Joint Review Board

335 South Broadway
De Pere, WI 54115
http://www.de-pere.org

Regular Untelevised

Agenda

Wednesday, September 19, 2018	9:30 AM	De Pere City Hall Riverview Room

Pursuant to Wisconsin Statutes 19.84, Notice is hereby given to the public that a meeting of the **Joint Review Board** of the City of De Pere will be held on **September 19, 2018** at **9:30 AM** in the **De Pere City Hall Riverview Room, 335 S. Broadway, De Pere, WI 54115.**

Call to Order

1. Roll Call
2. Approval of the minutes of the August 21, 2018 Joint Review Board meeting.
3. Review City Resolution #18-92, Recommending adoption of the Project Plan for the creation of Tax Increment Financing District #14.
4. Resolution #JRB 18-01, Approving Establishing the Boundaries of and Approving the Project Plan for Tax Incremental Financing District Number 14, City of De Pere, Wisconsin.

Adjournment

Notice is hearby given that a majority of the members of the Common Council of the City of De Pere may attend this meeting to gather information about a subject(s) over which they have decision-making responsibility.

Any person wishing to attend this meeting, who, because of disability, requires special accommodations should contact the Development Services Department at 339-4043 by noon the previous day so that arrangements can be made.

Agenda Sent To:
Joint Review Board Members
Alderpersons
City Administrator
Mayor
TV, Newspapers & Radio Stations
Kress Family Library
De Pere Chamber of Commerce

City of De Pere, Wisconsin

Request For Joint Review Board Action

MEETING DATE: September 19, 2018

DEPARTMENT: Planning

FROM: Kelly Barker

SUBJECT: Approval of the minutes of the August 21, 2018 Joint Review Board meeting.

ATTACHMENTS:

- JRB_Aug2018_Minutes_Draft (PDF)

Joint Review Board

335 South Broadway
De Pere, WI 54115
http://www.de-pere.org

Regular Untelevised

Draft Minutes

Tuesday, August 21, 2018	9:00 AM	Riverview Conference Room

Call to Order

The meeting was called to order at 9:00 AM by Mayor Michael J. Walsh

Attendee Name	Title	Status	Arrived
Michael J. Walsh	Mayor	Present	
William Patzke	Board Member	Present	
Kevin Hanson	Chairman	Excused	
Bob Mathews	Board Member	Present	
Dawn Foeller	Board Member	Present	
Chad Weininger	Board Member	Present	

Also present: Development Services Director Kim Flom, City Administrator Larry Delo and members of the public.

2. Introductions.

RESULT: DISCUSSED

3. Role of Joint Review Board.

Development Services Director Kim Flom reviewed the role of the Joint Review Board members as the decision-making body representing the local taxing district. She explained that it is the responsibility of the Joint Review Board to approve, deny, or amend the TID.

RESULT: DISCUSSED

4. Election of Chairperson and Appointment of Citizen Member District #14.

Bob Mathews moved, seconded by Chad Weininger, to nominate Mayor Walsh as chairperson. Upon vote, motion carried unanimously. Mayor Walsh moved, seconded by Bob Mathews, to nominate Bill Patzke as citizen member. Upon vote, motion carried unanimously.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Bob Mathews, Board Member
SECONDER:	Chad Weininger, Board Member
AYES:	Walsh, Patzke, Mathews, Foeller, Weininger
EXCUSED:	Kevin Hanson

5. Overview of Draft Proposed Project Plan and District Boundary for District #14.

Development Services Director Kim Flom reviewed the proposed project plan for TID #14, which is being created for the adaptive redevelopment of the historic Irwin School. It is a single property TID and is considered a blight TID due to the fact that the school has been vacant for the last 10-15 years. Kim reported that the existing building will be converted into 8 condominiums with an additional 12 townhomes being built on the site. Chad Weininger asked what the cost of the townhomes will be. Kim replied that the cost analysis is $280,000 but the developer has not finalized that cost yet. Bob Mathews questioned if the $280,000 price point would hold in this neighborhood. Kim remarked that they are highly desirable units and feels that it will not be too high of a price for this development. She noted that the consultant, Baird, is available to answer any questions. Bob Mathews asked if the asbestos has been cleared out yet and Kim replied that they have not started any work at the site yet. She reported that the developer is Milwaukee View, who is also responsible for the Whitney School project in Green Bay. Bob Mathews asked if the neighbors are excited for this project. Kim replied that about 6-8 property owners attended the August Plan Commission meeting, all in favor of the project, with the exception of one neighbor who was concerned about the density in the area. Dawn Foeller inquired about the timeline of the project. Kim answered that the developer has partnered with De Leers Construction and would like to start construction this year with more robust construction in 2019. Kim added that the City contribution total is $1.5 million. She reported that the next step is a public hearing at the August 27, 2018 Plan Commission meeting, followed with the Council resolution at the September 18, 2018 Council meeting. Mayor Walsh moved, seconded by Bob Mathews, to receive and place the item on file. Upon vote, motion carried unanimously.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Michael J. Walsh, Mayor
SECONDER:	Bob Mathews, Board Member
AYES:	Walsh, Patzke, Mathews, Foeller, Weininger
EXCUSED:	Kevin Hanson

6. Future Agenda Items.

   None.

7. Next Meeting Date/Time.

   The next JRB meeting will be held on September 19, 2018 at 9:30 am.

RESULT:	**DISCUSSED**

Adjournment

Mayor Walsh moved, seconded by Dawn Foeller, to adjourn the meeting at 9:18 AM. Upon vote, motion carried unanimously.

Respectfully submitted,

Kelly Barker

City of De Pere, Wisconsin

Request For Joint Review Board Action

MEETING DATE:	**September 19, 2018**
DEPARTMENT:	**Planning**
FROM:	**Kelly Barker**
SUBJECT:	**Review City Resolution #18-92, Recommending adoption of the Project Plan for the creation of Tax Increment Financing District #14.**

ATTACHMENTS:

- Reso18-92 (DOCX)
- ResoPC18-01_Signed (PDF)

RESOLUTION #18-92

ESTABLISHING THE BOUNDARIES OF AND
APPROVING THE PROJECT PLAN FOR TAX INCREMENTAL
FINANCING DISTRICT NUMBER 14, CITY OF DE PERE, WISCONSIN

WHEREAS, pursuant to the direction of the Common Council and with its advice and consent, the Plan Commission of the City of De Pere has taken all steps required by Wis. Stats. §66.1105 for the creation of a Tax Incremental Financing District as provided in Resolution #PC18-01 of the Plan Commission of the City of De Pere Recommending Adoption of the Proposed Boundaries of Tax Incremental Financing District #14 and the Adoption of the Tax Incremental Financing District #14 Project Plan, attached hereto and incorporated herein as Exhibit A; and

WHEREAS, in accordance with all the recitations and findings in the above-referenced Resolution of the Plan Commission and the Common Council being aware of all proceedings of the Plan Commission in regard to the creation of Tax Incremental Financing District #14, including the public hearing held thereon before the Plan Commission on August 27, 2018 at 7:00 p.m., the Common Council wishes to adopt this Resolution;

NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:

1. The boundaries of the District that shall be named Tax Incremental District Number 14, City of De Pere (TID #14) are hereby established as specified in the Project Plan, Tax Incremental District No. 14, in the City of De Pere, Wisconsin, attached and incorporated herein as Exhibit B. The boundaries of the District do not include any annexed territory that was not within the boundaries of the City on January 4, 2004, and contain only whole units of property as are assessed for general property tax purposes.

2. The District is created as of January 1, 2018.

3. The Common Council finds and declares that:

   A. Not less than 50% of the real property within TID #14 is a “blighted area” Wis. Stats. §66.1105(2)(ae) and is suitable for rehabilitation work as defined in Wis. Stats. §66.1337(2m).
   B. Based upon such findings and the identification and classification of the property in the district, TID #14 is declared to be a blight or rehabilitation district.
   C. The improvement of such area is likely to enhance significantly the value of the District.
   D. The private development activities projected in the Project Plan would not occur without tax incremental financing.
   E. The equalized value of the taxable property in TID #14 plus the value increment of all other existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
   F. The project plan costs directly relate to promoting rehabilitation and residential development in TID #14 consistent with the purpose for which TID #14 is created.
   G. The project plan is feasible and in conformity with the Master Plan of the City of De Pere (the City of De Pere Comprehensive Plan of 2010).

4. The Common Council, pursuant to Wis. Stats. §66.1105(4)(gm), hereby adopts and approves the Project Plan for TID #14, a copy of which is attached to Resolution #PC18-01 and is incorporated herein as is fully set forth.

BE IT FURTHER RESOLVED THAT:

The Development Services Director is authorized and directed to take all actions reasonably necessary to transmit to the Joint Review Board the public records, planning documents, and this Resolution with all deliberate haste.

BE IT FURTHER RESOLVED THAT:

The Development Services Director is authorized and directed to schedule a meeting of the Joint Review Board not less than 10 days nor more than 30 days after their receipt of this Resolution for the purpose of considering the approval of this Resolution and the creation of TID #14, City of De Pere.

BE IT FURTHER RESOLVED THAT:

Upon approval of TID #14, City of De Pere and pursuant to Wis. Stats. §§66.1105(4)(k), the City Assessor is authorized and directed to calculate the value of the properties within TID #14, City of De Pere, as of the date of creation of such Tax Incremental Financing District of all relevant tax exempt city owned property within such District; further, that the City Clerk-Treasurer is authorized and directed pursuant to Wis. Stats. §66.1105(5)(b), to send an application to the Wisconsin Department of Revenue for certification of the Tax Incremental Financing District base.

BE IT FURTHER RESOLVED THAT:

All City officials, officers and employees are authorized and directed to take such steps as are lawful and necessary in furtherance thereof.

Adopted by the Common Council of the City of De Pere, Wisconsin, this 18th day of September, 2018.

APPROVED:

____
Michael J. Walsh, Mayor

ATTEST:

____
Shana D. Ledvina, Clerk-Treasurer

Ayes:______

Nays:______

PLAN COMMISSION
RESOLUTION #PC 18-01

RECOMMENDING ADOPTION OF THE PROPOSED BOUNDARIES OF TAX INCREMENTAL FINANCING DISTRICT #14 AND THE ADOPTION OF THE TAX INCREMENTAL FINANCING DISTRICT NUMBER 14 PROJECT PLAN

WHEREAS, the proposed project plan for Tax Incremental Financing District Number 14 (TID #14) was filed with the City Clerk-Treasurer on August 13, 2018 and made available for inspection on weekdays between the hours of 8:00 a.m. and 4:30 p.m., and to any person requesting a copy thereof; and

WHEREAS, a public hearing was scheduled pursuant to Wis. Stats. §66.1105(4)(e), which was held on August 27, 2018, affording interested parties a reasonable opportunity to express their views on the boundaries of the District and proposed project plan as provided at Wis. Stats. §66.1105(4)(a) and (e); and

WHEREAS, notice of such hearing was published by Class 2 publication in the City's official newspaper on August 13, 2018 and August 20, 2018; and

WHEREAS, a meeting pursuant to Wis. Stats. §66.1105(4)(m) of a Joint Review Board within fourteen (14) days after the publication of the first notice of the above-referenced public hearing was held on August 21, 2018; and

WHEREAS, at the above-referenced public hearing scheduled at the City Hall Council Chambers on August 27, 2018 at 7:00 p.m., the Plan Commission heard all interested parties, their agents and attorneys, regarding the plan for said District and the boundaries thereof and determined that the proposed TID #14 as proposed in the project plan and the boundaries of such District are in conformity with the City's Comprehensive Plan and are in the best interests of the City in order to foster logical and economic development and further that the private development activities projected would not otherwise occur without tax incremental financing in that part of the City.

NOW THEREFORE, BE IT HEREBY RESOLVED, by the Plan Commission of the City of De Pere, Wisconsin, that:

> The Plan Commission of the City of De Pere hereby recommends the designation of the District boundaries for Tax Incremental Financing District Number 14, City of De Pere, as those boundaries which are set forth in the project plan for such District, a copy of which is annexed hereto and incorporated herein as if fully set forth.

BE IT FURTHER RESOLVED THAT:

> The Plan Commission of the City of De Pere hereby adopts the project plan or Tax Incremental Financing District Number 14, City of De Pere, as prepared and presented by Robert W. Baird & Co. and City staff; further, that such project plan is hereby submitted to the Common Council of the City of De Pere in accordance with Wis. Stats. §66.1105(4)(f).

Adopted by the Plan Commission of the City of De Pere, Wisconsin, this 27th day of August, 2018.

APPROVED:

James Boyd, Alderperson
Plan Commission Vice-Chair

Ayes: 5

Nays: 0

City of De Pere, Wisconsin

Request For Joint Review Board Action

MEETING DATE:	**September 19, 2018**
DEPARTMENT:	**Planning**
FROM:	**Kimberly Flom**
SUBJECT:	**Resolution #JRB 18-01, Approving Establishing the Boundaries of and Approving the Project Plan for Tax Incremental Financing District Number 14, City of De Pere, Wisconsin.**

The public hearing for the creation of TID #14 was held at the Plan Commission meeting on August 27, 2018. Staff provided a brief overview of the proposed district boundary and project plan. No members from the public provided comment. After the public hearing, the Plan Commission voted 5-0 to adopt a resolution of approval for the proposed project plan and district boundary.

The Common Council is reviewing the Plan Commission Resolution and a Council Resolution for the creation of TID #14 on September 18, 2018.

ATTACHMENTS:

- ResoJRB18-01 (DOCX)
- TID 14 Project Plan Final (PDF)

JOINT REVIEW BOARD
RESOLUTION #JRB 18-01

APPROVING ESTABLISHING THE BOUNDARIES OF AND APPROVING THE PROJECT PLAN FOR TAX INCREMENTAL FINANCING DISTRICT NUMBER 14, CITY OF DE PERE, WISCONSIN

WHEREAS, the City of De Pere Joint Review Board on Tax Incremental Financing District No. 14, (the "Joint Review Board"), having been convened pursuant to Wis. Stats §66.1105(4m) for the purpose of reviewing Establishing the Boundaries of and Approving the Project Plan for Tax Incremental Financing District No. 14; and

WHEREAS, the Joint Review Board, met on September 19, 2018, considered the public record and all documents and planning materials presented, including the Common Council Resolution #18-92, Establishing the Boundaries of and Approving the Project Plan for Tax Incremental Financing District Number 14; and

NOW THEREFORE BE IT HEREBY RESOLVED by the City of De Pere Joint Review Board on Tax Incremental Financing District No. 14 that:

1. The Boundary and Project Plan for City of De Pere Tax Incremental District No. 14 (TID #14) is approved, it being specifically found that the requirements of Wis. Stats. §§66.1105(4m) having been complied with; and further, in the judgment of the Joint Review Board, the development described in the documents reviewed by the Board would not occur without the creation of the Tax Incremental District.

2. The Joint Review Board also finds that the economic benefits of TID #14, as measured by increased housing and property values are sufficient to compensate for the cost of the improvements contemplated in such plan.

3. The Joint Review Board further finds that the benefits of the plan outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

4. The Joint Review Board approves De Pere Common Council Resolution #18-92, Establishing the Boundaries of and Approving the Project Plan for Tax Incremental Financing District Number 14.

5. This Resolution be forwarded to the De Pere Common Council within 7 days of the date of this Resolution.

Dated this 19th day of September, 2018.

CITY OF DE PERE JOINT REVIEW BOARD
ON TAX INCREMENTAL FINANCING DISTRICT NO. 14

____
Chad Weininger
Brown County

____
Dawn Foeller
Unified School District of De Pere

____
Bob Mathews
Northeast Wisconsin Technical College

____
Michael J. Walsh, Mayor
City of De Pere

____
William Patzke
Public Member

Project Plan

Tax Incremental District No. 14

in the

CITY OF DE PERE, WISCONSIN

September 11, 2018

(anticipated approval schedule)

Organizational Joint Review Board Meeting Held.....................................August 20, 2018

Public Hearing Held...’............................August 27, 2018

Adopted by Planning Commission..August 27, 2018

Adopted by City Council..September 18, 2018

Approved by Joint Review Board..September 19, 2018

Prepared by:

Robert W. Baird & Co.
Public Finance
777 E. Wisconsin Ave.
Milwaukee, WI 53202
800.792.2473

Table of Contents

City of De Pere Officials

Common Council

Michael Walsh	Mayor
James Boyd	Alderperson – District 1
Lawrence Lueck	Alderperson – District 1
Jonathon Hansen	Alderperson – District 2
Ryan Jennings	Alderperson – District 2
Scott Crevier	Alderperson – District 3
Dean Raasch	Alderperson – District 3
Daniel Carpenter	Alderperson – District 4
Casey Nelson	Alderperson – District 4

City Staff

Lawrence Delo	City Administrator
Judith Schmidt-Lehman	City Attorney
Kimberly Flom	Development Services Director
Shana Ledvina	City Clerk-Treasurer
Joseph Zegers	Finance Director

Planning Commission

Michael Walsh, Mayor	Amy Kundinger
James Boyd, Alderperson	Grant Schilling
Lawrence Lueck, Alderperson	Steven Taylor
Derek Beiderwieden	

Joint Review Board

Michael Walsh, Mayor	City Representative
Chad Weininger	Brown County
Bob Matthews	Northeast WI Technical College
Dawn Foeller	Unified School District of De Pere
Bill Patzke	Public Member

Introduction and Description of District

The City plans to use Tax Incremental Financing ("TIF") as a successful economic development programming tool by providing public improvements to encourage and promote industrial, commercial and residential development. The goal is to increase the tax base, to provide for and preserve employment opportunities within the City, and to create and enhance tourism opportunities with the area and region. The City works with developers and property owners to provide infrastructure improvements and incentives for development. Public infrastructure and property improvements will be financed by a combination of TIF increments and debt financing.

Tax Incremental District No. 14 (the "TID") is being created to redevelop 428 N. Superior Street (Irwin School) an existing building located near our downtown. The building, constructed in 1924 and later renovated into offices in the late 1980's, has been vacant for 10+ years. The Irwin School is listed on both the state and national historic registers and is also part of the North Michigan Street/North Superior Street Historic District. A developer which specializes in residential development with a particular niche for adaptive reuse of historic buildings is interested in acquiring the property and renovating the structure into apartments and then building townhomes on the balance of the property. This redevelopment would be a great fit for this neighborhood block as the City sees a demand for housing. The project helps fill that need while preserving a historic and character-filled building that has been a neighborhood fixture.

The Irwin School property is located on city parcel number ED-477 with an assessed valuation of $574,200. Renovation of the school into 8 condominiums is estimated at cost of $1,800,000 and the construction of 12 townhomes is estimated at cost of $2,700,000. Estimated assessed valuation of the property following renovation would be $5,074,200. The developer is requesting TID assistance of approximately $1,500,000 which would be financed through a taxable general obligation debt borrowing. TID Assistance would be provided in the form of site assembly and a series of developer grant payments at specific project milestones. Due to the costs of renovating a historic structure, the project does not financially perform without the TID assistance. The developer needs to put up significant upfront capital for the development of the historic school structure and residential units inside.

The TID is being created as a "Blight or Rehabilitation District" The primary focus of this district is to promote redevelopment and rehabilitation of an historic existing structure and property for housing demand. The maximum life of the TID is 27 years from the date of adoption of the Creation

Resolution by the City Common Council and can be extended an additional 3 years with Joint Review Board approval.

The expenditure period is 22 years, and the City anticipates various public improvement project cost expenditures identified in the project plan of approximately $1,500,000 during the TID's expenditure period. The City is including in these project costs a contingency amount to cover any unanticipated costs that may occur related to public infrastructure needs, financing costs, capitalized interest and administrative and organization costs.

As a result of the creation of this TID, the City projects a preliminary and conservative cash flow analysis indicating $2.7M in increments. The TID increment will primarily be used to pay the debt service costs of the TID, with very little, if any, increment available as direct project incentives, unless the TID exceeds projections. The City projects land and improvement values (incremental value) of approximately $4.5M will be created in the TID by the end of 2020. This additional value will be a result of the improvements made and projects undertaken with the TID.

Maps depicting the boundaries and existing uses and conditions of the TID are found in the respective mapping sections of this project plan.

Summary of Findings

As required by s.66.1105 Wis. Stats., and as documented in this Project Plan and the exhibits contained and referenced herein, the following findings are made:

1. That "but for" the creation of this TID, the development projected as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In making this determination, the City has considered the following information:

   - Development within the TID has not occurred at the pace anticipated by the City. Infrastructure and other development related expenses are not likely to be borne exclusively by private developers; therefore, the City has concluded that public investment will be required to fully achieve the City's objectives for this area.

   - To achieve its objectives, the City has determined that it must take an active role in encouraging development by making appropriate public expenditures in the area. Without the availability of tax increment financing, these expenditures are unlikely to be made. Enhancement of this area will complement existing venues in the neighborhood, promote housing, and benefit, not only the City, but all overlapping taxing jurisdictions. Accordingly, the costs to implement the needed projects and programs are appropriately funded through tax increment financing.

- In order to make the area included within the TID suitable for development, the City will need to make a substantial investment to pay for the costs of some or all of the projects listed in the project plan. Due to the public investment that is required, the City has determined that development of the area will not occur at the pace or levels desired solely as a result of private investment.

2. The economic benefits of the Tax Incremental District, as measured by increased housing and property values, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered the following information:

   - As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected and the debt issuance will be more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.

   - Since the development expected to occur is unlikely to take place without the use of Tax Incremental Financing (see Finding #1) and since the TID will generate economic benefits that are more than sufficient to compensate for the cost of the improvements (see Finding #2), the City reasonably concludes that the overall benefits of the TID outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the "but for" test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the TID is not created.

4. The improvements to be made within the TID are likely to significantly enhance the value of substantially all other real property in the neighborhood surrounding the TID.

5. The equalized value of taxable property of the TID does not exceed 12% of the total equalized value of taxable property within the City.
6. The Project Plan for the TID is feasible and is in conformity with the master plan of the City.

7. 0.0% of territory within the TID will be devoted to retail business. See map for reference on next page.

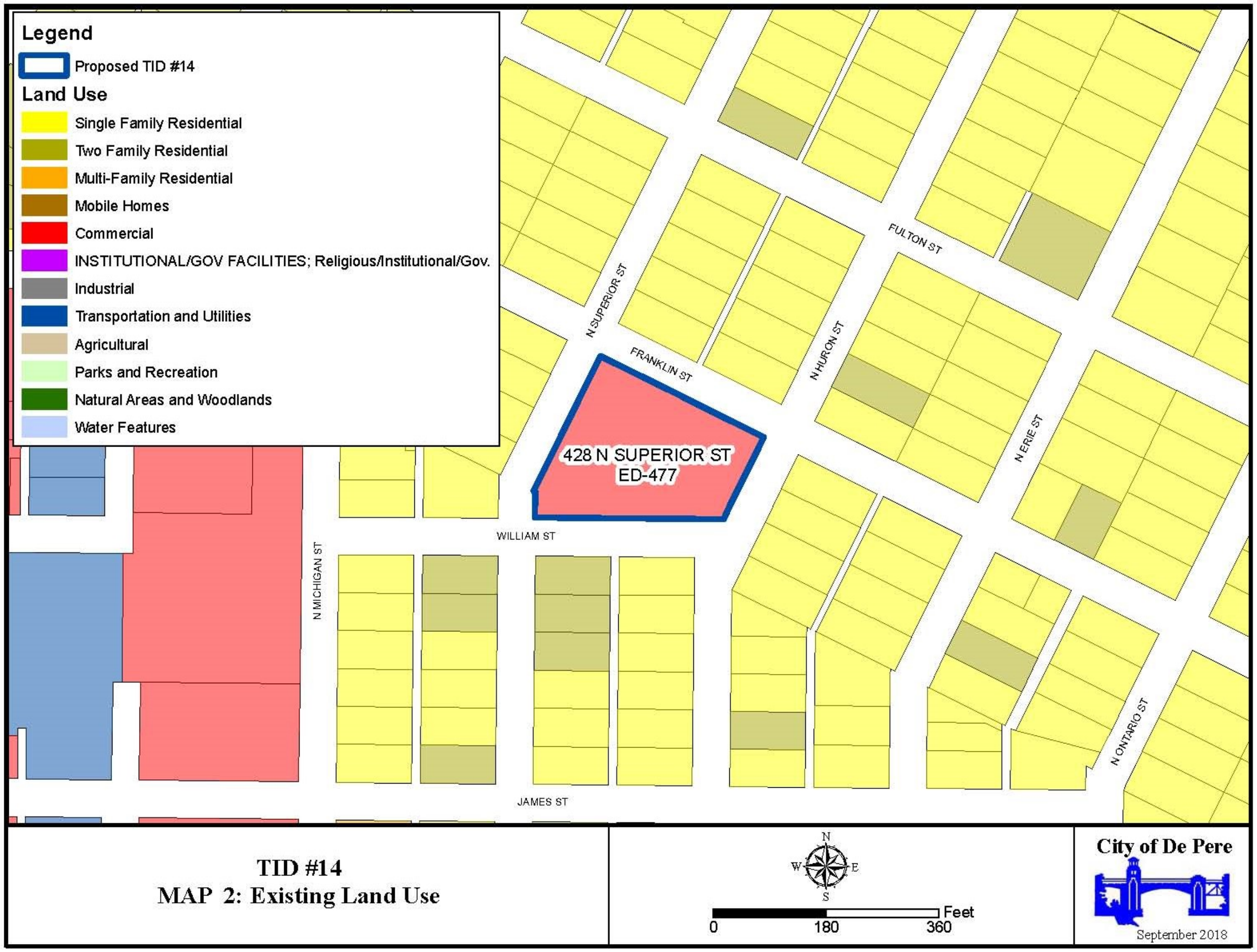
8. The TID is being created by the City as a Blight or Rehabilitation District. This project plan has met the definition and requirements for a Blight and Rehabilitation District. 50% or more of the proposed district's area has a structure or building that is because of age and obsolescence is in need of blight elimination and rehabilitation.

Map of Proposed District Boundary

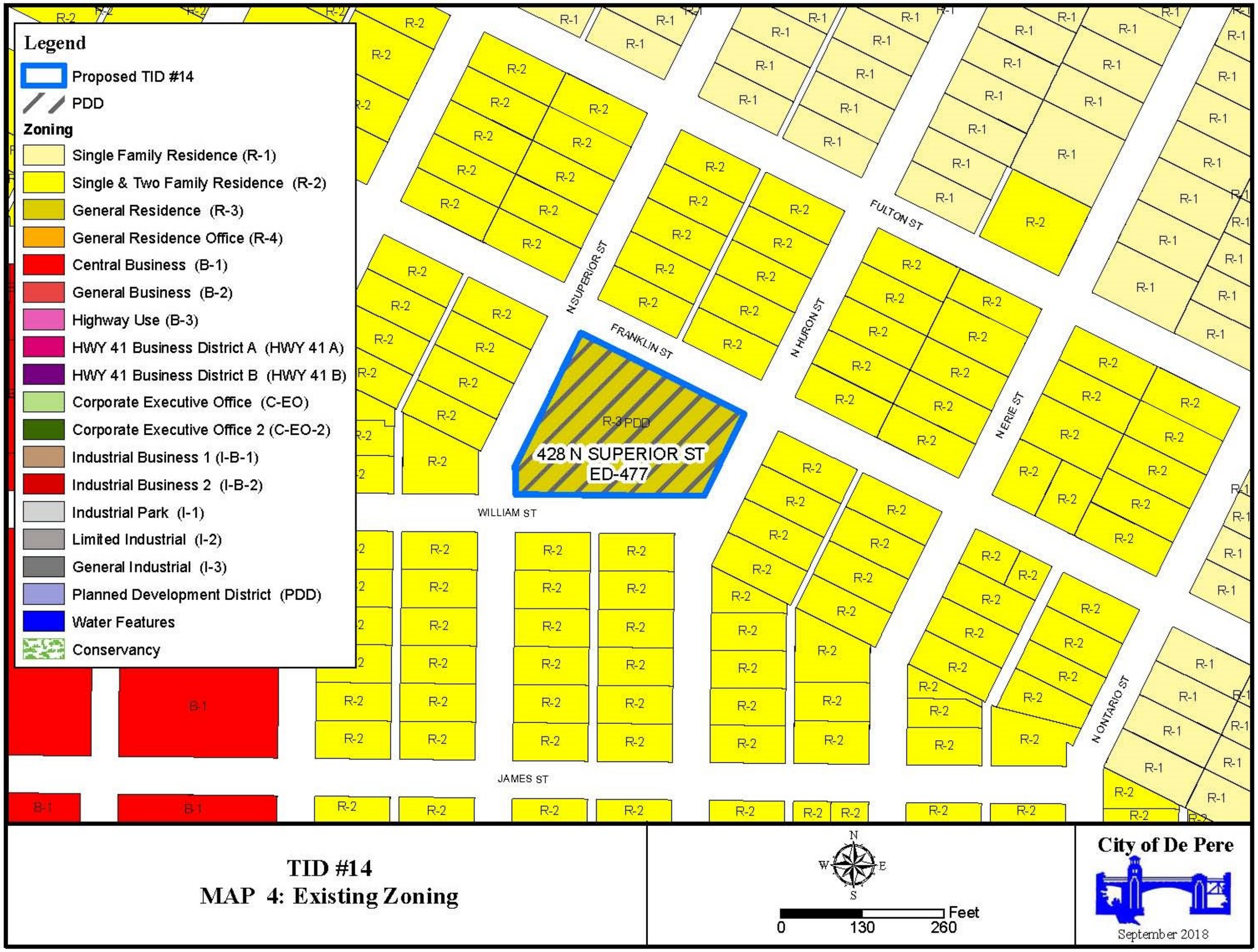
Current Map is reflective of the 01/01/2018 parcel list.

Maps Showing Existing Uses and Conditions

Current Maps are reflective of the 01/01/2018 parcel list.



City of De Pere
TID #14 Project Plan



Preliminary Parcel List and Analysis

As of the 01/01/2018 parcel list.

Parcel Number: ED-477

Valuation: $574,200

Equalized Valuation Test

The following calculations demonstrate that the City is in compliance with s.66.1105(4)(gm)4.c. Wis. Stats., which requires that the equalized value of the taxable property in the proposed TID, plus the value increment of any existing Tax Incremental Districts, does not exceed 12% of the total equalized value of taxable property within the City. With TID#14, the value increment of all existing Tax Increment Districts will be approximately 7.04%.

Valuation Test Compliance Calculation

2017 Equalized Valuation (TID IN)	$ 2,117,615,700
Limit for 12% Test	$ 254,113,884
Increment Value of Existing TIDs	$ 148,533,200
Projected Base Value of New TID	$ 574,200
Total Value Subject to Test	$ 149,107,400
Compliance ($149,107,400 < $254,113,884)	Meets Requirement

Statement of Kind, Number and Location of Proposed Projects

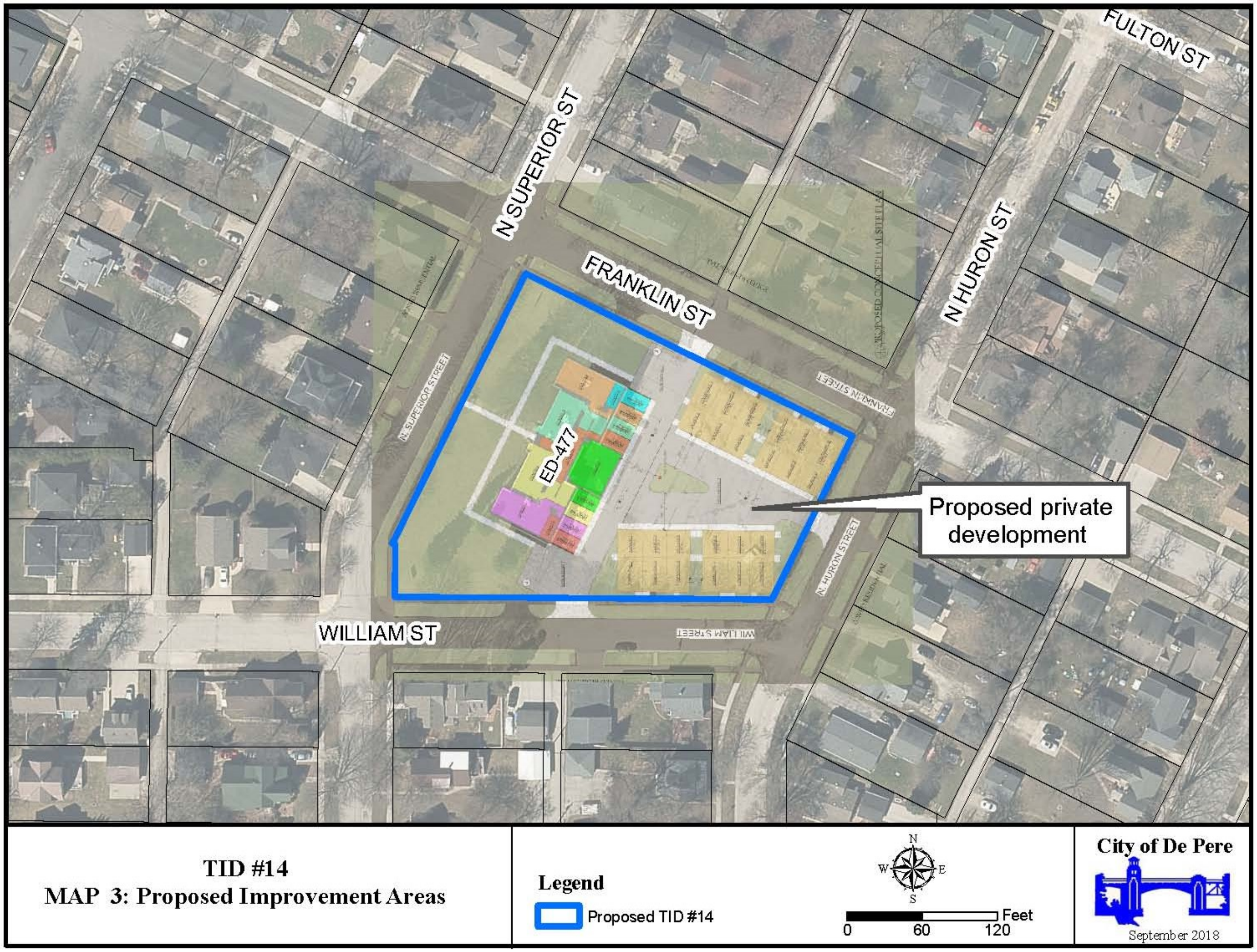
The City expects to implement the following public project improvements in conjunction with this TID. Any costs including eligible administrative costs necessary or convenient to the creation of the district or directly or indirectly related to the public works and other projects are considered "project costs" and eligible to be paid with tax increment revenues of the TID.

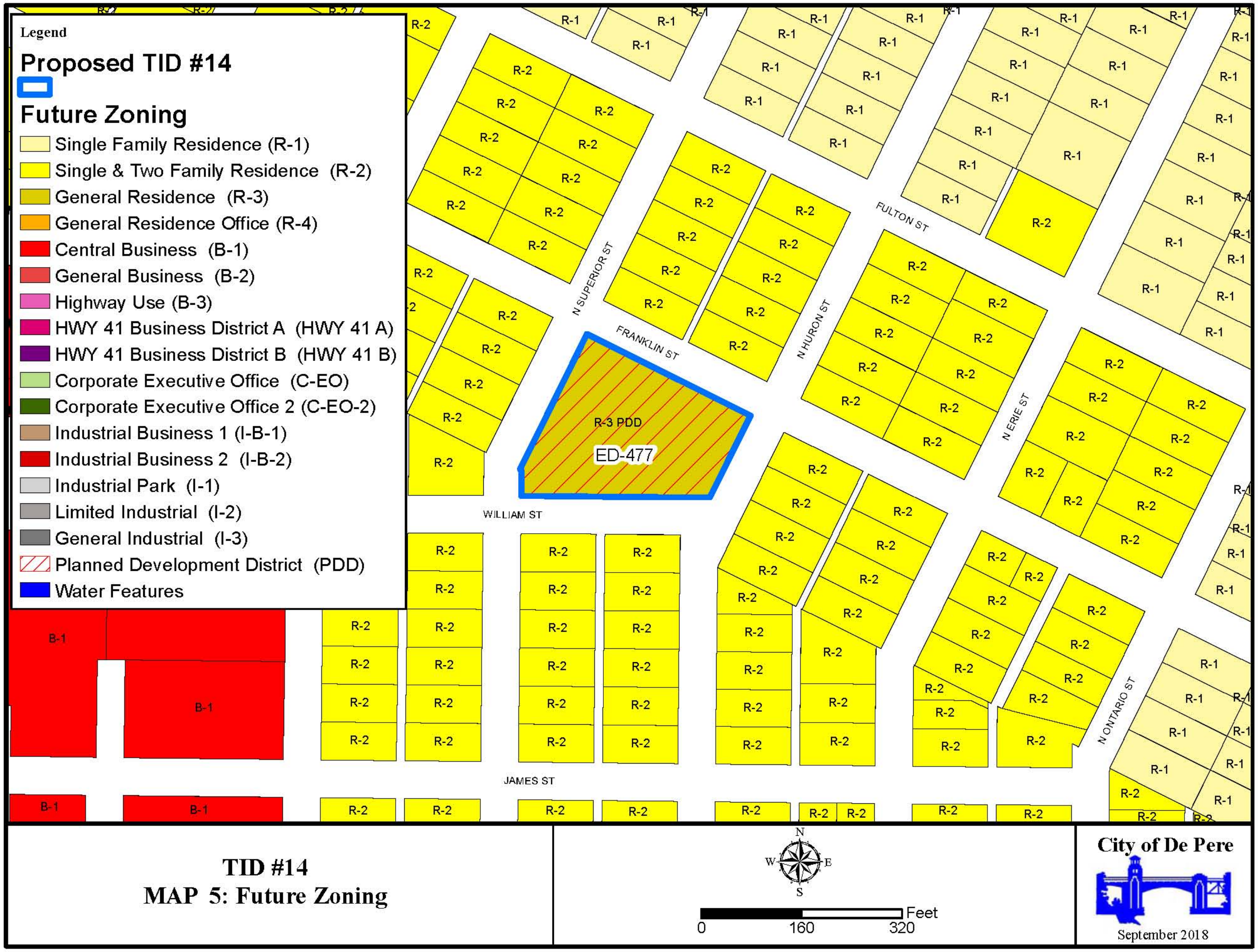
IRWIN SCHOOL PROPERTY RENOVATION DEVELOPER ASSISTANCE
LOCATION: ENTIRE TID

T*OTAL: $1,500,000*

DESCRIPTION: Renovation of Irwin school into 8 condominiums and the construction of 12 townhomes on the balance of the property to meet a City need for housing and the preservation of a historic and character-filled building that has been a neighborhood fixture.

Maps Showing Proposed Improvements and Uses




Legend
Proposed TID #14
Future Zoning
Single Family Residence (R-1)
Single & Two Family Residence (R-2)
General Residence (R-3)
General Residence Office (R-4)
Central Business (B-1)
General Business (B-2)
Highway Use (B-3)
HWY 41 Business District A (HWY 41 A)
HWY 41 Business District B (HWY 41 B)
Corporate Executive Office (C-EO)
Corporate Executive Office 2 (C-EO-2)
Industrial Business 1 (I-B-1)
Industrial Business 2 (I-B-2)
Industrial Park (I-1)
Limited Industrial (I-2)
General Industrial (I-3)
Planned Development District (PDD)
Water Features
FULTON ST
FRANKLIN ST
N SUPERIOR ST
N HURON ST
N ERIE ST
N ONTARIO ST
WILLIAM ST
JAMES ST
R-3 PDD
ED-477
TID #14
MAP 5: Future Zoning
N
S
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0
160
320
City of De Pere
September 2018

Detailed List of Project Costs

IRWIN SCHOOL PROPERTY RENOVATION DEVELOPER ASSISTANCE	$1,500,000
Total	**$1,500,000**

The renovation cost is based on current prices and preliminary estimates. The City reserves the right to increase this cost to reflect inflationary increases and other uncontrollable circumstances between creation of the TID and the time of construction. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

This Plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The City retains the right to delete or pursue future projects listed in the prior paragraph, and shown on the map, or change the scope and/or timing of projects implemented as they are individually authorized by the City Common Council, without amending the Plan.

The Plan authorizes the expenditure of funds for project costs within a 1/2 mile radius of the TID boundary.

Economic Feasibility

The information and exhibits contained within this project plan demonstrate that the proposed TID is economically feasible insofar as:

- The City has available to it the means to secure the necessary financing required to accomplish the projects contained within this Plan. A listing of "Method of Financing and Timing of When Costs are to be Incurred" follows.

- The development anticipated to occur as a result of the implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects. This Plan identifies the following: 1) the development expected to occur, 2) a projection of tax increments to be collected resulting from that development and other economic growth within the TID, and 3) a cash flow model demonstrating that the projected tax increment collections and all other revenues available such as debt issuance will be sufficient to pay all Project Costs.

In order to evaluate the economic feasibility of TID#14 it is necessary to project the amount of tax revenue that can be reasonably generated over the legal life of the TID. Included in Exhibit A is a proforma analysis of TID#14. The proforma analyzes expenses based on project plan costs of TID#14 against projected TID revenue. Tax revenue is conservatively estimated. Cash received from future TID#14 tax increments will be used to fund project costs and implementation of this Plan will also require that the City issue debt obligations to provide direct or indirect financing for the Projects to be undertaken. In 2046, the final year of revenue collection for the TID, it is projected to have repaid all expenditures and is left with a positive surplus balance.

Method of Financing and Timing of When Costs are to be Incurred

The city plans to fund project costs with cash received from future TID#14 tax increments. Implementation of this Plan will also require that the City issue obligations to provide direct or indirect financing for the Projects to be undertaken. The following is a list of the types of obligations the City may choose to utilize.

<u>General Obligation (G.O.) Bonds or Notes</u>
The City may issue G.O. Bonds or Notes to finance the cost of Projects included within this Plan. Wisconsin Statutes limit the principal amount of G.O. and State Trust Fund Loan debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values).

<u>Board of Commissioners of Public Lands State Trust Fund Loans</u>
The City may issue State Trust Fund Loans to finance the cost of Projects included within this Plan. Wisconsin Statutes limit the principal amount of State Trust Fund Loan and GO debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values).

<u>Bonds Issued to Developers ("Pay as You Go" Financing)</u>
The City may issue a bond to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the City's obligation is

limited to not more than the agreed percentage of the actual increments collected. Bonds issued to developers in this fashion are not general obligations of the City and therefore do not count against the City's borrowing capacity.

Federal/State Loan Grant Programs

The State and Federal Government often sponsor grant and loan programs that municipalities may potentially use to supplement TID expenditures or provide financing for capital costs which positively impact the District. These programs include Wisconsin Community Development Block Grants, Rural Development Administration Community Facility Loan/Grants, Transportation Economic Assistance Grants, and Economic Development Administration Grants. These programs require local match funding to insure State and Federal participation in the project.

The actual amount of debt issuance will be determined by the City at its convenience and as dictated by the nature of the projects as they are implemented.

Plan Implementation

Projects identified will provide the necessary anticipated governmental services to the area, and appropriate inducements to encourage development of the area. The City anticipates making total project expenditures of approximately $1,500,000 to undertake the projects listed in this Project Plan. The Expenditure Period of this District is 22 years from the date of adoption of the Creation Resolution by the Common Council. The projects to be undertaken pursuant to this Project Plan are expected to be financed primarily with debt proceeds. The City reserves the right to alter the implementation of this Plan to accomplish this objective. Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax-exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities or other obligations are issued.

If financing as outlined in this Plan proves unworkable, the City reserves the right to use alternate financing solutions for the projects as they are implemented.

Annexed Property

There are no lands proposed for inclusion within the TID that were annexed by the City on or after January 1, 2004.

Proposed Changes in Zoning Ordinances

The City anticipates that the TID will require a change in zoning ordinances to implement this project plan. The current property in the TID is zoned B2 with a Planned Development District (PPD) overlay because the school had been converted to offices in the past. The City is recommending rezoning the property to R3 and then applying for a PDD. The PDD will provide flexibility for the setbacks (unique based on the existing building and proposed townhomes) and will also allow for architectural review of the townhomes to ensure compatibility with the existing neighborhood.

Proposed Changes in Master Plan, Map, Building Codes and Town Ordinances

The City does not anticipate that the TID will require any changes in the master plan, map, building codes, and City ordinances to implement this project plan.

Relocation

The City does not anticipate the need to relocate persons or businesses in conjunction with this Plan. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the City will follow applicable state statues as required in Wisconsin Statutes Chapter 32.

Orderly Development of the City

Creation of the TID will enable the City to undertake projects in furtherance of the stated objectives of its Comprehensive Plan and other planning documents. To this extent, creation of the TID promotes the orderly development of the City.

A List of Estimated Non-Project Costs

Non-Project costs are public works projects that only partly benefit the TID or are not eligible to be paid with tax increment, or costs not eligible to be paid with Tax Incremental Financing funds. Examples would include:

- A public improvement made within the TID that also benefits property outside the TID. That portion of the total project costs allocable to properties outside of the TID would be a non-project cost.
- A public improvement made outside the TID that only partially benefits property within the TID. That portion of the total project costs allocable to properties outside of the TID would be a non-project cost.
- Projects undertaken within the TID as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

The City does not anticipate any non-project costs for the TID.

City Attorney Opinion

Exhibit B contains a signed opinion from the City attorney advising whether the project plan amendment is complete and complies with Section 66.1105(4)(f) of the Wisconsin Statutes.

City of De Pere
TID #14 Project Plan

EXHIBIT A
CASH FLOW PROFORMA ANALYSIS

City of De Pere
Tax Increment District No. 14
Cash Flow Proforma Analysis

Assumptions	
Annual Inflation During Life of TID	1.00%
2017 Gross Tax Rate (per $1000 Equalized Value)	$21.86
Annual Adjustment to tax rate	0.00%
Investment rate	0.50%

Current Market Rates +0.25%	
$1,500,000 Taxable G.O. Bonds Dated December 1, 2018	
Amount for Projects	$1,500,000
Capitalized Interest	$0
Cost of Issuance (est.)	$41,825
Rounding	$2,945
Less: Reoffering Premium	$44,770

	Background Data					Revenues				Expenditures				TID Status			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)		(i)	(j)	(k)	(l)	(m)	(n)	(o)	
Year	TIF District Valuation (January 1)	Inflation Increment	Construction Increment (1)	TIF Increment Over Base	Tax Rate	Tax Revenue	Investment Proceeds	Total Revenues	Year	Principal (12/1)	Interest (6/1 & 12/1) TIC= 4.01%	Debt Service	Total Expenditures	Annual Balance	Year End Cumulative Balance (December 31)	Cost Recovery	Year
	Base Value $574,200																
2018	$574,200				$21.86												2018
2019	$574,200	$5,742	$2,250,000	$2,255,742	$21.86	$0	$0	$0	2019		$62,750	$62,750	$62,750	($62,750)	($62,750)		2019
2020	$2,829,942	$28,299	$2,250,000	$4,534,041	$21.86	$0	$0	$0	2020		$62,750	$62,750	$62,750	($62,750)	($125,500)		2020
2021	$5,108,241	$51,082		$4,585,124	$21.86	$49,311	$0	$49,311	2021	$25,000	$62,750	$87,750	$87,750	($38,439)	($163,939)		2021
2022	$5,159,324	$51,593		$4,636,717	$21.86	$99,114	$0	$99,114	2022	$60,000	$61,750	$121,750	$121,750	($22,636)	($186,575)		2022
2023	$5,210,917	$52,109		$4,688,826	$21.86	$100,231	$0	$100,231	2023	$60,000	$59,350	$119,350	$119,350	($19,119)	($205,695)		2023
2024	$5,263,026	$52,630		$4,741,457	$21.86	$101,359	$0	$101,359	2024	$65,000	$56,950	$121,950	$121,950	($20,591)	($226,286)		2024
2025	$5,315,657	$53,157		$4,794,613	$21.86	$102,498	$0	$102,498	2025	$70,000	$54,350	$124,350	$124,350	($21,852)	($248,138)		2025
2026	$5,368,813	$53,688		$4,848,301	$21.86	$103,648	$0	$103,648	2026	$70,000	$51,550	$121,550	$121,550	($17,902)	($266,040)		2026
2027	$5,422,501	$54,225		$4,902,526	$21.86	$104,810	$0	$104,810	2027	$75,000	$48,750	$123,750	$123,750	($18,940)	($284,980)		2027
2028	$5,476,726	$54,767		$4,957,293	$21.86	$105,984	$0	$105,984	2028	$80,000	$45,750	$125,750	$125,750	($19,766)	($304,746)		2028
2029	$5,531,493	$55,315		$5,012,608	$21.86	$107,169	$0	$107,169	2029	$80,000	$42,550	$122,550	$122,550	($15,381)	($320,127)		2029
2030	$5,586,808	$55,868		$5,068,476	$21.86	$108,366	$0	$108,366	2030	$85,000	$39,350	$124,350	$124,350	($15,984)	($336,110)		2030
2031	$5,642,676	$56,427		$5,124,903	$21.86	$109,576	$0	$109,576	2031	$90,000	$35,950	$125,950	$125,950	($16,374)	($352,485)		2031
2032	$5,699,103	$56,991		$5,181,894	$21.86	$110,797	$0	$110,797	2032	$95,000	$32,350	$127,350	$127,350	($16,553)	($369,038)		2032
2033	$5,756,094	$57,561		$5,239,455	$21.86	$112,030	$0	$112,030	2033	$95,000	$28,550	$123,550	$123,550	($11,520)	($380,557)		2033
2034	$5,813,655	$58,137		$5,297,592	$21.86	$113,276	$0	$113,276	2034	$100,000	$24,750	$124,750	$124,750	($11,474)	($392,031)		2034
2035	$5,871,792	$58,718		$5,356,310	$21.86	$114,534	$0	$114,534	2035	$105,000	$20,250	$125,250	$125,250	($10,716)	($402,747)		2035
2036	$5,930,510	$59,305		$5,415,615	$21.86	$115,805	$0	$115,805	2036	$110,000	$15,525	$125,525	$125,525	($9,720)	($412,466)		2036
2037	$5,989,815	$59,898		$5,475,513	$21.86	$117,089	$0	$117,089	2037	$115,000	$10,575	$125,575	$125,575	($8,486)	($420,952)		2037
2038	$6,049,713	$60,497		$5,536,010	$21.86	$118,385	$0	$118,385	2038	$120,000	$5,400	$125,400	$125,400	($7,015)	($427,967)		2038
2039	$6,110,210	$61,102		$5,597,112	$21.86	$119,695	$0	$119,695	2039				$0	$119,695	($308,272)		2039
2040	$6,171,312	$61,713		$5,658,825	$21.86	$121,017	$0	$121,017	2040				$0	$121,017	($187,255)		2040
2041	$6,233,025	$62,330		$5,721,156	$21.86	$122,353	$0	$122,353	2041				$0	$122,353	($64,902)		2041
2042	$6,295,356	$62,954		$5,784,109	$21.86	$123,702	$0	$123,702	2042				$0	$123,702	$58,800	Expenditures Recovered	2042
2043	$6,358,309	$63,583		$5,847,692	$21.86	$125,064	$294	$125,358	2043				$0	$125,358	$184,158	Expenditures Recovered	2043
2044	$6,421,892	$64,219		$5,911,911	$21.86	$126,441	$921	$127,361	2044				$0	$127,361	$311,520	Expenditures Recovered	2044
2045					$21.86	$127,831	$1,558	$129,388	2045				$0	$129,388	$440,908	Expenditures Recovered	2045
2046						$129,234	$2,205	$131,439	2046				$0	$131,439	$572,347	Expenditures Recovered	2046
		$1,411,911	$4,500,000			$2,889,320	$4,977	$2,894,297		$1,500,000	$821,950	$2,321,950	$2,321,950				

Type of TID: Blight Elimination
2018 TID Inception (9/18/2018)
2040 Final Year to Incur TIF Related Costs
2045 Maximum Legal Life of TID (27 Years)
2046 Final Tax Collection Year

(1) Increment per City Estimates. $160,000 per condo and $280,000 per townhome with 8-10 condos and 10-12 townhomes being built in 2019 and 2020, respectively.

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EXHIBIT B
CITY ATTORNEY OPINION

CITY OF DE PERE

335 South Broadway
De Pere, WI 54115
Fax No.: 920/339-4049
Web: http://www.de-pere.org

Date: August 21, 2018

City Attorney's Office
(920) 339-4042

The Honorable Michael J. Walsh
Members of the Plan Commission
Members of the De Pere Common Council

RE: City of De Pere Tax Incremental Financing District Number 14 Creation

Dear Mayor, Plan Commission and Common Council Members:

Pursuant to Wis. Stats. §66.1105(4)(f), any tax incremental financing district project plan must include an opinion of the City Attorney or of an attorney retained by the City advising whether the plan is complete and complies with that statutory section. As the duly appointed City Attorney of the City of De Pere and upon a review of the Boundary and Project Plan for Tax Incremental Financing District Number 14 (TID #14) to which this opinion is to be appended, it is my opinion that such plan contains and adequately addresses the prerequisites set forth at Wis. Stats. §66.1105. This opinion is based upon my review of said plan, my review of Wis. Stats. §66.1105, and my experience as a municipal attorney.

It is my further opinion that inasmuch as the project plan is complete and in compliance with the above referenced section, it is in proper form for adoption by the Common Council.

Respectfully submitted,

Judith Schmidt-Lehman

Judith Schmidt-Lehman
City Attorney

JSL:amz
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EXHIBIT C
TID #14 BOUNDARY DESCRIPTION

Legal Description

All of Lots 1, 2, 3, 5, 6, 7, 8, and that part of Lot 4 lying north of Williams Street, Block 16, and the vacated alley of Block 16, Irwin's Second Addition to De Pere, being part of Private Claim 31 east side of Fox River, and all of Block 35, Original Plat of De Pere, being part of Private Claim 32 east side of Fox River, City of De Pere, Brown County, Wisconsin, described as follows:

Beginning at the northwesterly corner of said Lot 8, point also being the intersection of the southerly right of way line of Franklin Street and the easterly right of way line of North Superior Street;
thence S63°35'37"E on said southerly right of way line, 291.04 feet more or less to the northeasterly corner of said Lot 1, point also being the intersection of the southerly right of way line of Franklin Street and the westerly right of way line of North Huron Street;
thence S26°17'36"W, on said westerly right of way line, 145.57 feet more or less to the north right of way line of Williams Street;
thence N89°35'09"W, on said north right of way line, 300.76 feet more or less to said easterly right of way line of North Superior Street, point also being the southwest corner of said Block 35;
thence N00°37'38"E, on said easterly right of way line, 41.39 feet more or less to the northwest corner of said Block 35;
thence N63°34'47"W, on said easterly right of way line, 2.70 feet more or less to the southwesterly corner of said Lot 5;
thence N26°20'12"E, on said easterly right of way line, 240.11 fee more or less to the Point of Beginning.

Said described lands contain 62,491 square feet or 1.435 acres more or less.

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