VILLAGE OF THIENSVILLE
PUBLIC HEARING
PLAN COMMISSION
MINUTES

DATE: **Tuesday, September 1, 2020**

TIME: **6:00 PM**

LOCATION: **Village of Thiensville**
250 Elm Street
and via Zoom

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.
(See instructions below for accessing the meeting.)

Join Zoom Meeting
https://us02web.zoom.us/j/83323249585?pwd=Lzh5YVdBYTYydlpNZm54SVhiL2lYdz09

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I. CALL TO ORDER

Chairman Mobley called the meeting to order at 6:00 PM.

II. ROLL CALL

Chairman:	Van Mobley	
Commissioners:	Mike Dyer	Sarah Hughes (arr. 6:26 PM)
	Rick Gattoni	Ken Kucharski
	Carol Gengler	Dan Luedtke
Administrator:	Colleen Landisch-Hansen	
Planner:	Jon Censky	
Director of Community Services/Public Works:	Andy LaFond	

III. PUBLIC HEARING

A. PUBLIC HEARING REGARDING THE PROPOSED PROJECT PLAN, BOUNDARIES AND CREATION OF TAX INCREMENTAL DISTRICT NO. 2 (SEE THE PUBLIC HEARING NOTICE WHICH WAS PUBLISHED ON AUGUST 18, 2020 & AUGUST 25, 2020.)

B. CONSIDERATION AND POSSIBLE ACTION ON "RESOLUTION DESIGNATING PROPOSED BOUNDARIES AND APPROVING A PROJECT PLAN FOR TAX INCREMENTAL DISTRICT NO. 2, VILLAGE OF THIENSVILLE, WISCONSIN".

1. Motion to Open Public Hearing

MOTION by Commissioner Dyer, **SECONDED** by Commissioner Luedtke to Open the Public Hearing.
MOTION CARRIED UNANIMOUSLY.

2. Administrator to read and explain Notice

Administrator Landisch-Hansen read and explained the Notice.

3. Administrator to give a brief explanation

Administrator Landisch-Hansen introduced Brian Roemer of Ehlers to give a description and explanation of the Project Plan as well as the TIF boundaries.

4. Comments from anyone present requesting to be heard

Mr. Roemer, Ehlers, shared the proposed Project Plan and how the creation of this Tax Incremental District could benefit the Village.

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. Parcel 17 should be where parcel 13 is – the parcels themselves do not change, however, the map will be corrected.

The Village is anticipating a development on lot 5 which is a mixed multi-family and retail development. This development has an estimated construction of around $25 million with estimated increment value of around $22 million. With that, there are certain project expenditures associated with that lot that the Village would like the increment revenues to support. This includes several utility system improvements, street improvements, potential cash grants and development incentives. Beyond these projects, other portions of the District may have opportunity for property acquisition for development, environmental audits and remediation along with demolition.

A proforma analysis was conducted which looks at a cash flow investment of 10 years without TIF assistance and then a cash flow with TIF assistance. Projects of this type typically need to provide a return in the range of 12% to 15% to attract the necessary investment capital. Without TIF assistance it looks to be about 6.7%. The Developer has requested that the Village provide incentive payments on a pay as you go basis with an estimated present value of $2 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%. None of these project costs are committed. What is contemplated today is the creation of the TIF District.

For now what is shown in the Project Plan is the Village's desire to see this on a pay as you go basis which means the Developer has to produce the increment in order to receive the funds. They have to produce the development, they have to hit certain increment thresholds in order to receive the funds and under the pay as you go $2.0 million of today's dollars over the life of District is $3.28 million, paying this off in 20 years. This is the projected incentives for now and will be agreed upon with a Developer's Agreement.

Certain property acquisitions are being considered as well. In addition to that, there are certain infrastructure improvements along Freistadt Road that the Village will be looking to complete i.e. water main work, street lights, streetscaping and burying of overhead utilities.

The District is designated as a blighted area district under State Stat. 66.1105(2)(ae)1. The District will have 27 years to recoup the increment revenues and is projected to close at 25 years.

A TID allows the Village to, by creating it by September 30, 2020, use the base value established on January 1, 2020. The tax revenue will continue to go to the Village and the other outlying taxing jurisdictions. From any construction value that happens 2020 and beyond for the remainder of the District being open, those other overlying taxing jurisdictions tax revenues go to the Village to help pay for these project costs. The Village is only eligible for certain project costs by State Statue identified in section 6 and 7. The specific dollars identified by this plan are further identified in section 8. If the Village chooses to have other expenditures they wish to spend money on, the amendment process will need to be followed. The Joint Review Board meets annually.

Administrator Landisch-Hansen shared that over the past several years there has been a progression of redevelopment along Main Street. This is the next area of focus for the Village for redevelopment and improvements.

Scott Bern - 243-245 Green Bay Road – Mr. Bern inquired how the parcels were selected for the District. Administrator Landisch-Hansen shared that the parcels were selected based on the location of the proposed development on lot 5. Mr. Bern's parcel is along the same block where there may be potential opportunities for redevelopment and, therefore, why it was included. Chairman Mobley stated that including Mr. Bern's property has no impact on him or the taxes he pays. The only thing is if Mr. Bern takes down his house and rebuilds a more expensive house, that increment goes to the Village. The District only changes where the tax dollars go, it does not changes the impact to homeowners outside of what they may see on their property value.

Paul Linquist – 222 Vernon – Mr. Linquist inquired what would happen if property values were to decrease if this is a blighted property, does the tax still stay the same. Mr. Roemer stated that in that sense, the base value has gone down so it is anything over and above the base value that would go to the Village instead of the other taxing authorities.

5. Administrator reads any correspondence received related to the request

There were no written correspondence received.

6. Comments from the Plan Commission

Commissioner Dyer inquired how this District would affect other potential other Districts? Does the Village refrain from doing anything for 27 years? Mr. Roemer referred to page 10 of the Project Plan. The total equalized value of the Village is $392,582,000. By State Statute you are only allowed to have the base value of any new or amended District plus the total existing District to be 12% of that $392,582,000. So that 12% is just over $47,000,000. That is the total base value since the Village has no existing increment value. That is the maximum allowed. The base value of the 17 parcels are $12.1 million so it would be the difference of those two leaving $35 million available in the future. After the known developments were to happen, there would be about $14 million of base value. There is still a decent amount to work with. The District can be amended if other opportunities arise decreasing the current District to free up funds to be used on other development.

The amendment process is similar to the creation process. Only four amendments can be made to a District throughout the life of the District. It is very common to have amendments.

7. Motion to Close Public Hearing

MOTION by Commissioner Gattoni, **SECONDED** by Commissioner Luedtke to Close the Public Hearing at 6:21 PM. **MOTION CARRIED UNANIMOUSLY.**

IV. BUSINESS

A. Approval of Minutes
1. August 4, 2020

MOTION by Commissioner Luedtke, **SECONDED** by Commissioner Kucharski to approve the August 4, 2020 Minutes. **MOTION CARRIED UNANIMOUSLY.**

B. Review and recommendation regarding the Proposed Project Plan, Boundaries and Creation of Tax Incremental District No. 2

Chairman Mobley shared that this TID will provide the Village of Thiensville tools for development similar to the last TIF District. When TIF No. 1 expired, there was a lack of revenue in order to accomplish development projects. Some of those projects completed during TIF No. 1 were Pigeon Creek (a major flood mitigation project), storm retention basins, Main Street and the development by Fiddleheads, Reuters and the Health Alliance. In many ways this can be seen as a tool that will be used, just in a different area but for similar purposes. The end result of this is a much nicer downtown area, and this TIF would help development moving north in the Village. Chairman Mobley is glad that this is before the Plan Commission for consideration.

Commissioner Gengler is pleased that the Village did not use eminent domain.

Chairman Mobley inquired if the proposed projects are required to happen. Mr. Roemer stated that this creation gives the Village an opportunity for future projects and that there is no commitment on the Village's part to complete them. These projects move forward as any other projects would based on Village practice. Any negotiations would be before the Plan Commission with a Developer's Agreement. The Village Board has the final decision; the Plan Commission recommends to the Village Board.

Phasing was explained by Administrator Landisch-Hansen. This was looked at based on the known proposed development and moved west. The parcels must be continuous in a District. Mr. Roemer shared that the phasing is based on the time lag of receiving revenues i.e. the construction year, assessment year and taxes received. The Village only wishes to complete their projects when the increment is available in order to not spend dollars they do not have.

Commissioner Gattoni inquired how much time the Village has to execute plans to receive the revenues. Mr. Roemer stated that there is no time restraint. Revenue is received on the increment, not on the base value. If the development happens 10 years down the road, we only get it for 17 years based on the 27 year life of the District.

Any time there is a cumulative balance higher than the principle outstanding, the District could be closed as long as there were no more project costs and revenues have been recovered to pay off any debt services. At this time the District could be amended to use this revenue to pay for other projects that were not previously identified.

Chairman Mobley shared that the Village can do some public projects one-half mile outside of the District and still use TIF money.

Commissioner Kucharski believes this gives the Village an avenue to improve/develop areas that have been vacant or aging, however, not all properties in these boundaries necessarily need development and believes that this is good for the Village.

Commissioner Dyer inquired how much debt capacity the Village has. Administrator Landisch-Hansen indicated just over $18 million is the maximum that can be borrowed. Mr. Roemer shared that the Village chooses as they go as to what they spend the money on.

MOTION by Commissioner Gattoni, **SECONDED** by Commissioner Dyer to recommend to the Village Board to Approve the Proposed Project Plan, Boundaries and Creation of Tax Incremental District No. 2. **MOTION CARRIED UNANIMOUSLY.**

C. Review and recommendation regarding Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 2, Village of Thiensville, Wisconsin

MOTION by Commissioner Kucharski, **SECONDED** by Commissioner Luedtke to recommend to the Village Board to Approve the Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 2, Village of Thiensville, Wisconsin. **MOTION CARRIED UNANIMOUSLY.**

D. Review and acceptance of Resignation of Dan Luedtke from the Plan Commission

Chairman Mobley is sorry to accept this resignation from Commissioner Luedtke and thanked him for all his service stating "you could not ask for a better Commissioner and the Village has been well served."

MOTION by Commissioner Gattoni, **SECONDED** by Commissioner Gengler to accept the Resignation of Dan Luedtke from the Plan Commission with Deepest Regret. **MOTION CARRIED UNANIMOUSLY.**

All applicants or their contractors must be present for any approvals.

V. STAFF REPORT

Administrator Landisch-Hansen inquired that in light of the temporary measures put in place through September to help out local businesses if the Commission would like to meet again in September in case some of these businesses would like to propose a more permanent measure considering the current climate. There may be some other items of business to consider as well. Hopes are to schedule Historic Preservation Commission on the first Tuesday of the month and the Plan Commission meetings on the second Tuesday of the month in an effort to not hold up projects in the Historic District.

A second Plan Commission meeting will be held on Tuesday, September 22, 2020 at 6:00 PM and the October meeting will be on Tuesday, October 13, 2020 at 6:00 pm.

VI. BUSINESS FROM THE FLOOR

Open to any citizen who wishes to speak on items not on the agenda. Please step to the podium and give your name and address for the record.

VII. ADJOURNMENT

MOTION by Commissioner Dyer, **SECONDED** by Commissioner Hughes to adjourn the meeting at 6:46 PM. **MOTION CARRIED UNANIMOUSLY.**

Submitted by,	Approved by,	Signed by,
Amy L. Langlois Village Clerk	Andy LaFond Director of Community Services/ Public Works	Colleen Landisch-Hansen Administrator

RESOLUTION DESIGNATING PROPOSED BOUNDARIES AND APPROVING A PROJECT PLAN FOR TAX INCREMENTAL DISTRICT NO. 2, VILLAGE OF THIENSVILLE, WISCONSIN

WHEREAS, the Village of Thiensville (the "Village") has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the Village; and

WHEREAS, Tax Incremental District No. 2 (the "District") is proposed to be created by the Village as a blighted area district in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law"); and

WHEREAS, a Project Plan for the District has been prepared that includes:

a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n., outside of the District;
b. An economic feasibility study;
c. A detailed list of estimated project costs;
d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
e. A map showing existing uses and conditions of real property in the District;
f. A map showing proposed improvements and uses in the District;
g. Proposed changes of zoning ordinances, master plan, map, building codes and Village ordinances;
h. A list of estimated non-project costs;
i. A statement of the proposed plan for relocation of any persons to be displaced;
j. A statement indicating how the District promotes the orderly development of the Village;
k. An opinion of the Village Attorney or of an attorney retained by the Village advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

WHEREAS, prior to its publication, a copy of the notice of public hearing was sent to owners of all property in the proposed District, to the chief executive officers of Ozaukee County, the Mequon-Thiensville School District, and the Milwaukee Area Technical College District, and any other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Planning Commission, on September 1, 2020 held a public hearing concerning the project plan and boundaries and proposed creation of the District, providing interested parties a reasonable opportunity to express their views thereon.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the Village of Thiensville that:

1. It recommends to the Village Board that Tax Incremental District No. 2 be created with boundaries as designated in Exhibit A of this Resolution.

2. It approves and adopts the Project Plan for the District, attached as Exhibit B, and recommends its approval to the Village Board.

3. Creation of the District promotes orderly development in the Village.

Adopted this 1st day of September, 2020.

Van A. Mobley
Plan Commission Chair

Andy LaFond
Plan Commission Secretary

EXHIBIT A -

LEGAL BOUNDARY DESCRIPTION OR MAP OF TAX INCREMENTAL DISTRICT NO. 2 VILLAGE OF THIENSVILLE

THIS CAN BE FOUND IN THE PROJECT PLAN

EXHIBIT B -

PROJECT PLAN

THIS WILL BE HANDED OUT SEPARATELY