



AGENDA OF GBHA PROPERTIES I, INC.

**THURSDAY, SEPTEMBER 19, 2024, 10:30 AM
IMMEDIATELY FOLLOWING GREEN BAY HOUSING
AUTHORITY MEETING.**

**City Hall, Room 604 - The Harry Maier Room.
Virtual attendance is also available via Zoom.**

A. Zoom Meeting Information.

I. Join Zoom Meeting Online:

<https://us02web.zoom.us/j/81434999289?pwd=N0dIMGxVSS85SGswK2IZeGhZZUN0UT09>

Or call in by phone: +1 312 626 6799

Meeting ID: 814 3499 9289

Passcode: 483400

If you wish to speak at this public meeting or leave a comment, please fill out the online [Comment Form](#) prior to the meeting. More detailed [Zoom Instructions](#) can be found online.

B. Roll Call.

- I. William VandeCastle - Chair, Sandra Popp, Erin Edwards and Stephen Srubas

C. Approval of the Agenda.

- I. Approval of the agenda for the Thursday, September 19, 2024, meeting of the GBHA Properties I, Inc.

D. Approval of Minutes.

- I. Approval of the minutes from the June 20, 2024, meeting of the GBHA Properties, I Inc.

E. Regular Business.

- I. Consideration with possible action to approve the Payment In Lieu of Taxes Agreement between the City of Green Bay and GBHA Properties I, Inc.

F. Adjournment.

- 1) THIS MEETING IS RECORDED: THE VIDEO OF THIS MEETING AND MINUTES ARE AVAILABLE ONLINE AT www.greenbaywi.gov
- 2) ACCESSIBILITY: Any person wishing to attend who requires special accommodation because of a disability, should contact the City Safety Manager at 920-448-3125 at least 48 hours before the scheduled meeting time so that arrangements can be made.
- 3) QUORUM: Please take notice that a majority or quorum of the Common Council may attend this GBHA Properties I, Inc. meeting and will constitute a meeting of the Common Council for purposes of discussion and information gathering relative to this agenda.
- 4) REPRESENTATION: The party requesting the communication, or their representative, should be present at this meeting.



Report to the
GBHA Properties I, Inc.
of the City of Green Bay

MEETING DATE

September 19, 2024

PREPARED BY

Stephanie Schmutzer, Staff

AGENDA ITEM # E.1

Consideration with possible action to approve the Payment In Lieu of Taxes Agreement between the City of Green Bay and GBHA Properties I, Inc.

BACKGROUND

While our utilize a full range of City services, tax-exempt properties do not contribute to the operation of City government to the same extent that non-exempt properties do. While GBHA Properties I, Inc. is not obligated to pay property taxes, it is the staff recommendation that the Board acknowledge the local government services our units receive and agree to a voluntary payment, called a Payment In Lieu of Taxes (PILOT). The agreement between the City of Green Bay and GBHA Properties I, Inc. would use a revenue-based calculation, not the value of the property owned by the Authority.

RECOMMENDATION

Approve the PILOT agreement

FISCAL IMPACT

The estimated PILOT amount would be \$27,676.00 annually and recalculated at the end of every year.

ATTACHMENTS

1. Pilot Agreement - GBHA Properties I Inc
2. Scattered Sites Estimated PILOT 2024

PILOT AGREEMENT

This Agreement entered into this 19th day of September, 2024, by and between GBHA Properties I, Inc., and the City of Green Bay (CITY), a municipal corporation, with an address of 100 N. Jefferson Street Green Bay, WI 54301, and collectively referred to as the (PARTIES):

WHEREAS, GBHA Properties I, Inc. owns a Properties see Addendum A described as (PROPERTIES), located in the City of Green Bay; and

WHEREAS, the CITY supports the rehabilitation of the PROPERTIES by GBHA Properties I, Inc. to eliminate blight and to ensure the community has a variety of housing choices for low- and moderate-income families; and

WHEREAS, GBHA Properties I, Inc. wishes to obtain certain governmental services and benefits from the CITY for GBHA Properties I, Inc. and the PROPERTIES, of the same type and to the same extent as are furnished from time to time, without cost or charge (except by means of property tax) to commercial, multi-unit residential, and single-family residential dwellings and inhabitants of the CITY; and

WHEREAS, the PARTIES understand that the PROPERTIES qualifies for real and personal property tax exemption under Wisconsin State Law (Wis. Stats. §70.11(4)); and

WHEREAS, GBHA Properties I, Inc. nonetheless recognizes that, notwithstanding property tax exempt status, valuable governmental services and benefits will be provided to GBHA Properties I, Inc., the PROPERTIES and tenants there at and which include, but are not limited to, fire and police protection, street maintenance, garbage and recycling removal, snow removal and other City of Green Bay services; and

WHEREAS, GBHA Properties I, Inc. wishes to make payments to the CITY in recognition of those services and benefits.

WHEREAS, GBHA Properties I, Inc. and the CITY have each determined that it is in their best interest to enter into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties hereto do agree as follows:

1. Whenever used in this Agreement:
 - a. The term “PROPERTIES” shall mean the property listed on Addendum A.
 - b. The term “TAXING BODY” shall mean the State of Wisconsin (“STATE”) or any political subdivision or taxing unit thereof in which the PROPERTIES are situated, and which would have the authority to assess or level real or personal property taxes or to certify such taxes to a taxing

body or public officer to be levied for its use and benefit with respect to the PROPERTIES if it were not exempt from taxation.

2. The CITY and GBHA Properties I, Inc. recognize the tax exempt status of GBHA Properties I, Inc. on the PROPERTIES, from all real and personal property tax under the applicable statutes and regulations of the STATE. However, GBHA Properties I, Inc. has agreed to make a payment in lieu of taxes to the City of Green Bay contingent on this PILOT Agreement.

3. The CITY agrees to furnish governmental services and benefits to GBHA Properties I, Inc. and the PROPERTIES of the same type and to the same extent as are furnished from time to time, without cost or charge (except by means of property tax) to commercial, multi-unit residential, and single-family residential dwellings and inhabitants of the CITY. GBHA Properties I, Inc. understands that it may be subject to special assessments or special charges charged by the CITY in the same manner that such special assessments and special charges are charged for similar services or undertakings to commercial, multi-unit residential, and single-family residential dwellings in the city.

4. In consideration of those services and benefits provided under the terms of this Agreement, GBHA Properties I, Inc. agrees to pay the CITY an annual payment in lieu of taxes (“PILOT”) for the PROPERTIES for each calendar year during which GBHA Properties I, Inc. is the record owner of the PROPERTIES, in accordance with the PILOT payment calculation, using the rental values calculated below. The PILOT payments hereunder shall be billed in December of each year and due and payable according to dates set forth in Wis. Stat. § 74.11.

Address / Tax ID	Estimated Fair Market Land Value	PILOT = (Estimated Fair Market Land Value / 1000 * City Mill Rate (7.582)) * 60%	Dwelling rents - less utilities expenses * 4.5% (Estimated rent 634,662 – Estimated Utilities 19,635)
Appendix A	769,000	\$3,489	\$27,676

5. Every Fifth (5th) year, the City of Green Bay Assessors Office will determine a current Estimated Fair Market Land Value for the PROPERTIES. Should GBHA Properties I, Inc. dispute the Assessors’ valuation, GBHA Properties I, Inc. may supply the CITY with a current Estimated Fair Market Land Value prepared by a third-party appraiser or real estate broker (including a Broker Price Opinion). If the difference between the Assessors’ Estimated Fair Market Land Value and the GBHA Properties I, Inc.-obtained Estimated Fair Market Land Value is less than or equal to ten percent (10%), both GBHA Properties I, Inc. and the CITY agree to use the mean (average) value of the two estimates as the current Estimated Fair Market Value. Should the variance between the two (2) estimates exceed ten percent (10%) of the Assessors’ proposed value, GBHA Properties I, Inc. may elect to either

- o establish the current Estimated Fair Market Land Value as though the variance between the estimates were only ten percent (10%) (as described above), or,

- at its discretion and expense, obtain a third-party appraisal of the PROPERTIES. Should GBHA Properties I, Inc. provide the CITY with a third-party appraisal, the Estimated Fair Market Land Value shall be equal to the mean (average) value of the three (3) appraisals.

6. The CITY may use and expend PILOT payments hereunder in such manner for such purposes as the CITY desires.

7. This Agreement shall terminate on the day before the respective January 1st of the year during which any of the following events occur:

- a. The CITY determines that all of the PROPERTIES no longer qualifies for property tax exemption; OR
- b. Enactment of STATE legislation and or regulations requiring payment by property owners exempt from the general property tax and other similarly situated property exempt owners, for municipal services provided; OR
- c. Loss of property tax exempt status for the PROPERTIES; OR
- d. Upon a determination by either of the PARTIES that a continuation of the Agreement is not in the best interest of that party, pursuant to a written ninety (90) day notice to the other party.

8. GBHA Properties I, Inc. agrees to cooperate with the CITY and with applicable Departments of the CITY (including, but not limited to, the CITY's Assessor's Office, the CITY'S Attorney Office, and the CITY'S Finance Department) with respect to the Agreement by allowing inspection of the PROPERTIES, upon reasonable written request of the CITY, and such documents that GBHA Properties I, Inc. and the CITY may reasonably agree are relevant to an exemption determination.

9. The CITY and GBHA Properties I, Inc. reserve the right to modify and amend this Agreement from time to time, upon mutual written agreement duly executed by the PARTIES.

10. In the event any term, condition, covenant or portion of this Agreement is held to be unconscionable or otherwise invalid, the remainder of this Agreement will remain in full force

ADDENDUM A

Estimated market land values of GBHA properties I, Inc

East Side			West Side		
Parcel #	Address	Est'd Value	Parcel #	Address	Est'd Value
7-671	1125 University Ave	\$ 20,100	2-267	509 S Maple Ave	\$ 42,900
7-705	1121 University Ave	\$ 18,600	2-922	912 S Oakland Ave	\$ 12,100
8-161	1404 University Ave	\$ 7,400	3-149	835-837 Christiana St	\$ 12,100
8-162	1408 University Ave	\$ 7,500	3-149-A	839 Christiana St	\$ 21,800
8-163	1410 University Ave	\$ 10,500	3-409	836 Cora St	\$ 19,800
8-164	1412 University Ave	\$ 11,600	3-525	896 School Place	\$ 10,700
8-165	1416 University Ave	\$ 9,500	4--25	815 Dousman St	\$ 8,100
8-166	1420 University Ave	\$ 10,500	5--33	816 N Maple Ave	\$ 12,400
8-167	1424 University Ave	\$ 8,900	5-102	715 N Chestnut Ave	\$ 9,200
8-172	1440 University Ave	\$ 12,900	5-613	323-25 N Ashland	\$ 9,600
8-173	1444 University Ave	\$ 13,600	5-918	510 N Chestnut Ave	\$ 47,200
8-174	1448 University Ave	\$ 14,800	5-973	522-24 N Maple Ave	\$ 13,100
8-408	1577 Charles St	\$ 15,600	5-1006	409 N Maple Ave	\$ 13,100
8-576	1341-43 University Ave	\$ 13,400	5-1007	415 N Maple Ave	\$ 13,100
8-611	1333 University Ave	\$ 17,800	5-1033	516 N Ashland Ave	\$ 13,100
8-612	1337 University Ave	\$ 12,100	5-1101	712 Bond St	\$ 16,500
8-613	1339 University Ave	\$ 12,600	5-1402	886 Division St	\$ 17,600
9-109	1014-16 Pine St	\$ 37,300	6-86-A	1428 Dousman St	\$ 37,600
9-110	1008-10 Pine St	\$ 37,300	18-491	913 N Chestnut	\$ 5,800
14-86	1100-02 Pine St	\$ 24,900	18-795-A	967 Holzer St	\$ 21,500
14-898	1009 Crooks St	\$ 21,700			
	Total	338,600		Total	357,300

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT LOW-RENT HOUSING PROGRAM COMPUTATION OF PAYMENTS IN LIEU OF TAXES	TYPE OF PROJECT (S) <input checked="" type="checkbox"/> LHA Owned Rental Housing <input type="checkbox"/> LHA Owned Homeownership <hr/> FOR FISCAL YEAR ENDED: <p style="text-align: center;">12/31/2024</p>
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NAME OF LOCAL HOUSING AUTHORITY <p style="text-align: center;">Green Bay Housing Authority Properties LLC</p>	CONTRACT NUMBER <p style="text-align: center;">C-830</p>
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ADDRESS <p style="text-align: center;">100 N. Jefferson St. Rm. 608 Green Bay, WI 54301</p>	PROJECT NUMBER (S) <p style="text-align: center;">WI-74-2</p>
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COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110).....	634,662.00	
2. Excess Utilities (Account 3120).....		
3. Nondwelling Rental (Account 3190).....		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712).....		
5. Nonroutine Maintenance Reserve (Account 7714).....		
6. Total Rental or homebuyers Payments Charged (Lines 1 to 5).....		634,662.00
7. Total Utilities Expense (Accounts in 4300 group).....		19,634.56
8. SHELTER RENT CHARGED (Line 6 minus Line 7).....		615,027.44

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year		
10. Total of Lines 8 and 9.....		
Deductions:		
11. Collection Losses (Account 4570) during current fiscal year.....		
12. Accounts Receivable (Account 1122 or 1124) at end of year.....		
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)		

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)
City of Green Bay	695,900	7.582	5,276.31

14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))..... 5,276.31

PAYMENTS IN LIEU OF TAXES

15. 4.5% of Line 8 or Line 13, whichever is applicable ^{1/} (see instructions on reverse side)...	27,676.23
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is greater).....	\$ 27,676

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? YES NO. If the answer is "yes", will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? YES NO. If the answer is "no", attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY: Name Stephanie Schmutzer	APPROVED BY: Name: Cheryl Renier-Wigg
Title Senior Accountant	Title: Executive Director Date: