



CITY OF NEW HOLSTEIN

FORMER TECUMSEH PLANT MARKET FEASIBILITY STUDY

SEPTEMBER, 2020



City of
New Holstein

 **VANDEWALLE & ASSOCIATES INC.**
Madison . Milwaukee

TECHNOLOGY PROPERTIES³


TABLE OF CONTENTS

I.	INTRODUCTION	2
II.	MARKET DEMOGRAPHICS	4
III.	ENVIRONMENTAL CONDITIONS	7
IV.	ASSETS & OPPORTUNITIES	8
V.	HOUSING DEVELOPMENT OPPORTUNITIES	18
VI.	SITE ANALYSIS	20
VII.	SITE REDEVELOPMENT CONCEPTS	22
VIII.	REDEVELOPMENT PROJECTIONS	31
IV.	IMPLEMENTATION	32
	APPENDICES	34

I. INTRODUCTION

The former Tecumseh site is prominently located the northeast side of the city and was clearly a very important part of the local economy and community fabric for decade. The 40+ acre site provided jobs and spurred support businesses from the late 1800s until its final closure in 2009, idling a plant that employed almost 2,000 people as recently as 2000. The site is well positioned in the region, with direct highway access to Milwaukee, Madison, Green Bay, Sheboygan and beyond. Within New Holstein, the site is directly adjacent to a Canadian National (CN) rail line, affordable housing, downtown, and a number

of other manufacturing and industrial businesses that form the heart of the City's employment base. With the City gaining site control in 2017 and undertaking additional due diligence, the time is right for an updated study and redevelopment vision that is aggressive, forward-looking, and realistic in order to spur new business and jobs on this important and historic site. Repositioning the former Tecumseh site for new development opportunities is a generational project and has the ability to transform the economy of New Holstein and the surrounding area.



The City has undertaken several planning processes for the property since it was last operational in 2009. Between a preliminary economic reuse study, Phase I and II ESAs, a VPLE, formal site acquisition from Calumet County and the creation of an ER-TID, the existing conditions are likely well understood by local officials at this time. This report, then, is intended to provide a robust market study toward an application for WEDC Idle Sites funding and other implementation activities that build upon previous work with an eye toward market-viable solutions and sustained momentum for the City's planning and funding strategy.

This document further defines the future development vision for the site and provides a roadmap for long-term implementation informed by community stakeholders and larger economic trends. Accordingly, the potential redevelopment and reuse strategies proposed herein must do more than simply remove blight, but also create new jobs and economic opportunities for those most impacted by the Tecumseh plant closure.



II. MARKET DEMOGRAPHICS

The population of the City of New Holstein was approximately 3,075 in 2018. It has decreased slightly from 3,236 in the 2010 Census. The City represents 17% of an estimated 18,300 Trade Area residents (defined as a 15-minute drivetime from the Tecumseh site). Population helps quantify both current market size and future market growth, both of which are used to measure the direction of consumer demand.

The demographic characteristics of Trade Area residents provide information on who lives locally that could potentially generate demand for new businesses on the Tecumseh site, the downtown area, and the City more broadly. In addition, characteristics of in-commuters, visitors, and homeowners are also presented to describe their significance within the Trade Area. Comparative data for the City and immediate surroundings (corresponding to a 5-minute drive time), Primary Trade Area (15 minutes) and region (60 minutes) are also included on the following page for reference. Significant statistics include:

- **Population Change:** modest growth in City (2.1% between 2010 and 2019), but less than Trade Area (4.6%) and region (4.1%).
- **Employment:** The City and Trade Area have larger proportions of residents employed in manufacturing (28% and 31%, respectively),

while New Holstein's retail employment (14%) is somewhat larger than the Trade Area and region (about 10% in each). Manufacturing employment is about 16% of Wisconsin's total workforce as of 2018, and while total sector employment has remained flat in recent decade, the value of manufacturing outputs has increased significantly and their share of the state's total output has actually declined over time.¹

- **Household Income:** 2019 average household incomes for the City and Trade Area lag the regional average by about \$12,000 and \$5,000, respectively. This suggests lower aggregate spending power among community residents and affects the mix of businesses that may prove successful in the City and at the Tecumseh site.
- **Median Age:** The Trade Area (44.2) and region (39.6) are somewhat younger than the median City of New Holstein resident (46.0). This presages a growing need for housing, businesses, and services to meet the needs of an aging population.
- **Education:** 20% of Trade Area residents and 28% of region residents have a Bachelor's degree or higher, rates typical of rural, ag-focused and blue-collar regions distant from larger metro areas.



Summary Demographics	
2019 Population	18,304
2019 Households	7,586
2019 Median Disposable Income	\$46,666
2019 Per Capita Income	\$29,892

Retail MarketPlace Profile

1604 Michigan Ave, New Holstein, Wisconsin, 53061

Drive Time: 15 minute radius

Prepared by Esri

2017 Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/S Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$252,309,819	\$207,882,638	\$44,427,181	9.7	123
Total Retail Trade	44-45	\$230,161,440	\$193,276,322	\$36,885,118	8.7	73
Total Food & Drink	722	\$22,148,379	\$14,606,316	\$7,542,063	20.5	50
Motor Vehicle & Parts Dealers	441	\$52,168,113	\$21,090,020	\$31,078,093	42.4	12
Furniture & Home Furnishings Stores	442	\$6,791,157	\$1,863,803	\$4,927,354	56.9	3
Electronics & Appliance Stores	443	\$6,901,424	\$0	\$6,901,424	100.0	0
Food & Beverage Stores	445	\$35,169,347	\$32,436,879	\$2,732,468	4.0	6
Clothing & Clothing Accessories Stores	448	\$8,544,566	\$1,003,108	\$7,541,458	79.0	3
Sporting Goods, Hobby, Book & Music Stores	451	\$5,494,936	\$677,412	\$4,817,524	78.1	4
General Merchandise Stores	452	\$38,909,417	\$55,504,992	-\$16,595,575	-17.6	5
Miscellaneous Store Retailers	453	\$9,124,673	\$10,151,486	-\$1,026,813	-5.3	10
Food Services & Drinking Places	722	\$22,148,379	\$14,606,316	\$7,542,063	20.5	50
Special Food Services	7223	\$600,243	\$21,967	\$578,276	92.9	1
Drinking Places - Alcoholic Beverages	7224	\$1,505,195	\$1,349,098	\$156,097	5.5	15
Restaurants/Other Eating Places	7225	\$20,042,941	\$13,235,251	\$6,807,690	20.5	34

2017 Leakage/Surplus Factor by Industry Subsector

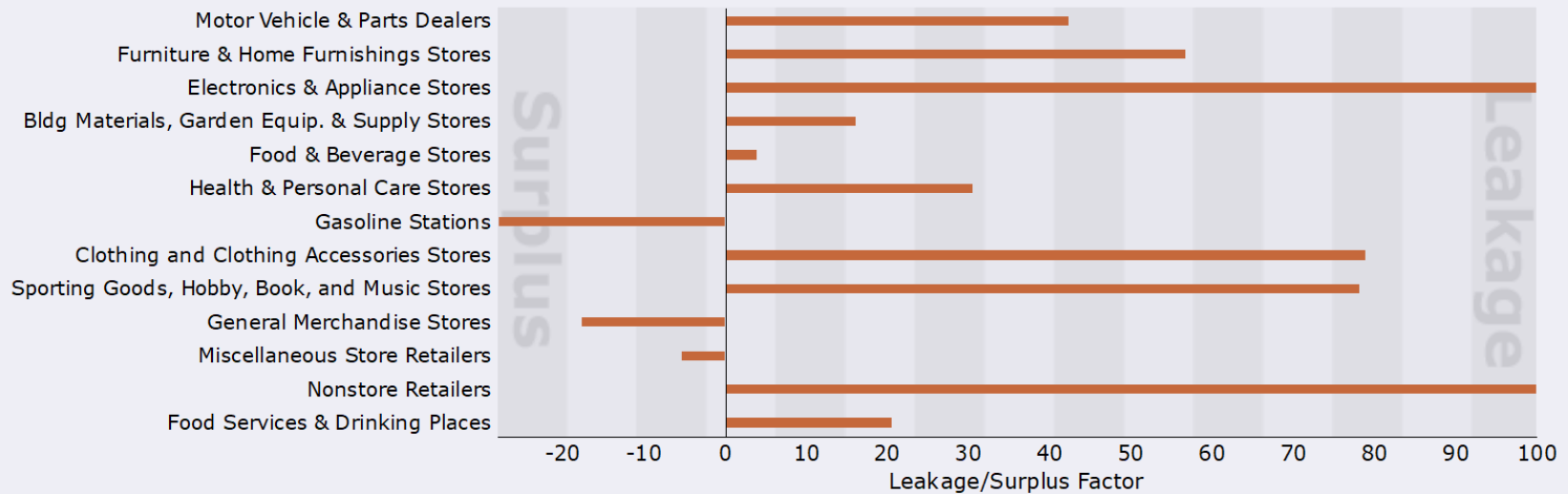
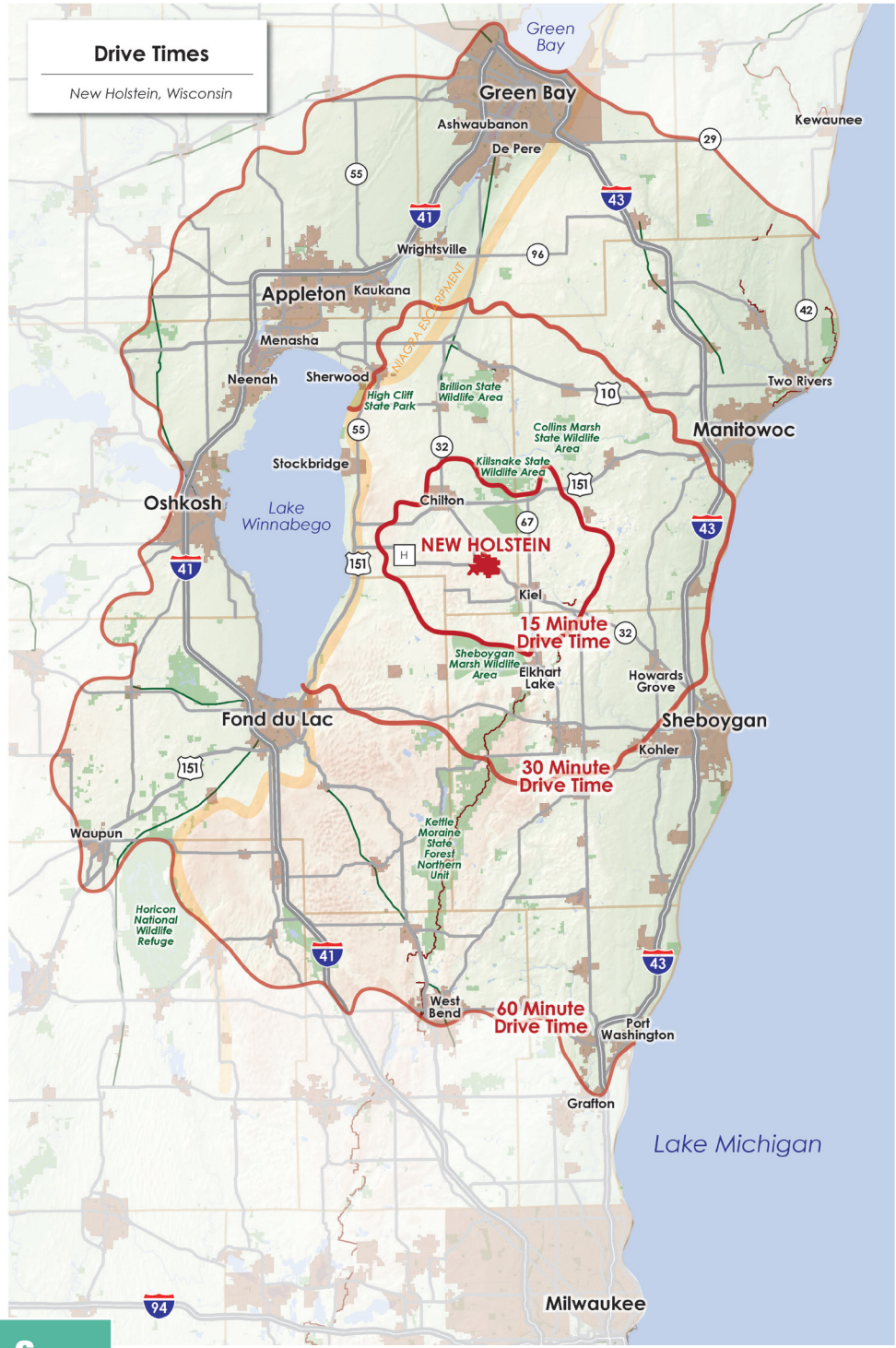


Figure 1: MARKET PROFILE

¹2019 Wisconsin Manufacturing Facts." National Association of Manufacturers (NAM).
<https://www.nam.org/state-manufacturing-data/2019-wisconsin-manufacturing-facts/>

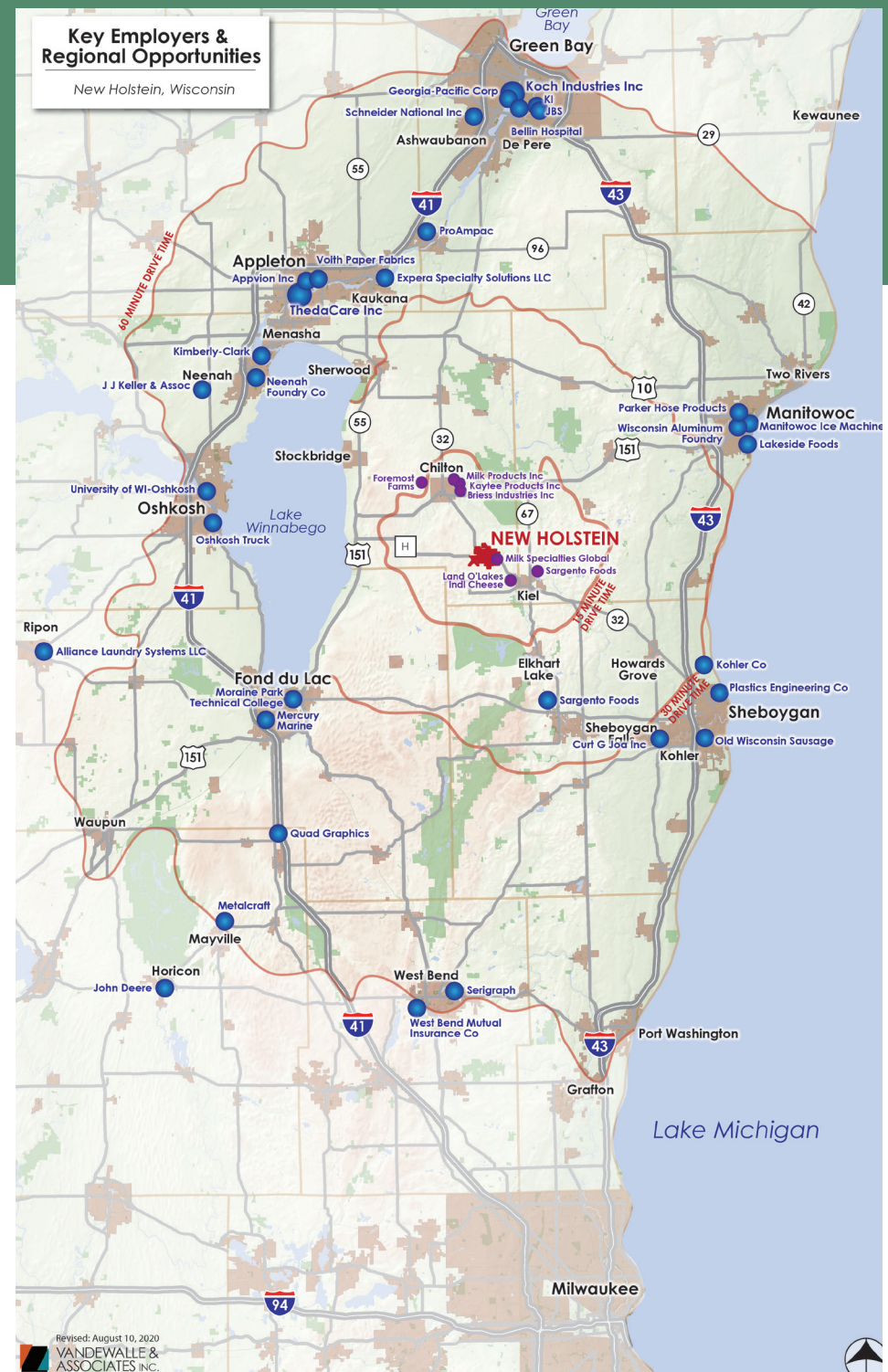
Drive Times

New Holstein, Wisconsin



Key Employers & Regional Opportunities

New Holstein, Wisconsin

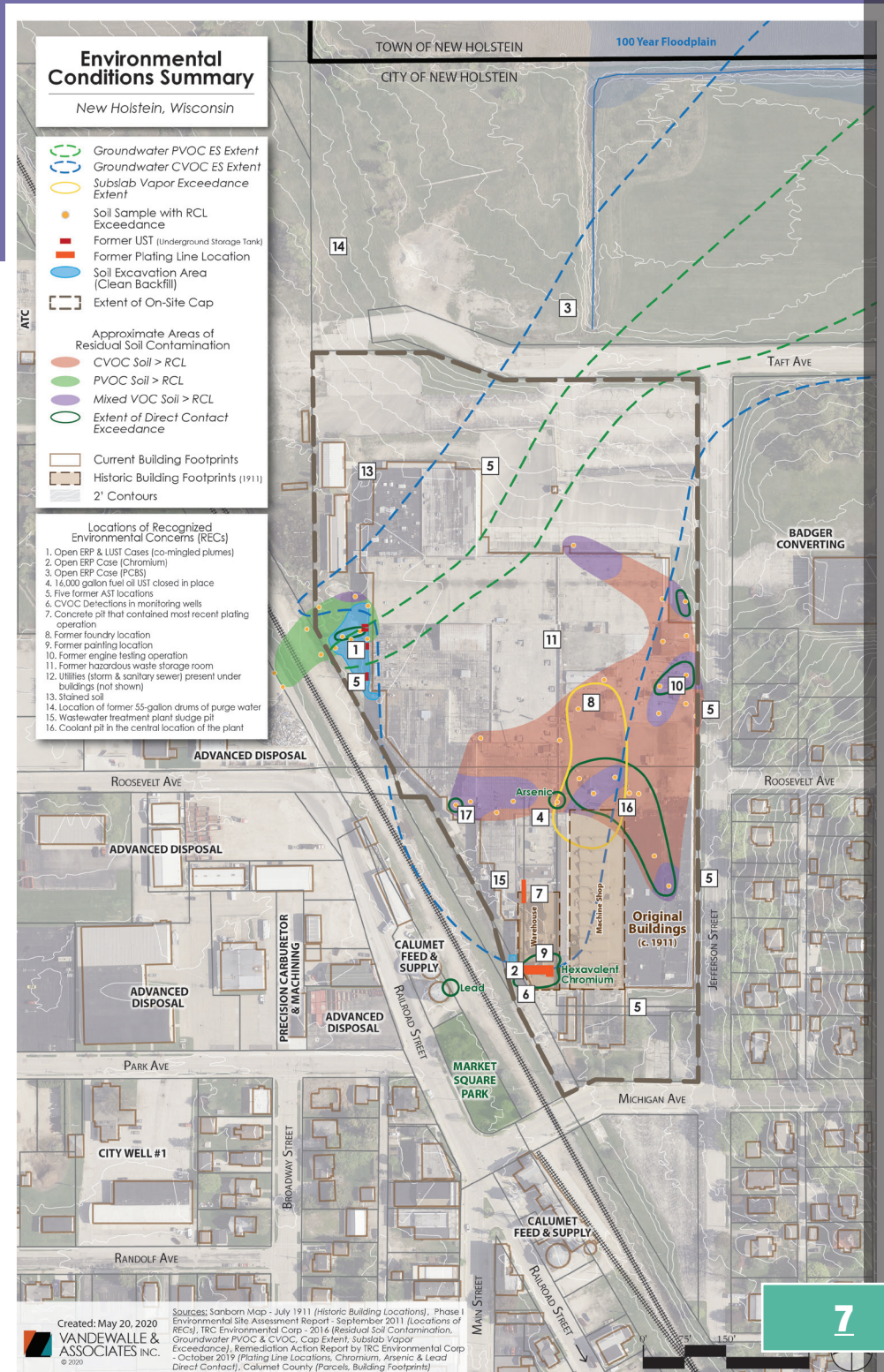


III. ENVIRONMENTAL CONDITIONS

Two open Wisconsin DNR brownfield cases related to chromium plating line and Hayton Mill Pond PCB remediation – are being addressed by the responsible party (Tecumseh Products). PCB contamination has not been found on majority of property, but is limited to Jordan Creek and Outfall #1 about two blocks east of site. Relevant DNR comments for City redevelopment planning including capping requirements for most of the site, and the need for vapor intrusion evaluations to account for any residual contamination. Other relevant findings from Phase I and II Environmental Site Analysis (ESAs) performed on the site since 2013 include:

- Contaminants identified in soil and groundwater
- VOCs, CVOCs, PAHs, metals
- Continuing obligations, including caps to minimize infiltration of groundwater and direct contact exposure as part of past remedial actions.

The structural condition assessment performed at the Tecumseh Property determined that the building is generally in good condition, with some exceptions involving localized areas of potential structural safety concerns. No large areas of structural deficiencies or instability or were observed so that, with ordinary precautions being taken, demolition and removal of the building should be relatively straight forward for experienced demolition contractors. However, another building assessment noted potential asbestos containing materials (ACM) and lead-based paint (LBP), as well as mold, restricted wastes, and other regulated materials that will require careful handling throughout the demolition process.



IV. ASSETS & OPPORTUNITIES

In concert with kickoff activities for the Tecumseh Site Market Analysis and Redevelopment Strategy, Vandewalle & Associates spoke individually with approximately a dozen stakeholders in May-June 2020 as identified by the City. Assets and opportunities for the community and site more specifically include the following items noted by interviewees and members of the CDA at the April 23 kickoff meeting.

Community Assets

- The City of New Holstein is within an hour's drive of every metro area in eastern Wisconsin – over 956,000 residents. This provides opportunities to expand in every direction, from Green Bay to the Fox Valley, Fond du Lac, Sheboygan, Manitowoc, and Milwaukee's North Shore suburbs.
- Strong quality of life – residents enjoy parks and recreation amenities offered by City and view New Holstein as a family-oriented community with good local schools
- Affordable single-family housing options, including entry-level opportunities for young families with children. Homes for less than \$150,000 sell quickly.



Business Park Concept

New Holstein, Wisconsin



Economic Opportunities

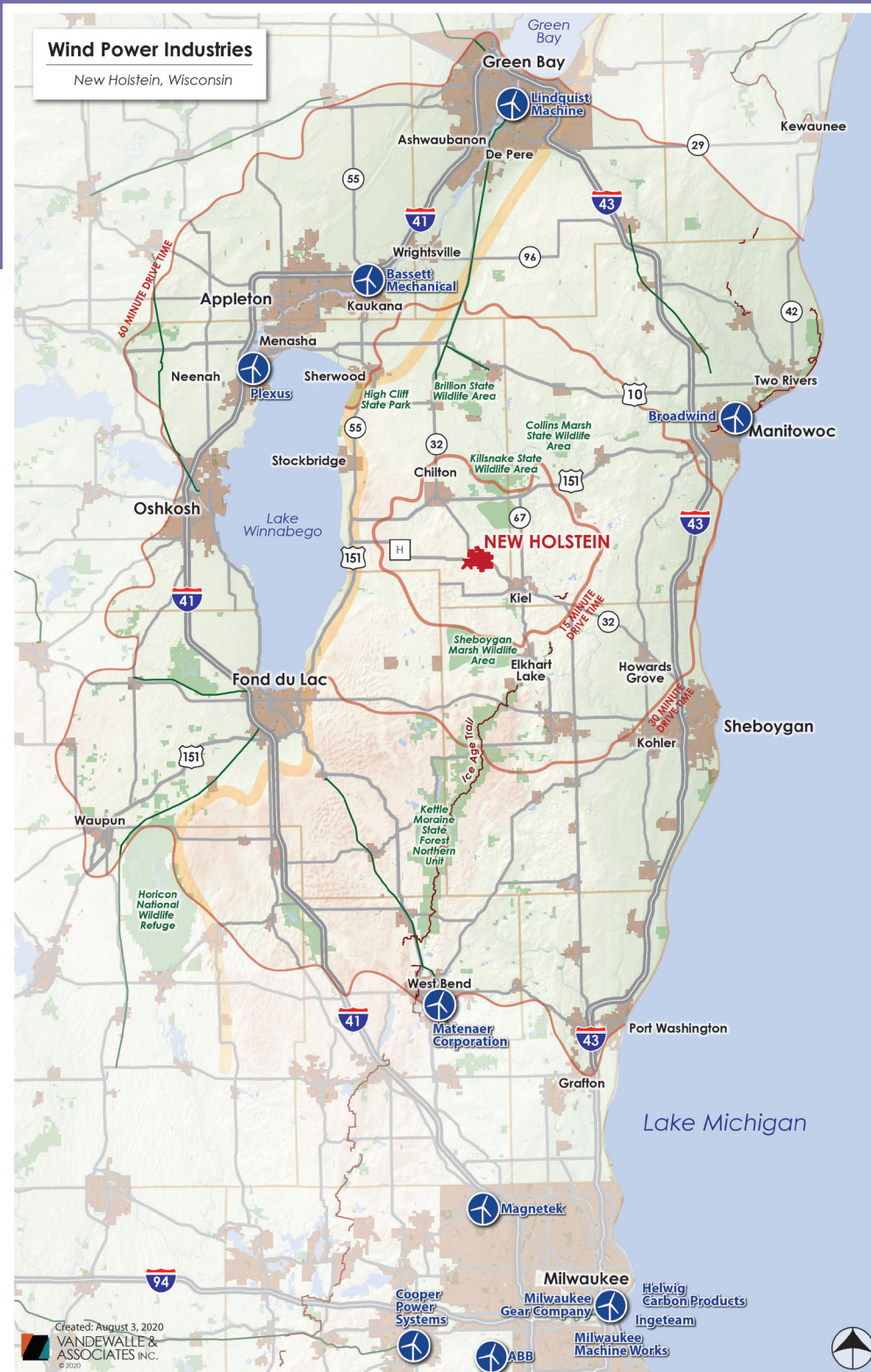
Other distinctive economic opportunities include the following:

1. **Manufacturing Supply Chain & Business Park.** Capitalize on New Holstein's central location to become a support business for surrounding manufacturers. Businesses locating in New Holstein will be within a one-hour drive from 140 manufacturing, wholesale and logistics companies, located within the Fox Valley and along the Lake Michigan shore. As federal tariffs continue to change, US manufacturers are relying on local businesses for components in the manufacturing process. New Holstein has a great opportunity to become a level I, II or III original equipment manufacturer (OEM) supplier. Continuing the employment history of the former Tecumseh site, the City could create a business park north of Roosevelt Street (extended) to house future OEM supply chain manufacturers and other employers.



2. **Sustainable Energy Businesses.** The area's tradition of as a key component of the "Small Engine Capital of the World" and a major producer of dairy and other agriculture products provides a strong basis for economic expansion upon the location and infrastructure assets already present on the Tecumseh site. A modern descendent of the output of firms like Tecumseh is the rise of wind-powered generation equipment, for example, includes a small and growing cluster of firms in northeast Wisconsin and flat, open land conditions near water that are conducive to siting wind turbines. The U.S. wind market has grown substantially over the years into an increasingly complex supply chain. There are more than 500 U.S. manufacturing facilities specializing in wind components such as blades, towers, and generators, as well as turbine assembly across the country. In fact, modern wind turbines are increasingly cost effective, reliable, and have scaled up in size to multi-megawatt power ratings. ²

² "Wind Manufacturing and Supply Chain." U.S. Department of Energy. <https://www.energy.gov/eere/wind/wind-manufacturing-and-supply-chain>



3. **Craft Beverage Destination with Historic Character.** The brewery/distillery

concept previously identified in the 2015 redevelopment plan remains valid. However, as the craft beverage industry grows in Wisconsin, it has become more difficult to differentiate products and place. Reuse of the historic grain elevator and office building at the cooperative just south of the site could provide an architectural distinctive entryway to additional development at Tecumseh – residential infill, as well as new (and smaller) commercial/industrial projects north of Roosevelt Avenue.

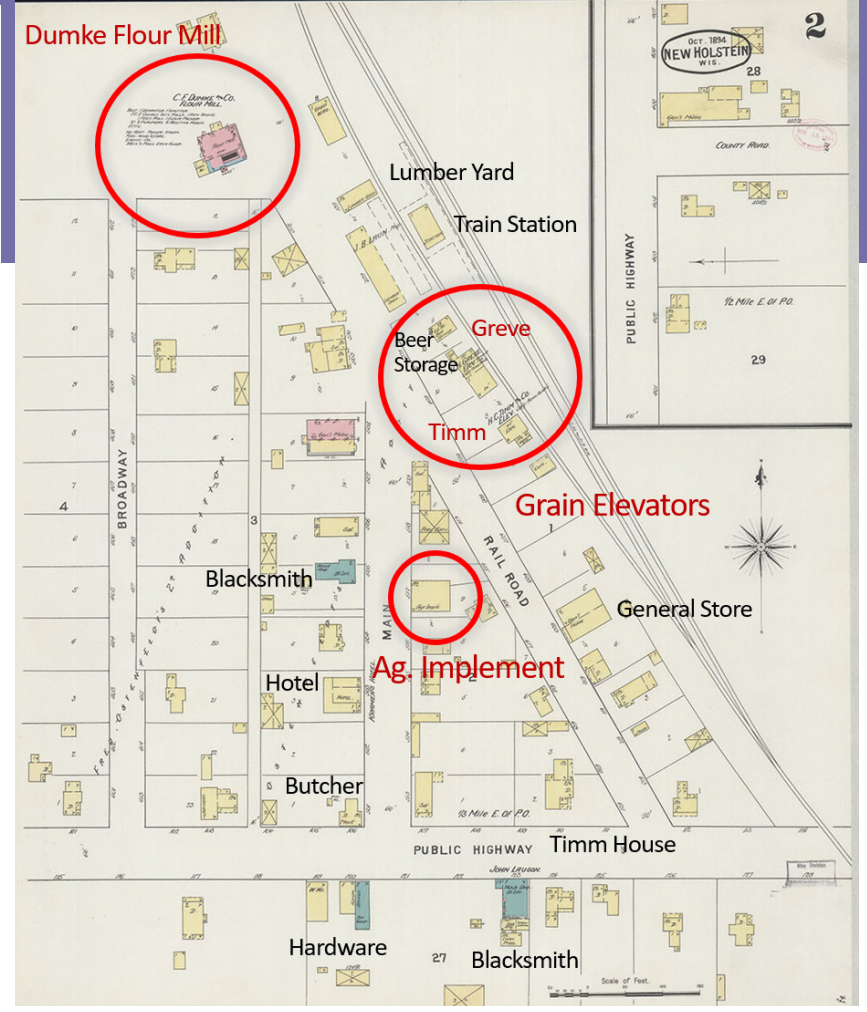
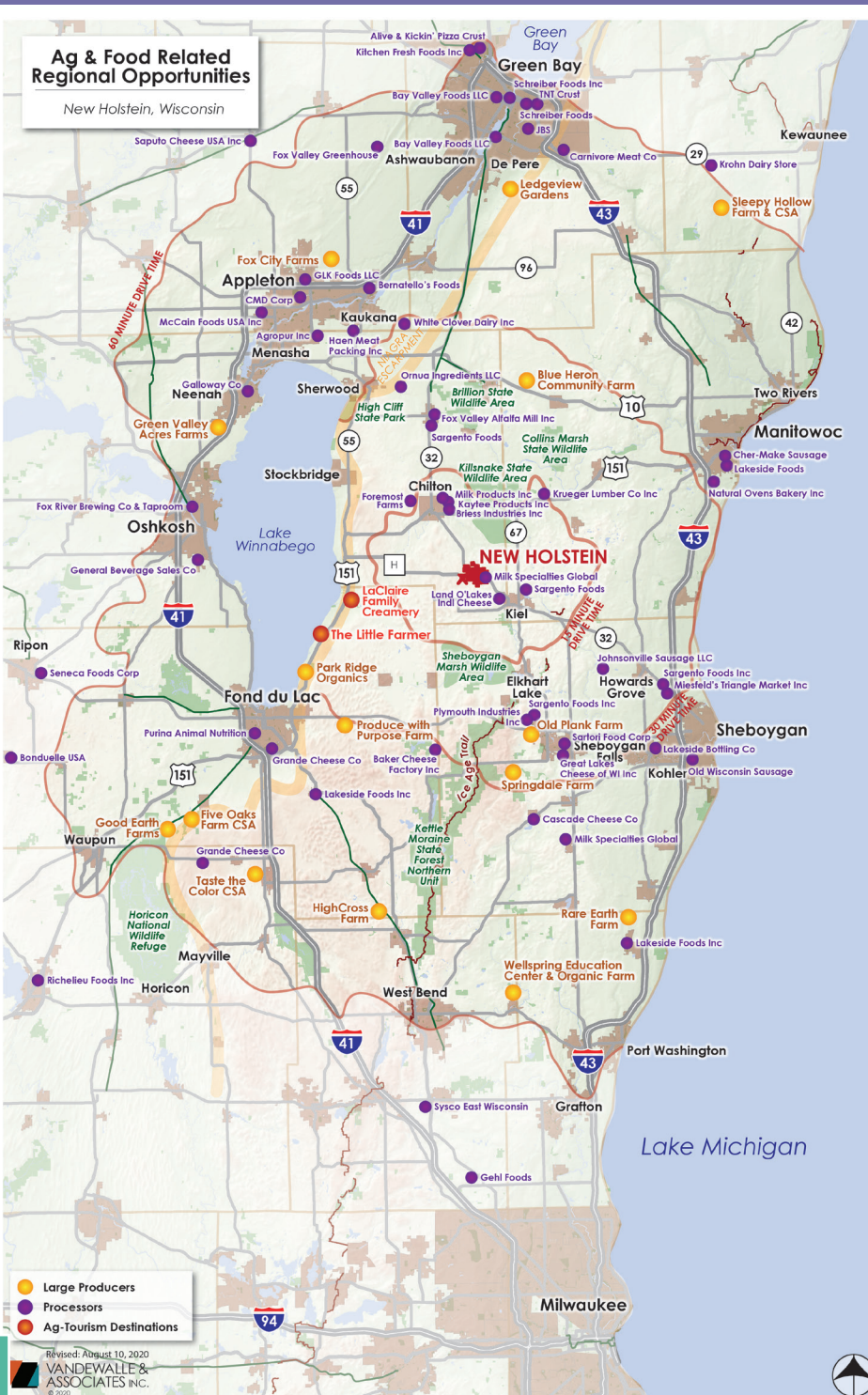


Identification of key partners for a brewery or distillery start-up, or a branch of an existing brand with strong name recognition in the area, such as 3 Sheeps from Sheboygan – would be an important first step, as well as any operators willing to explore reuse/expansion within the historic structures that would make for a distinctive destination use and attraction for local residents. Similarly, the presence of Briess Malt in nearby Chilton – a major supply of raw inputs for craft beverages and food products – could provide an intriguing partnership opportunity if the company were to have a prominent role in the project. Other ag-based businesses in the area, including aquaponics (fish farming), corn and other staples, may be interested in the availability of cold storage warehousing, indoor greenhouse space, and immediate access to the Canadian National rail line that runs along the western edge of the Tecumseh site. Local products could also be highlighted and retailed in a permanent four-seasons market facility.

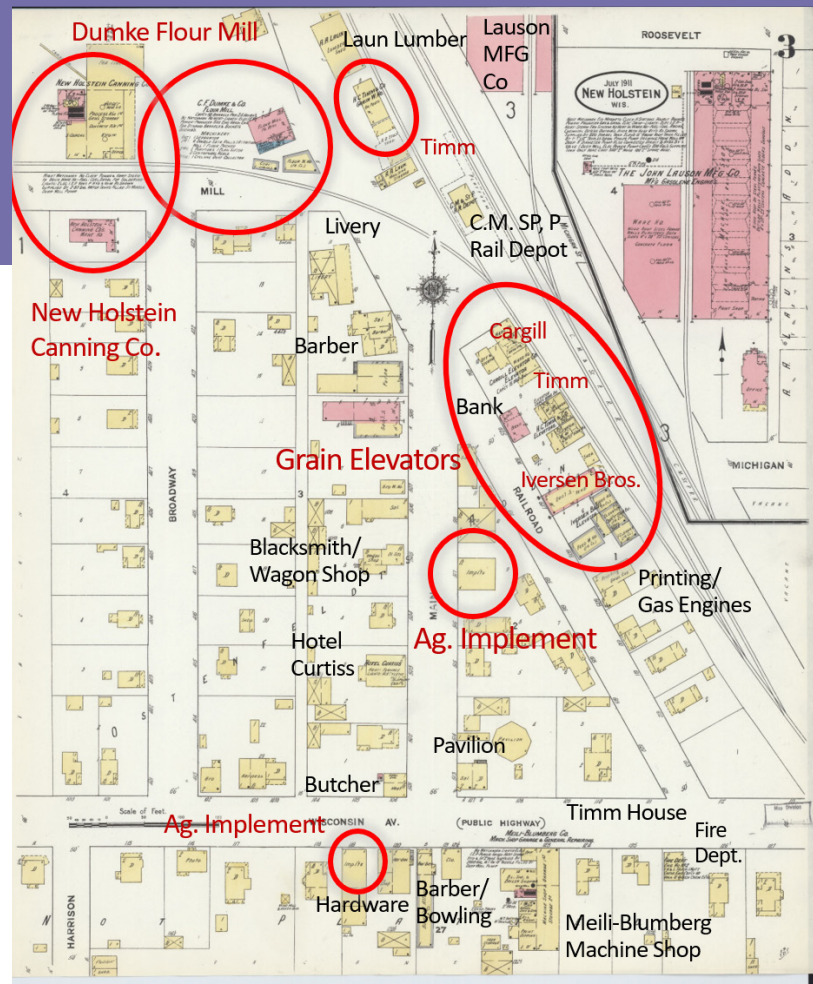
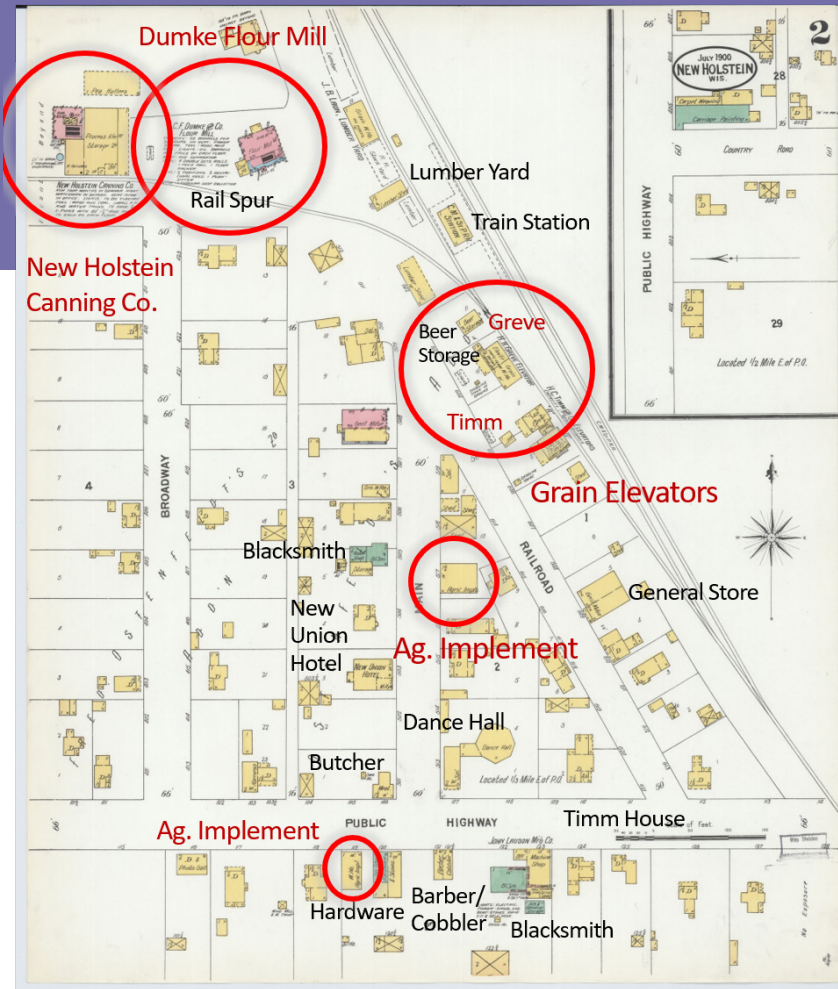


Ag & Food Related Regional Opportunities

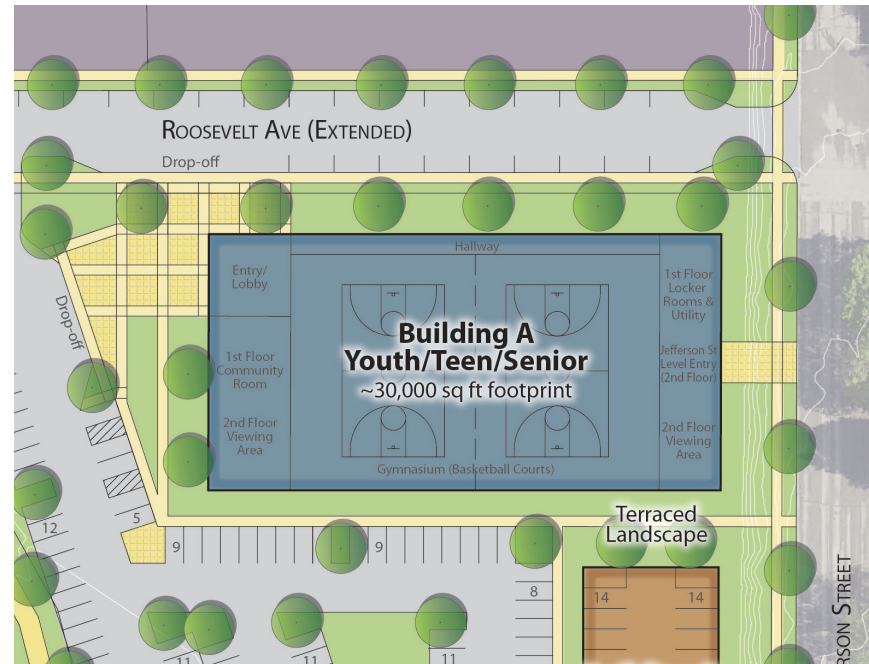
New Holstein, Wisconsin



4. **Famous Wisconsin Cheese.** Keeping with regional identity and increasing calls for authentic experiences, opportunities to co-locate prominent firms in the local dairy economy for a shared facility, or shared marketing with nearby communities and companies such as Global Milk Specialties, Sargento, and Henning's to provide public factory tours and retail product outlets may also be appealing. With a population of just under one million people within a 60-minute drive, New Holstein has a great opportunity to create a dairy experience and brand. See Tillamook Creamery in Oregon as a successful example of agricultural tourism: <https://www.tillamook.com/>.



5. **Youth Sports and Family-Friendly Attractions.** Sports leagues and facilities are an increasingly important and valuable amenity to families making locational decisions. An indoor/outdoor tournament sports center with playing fields and related amenities (restaurants, hotels, etc.) for basketball, baseball, softball, soccer lacrosse, and other growing team sports could prove lucrative in a community like New Holstein where local parks and recreation leagues are strong and a regional-scale facility could draw travel teams from around the area and beyond.



Indoor health and wellness spaces are underserved in the community. The site could house a community center that serves all ages and abilities, providing athletic, exercise and community space opportunities to New Holstein and regional residents. Further, other kid-friendly attractions such as an indoor “adventure park” featuring trampolines, laser-tag, go karts, bowling, etc. could provide a regional draw for the communities to the east of Lake Winnebago that must now travel to Appleton or Madison for similar experiences. This type of facility could be located either north of south of Roosevelt Avenue. Urban Air Adventure Park is an example of a regional destination: <https://www.urbanairtrampolinepark.com/>



- Municipal Airport.** The City-owned airport is an uncommon asset among peer communities and may be leveraged as a competitive advantage to attract new businesses and residents. Immediate access to private air travel is attractive to business operations and should be marketed as a community asset. The airport sees a spike in usage during the annual EAA air show in Oshkosh; efforts to expand usership and area tourism could be tied to aviation more broadly. Further, the advent of drone technology for a wide variety of uses – including monitoring of agricultural lands – may offer opportunities for expanded use of the airport as a launching point and training/licensing grounds for drone users in the area.



7. **Supporting New Businesses and Nurturing Start-Ups.** New businesses that may choose to locate on the Tecumseh site may make strong partners for skilled trades training, internships and apprenticeship programs in concert with the New Holstein School District or Fox Valley Technical College. A freestanding business incubator may even be considered (publicly or privately operated) that provides low-cost space and shared services to startup businesses looking to scale up in New Holstein.



8. **Demand for small, local businesses.** As noted in the stakeholder interviews, niche offerings may be supported by local demand on the Tecumseh site or elsewhere in the downtown. These businesses could include a retail bike shop and service center, pharmacy, coffee shop, and/or expanded fast food and casual dining locations. A limited amount of retail development could be supported within a mixed-use residential redevelopment project along Michigan Avenue, but filling existing storefronts should be a priority.



V. HOUSING DEVELOPMENT OPPORTUNITIES

According to the U.S. Department of Housing and Urban Development, families who pay more than 30% of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation, and medical care. An estimated 12 million renter and homeowner households nationwide now pay more than 50% of their annual incomes for housing. Further, a family with one full-time worker earning the minimum wage cannot afford the local fair-market rent for a two-bedroom apartment anywhere in the United States.³

This reality has practical implementations for New Holstein. While relatively affordable on a national and regional scale - 30% of Calumet County's median income (\$72,530 in 2018) equates to a maximum of \$1,813 for housing and utility expenses, and the median Calumet

County rent in 2018 was \$764 – there is room in the market for a greater range of housing options for those that cannot or do not wish to purchase a single-family dwelling, or who cannot find suitable rental accommodations near their workplace.

Stakeholder interviews and RDA input suggest there may be sufficient interest among local professionals or seniors to support a number of higher-end units, but it is likely that market-rate developers would propose units that appeal to a wider swath of the local renter base, or that could prove appealing and affordable enough to attract out-of-town commuters wishing to live closer to work.

Local market conditions suggest that the development of new market rate, multi-family rental units – so called “workforce housing” that is affordable to middle income workers like teachers, firefighters, nurses,



and other professionals – as well as affordable senior units similar to Uptown Commons in downtown Chilton, would be well received. The Environmental Remediation Tax Incremental Financing (ER-TIF) recently established by the City could be a highly useful source of funding for site preparation and to promote market-rate and/or subsidized workforce or senior housing development.

But for the use of TIF, the economics of building new housing, especially with respect to the differential between construction costs that are not dissimilar to larger metro areas like Appleton, Green Bay or Madison and the comparatively lower market rents that can be commanded in New Holstein compared to those urban locations, would likely ensure that such construction on the site would occur at the pace, scale, or quality desired by the City.



3 *“Rental Burdens: Rethinking Affordability Measures.” U.S. Department of Housing and Urban Development (HUD). https://www.huduser.gov/portal/pdredge/pdr_edge_featd_article_092214.html#:~:text=HUD%20defines%20cost%2Dburdened%20families,of%20one's%20income%20on%20rent.*

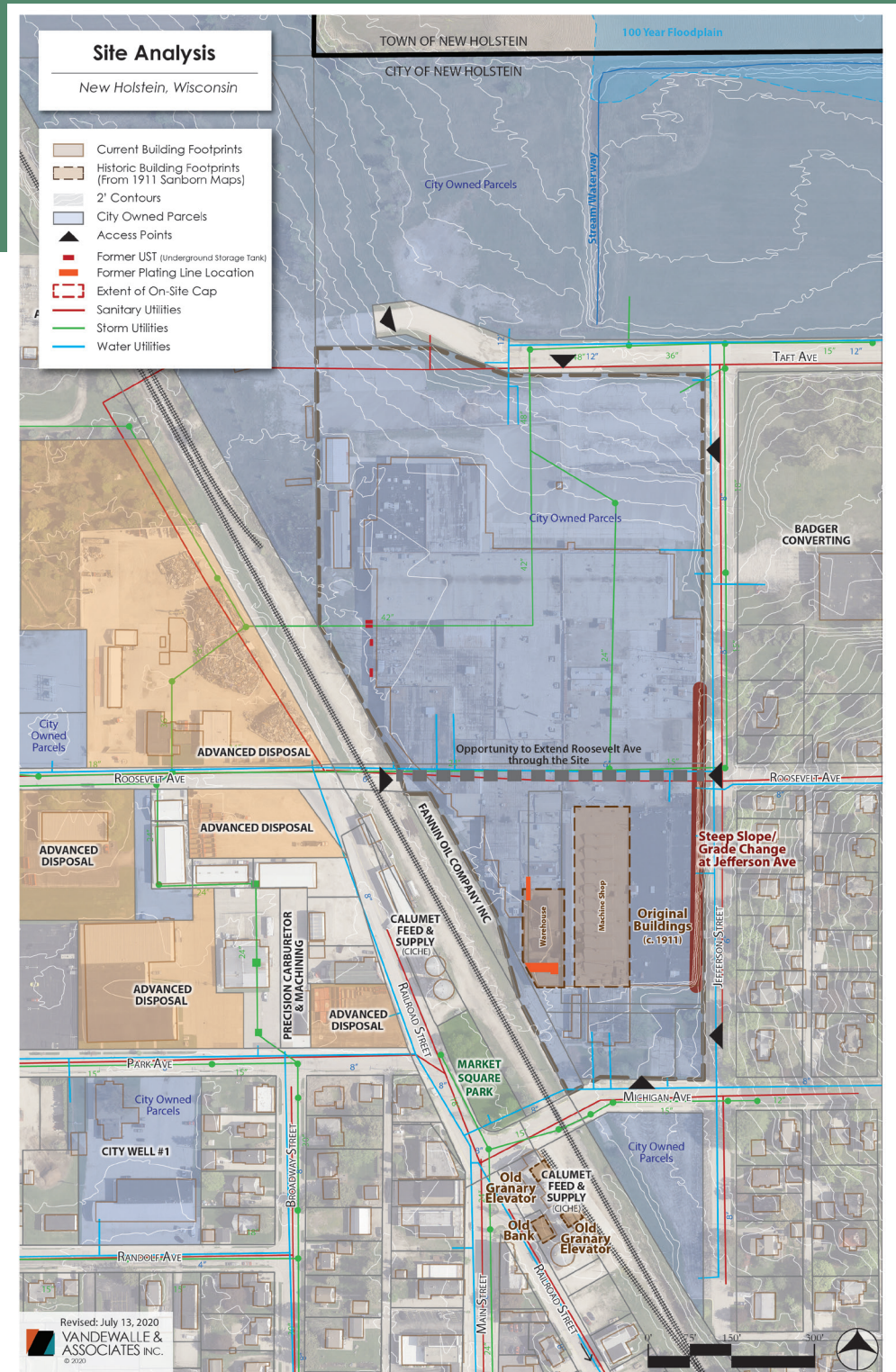
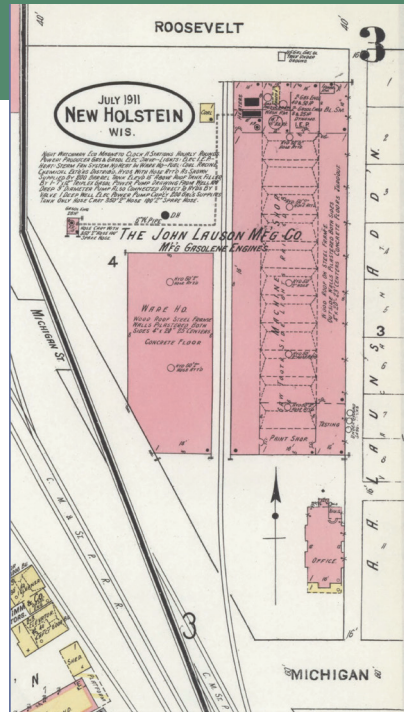
4 *2018 American Community Survey Estimates, U.S. Census Bureau. For more information on workforce and elderly housing opportunities in New Holstein and Calumet County, see the Calumet County Economic Development Plan (adopted June 2020): <https://www.calumetcounty.org/DocumentCenter/View/6727/Calumet-County-Economic-Development-Plan?bidId=>*

VI. SITE ANALYSIS

The City has conducted detailed analysis of the former Tecumseh site and building. This study focuses on redevelopment opportunities using the available data provided by the City. The Site Analysis graphic highlights the site features that may affect redevelopment such as the existing site topography, utilities and points of highest environmental contamination (plating line). Understanding the historic building footprints and environmental conditions helps inform the best places to locate new buildings and areas that could potentially have underbuilding parking, avoiding areas of potential contamination.

The surrounding land uses are noted as proposed future land uses should be compatible with neighboring properties. The site is bordered by industrial/agricultural uses to the northeast, north, northwest, and west. An established single-family residential neighborhood is located to the east and downtown retail/commercial businesses are located to the southwest. The city owns additional land to the north which is an opportunity to expand the former Tecumseh site redevelopment vision.

Site access is noted on the map to highlight where topography may limit access from Jefferson Street. The existing rail crossing on Roosevelt Avenue provides an important opportunity to break the 40 acre site into smaller redevelopment areas and can provide a break in land use.



VII. SITE REDEVELOPMENT CONCEPTS

The results of background research, project team discussions, in-person and remote site investigation, stakeholder interviews, and public meeting input informed the creation of two initial draft redevelopment concept plans for the Tecumseh site. The two concepts are somewhat similar in terms of physical layout – industrial uses on the northern portion of the site, multi-family residential in the center and south back as a buffer/transition to the downtown and neighborhoods to the south and east, respectively. Concept A provides somewhat more residential density, while Concept B offers a lower density of housing with integration of a community space such as a youth/senior recreation center. The existing rail crossing at Roosevelt Ave also provides a natural location for new east-west street extension through the site.



SITE DEVELOPMENT CONCEPT A

Additional housing types were a primary finding of the market investigation. The need for workforce housing and senior housing in New Holstein can be met through the construction of buildings on the Tecumseh site. Buildings are located away from environmental contamination “hot spots”. The southern of the site never contained buildings, so the chance for clean land is higher which is an opportunity for underground parking. Apartments along Jefferson Street could contain more affordable under-building parking due to the elevated roadway. Secure, heated parking protected from parking is a market differentiator in the existing multi-family units in New Holstein. To achieve rents that will cash-flow new construction, this parking is recommended. Attached townhomes are recommended on the triangular-shaped parcel south of Michigan Avenue. These units could be owner-occupied or rental and provide a nice scale, massing and density transition from the former Tecumseh site to the adjacent neighborhood.

The building located on the north side of Michigan Avenue could contain a small amount of commercial space to connect to the Main Street retail corridor. Parking areas and open space are shown in the center of the site to cap the highest environmental contamination. All developments must meet WisDNR regulations for environmental clean-up, capping, venting, etc.



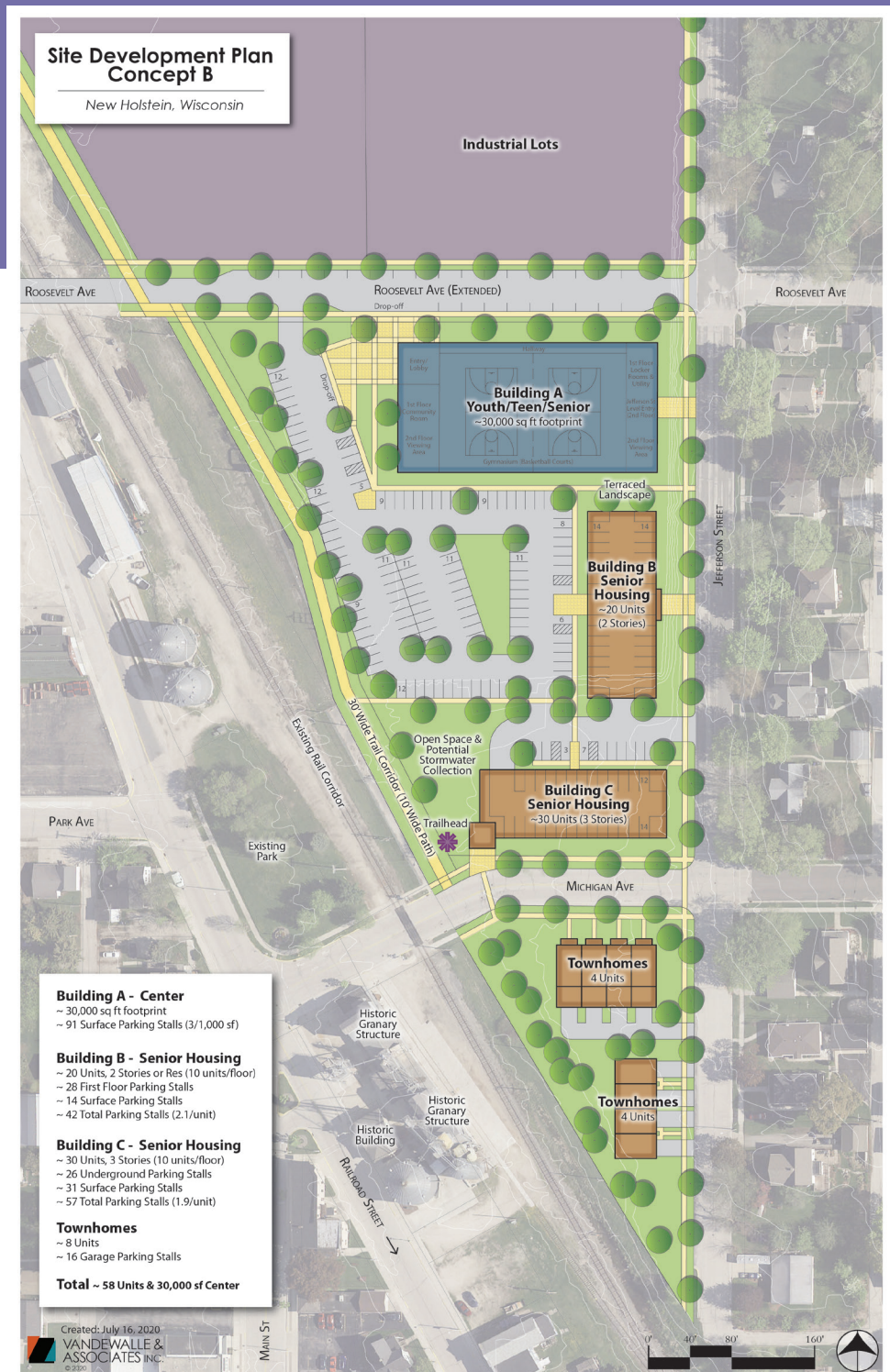
Development Vision A

Former Tecumseh Site
New Holstein, Wisconsin



SITE DEVELOPMENT CONCEPT B

The second concept contains the community center building layout. This 30,000 square foot facility could house facilities for people of all ages and abilities. The conceptual building footprint contains two full-court basketball courts, fitness/wellness space, and senior center space on the first floor. The lobby entrance is on the northeast corner. The second floor mezzanine contains additional community room and wellness space. Since the building would be down in elevation from Jefferson Street, a second entrance could directly connect Jefferson Street to the mezzanine which provides flexibility to secure separate portions of the building depending on tenants or uses. Parking is located south of the building to cap the environmental contaminated area. The housing is shown in a slightly different configuration with vehicular access from Jefferson Street. This allows the building on the north side of Michigan Avenue to have a continuous street front which would be attractive to first floor retail/commercial users. Note the community center building could also be located on the north side of Roosevelt Avenue if additional residential spaces is desired by the development partners.



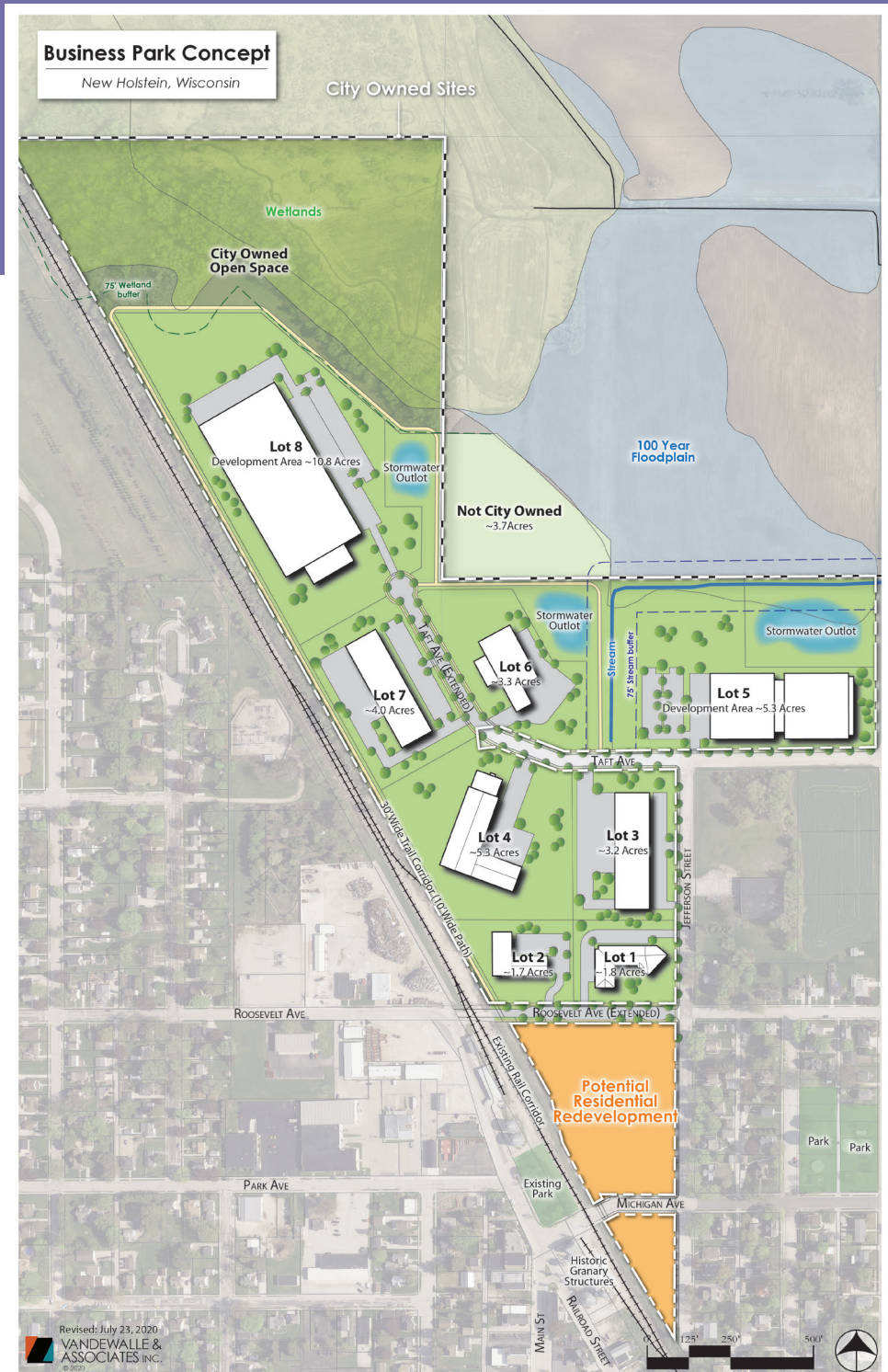
Development Vision B

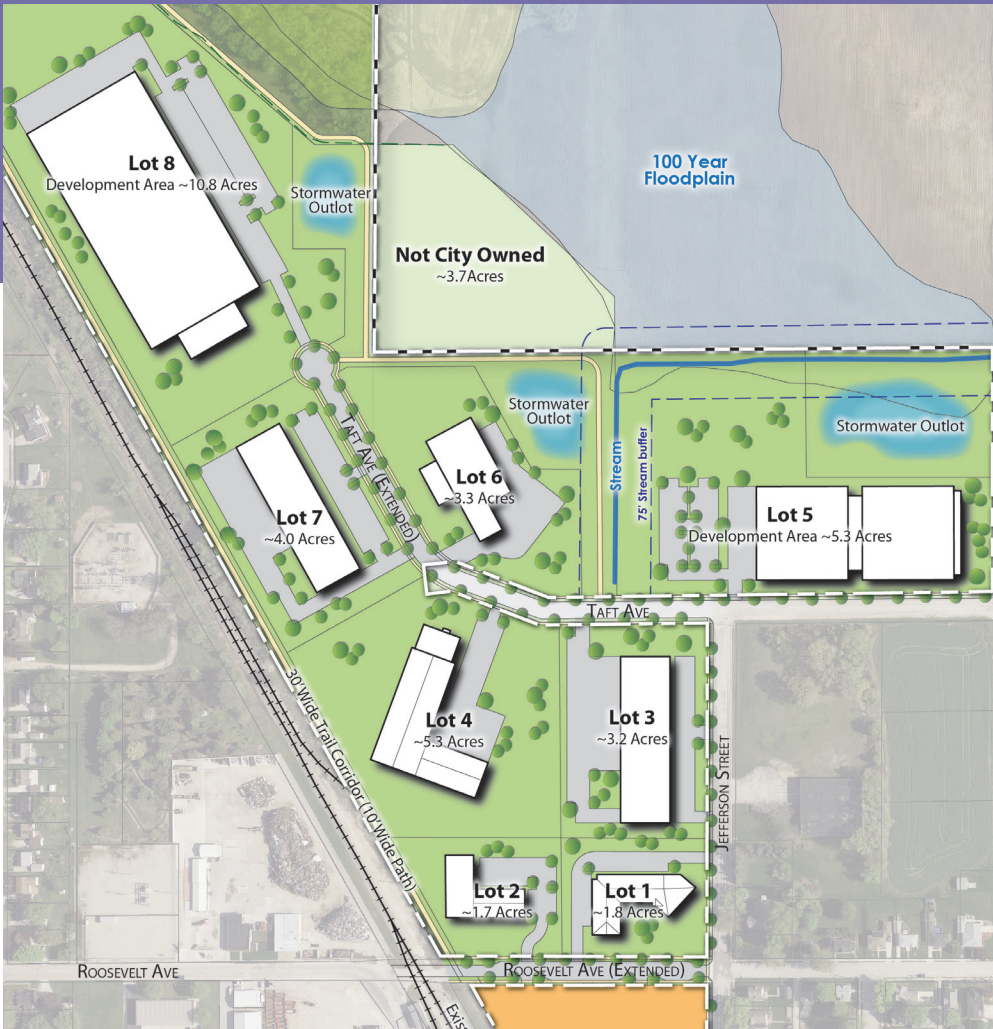
Former Tecumseh Site
New Holstein, Wisconsin



BUSINESS PARK

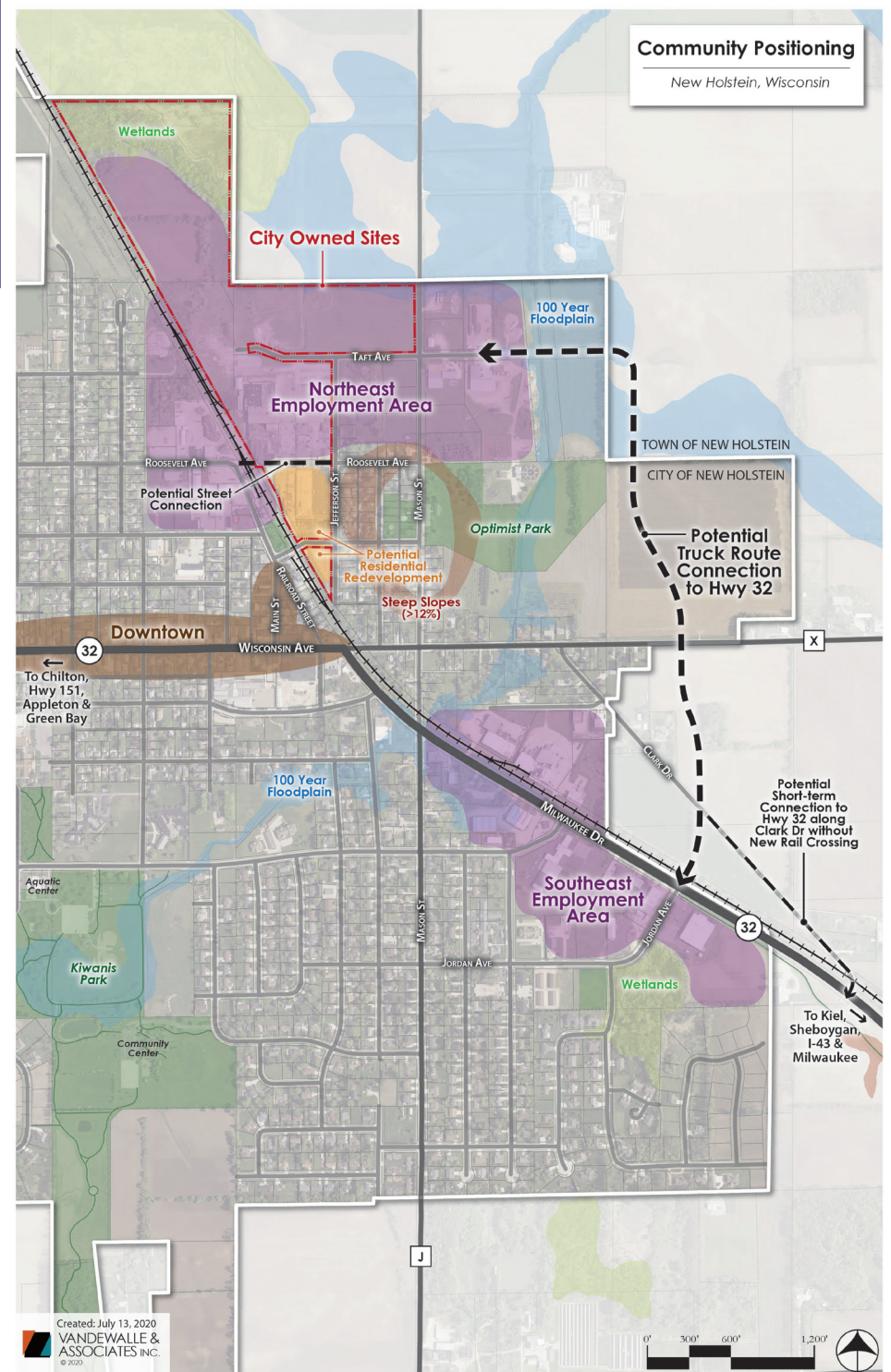
The former Tecumseh site has a history of employing New Holstein and the surrounding area citizens for well over 100 years. As part of the site redevelopment vision, a goal is to continue to provide new employment opportunities and tax base creation for another generation. To accomplish this, the northern industrial lands could be re-platted into a business park. The business park concept plan demonstrates how the employment center could physically lay on the land. The city can use TIF funds to construct need infrastructure such as public streets, streetscape, utility extensions, and regional stormwater best management practices. Utilities should be phased with new private investment. The concept plan provides flexibility in lot sizes and phasing. Lots 1,2,3 and 5 could be served from existing public streets during a first phase of development, while lots 4,6,7 and 8 could be served by additional infrastructure during a second phase of development. Lots may be combined to serve potential larger businesses and subdivided to house additional smaller businesses. The city should create a set of architectural and site design standards adopted as covenants to attract quality private investment, protect that investment, and provide a high employment quality of life that matches that of the community.





COMMUNITY POSITIONING

As the city implements the former Tecumseh site redevelopment vision, additional public improvements should be considered to both maximize the development success and lessen the impact on the immediate neighborhoods. The Community Positioning graphic highlights a concept to construct a collector street for the east side of the community. This public street could serve as truck access to the proposed business park, bypassing downtown and the residential neighborhoods adjacent to the former Tecumseh site. By relocating business park traffic, the downtown will become more walkable and be a welcoming environment for retail and commercial businesses. This eastside collector street could organize new community development for the next 50+ years and would provide access to future housing and additional employment and commercial development.



VII. REDEVELOPMENT PROJECTIONS

Projected Increment and Borrowing Capacity
Tecumseh Redevelopment - City of New Holstein, WI
 24-Jul-20

VANDEWALLE &
 ASSOCIATES INC. 

Project	Phase ¹	Dev. Acres ¹	Estimated Project Size	Avg. Assessment PSF/Unit ²	Projected Assessed Tax Value	Value Increment ³	Annual Tax Increment ⁴
Concept A							
Multifamily Residential A - Apartments	1		27 units	\$75,000	\$2,025,000	\$2,025,000	\$48,914
Multifamily Residential B - Senior	1		24 units	\$75,000	\$1,800,000	\$1,800,000	\$43,479
Multifamily Residential C - Senior	1		36 units	\$75,000	\$2,700,000	\$2,700,000	\$65,219
Townhomes	1		8 units	\$150,000	\$1,200,000	\$1,200,000	\$28,986
Industrial Lot 1	1	1.8	27,000 sf	\$30	\$810,000	\$810,000	\$19,566
Industrial Lot 2	1	1.7	26,000 sf	\$30	\$780,000	\$780,000	\$18,841
Industrial Lot 3	1	3.2	49,000 sf	\$30	\$1,470,000	\$1,470,000	\$35,508
Industrial Lot 4	1	5.3	81,000 sf	\$30	\$2,430,000	\$2,430,000	\$58,697
Industrial Lot 5	2	5.3	81,000 sf	\$30	\$2,430,000	\$2,430,000	\$58,697
Industrial Lot 6	2	3.3	50,000 sf	\$30	\$1,500,000	\$1,500,000	\$36,233
Industrial Lot 7	2	4.0	61,000 sf	\$30	\$1,830,000	\$1,830,000	\$44,204
Industrial Lot 8	2	10.8	165,000 sf	\$30	\$4,950,000	\$4,950,000	\$119,567
Net Tax Rate (2019) =			0.024155		\$23,925,000	\$23,925,000	\$577,909
Concept B							
Building A - Community Recreation Center	1		30,000 sf	\$0	\$0	\$0	\$0
Multifamily Residential B - Senior	1		20 units	\$75,000	\$1,500,000	\$1,500,000	\$36,233
Multifamily Residential C - Senior	1		30 units	\$75,000	\$2,250,000	\$2,250,000	\$54,349
Townhomes	1		8 units	\$150,000	\$1,200,000	\$1,200,000	\$28,986
Industrial Lot 1	1	1.8	27,000 sf	\$30	\$810,000	\$810,000	\$19,566
Industrial Lot 2	1	1.7	26,000 sf	\$30	\$780,000	\$780,000	\$18,841
Industrial Lot 3	1	3.2	49,000 sf	\$30	\$1,470,000	\$1,470,000	\$35,508
Industrial Lot 4	1	5.3	81,000 sf	\$30	\$2,430,000	\$2,430,000	\$58,697
Industrial Lot 5	2	5.3	81,000 sf	\$30	\$2,430,000	\$2,430,000	\$58,697
Industrial Lot 6	2	3.3	50,000 sf	\$30	\$1,500,000	\$1,500,000	\$36,233
Industrial Lot 7	2	4.0	61,000 sf	\$30	\$1,830,000	\$1,830,000	\$44,204
Industrial Lot 8	2	10.8	165,000 sf	\$30	\$4,950,000	\$4,950,000	\$119,567
Net Tax Rate (2019) =			0.024155		\$21,150,000	\$21,150,000	\$510,879

Estimated Borrowing Capacity	Concept A	Concept B
Total Tax Increment ⁵	\$13,617,234	\$11,875,171

As depicted in the redevelopment project concept alternatives, new development at Tecumseh may be reasonably expected to generate about \$20-25 million in new taxable value at full buildout, equating to about \$500,000 to 600,000 in tax increment revenue per year that may be used by the City to offset specific redevelopment costs authorized in a duly adopted TID project plan. The following page shows that if the entire site were redeveloped within ten years according to the development scenarios summarized below, up to \$13.6 million would be available for authorized project costs.

1. All housing projects and industrial lots 1-4 are estimated to be built out within five years (Phase 1), with industrial lots 5-8 developed within ten years (Phase 2). All industrial lots are assumed to be built out at an average floor area ratio (FAR) of 0.35.
2. Estimates based on 2019 assessment data in the City of New Holstein and surrounding communities.
3. Value increment per project calculated after subtracting existing value of underlying property, assumed to be zero based on City ownership of former Tecumseh property.
4. Uninflated annual increment at project buildout, based on 2019 tax rate.
5. Two-year lag assumed between completed construction and collection of incremental taxes. The timing of estimated development throughout the District will vary, but it is assumed that most or all development will occur within five years after site remediation (starting in 2022).

IMPLEMENTATION

The following chart highlight immediate steps the community and its consulting team can take to implement the Market Feasibility recommendations:

Economic Opportunities & Implementation Projects

FORMER TECUMSEH PLANT MARKET FEASIBILITY STUDY - New Holstein, WI

		Completed		
		Short	Medium	Long
		6 months	1-2 years	3-5 years
1	General Implementations			
	a Outline projects for federal & state grant opportunities including potential CARES 2 stimulus funding			
	b Be prepared to quickly apply for potential federal stimulus grants from agencies such as HUD, EPA, DOT. Etc.			
	c Use the plans, graphics and narratives from this document for funding applications			
	d Apply to potential funding partners such as the regional plan commission for funds and support to implement the redevelopment vision			
2	Manufacturing Supply Chain/Business Park			
	a Develop a business park survey and plat			
	b Create a business park utility extension strategy and logical phasing plan coordinated with new business lots sold			
	c Market available sites and community assets to attract new businesses - regional locations, quality of life, housing, parks, airport, downtown			
	d Target market to list of businesses with growing revenues to locate within the business park			
	e Meet with regional businesses to understand expansion and supply chain opportunities (see business list in appendix)			
	f Develop design guidelines for quality architecture and site development standards to ensure projection of private investment			
	g Consider the creation of a business park oversight committee to attract tenants, negotiate sales, and review development proposals			
	h Develop a regional stormwater plan including best management practices to protect environment quality			
	i Develop logo and branding for business park, emphasizing its regional position while maintaining small-town quality of life			
3	Sustainable Energy Businesses			
	a Interview Wisconsin wind industry businesses to understand supply chain needs and opportunities to target businesses for the business park			
4	Craft Beverage Destination			
	a Contact granary owner to understand long-term plans for the business and building			
	b Recruit a brewery/restaurant into the historic granary building - new brewer or second site for existing Wisconsin brewery			
	c Market a brewery tour with surrounding counties			
	d Continue to explore larger scale brewing and/or distilling opportunity to locate in the business park, capitalizing on the existing regional craft beverage market			
5	Wisconsin Cheese			
	a Recruit dairy industry to business park, contact local businesses identified in this plan			
	b Establish a New Holstein dairy brand			
	c Provide experience tours of dairy businesses			
6	Youth Sports and Family-Friendly Attraction			
	a Establish a public/private partnership to plan and finance the community center building			
	b Apply to potential funding partners such as the regional plan commission or local business community for implementation funds			
7	Airport Businesses			
	a Advertise airport as an amenity to attract businesses to both the airport and new business park			
	b Expand airport events and activities			
8	New Businesses and Start-Ups			
	a Meet with school district, technical colleges and employers to understand training needs and gaps			
	b Perform a feasibility study for a training/business incubator facility			
9	Workforce Housing & Aging In Place			
	a Demolish buildings on site			
	b Perform activities needed to receive environmental closure			
	c Recruit a residential developer			
	d Negotiate land sale and potential TIF development agreement			
	e Construct public infrastructure associated with private development such as bicycle path, trailhead, streetscape, utility upgrades, etc.			