

# WDT ONLINE

## WATERTOWN DAILY TIMES

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### Watertown Square plans outlined

By Adam Tobias of the Daily Times staff

The Watertown Common Council Tuesday delayed taking action on a developer's agreement for the former Watertown Square property because the documents were presented minutes after the meeting started, but city officials gave an update on the proposed development plans for the approximately 10.5-acre site on the corner of South Church and Bernard streets.

According to Mayor Ron Krueger, the Pick 'n Save on the east side of South Church Street will move to a new 60,000-square-foot building at the Watertown Square parcel, which is owned by E J Plesko & Associates in Madison. Plans also include a 500-square-foot building that will house a Bank of Lake Mills.

"Pick 'n Save has signed a long term contract and the Bank of Lake Mills has also signed a contract," Krueger said during Tuesday's meeting.

The current structures that were the former locations of Mimi's Hallmark and Walgreens will remain on the property and be refurbished, Krueger said. Approximately 11,000-square-feet of new commercial space is expected to be added to the site, he added.

Krueger said the other buildings on the parcel will be demolished in March. Construction would start whenever those structures are razed, he added.

"Completion date and plans to be up and operating are in April of 2010," Krueger said.

The developers of the property have also gotten approval from the Wisconsin Department of Transportation to construct a right in, right out access point on South Church Street just north of Bernard Street, the mayor said.

"They have also gotten the state Department of Transportation to agree to the right in and right out," Krueger said. "There will be an additional traffic lane built in conjunction with that, going from the egress out onto Church Street, down to Bernard Street. So, for about a half a block there will be an extra lane of traffic so that motorists coming out of the parking lot have an opportunity to merge into the existing lanes of traffic."

Krueger asked the council to delay taking action on the developer's agreement and instead place it on the agenda of Tuesday's meeting. His rationale was that the alderman should have more time to view an agreement of this size. The developer's agreement was completed about 30 minutes prior to the council meeting.

"I think a final decision on this development agreement should be put off until next Tuesday night so that everyone has a chance to digest this," Krueger said.

Because the Watertown Square parcel is located within a tax incremental financing district, the city will provide E J Plesko & Associates with approximately \$3 million if the property reaches a construction value of \$16 million. The property is currently assessed at about \$3.5 million.

The city should recoup the \$3 million plus debt services in 2028, Krueger said.

Alderman Ken Berg said he feels the TIF participation is vital to the project and added that if the city did not

provide the \$3 million the redevelopment would probably not occur.

"If it wasn't for a TIF participation approach on redevelopment, this property more than likely will continue to sit again for years and the real concern for us as people who live in this town is that it has such a prominent location that impacts on the image of this town in a negative way," Berg said.

"I believe in the free market and I believe that's ideally what you want to have as far as fixing the problem," he added. "But because you have 10.5 acres of land, because you have properties that have actually been blighted and neglected over time for different reasons, the amount of cost for the developer to come in and to redo this without TIF is just not viewed favorably."

Alderman Brad Blanke said he initially had concerns that the relocation of Pick 'n Save would result in an empty building moving from one side of the street to the other, but after city officials further explained the development he felt more confident with going forward with the project.

Alderman Tony Arnett told the council that he believes the new development at Watertown Square will actually attract more businesses to that area.

"Right now the situation is we have one property that is drawing down the neighborhood," Arnett said. "We're about to reverse that and create one property that's going to pull the neighborhood up. So, yes, you are in a sense going to create an open building across the street, but it's going to be viewed as an open building in a prime location. As compared to right now what we have is an open building that's considered an eyesore. So I think the main thing is we are changing the dynamic of that whole neighborhood and making it attractive to future investors."

"Once the Pick 'n Save moves, there is nothing to stop us from participating with the owners of that property, to help them develop something pretty special on that side," Krueger added. "We don't know what the proposal would be, but as a city I don't feel that we would sit around for seven or eight years and let that deteriorate the way this has done."

Originally constructed in 1979, the Watertown Square Shopping Center was formerly anchored by a Kohl's Department Store, a Kohl's Food Store and a Walgreens.

Most of the existing complex has been vacant since April of 2002 when the Kohl's Department Store closed and a new location was constructed just south of Interstate 94 on state Highway 26 in Johnson Creek. The Kohl's Food Store has been closed since March of 2001.