

## Waukesha Bypass

### Indirect and Cumulative Effects Update, September 2013

1. Reason for Update
  - a. Two years since ICE expert panel workshop, and residential developers under-represented on the expert panel
  - b. Waukesha water service area has been modified since ICE report was completed in fall 2012
  - c. Confirm ICE boundary
2. Summary of Interviews
  - a. Towns of Genesee and Delafield
  - b. Three developers (Siepmann Realty, Smart Realty, Thomson Companies)
3. Results of interviews
  - a. Consistent with expert panel and City/County/Town Waukesha planner input
  - b. Extending Waukesha water service area would not have a dramatic impact on residential development
  - c. Confirmed ICE study area is accurate

#### **Reason for Update**

The Waukesha Bypass study team began its cumulative effects analysis in 2011. One of three key components of the ICE analysis was a one-day expert panel meeting in May 2011. Two-plus years have passed since the expert panel workshop occurred. Since the expert panel workshop, the boundaries of the City of Waukesha water service area have changed in the ICE study area as the Town of Waukesha debated, and then acted on, changes to the areas of the Town that are in the City of Waukesha's water service area. Also, there were no residential developers on the expert panel as a result of a last-minute cancellation. This is notable because of the residential development that has occurred in the ICE study area over the last 20 years and the City and Town plans for more residential development in the study area.

Lastly, this update served as an opportunity to vet the ICE study area boundary developed by the study team after the May 2011 expert panel workshop. The key aspect of the ICE study area boundary is its west limit, which was established as the east boundary line of the Town of Delafield and Town of Genesee, for reasons documented in the fall 2012 ICE report.

#### **Summary of Interviews**

This update to the 2012 ICE analysis consisted of interviews with five entities:

- Town of Delafield planning staff and plan commission member
- Town of Genesee Planner-Administrator

- Siepmann Realty, a Pewaukee-based residential developer
- Smart Realty, a Waukesha-based commercial and residential developer and realtor
- Thomson Companies, a Pewaukee-based developer and property owner that focuses primarily on single-family residential development

Notes from each of the five interviews are attached to this report.

#### *Town of Delafield*

The Town Engineer and a member of the Town Plan Commission and Town Board said the Town is primarily residential. The eastern part of the town would remain residential; they saw no commercial development along US 18 or other arterials in the eastern part of the town. The Town's land use plan calls for residential in this area and the Town Board has historically held true to its plan. Septic and private wells have performed well in the Town, so they did not expect the eastern portion of the Town that is in the City of Waukesha water service area to develop more quickly. They see the potential for office development along the I-94 frontage roads, particularly near the County SS interchange with I-94. Neither think the Waukesha Bypass project would affect development in the Town. There may be some pressure to develop areas along US 18 but this would occur with or without the Waukesha Bypass project.

#### *Town of Genesee*

The Town Planner-Administrator said the development pressures in the Town, if the West Waukesha Bypass is built, would be the same as they are now. He sees no new development if the West Waukesha Bypass is built. The Town lacks infrastructure for more development. The Town's land plan calls for minimum 5-acre lots. The Town has a good track record of sticking with its land use plan. The West Waukesha Bypass would not affect the Town and the Town has no opinion on the project.

#### *Residential Developers*

All the residential developers said the area north of Summit is a prime area for development regardless of whether the Waukesha Bypass is built.

One developer thought that further south the Waukesha Bypass could spur some development. He gave an example of a parcel on WIS 59 near the Town of Waukesha/Town of Genesee line. The other developers did not think there would be an impact on development south and west of the project or if there was, it would be a small impact. Two of the developers said that large-lot residential development has occurred and will continue in the Town of Genesee. The two developers, in separate meetings, noted that the people who built in this area are not attracted to the area by its easy access to the freeway or other major arterials but rather a desire to live in a semi-rural area.

None of the developers thought the extension of City of Waukesha water into the indirect and cumulative effects study area would affect residential development. Residential wells and septic perform well in this part of Waukesha County.

One of the developers noted that the City of Waukesha has a good track record of sticking with their land use plan.

### *Results of Interviews*

*Consistent with 2011 interviews.* The results of the five interviews conducted in summer 2013 for this update were consistent with the 2011 interviews with the City of Waukesha and Waukesha County planning staff and three members of the Town of Waukesha Board. They were also consistent with the input received from the expert panel in May 2011. The general theme of all the interviews was that the west side of the City of Waukesha has been and will continue to be a prime area for development.

*Impact of potential City of Waukesha water service area extension.* The consensus of the town of Delafield and the Town of Genesee and the residential developers was that extending the City of Waukesha water service area further into the ICE study area would not have a big impact on residential development because private wells and septic systems operate well in this part of Waukesha County. Some businesses that need larger amounts of water would base their location decisions on availability of City water, but the ICE study area is not likely to support businesses in areas not already identified as commercial area in the respective land use plans.

*ICE study area boundary.* The interviews with the Town of Delafield and Genesee planning staff and plan commission member indicate that they do not think the Waukesha Bypass project will affect development in their respective towns. Two of the three developers also felt that the Waukesha Bypass project would not affect development in the Towns of Delafield and Genesee. The third developer felt that a developable parcel near the Town of Waukesha/Town of Genesee that the property owner has wanted to develop could become an attractive parcel if the Waukesha Bypass project is built. The consensus was that the east boundary of the Town of Genesee and Town of Delafield are the appropriate ICE study area boundaries and the lone dissenting view noted a parcel very close to this boundary that could be affected. Therefore the study team decided that the ICE study area boundary developed in 2011 is appropriate and need not be moved west.

Indirect and Cumulative Effects meeting with Smart Realty

Attendees: Dave Smart, Eric \_\_\_\_\_, and Paul Smart, Charlie Webb/CH2M HILL

Charlie opened the meeting by giving an update on the project and explaining the NEPA process and the issue of indirect and cumulative effects. Smart Realty bought land in the area years ago with an eye toward the Waukesha Bypass eventually being built.

Dave Smart said development patterns on the west side of Waukesha are pretty well established. Some intersections will be attractive to end users who find traffic desirable.

Eric: City of Waukesha has a good handle on development in the area and is a big guiding force; they are the first key step in having land serve its highest and best use. The City has a strong track record in sticking with its land use plan. Eric thinks some commercial development could occur along the Bypass but predicts the City will stick with its plan for residential development in this area. Intersections could be an exception. However, TT/Summit intersection and TT/Madison intersections are already developed (wetland in SW corner of TT/Madison likely will not develop). But there could be some commercial development on Summit east of TT (east of Meadowbrook Shopping Center/Sentry).

Eric: have not seen City water issue stop a project. If a site is in the City it will get water service.

Water service is a factor for some land uses. For instance, Dave works with a health care provider that must have municipal water service. But for residential and many types of retail can use wells, municipal water service is not a big issue. Certain types of manufacturing need municipal water.

Eric: the north side of Sunset Drive west of the Waukesha Bypass could see retail development.

The Hardy parcel has been annexed into the City. Dave does not see this as an indication that property owners are seeking to develop their parcel, but rather they are seeking protection in case their own well system fails. Dave cited the example of the Town of Jackson where a pipeline break contaminated private residential wells and forced people onto municipal water.

There is potential for development at the WIS 59/County X/Waukesha Bypass intersection at the project's south terminus. Dave said the intersection is already demonstrated to be desirable for development though, even without the Waukesha Bypass. As evidence he said that his father, who bought property adjacent to this intersection many years ago, was approached by a developer about selling part of his land to accommodate a retail development at the WIS 59/County X intersection. Mr. Smart declined to sell, and the retail development instead bought land on Sunset Drive east of County X and became the Shoppes at Fox River. Dave also said the Jewel Osco had all the necessary approvals to build in the SE corner of this intersection but dropped the plan because they decided to exit the SE Wis market.

## **Will the Waukesha Bypass project change development patterns south and west of the project corridor?**

Dave said it could change development patterns a little bit but not much. Previous residential developments on Saylesville Road near Waukesha West High School and the area west of there were very successful without the Waukesha Bypass project in place. Eric noted that they were close to the school, and the timing (1994-2004) of its construction were factors in its success.

Paul Smart referred to a “pie shape” existing southwest from the City of Waukesha bounded by Saylesville Road on the east and the Wisconsin & Southern Railroad on the west. There is not a lot of developable land in this area. Eric said there are some 1- to 10-acre parcels, the desirability of which is generally tied to boom/bust cycles in the real estate market more than roadway access. Paul Smart gave an example of a 10-lot residential subdivision west of Green Lane that has not developed despite a steep reduction in lot prices.

Eric said that people who buy 1- to 3-acre lots in semi-rural areas, for example the Town of Genesee and Town of Delafield south and west of the Waukesha Bypass corridor do not live there because they want good road access or convenient access to the freeway. Eric said that even prior to 2006 housing market collapse there was interest in developing the Kings Way property in the east side of the Town of Genesee but lack of water and lack of fire protection (fire department more than 12 minutes away, he recalled) the development did not occur. He said these limiting factors would still be at play even if the Waukesha Bypass is built; its not road access that is holding up development in that area.

Dave said that “town style” development (1-acre minimum lot size, well and septic) is occurring in the area south and west of the Waukesha Bypass corridor despite economic downturn. Dave’s sense, confirmed by Eric, is that private wells and septic work fine in the Towns of Waukesha, Delafield and Genesee which is part of the reason this town style development continues to occur. The Waukesha Bypass has nothing to do with transportation access in this area, WIS 59, 83 and County G provide good enough access. This type of development will continue to occur in this area west of the Waukesha Bypass with or without the Bypass; the project would not affect it.

Eric said the Waukesha Bypass would make the southern Christoph parcel less desirable for development by cutting across it diagonally. Because the parcel is in the Town of Waukesha, outside the City’s water service area it will limit the types of development that occur there.

Dave said the implication of the road is higher immediately adjacent to the road. There has already been grocery, gas station, church and residential development along County TT, but on the southern section could support other land use besides residential if the City was so inclined, but Dave and Eric both thought the City would not deviate from its plan for residential south of Summit unless a “dream client” (a highly desirable company) based on the City’s past track record of sticking with its land use plan. Dave thought the Waukesha Bypass could make the area more desirable for that type of non-residential development.

Dave thinks the “wind is already in the sails” for residential development along County TT north of Summit. Smart Realty has sold 40 lots in the last 18 months in the two residential subdivisions east of County TT north of Summit. Eric said the Waukesha Bypass will not cause new residential subdivisions to develop but it may make them more desirable. Eric gave the example of two friends who live in the Oakmont subdivision on Summit west of County TT that feel they already have great access to I-94.

Eric and Dave said some projects planned for areas immediately adjacent to the Waukesha Bypass may be on hold pending the outcome of the study. They may occur soon after the project is built.

Indirect and Cumulative Effects Meeting with Dean Frederick/Thomson Companies

Charlie gave an overview of the project and explained the NEPA process and the indirect and cumulative effects.

Dean said that Thomson Companies focuses mostly on single-family residential developments. They have some apartments (about 1,500-1,700 units in WI) as well as some retail and industrial development. Their apartments and single-family home developments are all around the Milwaukee suburbs including Waukesha County.

Dean said the Waukesha Bypass corridor is desirable for development today. Thomson is actively planning to begin work on a residential subdivision on the south side of Madison just west of County TT. An existing Thomson residential development is on the north side of Madison (Welsh and Oakmont). The ease of access from these subdivisions to I-94 via Summit and County TT is a reason Thomson developed Welsh and Oakmont.

South of Madison Street there are fewer areas to develop because of environmental constraints and existing development. There are some redevelopment opportunities.

Extending water service would make some areas more attractive for development.

Development patterns to the south and west of the Waukesha Bypass corridor would not be affected by the project. But the Waukesha Bypass would provide a little better access (more direct, faster) between WIS 59 and Sunset Drive so therefore could increase attractiveness of development.

The Waukesha Bypass would not change development patterns in the Town of Genesee. People who live in the Town of Genesee are not living there because of convenient access to major roads and the freeway.

The Waukesha Bypass project would not hurt development at Summit but there is pretty good access to I-94 already, so it would not make a big difference.

The WIS 59/County X/Waukesha Bypass intersection at the project's southern terminus would be attractive for development but there is not a lot of land available.

New DNR rules for private development on filling wetland may open up marginal areas for development. The new rules allow mitigation as an option for the first time. And there is a general permit that covers wetland impacts up to 0.1 acre.

The large lots in the Town of Delafield and Town of Genesee reduce traffic generation and dampen the effect of the Waukesha Bypass on development.

Dean doesn't see much potential for office development in the Waukesha Bypass corridor, perhaps some demand north of Summit.

Indirect and cumulative effects interview with town of Delafield

Attendees:

Tim Barbeau/RA Smith National, Town Engineer

Charlie Webb/CH2M HILL

Clare Dundon/Town Supervisor and Plan Commission member

Charlie gave an overview of the project and its status, and explained the NEPA process and indirect and cumulative effects. Charlie asked Tim and Claire eight questions:

1. What would you consider to be some “notable features” within this study area (natural, cultural, transportation-related, or built).

Terrain, topography, Pewaukee Lake, Lapham Peak, agricultural land between I-94 and US 18 (Summit Avenue) in southeast corner of the town, restored wetland on the former Demilco property that was formerly a peat mine (in Sections 27 and 34)

2. To your knowledge, where is the study area in relation to your agency’s regional growth centers (employment, residential), identified projects, protected natural areas, etc.?

The Town is primarily residential. Could see some pressure to develop ag land on the north side of 18, which is not a planned growth area. Development is anticipated on the north side of Pewaukee Lake that was recently sewerred. There has not been much development in the last few years. Some large farm areas in the southeast corner of the town (between US 18 and I-94) that don’t have plans to develop as far as Tim and Barb know. The frontage roads on both sides of I-94 could see office development from CTH SS interchange to the west about 1.5 miles on both sides of I-94. Claire noted that proximity to CTH SS interchange is a factor. Claire and Tim agreed that the frontage road locations are likely development areas, and the closer to the CTH SS interchange the sites are the more attractive they are.

Claire noted that the Schoenstatt Sisters, who have a several-hundred-acre retreat center in the east side of the town, sold some of their land which has been developed as residential.

3. Do you expect major demographic changes within your jurisdiction within the planning horizon? This could include a trend of young families, for example, or retirees. What type of employment trends are you seeing – is your employment base changing over time? How?

The Town is becoming more affluent. Some huge houses have been built. Some farms have been converted to residential, almost all high end (large homes). There are not a lot of young people in the town because there are few starter homes. The town demographics are getting older because the housing stock is getting older. Claire noted that St. Anthony’s parish on the town’s east border north of I-94 is getting younger, and Tim noted that may be because of the parish’s proximity to the City of

Pewaukee. Claire noted that the town is losing some historic lake houses; they are being torn down and being replaced by larger lake houses.

4. Eventually, when the economy turns around, are there thoughts or indications regarding where employment growth would occur in the region?

Tim said office development along I-94 is an area where employment growth could occur, specifically in the northwest quadrant of the I-94/CTH SS interchange. There is a potential for commercial along US 18 but the Town is not planning for commercial development in this area (see discussion of Town's history of sticking with its plan, #7 below). The Town looked at commercial development on US 18 in the east end of the Town when they thought the City of Waukesha's commercial development on US 18 would continue west. When the City developed single-family residential on US 18 west of CTH TT the Town dropped consideration of commercial along US 18 in the Town. The Town does not see any need for commercial development except along I-94.

5. What are the factors, in your opinion, that contribute to growth? Is transportation access a factor? If so, how important is it?

Along I-94 transportation access is a factor. Proximity to a freeway interchange. Other locations along the frontage roads could also develop but more pressure to develop those parcels closer to the CTH SS interchange.

Sewer and water availability are also factors that contribute to growth. The only areas in the Town that have sewer are around Pewaukee Lake. All development in the town relies upon private wells. Tim added that private wells and septic systems perform pretty well in the Town.

Tim and Claire said that the Town's affluent demographics potentially attract certain types of commercial development and repel others.

6. What other reasonably foreseeable plans and projects will you be completing? Reasonably foreseeable typically means likely to happen within the planning horizon for this project (roughly 20 years).

Foreseeable projects are

- a new fire station,
- a new residential subdivision between I-94 and Northview Road, in the far east end of the Town,
- office development along I-94 west of the I-94/CTH SS interchange, and
- a new worship center on the Schoenstatt Sisters property (around 400-450 person capacity)

7. Please discuss qualitatively how this project fits in with overall planning goals for your jurisdiction. The project has been considered for a long time in the area – do future projects and

growth depend on the construction of the project? In your opinion what would construction of the project do or not do to help meet and further other planning goals?

Where the Waukesha Bypass is planned now (along the CTH TT corridor, as opposed to early alternatives that considered using a corridor along the City/Town line [the SS corridor]) the project would not affect development in the Town. Claire thought the Waukesha Bypass project could alleviate some traffic on the west end of Northview Road, but she is not sure.

If agricultural areas (white areas on the Town's land use map, along US 18 in eastern part of the Town) get developed its going to be residential. This area is planned for agriculture or minimum 5-acre parcels for residences, on average. But Lapham Peak State Park is included in the area to determine the average lot size, so density could go as low as 3 acres per parcel. Tim felt that the Town Board will stick to its plan in terms of type of development. In response to a question, Tim said the Board has "historically held true" to its plan.

8. Has the planned Waukesha Bypass already had an effect on development in the Town?

Tim said that it had not. He noted that Sections 25 and 36 in the SE corner of the Town are in the City of Waukesha's water service area. If the City's application for water is successful the Town could extend water service to these areas if needed; it would not be forced on the Town (as noted above, there are no issues with drinking water wells in the Town). Tim said the Town does not force things on people.

Annexation by the City of Waukesha is a concern of the Town. However Tim does not think the City would be motivated to annex the eastern part of the Town because there is no commercial land in this area. If water service is extended to Sections 25 and 36 it could affect development in those sections. As noted above, septic systems operate well in the Town.

Tim said the one-mile area between the proposed Waukesha Bypass and the Town's eastern border suggests to him that there will be no pressure to develop in the eastern part of the Town. Claire thought except perhaps in Section 36 but even there she does not see demand for commercial/retail development along US 18. Tim said that there would be some pressure development along US 18 in the eastern part of the Town with or without the Waukesha Bypass.

Meeting with Jeff Hermann/Town of Genesee to discuss Indirect and Cumulative Effects

Jeff is the Town Planner-Administrator. Charlie gave an overview of the project and its status, and explained the NEPA process and indirect and cumulative effects. Charlie asked Jeff seven questions:

1. What would you consider to be some “notable features” within this study area (natural, cultural, transportation-related, or built).

Retzer Nature Center is an important resource, its education programs are good for schools and the Center should be preserved as much as possible. Sunset Park is also an important resource, Jeff said. He said the West Waukesha Bypass project would not have an adverse impact on Sunset Park.

Jeff said the development pressures in the Town, if the West Waukesha Bypass is built, would be the same as they are now. Jeff thought traffic volumes on County DT would go down if the project is built because people currently use County DT as a cut-through. Jeff sees no new development if the West Waukesha Bypass is built. The Town lacks infrastructure for more development. The Town’s land plan calls for minimum 5-acre lots. In response to my question, Jeff said the Town has a good track record of sticking with its land use plan (Generac expansion is an exception).

2. To your knowledge, where is the study area in relation to your agency’s regional growth centers (employment, residential), identified projects, protected natural areas, etc.?

Areas of the Town that are easy to develop have already been developed. Some in-fill development in harder-to-develop areas will likely occur, but its relatively small scale. The area along Hillside Drive south of County DE (Wern Farms) has not given an indication that they want to develop their property. Not a lot of new areas to develop in the Town, and those areas that do see development will be low-density.

3. Do you expect major demographic changes within your jurisdiction within the planning horizon? This could include a trend of young families, for example, or retirees. What type of employment trends are you seeing – is your employment base changing over time? How?

No demographic changes seen or anticipated. Population has remained steady.

4. Eventually, when the economy turns around, are there thoughts or indications regarding where employment growth would occur in the region? Do you see it staying in the central city, moving outwards in one direction over another (jurisdiction or other), or a bit of both? Is this different for housing?

Generac on Highway 59 is the Town’s biggest employer (about 900 employees). There is no industrial employment in the Town, Jeff said (other than Generac, presumably). Town residents drive an average of 27 miles to work, Jeff said.

5. What are the factors, in your opinion, that contribute to growth? Is transportation access a factor? If so, how important is it?

Transportation is a factor; the ease of getting from Point A to Point B is important. Availability of sewer and water is also an important factor. Everyone in the Town is on wells and private septic. A portion of the east part of the Town is in the City of Waukesha's water service area.

6. What other reasonably foreseeable plans and projects will you be completing? Reasonably foreseeable typically means likely to happen within the planning horizon for this project (roughly 20 years).

Generac owns 60 acres adjacent to their existing plant. Jeff thinks it will be built on within in the next 20 years. According to Jeff, Generac has preliminary plans for a plant that would employ 1,200 people. Jeff said he was not sure whether the new plant would be in addition to the existing plant to replace the existing plant. Carroll University owns 60 acres at the intersection of Highways 59/83, Jeff thought they may build a lab or labs on this property.

7. Please discuss qualitatively how this project fits in with overall planning goals for your jurisdiction. The project has been considered for a long time in the area – do future projects and growth depend on the construction of the project? In your opinion what would construction of the project do or not do to help meet and further other planning goals?

Jeff said the West Waukesha Bypass would not affect the Town. The Town has no opinion on the project.

Indirect and Cumulative Meeting with Jim Siepmann/Siepmann Realty

Charlie gave Jim an update on the project status and the NEPA process, including a description of indirect and cumulative effects.

Jim said the area north of Summit is hot for development regardless of whether the Waukesha Bypass is built or not.

As you go further south the Waukesha Bypass could spur some development. Jim gave an example of a parcel on WIS 59 near the Town of Waukesha/Town of Genesee line.

Jim said shopping and schools are already in place.

I asked Jim about the potential effect on development of the Waukesha Bypass and potential extension of City of Waukesha water out to, and west of, County TT. Jim said sanitary sewer extension is a bigger deal than municipal water extension, so sending Lake Michigan water to Waukesha and extending the water service area is not a big deal.