

**VILLAGE OF THIENSVILLE
JOINT REVIEW BOARD
TAX INCREMENTAL DISTRICT NO. 2 CREATION
MINUTES**

DATE: Tuesday, September 1, 2020

LOCATION: 250 Elm Street
Thiensville, WI
and via Zoom

TIME: 4:30 PM

Due to the State of Wisconsin's Emergency Order #12 related to COVID-19, the meeting will be conducted using Zoom, an online meeting tool.

Contact the Village Administrator, Colleen Landisch-Hansen, at least 2 hours in advance of the meeting if you wish to attend via zoom by emailing her at

clandisch@village.thiensville.wi.us

Provide your name, address, email and phone number with your request to join the meeting.

I. CALL TO ORDER

Administrator Landisch-Hansen called the meeting to order at 4:30 PM.

II. ROLL CALL

Ozaukee County:	Rob Holyoke
Village & Secretary:	Colleen Landisch-Hansen
Mequon-Thiensville School District:	Sarah Viera
MATC:	Wilma Bonaparte
Citizen Member:	

III. BUSINESS

- A.** Consideration and Appointment of the Joint Review Board's Citizen Member
1. John Treffert, 184 Riveredge Court

MOTION by Member Holyoke, **SECONDED** by Administrator Landisch-Hansen to appoint John Treffert, 184 Riveredge Court, as Thiensville Joint Review Board Citizen Member. **MOTION CARRIED UNANIMOUSLY.**

- B.** Election of Chairperson

MOTION by Administrator Landisch-Hansen, **SECONDED** by Member Treffert for the Election of Rob Holyoke as Chairperson for the Joint Review Board. **MOTION CARRIED UNANIMOUSLY.**

- C.** Discuss Responsibilities of the Joint Review Board

Mr. Brian Roemer of Ehlers described the responsibilities of the Joint Review Board.

Member Treffert inquired as to the role of Joint Review Board i.e. being proactive working for the success of the TIF or purely as an oversight board. Mr. Roemer indicated that the role of the Joint Review Board is both of those. The overlying taxing jurisdictions that are forfeiting their increment revenues would certainly hope to be voting for things that benefit the area. They want the TID to be successful. Regarding acting as an oversight, the Joint Review Board is an oversight board voting yes or no regarding creation of the District and then at closure making sure funds are handled appropriately. Oversight happens on an annual basis. More or less the success part happens at the first creation while understanding the goals of the District and, ultimately, where the proposed revenues would be used. The Village Board will be making the decision on how to appropriate the funds addressing the projects in the Project Plan. This Plan can be amended up to four times during the life of the TID.

D. Discuss and Review Project Plan

Mr. Roemer presented the Project Plan for the Creation of Tax Incremental District No. 2 dated August 25, 2020.

The District map, found on page 6 of the Project Plan, includes 17 parcels starting from east on Green Bay Road extending along Freistadt Road to Williamsburg Drive. Member Holyoke noted inconsistencies comparing the Preliminary Parcel List and Analysis to the map regarding the parcel reference numbers. This will be corrected. The map correctly identifies the parcels that are included in the District.

The District includes a known development as well as additional development in the surrounding area. Right now the Village has before them development for lot 5 (indicated on the map) which is a mixed multi-family and retail development. With that, there are certain project costs associated with that lot that the Village would like the increment revenues to support.

A proforma analysis was conducted to look at how much the Developer can afford as well as any assistance that the Developer is looking for in order to complete the project. The Developer is looking to get a certain rate of return on the project that is comparable to other projects in the same market and are looking at an additional incentives. Projects of this type typically need to provide a return in the range of 12% to 15% to attract the necessary investment capital. The Developer has requested that the Village provide incentive payments on a pay as you go basis with an estimated present value of \$2.0 million. Projected future value payments are \$3.28 million. Provisions of the requested assistance would improve the Project's return on investment to 11.7%.

A pay as you go basis eliminates the risk to the Village by asking the Developer to essentially wait for these payments instead of getting \$2.0 million upfront from the Village. The Developer will borrow from a third party lender to get this money. If the project performs and gets the increment value to a certain level, the Village provides these benefits back in the form of cash incentives; 60% of the increment revenue each year would go back to the Developer up to \$3.28 million over the life of the District.

This District is being created as a blight district which allows for 27 years of recouping increment revenues. The District right now is projected to close within 25 of those allowable 27 years.

A Developer's Agreement will be forthcoming from the Village. In addition to that, there are certain infrastructure improvements in the District that the Village will be looking to complete i.e. water main work, street lights, streetscaping and burying of overhead utilities. This is all shown to be completed around 2023. The Village wishes to use this increment to pay for those project costs and also to redevelop the area. Certain property acquisitions are being considered as well.

As the cash flow shows, the main mixed-use development will take on the majority of these project costs. Other areas of development have been identified ultimately getting to the \$36 million of increment value – this creates about \$16.4 million in increment revenues.

Outside of the incentive payment, in order to take on the additional project costs, there is a financing plan in place. It is reasonable to expect that market conditions change and certain other financing vehicles may be necessary at the time of issuance to take on these projects so it stands to reason that state programs may be more attractive at that time, however, at this point a plan has been put together with G.O. Bonds and State Trust Fund Loans.

The costs associated with Ehlers is also paid for from the District on an annual basis.

The Walgreens site is the primary source of this proposed District with hopefully other areas being improved. Administrator Landisch-Hansen shared that this site has already gone through the process of getting a land use amendment and has been rezoned.

E. Set Next Meeting Date

The next meeting is scheduled for Monday, October 12, 2020 at 1:00 PM.

IV. ADJOURNMENT

MOTION by Member Viera, **SECONDED** by Member Bonaparte to adjourn the meeting at 4:55 PM. **MOTION CARRIED UNANIMOUSLY.**

Submitted by,



Amy L. Langlois
Village Clerk

Approved by,



Colleen Landisch-Hansen
Administrator