



MINUTES OF THE TAX INCREMENTAL DISTRICTS JOINT REVIEW COMMITTEE

**THURSDAY, OCTOBER 4, 2018, 4:30 PM
CITY HALL
ROOM 604
AMENDED**

A. ROLL CALL.

Present: Chad Weininger, Cale Pulczinski, Bob Mathews, Brent Weycker, Diana Ellenbecker.

Also Present: Economic Development Director, Kevin Vonck.

B. APPROVAL OF THE AGENDA.

Moved by Chad Weininger, seconded by Brent Weycker to approve the agenda. Motion carried.

Yes- Chad Weininger, Cale Pulczinski, Bob Mathews, Brent Weycker, Diana Ellenbecker, No- None,
Abstain- None

C. APPROVAL OF MINUTES.

I. Approval of the minutes from the June 28, 2018 and September 6, 2018 meetings.

Moved by Chad Weininger, seconded by Bob Mathews to approve the minutes from the June 28, 2018 and September 6, 2018 meetings. Motion carried.

Yes- Chad Weininger, Cale Pulczinski, Bob Mathews, Brent Weycker, Diana Ellenbecker, No- None,
Abstain- None

D. REGULAR BUSINESS.

I. Consideration with possible action on adoption of a Territory Amendment to the Project Plan for Tax Incremental District Twelve (TID 12): I-43 Industrial Park.

Moved by Bob Mathews, seconded by Brent Weycker to approve the adoption of a Territory Amendment to the Project Plan for TID 12 (I-43 Industrial Park). Motion carried.

Yes- Chad Weininger, Cale Pulczinski, Bob Mathews, Brent Weycker, Diana Ellenbecker, No- None, Abstain- None

2. Consideration with possible action on creation of rehabilitation and conservation Tax Incremental District Twenty (TID 20): Whitney Park and adoption of the Project Plan.

Moved by Brent Weycker, seconded by Chad Weininger to approve the creation of rehabilitation and conservation TID 20 (Whitney Park) and adopt the Project Plan. Motion carried.

Yes- Chad Weininger, Cale Pulczinski, Bob Mathews, Brent Weycker, Diana Ellenbecker No- None, Abstain- None

3. Consideration with possible action on creation of blight elimination Tax Incremental District Twenty-One (TID 21): Green Bay Packaging and adoption of the Project Plan.

Moved by Bob Mathews, seconded by Brent Weycker to approve the creation of blight elimination TID 21 (Green Bay Packaging) and adopt the Project Plan. Motion carried.

Yes- Chad Weininger, Cale Pulczinski, Bob Mathews, Brent Weycker, Diana Ellenbecker, No- None, Abstain- None

E. ADJOURNMENT.

Moved by Bob Mathews, seconded by Brent Weycker to adjourn. Motion carried.

Yes- Chad Weininger, Cale Pulczinski, Bob Mathews, Brent Weycker, Diana Ellenbecker, No- None, Abstain- None

VERBATIM MINUTES.

- Alright, we're gonna get started with the joint review board meeting, on Thursday, October 4th at 4:30. Roll call, "Chad Weininger."

- Here.

- "Bob Matthews".

- Here.

- "Cale Pulczinski".

- Here.

- "Brent Weycker."

- Here.

- And Diana Ellenbecker from the city of Green Bay. I will take a motion for the approval of the agenda.

- Motion approved.
- Second.
- All in favor?
- [Group] Aye.
- Okay. That passes. First was by Chad, second was by Brent Weycker. Motion to approve the minutes. Should have a copy of the minutes from June 28th and September 6th in your packet. If you had a chance to review that.
- I said the civic clerk blank.
- You need a login or something too, don't you for that? Because I clicked on it, and I wasn't sure if it was a fishing thing, because the county zoo and these fishing experiments. So whenever you click on something, I don't know if...
- Okay, so there
- I don't care, so the minutes are
- I'm looking. So the minutes are here for one.
- Motion to approve minutes
- June 28th is in there, and then also the minutes from...
- Whatever you resent to me worked.
- Because I was able to look at that.
- I probably sent them the link directly from the city website, instead of the civic clerk.
- Yeah.
- You sent it. You said it didn't work and you sent something else, and that worked.
- Great, and that has been corrected.
- So I just kind of ignored it. So if you push the, you're better off just pushing it pushing it to me directly if could, versus Sending it to this thing. Because it's
- So, motion approved the minutes from June 28th, 2018, and September 6th, 2018.
- Okay we have first by Chad, by Chad Weininger, and second by Bob Matthews, all in favor?
- [Two people] Aye.

- And that is approved. We are moving onto regular business and the first item is consideration with possible action in adoption in the territory amendment to the project plan, and tasks increment District 12, at the I-43 industrial park.

- [Director Kevin Vonck] Alright, so this is TID 12, as we've discussed, adding one parcel to this at the southwest corner of Mason and Erie. In the staff report that I sent out to you, this reflects the Nature's Way project, that had four parcels. Three of them were in the TID, one was not in the TID. This is to get them all in the TID, so that they can move forward with their project in terms of, meeting building code and setbacks and everything with I-43 piece. With that, in terms of the criteria. Just going back, so this went come out to designate RDA to run this process. RDA went through, proposed a territory amendment and public hearing. No comments at the public hearing recommended approval to our common counsel. Common counsel adopted a resolution last week. They're meeting, and now it's before you today. The JRB criteria, more than desired, can often occur without tax income earned financing? No. Are the academic benefits of new development greater than the net cost of improvements? Yes. Are the academic benefits of new development great than tax increments paid by property owners, in overlying jurisdictions? And that is, yes. And what we answered in the questions, there's no additional costs that are coming with this project. It will go into the TID, as a mention of \$170,000. when all is said and done we will probably assess out somewhere around \$15 million. That is based on, the tax incentive for that project is a pay go. So there are no additional project costs that are coming on with this addition. And with that all said and done, this project will add around \$15 million. The pact its hit 12 right now, not including this project right about \$75 million worth of increment, and Because it all comes up, second phase of the sewer extension and your erode extension, should be completed next year. By then, we should have all our costs in order. We do all kind of projecting, how early we can end this TID. I'm still counting that we can end this a few years early. It's just a road project I keep backed out here because but

- Is that 2020?

- I think we're still on track. I think it's weird talking about 2020, because all the costs will come in in the next year, be able to finalize the payment.

- Can I interrupt real quick? Would anyone like me to print you a hard copy, I could send it to my printer, and run down and get them. I have a packet of 134 pages is anyone interested?

- We kind of went over this before

- There's another packet here if someone wants that paper copy.

- So nothing changed between what you did here and

- So I move to approve.

- Yep, you're approving the consideration of possible action on the adoption of the territory amendment for project TID 12. So Bob Matthews as the first, is there a second?

- Second.

- Okay, Brent has a second. All in favor?

- [Group] Aye.

- That passes.

- So the next item is we're moving onto consideration with possible action on the creation of rehabilitation and conservation tax increment District 20, Whitney Park, and adoption of the project plan.

- Again, just a recap, this is creation of tax increment District 20. The same process, council already aid run this process. They held a public hearing. Nobody spoke, actually, one individual did speak, just about improvements, a little outside of this District. But to Barnard St, and just some of the physical improvements that would be needed in terms of pedestrian access around the area. While not in a TID, I think it was just something to take into consideration as we look at project costs moving forward. And eventually once money's in the TID, using that to do some things like pedestrian improvements. But with that no changes were made to the project plan. This is a conservation rehab district. Just over 50% are in need of rehab or conservation work. With that, after the public hearing, council enacted a resolution, creating this TID. And is now sending it to the JRB for its final approval. Just some answers for the questions in terms of, will the development incur vote a TIF? No. Are the academic benefits of new development greater than the cost of improvements? Yes. And are the academic benefits of new development greater than tax increments paid by property owners Yes. I just want to provide some clarification on question number 1, where we identified some project costs there. There's about \$6 million worth of project costs, but with that, only \$3.2 million, \$3.3 million is allocated at this time. And really what that is, it's an estimate of the pay go that will go to these two projects, and the cost of administration. So with that, that comes in under our assumptions that those projects will generate about \$4.3 million of cumulative tax increment in the TID.

- Is there more than one developer in the space, or is it one developer?

- So, these are two different developers right now. The Whitney School development, it's two projects by one developer. An apartment project and a town home project, that's been And then, there's two projects by one developer, Judy Real Estate Investments, whose Garrit Bader was doing the Whitney apartment town homes and the 901 main apartments. We've had discussions with some other developers about other potential projects nearby in the area. But without really having those in hand right now, especially if the REA or city would get involved in the property acquisition, we felt, we'll come back if we need to a territory amendment, most projects are, are ripe.

- So everything is based on the, the increments based off of those two projects with those two developers. And you're saying there's potentially more activity in that area

- Correct.

- Or would that require an amendment to the

- There could be potentially more activity. It does incorporate some residential properties that we could see a higher and better use for that are identified in need of conservation or rehab work. Yes.

- What was the market rate again for the apartments?
- In terms of rents?
- Yeah, we talked about this before, I just, I can't remember.
- Okay, one second to go, make sure I'm getting the quotas.
- You know why. We've already addressed this. We already addressed it, let's not take up the time. This is probably a motion in the second
- Any other questions on the territory on TID 20.
- 900 to 1300.
- Everyone's shaking their heads so
- Well she asked
- Was that a motion to approve?
- I'll make a motion to approve, what TID we're talking about, I forgot.
- TID 20, yeah 20.
- Dictation and rehabilitation of conservation tax increment District 20 Park in the adoption of the project
- Yes.
- You said that?
- Alright, so we have a first by Bret and a second by Chad. All in favor?
- [Group] Aye.
- That passes. And we're gonna move onto number three, consideration with possible action on the creation of blight elimination tax increment District 21 to 21 Green Bay packaging and adoption of the project plan.
- Alright. The last is creation of this tax increment district. This is done as a blight elimination district. Involves approximately 75 acres, 96% are in need of blight elimination. How this TID's getting created to facilitate the Green Bay Packaging Project. The construction of a new paper mill, and expansion of their box plant. With that, again, same process, summer common council designated RDA to coordinate actions necessary to create this tax increment district. September, this court met, get the process rolling. Shortly thereafter, RDA has a public hearing on this creation. There were no comments on that. On September 25th, common council passed resolution adopting the territory and the project plan, and now it's before you today to consider. I'll restate just for the record, would

the desired development occur without tax increment financing? No. Are the academic benefits of new developments greater than the cost of improvements? Yes. And are the academic of new development greater than the tax increments to be paid by property owners in overlying districts? Yes. You know, as we talked about, costs. About \$26 million of potential costs would be paid over tax increments. About \$23 million are specifically allocated at this time. Again, some of those additional things that we put in about potential infrastructure improvements, could be looked at after there's additional increment in that project.

- What is the \$23 million? I mean, what is it? Is that going to Green Bay Packaging or is that just what the city is doing?

- That is going to Green Bay packaging to reimburse their project costs of, basically dealing with environmental remediation and dealing with working in a flood plain, and dealing with working, some wetland issues and just additional infrastructure that needs to be done, to basically create a, the rehab on...

- Are the environmental issues known? Or are they, I mean, are they known environmental issues or are there anticipated environmental issues?

- Both. I mean I think it's something like look, anytime you start digging up along the river.

- And you're saying is that their land, or is that your land.

- Yes. So it's always, they're operating on their own footprint with the exception of they are acquiring the Ferrell Gas property, which they did their due diligence on before

- Right, so there's nothing there.

- But otherwise

- So anything that they have was created by themselves but they're

- Other than, if you don't mind. Other than your there's pots of contamination along there which'll have to be cleaned but they're the owners probably is some contamination but it's not in that area. They've done a lot of their sampling, but they still have to sample right when they dig, so Kevin's right. It's that when they start digging, they don't know what they're going to find. But when they do it they're gonna be sampled in. They're gonna have three options, either the landfill on the Chilton which is like high-waste disposal, or call the clean or go on to another site within Green Bay. But there's other things and concerns, it's a tricky project but that's all, it's tight and it's not a Greenville, which should be really easy.

- Yep, understood. Okay. Thank you.

- To clarify the numbers, about \$22 million is the pay go that gets reimbursed to them to reimburse, they have to spend the money upfront on some of these costs. Gets reimbursed to them, and then just under \$1 million is for just administration, over the life of the TID.

- I make the motion to fund creation of blight elimination tax incremental District 21, Green Bay adoption project plan.

- Second.

- We have a first by Bob Matthews, and we have a second by Brent Weycker. Are there any other questions or discussion? All in favor?

- [Group] Aye.

- That is, that passes.

- Before we adjourn, I had mentioned in my email recent tax increment District 17 isn't on here. Most closures happen 19. So there may not be even a reason for us, I'm just glad to have another meeting. We actually just do it, come correct, in Spring, I think we did February last year. Or we'll take it through our council to shut that one down, but we had our process here. It's just the time frame, you have to get those in by June. So it'll be done early in 2019 to close that one down.

- How much is that gonna? Or is that a zero one or is that like a...

- Hopefully, net zero. That's the one I talked about the very recent litigation involved. And that's the one we wanna kinda figure out where that falls before we close it.

- I was just thinking

- Actually it's got a negative fund balance at this point.

- Like what, 150?

- Um, right now it's at about \$60,000 but future project costs another 40,000. On future revenue, I mean it was at some point going to spin out and be a positive fund balance, but

- We've got about 60 to cover.

- It doesn't close it, it doesn't, I've never turned in until 2035.

- Right. But it's built. There's not gonna be. It is what it is.

- It's currently getting \$6100 worth of increment and we still have about \$3000 annually, debt service on it. Over the life of it, it would eventually be favorable.

- Motion adjourned.

-All in favor?

- [Group] Aye.

- Thank you

- [Group] Thank you guys.