MINUTES OF THE TAX INCREMENTAL DISTRICTS JOINT REVIEW COMMITTEE

THURSDAY, JUNE 27, 2019, 3:30 PM
CITY HALL, ROOM 604

A. ROLL CALL.

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

Present: Cale Pulczinski, Diana Ellenbecker, Chad Weininger, Brent Weycker, Gina VanEgeren (substituting for Bob Mathews)

B. APPROVAL OF THE AGENDA.

Moved by Chad Weininger, seconded by Cale Pulczinski to approve the agenda. Motion carried.
Yes- Chad Weininger, Diana Ellenbecker, Cale Pulczinski, Gina VanEgeren, No- None, Abstain- None

C. APPROVAL OF MINUTES.

1. Approval of the minutes from the October 4, 2018, meeting.

Moved by Chad Weininger, seconded by Gina VanEgeren to approve the minutes from the October 4, 2018, meeting. Motion carried.
Yes- Chad Weininger, Gina VanEgeren, Diana Ellenbecker, Cale Pulczinski, No- None, Abstain- None

D. REGULAR BUSINESS.

1. Review Tax Incremental Districts annual reports.

Brent Weycker arrived at 3:36 p.m.

Moved by Chad Weininger, seconded by Brent Weycker to receive and place on file the Tax Incremental Districts annual reports. Motion carried.
Yes- Chad Weininger, Gina VanEgeren, Brent Weycker, Diana Ellenbecker, Cale Pulczinski, No- None, Abstain- None

2. Staff report on the performance and status of districts governed by the Board.

No action was taken.

E. INFORMATIONAL.

1. Set next meeting date and time.

Staff will reach out to members to schedule upcoming meetings.

F. ADJOURNMENT.

Moved by Chad Weininger, seconded by Brent Weycker to adjourn at 4:39 p.m. Motion carried.
Yes- Chad Weininger, Gina VanEgeren, Brent Weycker, Diana Ellenbecker, Cale Pulczinski, No- None, Abstain- None

VERBATIM MINUTES

- Thank you Lisa, for this.

- All right, we're recording.

- All right, we're going to call to order the meeting of the Joint Review Board for Thursday, June 27, 2019. Roll call, we have Chad Weininger.

- Present, or here.

- Bob Matthews, is excused. And we have Gina Van Egren.

- [Gina] Present.

- Brent Weycker, is not here at this time, yet. Diana Ellenbecker is present and Cale Pulczinski.

- [Cale] Here.

- All right, we're going to move on to the approval of the agenda. We'll entertain a motion to approve the agenda.

- Motion to approve the agenda.

- [Cale] Second.

- All in favor, or there's been a motion by Chad and a second my Cale. All in favor say aye.

- [All] Aye.

- Opposed? That passes. Move on to the approval of the minutes.

- Motion to approve the minutes of October 4th, 2018 meeting.

- [Gina] I'll second.

- You want to second, so we have approval by Chad, second by Gina. All in favor?

- [All] Aye.

- That is approved. You keeping up with it?

- I am. Yes, I'm good.

- Okay, thank you. I was gonna say I should slow down for you. I kind of rattle right through it. All right we're gonna move on to the regular business. And that is the review of the Tax Incremental District annual reports. What you're gonna see in your packet in front of you is the reports that are submitted to the state. And it's really three pages for each one of our TIDs. But because those I think are a little bit difficult to read and to get a good summary of it, you are gonna see a legal sized paper that really summarizes the rest of the packet, and we put it all on one page. I thought that would be easier for us to look at and to review. If you don't have any questions, we might just start right off with TID 004. Kevin and I are gonna kind of bounce back and forth, probably talk about financials, and then Kevin's going to talk about if and when there's, what's going on in that TID, any updates, any sort of changes. So TID 004 is kinda downtown, is our Washington Street apartments is really what the name of it was at the time. Started off with the fund balance of 193,000.00 with an increment of about 514,000.00. Had some little bit of other revenues. We had debt service of 475,000.00. Some other expenses. So it ended with a fund balance of 180,000.00.

- And I'll throw, if you have questions, like kinda where they're at, I'll throw the maps up here if you have any specific questions about projects as we get into certain things, certain developments. It helps to explain kind of where that increment's being generated from or what's causing the financial situation.

- So, just to recap on TID 004, in that area, it looks like it has a positive balance so the projection is positive in the near future.

- Yes.

- Okay, and then the administrative cost is, seems very, very reasonable.

- Yes, so it's not a ton for us to administer on that one.

- On this one in particular, the year 2018, we were paying $50,000.00 to Downtown Green Bay, I'm sorry, to the Backstage at the Meyer. And starting in '19, our administrative cost, or the other expenditures, are going to drop down to about $6,000.00. So that was a couple year agreement for the Meyer, and so that will end in, it has ended now in '19, and we won't have that large expense. Just for the record that Brent Weycker has joined us, and here's a packet.

- Sorry I was on second floor, in Kyle's .

- Is the intent of the TID, is it to close it down early, or is it going to run the course, you think?

- It will probably run it's course. We still have some debt service for the Cherry Street ramp. We provide spaces for Washington, for that apartment in there, so that TID does provide some funds for the Cherry Street ramp pods.

- Okay.

- [Gina] Just to clarify, you said that this was the last year that we'll see that, next year this 50,000.00 will not be there?

- Correct.

- [Gina] Okay, thank you.

- Yes, so then the debt service will remain relatively flat in the next couple of years, as what it was in '18. But again, the other expenses will go down to somewhere closer to the $6,000.00 annually. Any other questions on TID 004? Then we'll move on to TID 005. TID 005 is one of our older downtown TIDs. It started off with a negative fund balance of about 896,000.00. We had an increment of almost 1.8 million. A little bit of interest. Some exempt computer aids. We had development agreements that we had revenue coming in at about 57,000.00, and we did borrow about $2.1 million for TID 005. As you go onto the next section, the expenditures, we did spend about 1.2 million, most of that was on land acquisition in what we call our Shipyard area. We also had debt service about 1.4 million. We paid out about 46,000.00 in developer grants. And then we also had 151,000.00 in some other expenses, leaving us, at this point, because we borrowed more than we paid out in the 2018, we did end up with a positive fund balance of about 398,000.00. We did borrow about a little over $2 million, and a large chunk of that was for Stantec, which was our, is it an engineer, architect firm, for the Shipyard area. And a lot of those expenses were not incurred in '18, we'll see most of that in probably in '19.

- And then, just really quickly, your future revenues, those are real captured revenues, or are those projected revenues.

- Those are projected.

- Okay, but those are all from things that you currently have, or things that you think you may get?

- Just increment, 'cause it's over $2 million per year in tax increment, just tax increment alone, is going to be about $18 million revenue. So we do think we are going to still borrow more money for the Shipyard, which is about $5 million, because of new development we're gonna see in the Shipyard area. That is driving us up to about $24 million. We have a little bit of exempt computer aids, some interest, and that's what's bringing us to about the $25 million of estimated revenues.

- Okay.

- Some of that, and when we get to the end, will probably shift because we're gonna talk about a new TID for that Shipyard area. But in terms of, I think, Diana's projections for this area, are projects that are already online. We're not anticipating a big new project coming down the line, so it's existing kind of things.

- I just wanted, that's what I thought, I just wanted to make sure of things. So are you going to do like an overlay TID, or are you just gonna close a section of it down, or?

- So, I'll talk about it at the end, kind of like some of the proposals about how we might, probably have a few nips and tucks to go through.

- Okay, sorry about that, you did say that.

- Yep, nope.

- That's okay. Any other questions on TID 005? All right, we're gonna move on to TID 007. That is where Lombardi, Ashland area.

- Sorry, I've got one more thing, TID 005.

- Oh, yes.

- There is potential projected development, our Adam street lot. This is out for RFP right now, we're trying to get developed on it. It's not based on any of the projections. I don't know if right timing, this would come in to a new tax increment discussion, but this is the lot that is owned by the Redevelopment Authority, it has zero taxes on it right now. We had a request for proposal out for some development. We will be looking at it again this fall. So that could be some potential revenue. Nothing is built into the projections, but it's a development site that we're trying to push forward.

- Can I ask you a question, so with the sale of Craig Dickman's company, Breakthrough Fuels,

- Yes.

- Are they still committed to building in the Shipyard.

- Yes, so we've had some discussions with them, and now U.S. Venture brought into the fold. We'll talk a little bit about that in kind of the TID proposal that we're doing down there. But yes, they will continue to move forward on that piece. All right, sorry about that.

- No, good, and we're gonna move on to TID 007, again the Ashland and Lombardi, that had a positive fund balance of about $248,000.00. We had a tax increment of about $731,000.00. Some other miscellaneous revenues. We had debt service about 253,000.00, 13,000.00 out for developer grants, a little miscellaneous expenditures. So we had a nice increase in that TID in this year, because most of our debt service fell off compared to previous years. So we are sitting at a fund balance of about 712,000.00. And this one is projected to do well going forward. At this point we don't have any large projects in this TID.

- I'll talk a little bit about, this is another one identified potential early termination. We do have an infrastructure project that we're looking at in terms of, per the Legends District plan, and part of the project plan I'm talking about, pedestrian infrastructure in this area. If you've been to a game or something at the Resch, our plan is to look at putting sidewalks throughout the area, kind of covering here, there's been complaints from the property owners, and if you've been out there in the winter, it's a safety issue with people walking on the streets, the cars in the snowbanks and things like that. But that'll likely be probably our last projected expense in that period, and it could work on the process of winding that one down.

- The only, so, I would just caution because we did this on Military and then this other one, those two TIDs, went into tax increments, 'cause you spent money and it wasn't as pay as you go, so you do this beautification and then no one shows up, and then the TIDs go upside down. And so I'd just try to--

- In this one we did already project, DPW came back, said they'd figure it'd be about 500,000.00, top 700,000.00, to do sidewalks. So I already have that in the projection.

- Oh you did, so it does--

- We already paid with cash.

- Okay.

- Yep, they're sitting at, well, 700,000.00, we'll figure we'll be over 1.2 million next year if we take the 500,000.00, 700,000.00 for sidewalk, we'll still be at a very positive balance. And then that's the only expense. So we will be paying with cash in this TID.

- Okay, so you guys really changed how you've been managing your TIDs.

- Yes.

- Yeah, okay, well that's--

- Yes, not as build it and they will come approach. We very rarely or strategically have we put money upfront.

- In the last couple of years.

- Correct, yes. Correct.

- Any other questions on 007? Otherwise we'll move to 008, which is our Berger and Morrow area. We're sitting at about 1.669, or $1.7 million. We have tax increment about 297,000.00, some miscellaneous revenue. Debt service is about 167,000.00. Miscellaneous expenses were sitting about 1.8 on this item. At this point we don't have really any of the additional expenses to put on in this TID.

- [Gina] Are you projecting that you'd close this one early at all?

- This is one, yeah, that we're gonna talk about winding down early.

- Yep.

- [Gina] Okay.

- I remember this one.

- All right, any questions on 008, other than like he said, Kevin will give us a recap at the end of some suggested changes for these TIDs. And we'll move on to number 009, which is our University Heights. This one was build it and they will come, which didn't happen. We are at a negative 1.4, almost 1.5 million fund balance. We had increment of only 178,000.00. Some miscellaneous revenue. We have debt service of 218,000.00, so our debt service is larger than our increment. So we are slowly building that fund balance, it's actually getting slightly larger where it's sitting at about $1.5 million negative fund balance in this fund. This is out by the I-57, it was supposed to be a new industrial park that did not take off.

- Oh, is this where FEECO is?

- FEECO is here, but they are right outside, to the west of the TID, they're in the Town of Scott. This was one that was created really, kind of right when things were going gangbusters in terms of development, 2002, 2003, 2004. And then recession hit and just, things did not move forward out here. From a development perspective, initially this was projected to be, a lot of the zoning is for big box commercial, which again, right, if retail's changed, and then how that's been in doubt. We've tried to push in the last few years more industrial uses out there. I think there's a perception issue that this is just too far, even though, right, once you're on 54, 57, it's not that far. But we, despite efforts of bringing people out here, just cannot get development moving. They would rather be in I-43. And that's why we're, right, starting that process of trying to expand I-43, because that's where the businesses want to be. So this is one that we're going to look at options for closure, but it's going to probably require some allocations from others to be able to close it down. We just, it's starting, we're 2/3 of the way in, and just with the projections, the ship will not right itself.

- A gas station couldn't even make it out there.

- No.

- That's a good investment for you.

- We just got things, they are planning, I think, to reopen this fall.

- Well good for them.

- Somebody else bought it, so.

- Well you can capture a lot from the Keuwanee folks and the Luxemburg folks from coming into town. And I think it was too soon, too fast.

- Yeah, but if you look at all the charts, in terms of even like Town of Scott, the population growth, how it was going really, from the late '90s up to 2000, and then since then it's just flat-lined.

- Right between 2003 and 2006, they spent, there was about three different bonding requests for land acquisition and infrastructure and an interceptor. So they spent about $4 million on infrastructure, and nothing, we had no increment to come, go along with all those expenditures.

- They put an interceptor out there, wow.

- I think 2006. Any questions on TID 009? There's been a lot of efforts by the Economic Development area to try to get new businesses out there, it's just--

- I think after, right, coming on board, giving it a college try after three years of kind of making a concerted push, we've kind of seen the writing on the wall, and it's just, like I said, this one is just not going to turn around.

- And you don't own the land either, right.

- We own a chunk of land. Again, not sure why we purchased, we purchased this piece of land, back in here, but it actually doesn't have any access onto Algoma Road. Yeah.

- Okay, on that note we will move onto TID 010. That is our Main and Mason. We had a positive fund balance of 444,000.00. About 188,000.00 in tax increment. Some miscellaneous revenues. We had to payout about 85,000.00 in developer grants, some miscellaneous expenses. And we have a positive fund balance of 539,000.00 in this TID, this one is making some slight increases annually.

- Some of those increases, we did a development agreement for redevelopment right, south-east of like where the Copps and Planet Fitness is. The redevelopment Arbys, Familia Dental, and the North Shore?

- North Shore, yep.

- Bank that are in there, are fully online now and generating some of that additional increment.

- Correct, and I think that development agreement that we paid out was actually for the Planet Fitness. I think the other PAYGOs will probably kick in next year. Any questions on TID 10? We'll move on to TID 012. This one has a positive fund balance of 4.575. We had a tax increment of 1.576, 1,576,000.00. We had some interest, some exempt computer aids. You're going to see a large expenditure under the capital land expenditure side. That is our infrastructure on Erie Road. There was a small purchase of land, but most of it was all infrastructure. We did have some debt service. We had some developer grants that we paid out. Some miscellaneous expenses. So that fund balance

did go down 3,451,000.00. But again, this is a situation, we paid with cash some additional infrastructure. And the largest reason that infrastructure was needed was for the large expansion of Nature's Way. So we are going to see some nice, this one, even on the increment, we were at 1,576,000.00. Next year, 2019, it already bumped up to 1,789,000.00. So it already has about a 200,000.00 increment. And that's just Nature's Way owning the property because they bought some land that the City owned, and so that we're gonna see some nice increment in that TID 012 area.

- This is just a rehash from last year, basically.

- Yes.

- Yeah, so you purchased the land. This one you're likely to close soon though.

- I think we will finally, I know we've been talking about, but have a path, to kind of get to your point, about the infrastructure piece is, we're trying to use some cash that we have on hand in here, as I had mentioned, doing Erie Road. We got down to here, and then we hit a creek, so I've got to wait for the DNR. Our goal is basically from here down to the City limits, this will be done, so that when we look at expanding, or doing, I would say, a new TID to do like a new business park over here, we could use some of the money that's in here that is covering the same area to pay for that infrastructure so they don't have to start that one in the hole like at University Heights.

- Any questions on TID 012?

- [Gina] Do you project when you might close?

- Potentially I've said, it's set to close when, 2025. I think, I know we've talked about this before, we've talked about like 2021. But the way the increment is coming in, and again, we're trying to get, as we know, construction costs have probably jumped, even in the last year since we started talking about some of these things. But if we can pay for some of these things with cash, I think we have, what, $3 million allocated this year?

- Yes.

- In the cash flow, for continuation of that Erie road, and also running additional water and sewer out that way. There's some sewer lines that needed to be run down in here, I'm sorry, on Erie Road. That basically will open all this up then, to development. Because right now, this was kind of the end of the line, the last parcel for like water and sewer service, to be able to like, in terms of our capacity. So if you were out there last summer, this was all ripped up, we were getting additional sewer so that we can develop that. And like I said, we're trying to pay for it with the money that we have on hand now so that we can then shut it down and open a new TID, potentially, that really--

- Is there any, I mean, does the cash flow enough where you can just do some of those prepayments stuff sooner, close her down a little bit sooner, 'cause originally I think we talked, 'cause we, DOR took that I think two or three times. It would financially right thing to do though. For some reason I thought it was gonna be like 2020 or something.

- So we have to talk a little bit about what those numbers are. We may need to use this for one more donation, for TID 009, to keep that one from hitting the levy. And that would be the reason for pushing it from 2020 to 2021.

- Okay.

- Yeah, 'cause that's when, the tax increment is coming in, it'll probably be about 1.8, 1.9, and we'll need that potentially to cover.

- Okay.

- Right.

- Okay.

- I apologize, you had, this is Kevin Vonck, our Director Vonck.

- Oh, hi.

- Hi.

- He is with the Development Authority.

- I'm just the guy, just the interim computer. I thought most of them--

- That's all right.

- Already knew who. And so then we'll move on to TID 013, which is our other large Downtown TID. That one has a large negative fund balance. We're sitting at $3,235,000.00. We do have tax increment of over $2 million. We had some exempt computer aids. We had debt service of about 1,449,000.00. We had some developer payments or grants of 428,000.00. Some other miscellaneous expenses. So that fund balance did get slightly more favorable, but we're still sitting at about 3.1 million unfavorable. This is our large Downtown TID. Our Northland will come online, that will have a positive impact on this one.

- Yes, that got its Certificate of Occupancy at the end of 2018, so it was on 01/19, but now it would be fully operational, or it became fully operational in February, and so, yeah, 01/01 of '20, it will be fully assessed, and basically it will provide a good amount of increment. I think of terms of the debt that we put in there, I think it was only 2-1/2 million in terms of project grant that came from the TID.

- That expenditure already happened in 2015.

- Right.

- That went out long before we were going to see the increment for that expenditure.

- So if you haven't been in, it's awesome, I think it's worth the wait of what we've gone through, to get this up and running again. Again, you may remember some smaller projects in here. One of the other things that we'll talk about in terms of potential modifications to this TID, Associated Bank lot, we are running out of parking in the City, and so for a short term fix, looking to, well, acquire this lot, but also as a development parcel potential to fit in to help service some of our downtown businesses. Also the KI Convention Center, if you see, go back to the TID map, that's in there, and we also have another development agreement, that Main Street ramp is due to come down within the foreseeable future. And so we're gonna need to look to find some ways to provide for parking, so to potentially expand this, we're just close away, and it's going to service this area but I think we may look at potentially bringing it in as part of that, short term parking but then long term development site.

- So can Associated Bank, 157,000.00, that's actually for the bank, not for the lot, right?

- The what?

- On page two of Developer Grant amounts, for Associated Bank, 157,400.00.

- That's back for their project, out on Regency Center, is that what we call it.

- Yep.

- So you didn't use any TIF dollars to purchase that did ya?

- So this we're going to look at using TIF dollars for this to look at providing infrastructure for the rest of, I mean we need parking to service the rest of the parcels in the TID, and so that's, in terms of we're looking at exploring that option and using those dollars for that. Part of the TID 013 plan talks about putting money into parking, and so that's one of the things that we need for this area. We don't have room in any other spots, so that's what we are looking at for this purchase.

- Any other questions on TID 013? We'll move onto 014, it was our North Broadway Larsen Green area. Most people know that it's really where the Rail Yard area is, The Cannery up on Broadway. Started off with a negative fund balance of 580,000.00. We had increment of 151,000.00. We received some developer's payments. We also had some large debt service of 426,000.00. We also paid out developer grants of 453,000.00. And so we ended with a negative fund balance of 1.1. This is a situation where we did have a project grant that we are paying for. Now we're going to see the increment, even next year, we've already gone from 151,000.00 increment to 274,000.00, so it's a large jump coming in. We're seeing some of those things that are on Broadway that have come online now. This is a situation we had to decide whether or not we should take a borrow, bond for the payment of the developer's grant, or we let this one go into a negative fund balance. The difference of paying the additional expense, or knowing that this one will turn back around in a few years, we chose not to bond for this one. So that is why we have a negative fund balance.

- So part of the grant, this project is, or the tax increment district covers the whole Rail Yard. And so what you've seen, as Diana was talking about, you've seen the continuation, the building out, of the southern warehouse buildings, A, B, C, D, E. I'm looking at you, just trying to think.

- [Brent] Yeah, E is, yeah.

- They're all bundled in there. So this has moved into office space, retail space, restaurant space. The development agreement that was passed the other year will look at doing additional renovations in the warehouses to the north, buildings R, S, and T. So again you'll see more of this type of development using these warehouses. You'll also see under construction some town homes, first phase of those is underway right now. It's owner-occupied condominiums, so there will be seven units. They're being constructed this year and coming online, with the potential to expand that and add some additional. Also in there, at the very north end, kind of where you see all those trailer trucks parked, we did a development agreement to build Broadway Lofts. This is an affordable housing project. So it's an expensive project, it's not gonna assess out super high because of the rents that are in there, but it's a look, in terms of providing housing for all the city we felt it was very important project in terms of the development. This will provide 109 units in between this building here, and then there's two town home type buildings that will be at the north end of the parcel. And they're set to break ground later this year, but will be online 01/01 of '21. I want to talk about this a little bit. One of the things that we'd like to do with this area, some of you were here, where this went through the whole, I guess, drama, with, if that's the right word for it, On Broadway owning the property, the Walmart saga, and then basically the City, or the Redevelopment Authority, ending up getting it. With that, I mean, we lost two, three years of development potential because we were dealing with this. So we're going to be looking at extending that TID for three years, and potentially adding in a few parcels. I know there was some, the developer purchased some CN parcels, and will be able to expand a little bit, let me show on here. In this area here there was some abandoned railway that was purchased, so we need to make a territory amendment to add those parcels in. It's not a lot, but you have to be in the TID in terms of where there's a portion of those condos that fall into it. So that'll be one of those things that will be on the docket.

- Is there any concern, so they're developing those condos in there, and then they're doing those residential.

- Yep.

- That Leicht Park isn't owned, it's actually owned by a private company, so if they build or erect something there, is there any concern from people who are purchasing those that that's an issue?

- So, I can't speak directly because I'm not selling, but one of the things that we've talked about, and I think you had talked about is, it's basically this line right here. So the City owns this from here, and this is what we will lease. There's still an eight, seven, eight years left on the lease. There's some things that we have in terms of control with the zoning, or entitlements that could help shape some of that. I think one of the things they've also discussed is how they're orienting those buildings. They're doing so in a way so that even if something were to go up here, they're oriented in a way that still keeps the view and the focus, basically drawing, kind of drawing a line where our property line was, and back into the property, so that you're still keeping kind of that U-shed, back where you wanted to look in that downtown area. Like one of the things they looked at is, all right, in terms of also who will develop this site, you want more than one story, but at least the shorter buildings here getting to the taller buildings, and this way you're kind of angling down so you still preserve some of those views. I think the other part that they looked at is also, I mean, it's an expandable condominium, so in terms if you get further north, there's still opportunities, pending if something like that would change, to change the product or change the style, or do some additional elevation to

be able to get up above something if something were to come up there. Did you want to speak any more on it?

- No, I think that's an, and actually, if you ever get in the condo, you can see it kind of does angle, you don't even look back towards the north, you look, really, south. They usually have open houses on Farmers Market days too.

- If that's it for TID 014, we'll move on to TID 016, which is our Military Avenue. We started with a negative fund balance of 583,000.00. We had an increment about 271,000.00. Some computer exempt aids coming in. We had some debt service of 33,000.00, 40,000.00 for a developer PAYGO, miscellaneous expenses. We had a negative fund balance of 373,000.00, but we are seeing that negative fund balance go down. Also next year, even in this district, we're gonna go from 271,000.00 up to 326,000.00, so we have well over a $50,000.00 increase in tax increment due to some new development that happened in the Military area.

- Just one project in here, still early stages, but there is a new owner as of last year, of Green Bay Plaza, and the Sears. There's kind of early stages of gathering together some tenants, it's actually mostly leased up. But we'll look at some redevelopment opportunities for the Sears piece, and also that massive parking lot in terms of some developable out-lots, so hopefully either later this year or next year we'll be able to see some projects move forward on that.

- Any questions on TID 016? We'll move on to TID 017, its a very small one, just a couple of parcels. We have a negative fund balance of about 62,000.00. We had a tax increment of about 7,000.00. Some miscellaneous expenses. So it's still at a 68,000.00 negative fund balance. There is not really much activity here.

- This is one I think we discussed a little bit last year, that are still pending legal action on one of the development agreements. Hopefully that's going to get resolved one way or another in August. That should just give us a little clarity. We have the process started to close this one down, but based on kind of the outcome of that case will kind of give us some better options on how we're going to do that. It's not a whole lot of funds, right, but it's something that we just, it's not doing anything, so there's no reason to continue to keep it open.

- That was 017, we'll move onto 018, which is our University Avenue, this is the new Festival Foods, the Kwik Trip, this includes the JBS site. We have a negative fund balance of about 937,000.00, and this is a situation again where we decided to payout an upfront grant and not borrow for it, knowing that we're going to have some increment to come in and to offset it. Again that was an intentional decision in not to pay that extra interest on this TID. So we did have increment of $328,000.00. Debt service was very, very small because we didn't actually borrow much for in this area. And we did have a 761,000.00 grant payout, that was to the JBS site for remediation. There was some other miscellaneous expenses, so it does put us in a negative $1.4 million balance, but again, this is one that once these upfront grants are gonna be paid off, within a couple of years we'll have enough tax increment to offset the grant payout and then there is some PAYGOs on the back-end once they are fully online, and then we'll see the development and we will see an increase in the fund balance in this TID.

- So, as Diana had mentioned, the JBS project, they're moving forward with the development. If you've been out there they've got a building, fully up and completed actually last year, for the school

year, to provide some student housing. When this is all done, they're projecting somewhere between 340, 368 units. So they're continuing construction now, they should probably have another building or two open and online this year. And they still have some space reserved, kind of in the front area for some commercial development. I didn't have slides in here, but Festival, there's one out-lot there remaining, there'll be a project moving forward with that. Later this year the temporary parking lots, there'll be some additional development there. And then if you followed, there's some consternation about Burger King coming in, but some redevelopment there, and just some smaller pieces, but those were, the biggest one is the JBS really coming forward. I guess as Diana said, in terms of using our resources wisely, if we have some cash available, I think one of the things we've done when it comes to upfront money, we've also changed the policy a little bit. It's not just like, all right, cut a check, here you go. We pay basically expenses that come in, and in many cases we'll pay the contractor directly. And so that is right for, there's certain eligible TIF expenses for demolition, and for under remediation, and we're getting those and paying them so we've got a better handle on one, that money's really used for particular things, but it also helps us spread out across the year in terms of cash flow, making those payments on time without having to take a big dip.

- Any questions on TID 018?

- Can I ask you another question about the future revenues?

- Sure.

- Are you factoring in an equalized value growth in that too, or is that just?

- I'm not sure right now, we have an assumption of a 2% build-in on the taxes, plus we build in any additional assessed value that we are aware of that either have come online or that we expect, 'cause as the JBS, within their development agreement, they talk about every so many years they were gonna have more assessed value, so we have built in those expectations within it. And again, we need that tax increment to help pay for the grant upfront, and then that is also within assumption and that, on the back-end, they will get some PAYGO, so it'll be projected what we also think their PAYGO will also be. Same thing with Festival Foods also has a PAYGO.

- Yeah, usually Bob always talks about, if you have a spreadsheet we can look at it, and it's a little bit easier to see that way.

- [Gina] He told me .

- I was just waiting for you to fill up the stuff he normally throws in that, so okay.

- So what are you saying, you would like to see more details? You would like to see cash outflow.

- Yeah, it's a helpful tool, 'cause you can look at it, and in like two seconds, just really know everything you need to know as opposed to the talk through, although this is a little bit more comprehensive than what we normally get from the other area, so it's nice.

- Yeah, I think, Dan said that we were trying to build in, I guess, right, as soon as it's passed, how everything's gonna go gang buster. It's no, like there's real projects that are happening, and building a modest increase in tax amount, and then the big jump's really coming from projects that we know are

happening. And I think trying to build some conservative assumptions, I think JBS we had rolling in over five years. I think they'll beat those targets based on the schedule they've been at so far, but it does allow for a kind of a dip in that to move forward. Part of, also with the JBS, the PAYGO piece, the way that deal was structured is they only have to get, probably I think to like year one and a half or year two in terms of phase two, to really be able to pay off the debt service. And make that right side up, so anything after that, that's when the PAYGO piece comes in. So if they don't build it, well then we don't pay it.

- I just had a quick one back on 016, the GB Plaza, on the projections, is that included in the projections?

- No, there's nothing included in there right now.

- It'll be nothing, no hard numbers, so nothing at this point is built into them. No expenditures or payouts, but there's also no upside on the increment at this point. TID 019 just got opened in 2017. Without, so it's experienced no increment yet in '18. We did have a negative fund balance of $33,000.00, had some miscellaneous expenses, so it did go by the end of the year to a negative $57,000.00. This is an item for even for 2019 we are going to experience tax increment of 152,000.00, so this one will be a positive fund balance by the end of '19. I'll double check that. This is our East Town Mall. We had some big projections for this area. At this point they have not come to fruition yet, so actually we're not sure which way they're going. But this is a situation, there was an upfront project grant. But they had to get to certain milestones, and they didn't get to them. So we have not paid out any dollars. And the rest of it is all PAYGO. The one that did come online is what used to be the old Cub Foods, which is now the Marshalls, the PetSmart, and what's the other large one. First Pet Smart and--

- There's a Glamour and Nails too.

- Ross.

- Yeah, a big Ross.

- Ross, yes, okay.

- So that one did come online, and so that one is where we're seeing over $150,000.00 increment, and some other small changes within this TID.

- Yeah, there was ALDI did some renovations to their store. The Dunkin' Donuts came in, that was a parcel that had nothing on it before. I think that's one of the things too, with again, trying to protect ourselves with the East Town Deal, there were some funds available upfront for demolition and remediation, but they didn't do certain things, so we didn't put any money into it. We still continue to work with them, right. As you know, the retail market is tough, and puttin' together the right amount of tenants, and you get one and then they don't want other, certain tenants in the same development. They're still working on it. Most likely they've said they would have to come through probably for a new development agreement just because so much time has passed, and we've had probably what, two, three amendments to extend the timeframe. So they still own the property, and in terms of just, with that, it's not creating more increment, but we're also not putting money into it as well.

- So that is up to 019. Those are all the ones, all the TIDs, that were required to have an annual report. Since then we have created two new TIDs in 2018. We had a TID 020, which is our Whitney Park. And then, oh, I don't know if you want to talk to anything about that.

- Yeah, so right, part of the reason that we come to you to ask, you know, for your blessing in creating these tax increment districts is because we feel like we've got projects that are ready to move forward. There's projects that need some financing. So once we establish these TIDs, I think it's our goal is to maximize the increment. And so I think TID 020 has been off to a good start. If you go over to the Whitney Park neighborhood, you will see Whitney Park town homes are underway. This was down at the corner of Van Buren and Cherry. RDA owned some vacant property, and then the developer picked up some parcels. So you'll see four new town homes there, with the goal of continuing to bring some new town home products into this area. For now hopefully six to eight in the near future. If you go around the corner, you'll see 901 Main, this next to the Greyhound station was a vacant lot that the Redevelopment Authority owned. So you'll see going up right now, 901 Main, that'll be 20 apartment units. That'll be open later later this year. And then Whitney School, you probably have seen a lot of work around that. That's a two part project. One is to take the inside of the school and convert that into 20, 23 apartment units. Then also build a dozen town homes around that perimeter. The apartments should be online by the end of the year, and then the first town homes will probably get breaking ground soon. So there's a lot of development in here. All of those projects are all PAYGO projects.

- There's no upfront money.

- So hopefully within a year or two, it'll start coming online and generate a lot of increment for that district.

- And then our additional, our other one was TID 021, which was done for the Green Bay Packaging, and that is really no upfront cost, that is all going to be PAYGO.

- Correct. If you've been out there, it's a crazy construction zone. You see cranes all over the place. But yeah, they are moving forward in a pretty aggressive schedule. You've probably seen there is an addition to the container, the box plant here, on the north-east side of Quincy and Radisson, and then you'll see they are going to construct the new mill, basically, out in the front yard of the old mill, construct the new mill, and then somehow within a very short period of time basically kind of transfer production there and then take down the old mill. So just, I don't know if there's any other questions on those two?

- No, so that would be, potentially, if we would want to potentially receive and place on file, unless there's any questions on the reports.

- Can we just jump back to TID 013.

- Of course.

- 'Cause I know I'll get some questions from the Executive. So on the parking lot that you're purchasing from Associated Bank for like 1.0, how much, 1.2 million?

- Two, mm hm.

- So how did you purchase that then?

- So we--

- Like what funds did you use to purchase that.

- I'm gonna have to talk to Diana to see what exactly account we used that from. I know when we talked with our Council and RDA we had a few different sources. We wanted to keep it off the general fund, so we looked at potentially using our tax increment district to do that, or we also looked at our Parking Utility, in terms of they're kind of an enterprise fund, so we looked at, okay, which account would we use then, because we really didn't want to incur additional borrowing on the levy.

- Okay, but you don't know if you owe. Okay, so do you know where you got the 1.2 million from?

- Well, we were going to, I guess, I was going to be charging it to the 453, the TID 013.

- So 453.

- That's our final number, which means that our TID 013.

- Okay.

- And then, so at that point, we were going to, because the Parking Utility had talked about whether or not they would take it on, and since it was going to be owned by the RDA, at that point they decided it would probably make more sense to have, that it would come out of the TID, and then any revenues for leases, leases that are potential on the ATM or and or on the sign, any of those revenues then would go back into that TID to offset the debt service for this.

- So the RDA or City Council approved using TID or the Parking Utility to purchase it.

- Yes.

- Okay.

- Yeah, that was back December of last year.

- He said, because we had of 12/31 to make a decision.

- All right, correct.

- And then, obviously this is a sore subject with the County. And then the other issue is, you guys have been talking quite a bit about pay-as-you-go, and not making the same mistake as possible, but here you're spending $1.2 million on a fixed asset that's not going to generate annual revenue, so you're making an expense of $1.2 million that's not bringing the revenue to cover the cost, for property taxes.

- Sure, so with that, part of the reason that we did is because we feel we can have some short term uses on it with leasing out parking spaces in order to help generate revenues to pay the debt service on the interim until we use it for a development site.

- So for TID 013, what was the, so you're using funds out of that, or are you bonding for it.

- We were going to be bonding for it.

- So there is no funds to pull from, so--

- Well at this point it's being covered, well we cash-pooled, so it's really coming from, it's really coming, probably, out of the general fund, or it's actually coming out of Undesignated Reserves, until we borrow, 'cause our request is going to the Council in July of where to borrow for the money for the 1.2, because we have not done our 2018 borrowing request. So we have not borrowed the money yet for this parking lot.

- So the City Council, here, okay, okay.

- So the approval, for in December, was to move forward with purchasing the lot. At that point, the decision had not been made on what the funding source was going to be. And we had a Finance Committee meeting last Tuesday, and at that point they had given permission to move forward with the bonding request of 1.2 million. So that has not gone to Council, that is going to our July 16th, I think, is our next Council meeting, and that is when we'll get approval to move forward with borrowing the 1.2.

- So the City Council approved the purchase of that, but they didn't approve the funding for it?

- The funding source.

- Okay.

- They didn't designate a funding source, they approved the 1.2 million, but did not specifically specify the funding source from which it would come, and I think that's where the discussion about Parking Utility versus TID versus general levy.

- So, let's just set that one for a second, but the issue though is I think you guys have done a really good job of like pay-as-you-go and not making a lot of the same mistakes. It's just all of a sudden throwing this one big thing, it kind of defeats the whole purpose of, hey, we're just gonna do pay-as-you-go, we're not gonna make these large investments without tying it to some larger development, it just kind of goes in the face of what you guys originally had been talking about, that's it.

- No, I've--

- I didn't say anything you know I wouldn't.

- Yeah, I know.

- Okay.

- And I think, right, it's obviously been a point of contention between the City and the County over this lot. I think one of the things we've discussed is I think we have some options to not put us into a long term, right, from behind position, to be able to generate, I guess two things, one, that it is a short term hold in terms of some development opportunities on the site, that it wouldn't be, right, we're not buying this piece of land to hold it forever. But I think in terms of the market, comparing this piece of land versus the piece of land we bought off University Heights, I think the market's a lot more ripe here than it is out there. And secondly I think we have some options in terms of generating some revenue on it and to not expose ourselves to that dead debt zone.

- Okay, and then just one last thing, for the record, is when the County purchased it, we bought it for basically a dollar, and the deal was that we could hold it until there was a development, so there was really no need to purchase it because through us and Associated Bank, you would have controlled it for involvement, so you wouldn't have had to make up $1.2 million investment. So just for the record, and then we can just move on.

- Okay.

- It's fine.

- Okay, yeah, and I'll just say for our record, given the agreements that we had in place, we were in between a rock and a hard place, and we had to make a decision, and that's, I guess, the decision that we made.

- No, no, that's understandable.

- Yep.

- The only other financial comments I wanted to make is in coming into the 2018 year, well 01/01 of '18, there was that change to Personal Property, and that was locally assessed machinery and tools, it was an item that was no longer going to be locally assessed, and that hit us hard on TIDs. We had just over, almost $16 million worth of assessment that went away, the State has changed it where we no longer locally assess personal machinery and tools, and that was over $16 million, which was about, almost $367,000.00 worth of increment that we did not get, as we got into 2018, and we will continue to not have that. And then on the same note, and we experienced that on our assessed, for the general levy and for our TIDs, there were many, because this is a self-reporting, personal property is self-reported, so you can either put it online furnitures or fixtures, or you can put it on machinery and tools. Machinery and tools is only one of the lines, one of the categories that are no longer going to be taxed for personal property. There was a lot of switch from people who were doing furniture and fixtures personal property, and they switched the next year to machinery and tools. So not only did we lose over the $16 million that is no longer being assessed, from the State has changed that, we also lost an additional, I think it was $11 million, we think roughly, that got switched from one line to another. So the full impact is probably over $27 million of assessed personal property in our TIDs that are no longer being assessed because they discontinued that personal property portion of machinery and tools, and again, that's over potentially half a million dollars worth of increment in one year. Just thinking about this.

- Yeah, so I know the State made the pull.

- They made us personally pull, correct.

- On the general fund, but on the TIFs--

- So our TIFs for 2017, it was $15,665,000.00, but the increment for 2017 was $357,000.00. We had got aid of $195,000.00, so from one year, the difference between the aid, and the assessed value, we were in the detriment of $166,000.00. And again, that's only taking into consideration what was reported in 2017. Again, we also believe that there was a large switch from one line to another, so that is additional loss in assessed value which we did not get any aid for. So again, that's where I feel that it could be as high as a half million dollars in increment that we lost due to the personal property change. Because we had the same experience on our general fund, but we're talking TIDs here. But what I did want to say though, in 2017, we had increment of just over $6 million, and then if you see in, I'm sorry, that was 2017, and then in 2018, you see an $8,039,000.00, so we had a nice increase in increment, from '17 we went from $6 million, and into 2018 we went just over $8 million, and in '19 we are gonna go about to $8.4 increment. So we have seen some nice, steady increment, and growth in our increment in our TIDs. So some of that money in the project that we've had in the last couple of years, we're finally starting to see them come online, and we're starting to really experience the growth in our increment.

- Yeah, I think we're trying to do some reverse math, and figured within the tax increment district for that year we realized probably about $86 million worth of new development. So this is kind of going back, you've got to trace yourself back a few years, money received in 2018 which is for projects that came online 01/01 of 2017, which means these are projects that were probably hashed out in 2015 and 2016 in terms of those development agreements, coming online now, right, there's always that lag period, but they're finally starting to see some of those generate some increment for us.

- So I don't know if at this point if we want to take a motion to receive on file the reports, and then I believe, Kevin, you had some additional information that would go to the second item. I would entertain a motion to receive and place on file.

- Motion to receive and place on file.

- [Brent] Second.

- So we had a first by Chad and second by Brent. All in favor?

- [All] Aye.

- Any opposed? Approved.

- So just to provide some context 'cause I think this is a good opportunity before we kind of go through the formal process or cycle, that we've done in years past, I think we'll have Kayla reach out again and maybe coordinate some dates to have these JRB meetings. I think it's been more effective when we meet and take care of all the TID actions at once instead of meeting separately for each individual TID. But I just wanted to give a heads-up of some things that will probably be on the docket so we kind of get a sense of where we're going, or if there's questions or concerns, that we can address them going into it. So proposals for two new tax increment districts. Council approved a

resolution last year to start the process for this one, TID 022, which is the Shipyard. Generally this is the area north of Mason Street along the waterfront. The Redevelopment Authority owns almost all of the land in here, so there's like zero tax value on it right now, but it would be the slips, some area between the tracks, and the Blindauer Sheet Metal property. We're talking about, again, timeliness, that the future development of what properties come in exactly, but we would look at creating that TID for new development in that TID to help support the Shipyard projects and some of the borrowing we've done for that piece. So you kind of get a sense, right around that area that we're developing, we're moving forward, you'll probably see dirt moving out there very shortly. We're working on finalizing our concept plan for the Shipyard piece, just kind of the concept plan from which you're working from. And then on the north side of the slip, Breakthrough is working on their headquarters, even though they've been acquired by U.S. Venture, they would still like to keep this as separate entity, and I believe for their employees this is the right spot to be. So working to work on their headquarters, well, it should be breaking ground later this summer. So those are some of the projects, then again, some additional sites in there. There's some additional vacant land, Blindauer Sheet Metal, the White Store, there's some other properties in that area that we feel will be development ready once our project is up and running. The second one, this is down kind of where TID 007 is. And I'm gonna explain a little bit about that. To do some properties in what we call the Legends District, so this is basically our border transition area with Ashwaubenon, so just to the east of the Resch Center, the new Expo Hall, and then Lambeau Field, we moved forward earlier with a project called Legacy Hotel. So they are taking down the old Brett Favre Steakhouse, and are gonna put a new high-end, all-suite boutique hotel in its place. And so part of that we'd like to create a new tax increment district in this area to capture this parcel, and as you'll see, this is the borderline with Ashwaubenon, though we have a lot of vacant parking lots and vacant land that we've been in discussions with some future development projects in that area. TID 007 is older, we're getting ready to retire it. So in its place we'd like to transition out to a new tax increment district. So kind of what we've looked at then, based on these, potentially TID 005 doing a territory amendment to actually take out some property in the Shipyard area. I think, whether we talk about an overlay, or actually some of that area which isn't providing any value right now, to start new with a fresh TID and then kind of, it's a pocket down there, right, it doesn't have much value, there's no obligation. So potentially to take that out of the TID to cover with the new TID 022. TID 007, which is the Lombardi Ashland, around the Tundra Lodge, potentially, and again, as we start to put our numbers together, our goal is to limit impact on all of our levies, we don't want to have funds come back. And so we talked about TID 009 is the one that's gonna be tough, and we may look at some allocation amendments to be able to close that down. So potentially for TID 007, we talked about some infrastructure projects that will happen this year with the paying for cash for the sidewalks, lighting, and things. But with that, to look at any funds available to do an allocation to TID 009 to help ease that. And one of the things that we've also talked about here, in order to reduce our bonding, the State a few years ago passed an ability for us to do an affordable housing resolution which would allow you to keep the TID open one year and use all those funds for an affordable housing fund. We think basically this could be a complement to, if not maybe eventually replace some things we do with our neighborhood enhancement fund, where we go out and borrow. And so what we would do is you can structure it that you basically say, all right, I'm going to close this TID in 2020, in terms of for a project basis, leave it open for one year and use the increment to go into an affordable housing fund, and then it'll be fully closed 2021. And so what we would like to do is be able to, I think, help some of our bonding capacity in terms of, or reduce some of that, so ones we're closing down, looking at having that year in there, but kind of building that into the termination resolution. Doing the same thing with TID 008, that was that Berger Morrow area. Again, potentially using some funds to allocate to TID 009. Doing affordable housing resolution increment for a year, and then closing

that one down. TID 009, closing it, as you can see, just some rough math right now, it's about 1.5 million in the hole, and it's got 1.6 of outstanding obligations in terms of future debt service, so it would take a substantial amount to close that. But if we could get some funds to do that. So we'd like to do maybe the same thing to TID 012. Again, additional funds come up to close TID 009, affordable housing resolution, then get that termination done. TID 013, potentially looking at a territory amendment, a project plan amendment, I think that is gonna be determined kind of maybe where Council decides in July, right, from where they'd like that funding to go for the Associated Bank parking lot. I think we also have looked at smaller parking options in terms of where we're going to move forward with the KI, so that may be one that's on there. TID 014, or Broadway, basically the Rail Yard area, amending the territory to include the rail piece that was purchased, and a resolution to extend it. Basically again, as I said, to kind of make up for the three years that we weren't really able to do anything, or it wasn't generating increment because nobody really owned it. TID 017, to finalize that termination once we get the legal issues worked out, and then create some resolutions for 022 and 023. So it could be a pretty full docket. I think what you've seen, if you look at the last ones that we've created, 018, 019, 020, 021, I think we've tried to be more strategic about these districts and how we create them. Probably gone are the days of like the TID 005 and TID 012 where we just like put a whole bunch into the TID and just see what was gonna happen. And we try to build these with development projects that we know are real, and then in terms of projections, we feel could build it in value or gonna go through a period of growth. With that, some of the other ones we talked about, 007, 008, 009, have kind of gotten to the point now where we've fulfilled or close to fulfilled a lot of our outstanding obligations. So out of respect of creating new TIDs, would like to do the process to shut these down so we can still stay within our capacity for doing tax increment districts, I think we're what, 6%?

- I was just going to say, the second last page in your packet is just a recap of where our tax base is, where it started, and what our increment is. But at this point, as of 2018, we're at 5.35% of the 12% test.

- So just kind of a heads-up, just some things that we were thinking about. I think we've got, we've kind of played this last year, right, waiting to kind of see where some of these projects came online in terms of what real increment we're at. But I think we've got some pretty reasonable projections that are in these districts to kind of know, all right, with some certainty, the ones that we can start to wind down.

- Motion to adjourn. I'm sorry, I'm late for a meeting.

- That's okay.

- Do you have anything else to say before--

- No, that was it. I just feel it's fair to kind of give you guys a heads-up about what we're talking about.

- I'm just trying to be courteous.

- All right, we have a motion.

- Second.

- And a second to adjourn. All in favor?

- [All] Aye.

- All right, great, thank you.

- Thank you.

- See ya, take care.

- See you later.

- Thank you, thanks, Chad.

- See you guys later.

- Yeah, good-bye.