Cedar Place apartments as well as new subdivisions.

Eric Stelter said there needs to be a short and long-range plan.
Council Member Thome stated this is even more reason to start the Highway 60 business park.

DJ Burns referenced Bozeman, MT as having invested in infrastructure that can support technology companies and now tech is booming.

Greg Zimmerschied said Cedarburg is a desirable community with houses selling quickly and a #1 School District. How do we get the City and Town residents to utilize the downtown?

Council Member Arnett suggested engaging the broker community and having Coordinator Sheffield spend four hours a week in other communities recruiting businesses to Cedarburg.

Council Member Thome recalled her time in St. Charles, IL. They utilized volunteers to go into other communities and cold call on businesses to see if they had interest in opening in St. Charles.

Mike Pahl stated businesses like Lululemon and Vineyard Vines should be recruited into Cedarburg's downtown.

Eric Stelter made the following suggestions:

- Using a volunteer group for recruiting is a good idea.
- A one-page high quality collateral would need to be created for volunteers.
- Visit existing businesses to see if they would like to open another type of shop in Cedarburg (he referenced Lillies/Weeds).
- Ads on Facebook and Instagram geared towards entrepreneurs encouraging opening a business in Cedarburg (cost is \$200 -\$500 per month).
- New collateral – pretty and simplistic referring interested parties back to the website.
- Update website.
- Implement a Business Plan competition. Gather funds from various groups for a winner to start a business plus offer a group of professionals from the area to mentor.

DJ Burns said the Business Plan competition will give Cedarburg the entrepreneurial spirit.

Sandy Wirth mentioned having our own utility is a plus.

Council Member Arnett asked Brian Collins to give his thoughts on service vs. retail. Brian Collins said service has its place, but a blend is good. Service businesses have employees that shop and dine in the downtown daily. That is positive. Retail is first, but service is also important. He believes Festivals are very important for his tenants' success. Amazon plays a role in the way people shop.

Council Member Arnett believes a retail business that offers an "experience" along with products is important.

Greg Zimmerschied listed several strong businesses in Cedarburg that have their own following and doesn't think Amazon could replace shopping in these brick and mortar shops. Eric Stelter agreed that these businesses are high quality and unique. Greg Zimmerschied would like to see an investment group come together to bring in quality businesses.

Council Member Arnett and the Board decided on the following:

- The Board agreed the business plan competition will move forward.
- Broker mailings will occur.
- Business recruitment deliverables and website will be updated/enhanced.
- Volunteers will be used to recruit businesses in other communities.
- Council Member Arnett will review this list with Coordinator Sheffield.

Greg Zimmerschied asked to identify gaps in the types of businesses that are already in Cedarburg. What do we want to see? He also asked for everyone to think about what shops/stores would be good for Cedarburg. Eric Stelter suggested comparing this list with the commercial spaces that are available to see if there is a fit.

Brian Collins would like to understand the number of businesses that have closed over the years. Maybe the City is in better shape than we think.

Mike Pahl said the Economic Development Board's role is not to fill current building vacancies. The Board should be working to make Cedarburg a more appealing place to open a business long term so there is always a waiting list for commercial spaces.

Greg Zimmerschied said there used to be a waiting list.

DJ Burns suggested looking into industrial revenue bonds for start-ups.

Eric Stelter asked about the Revolving Loan Fund. That fund is no longer available.

Council Member Thome brought up the possibility of creating a BID.

Brian Collins stated that visitors to Summer Sounds or Festivals may not shop on that day, but because of those events, they come back for the day or weekend and shop.

Eric Stelter suggested a new subcommittee be added to think about how to make Cedarburg a #1 place to open a business vs. #8 or #9.

Council Member Arnett asked the group to also think about a new Board Member.

Identify Future Agenda Items; and Action Thereon

The next meeting is scheduled for Wednesday, September 4, 2019, at 8:00a.m.

ADJOURNMENT

Motion was made by DJ Burns, seconded by Sara Dunstone, to adjourn the meeting at 8:25p.m. Motion carried with Jim Pape and Joe Kassander excused.

Mary Sheffield
Economic Development Coordinator