

JOINT REVIEW BOARD MINUTES
CITY OF MAYVILLE
Tax Incremental District No. 5 Creation
Mayville City Hall, 15 S. School Street, Mayville, WI
August 29, 2013

1.) Call to Order and Roll Call.

Meeting called to order by Mayor Moede at 4:30 PM

Present: Kathy Benter – Mayville School District, Bonnie Baerwald – Moraine Park Technical College, Russell Kottke – Dodge County Board Chairman, Mayor Moede – City of Mayville Mayor, Grant Larson – JRB Public member

Others Present: Jim Mann of Ehlers and Associates, Inc., Jim Hammes, City Attorney, Don Neitzel, Wayne Larson, Don Carter, Susan Smith, Susan Perry, Brian Perry, Kim Weinberger, Laurie Westphal, Shelly Nied, Joe Nied, Allen Schellinger, Loris Geschke, Cindy Fredrick, Robert Tippel, Dianne Slater, Kate Liebenow, John Westphal, Pat Antony, Mark Fox, Pam Fox, Cheryl Congdon, James Congdon, Norb Dornfeldt, Cindy Steinbach, Phillip Gohr, Jayne Gohr, Andrew Johnson, Bill Muche, Jerry Mountin, Paula Stork, Tim Dessueau, Mary Dessueau

2.) Consideration and Appointment and / or reaffirmation of the Joint Review Board's Public Member.

Motion by Baerwald, second by Kottke to Appoint Grant Larson to be the Joint Review Board's Public Member. Motion carried unanimously.

3.) Election and / or Reaffirmation of Chairperson.

Motion by Kottke, second by Baerwald to Affirm Mayor Moede as Chairperson. Motion carried unanimously.

4.) Discuss Responsibilities of the Joint Review Board.

Jim Mann of Ehlers & Associates came to the podium to discuss the responsibilities of the Joint Review Board. He commented that the responsibility of the Joint Review Board is the final authorizing step in the creation of a Tax Increment District. All taxing jurisdictions, the City, the School District, the County, and the Vo-Tech, agree to forego tax revenues on future increment to pay for infrastructure or incentive for development to occur. The role is to make a final determination using the "But For" test in that without the Tax Increment District the Development would not occur. You will have access to all of the planning documents, access to minutes, and access to final deliberations by the

City Council. Job creation is also considered. Look at the economic benefits of the district as part of your determination in terms of whether the “But For” test is met.

5). Discuss & Review Project Plan for the Creation of Tax Incremental District No.

Jim Mann of Ehlers & Associates distributed and reviewed the project plan with the Joint Review Board. He noted that basically this is a tax increment district that is proposed to be a mixed use district. This type of district under state statute requires at least 50% of the district to have two or three zoning classifications, and in this case, looking at residential and commercial development. In this case looking at a district that is about 55 acres of which 100% is commercial or residential development. It meets the test that at least 50% of the territory is devoted to two of the three zoning classifications.

Jim noted the proposed boundaries on the map in the district. At this point there are three developments that are driving the creation of the district that need public infrastructure costs as well as development incentive costs. Highway 28 needs to be improved per DOT standards for additional development to occur as well as the developer incentives for one of the main users. There is a second phase that encompasses 35 acres of undeveloped territory that could be developed as commercial property. That second phase is out in the future. The project plan reserves the right to move forward at the point that deemed necessary or actual development to move forward. As the plan stands and if only phase one is considered it would generate tax increment and it would close in 2025. Based on very limited development we would look at the second phase to close in 2033.

Jim continued that it is anticipated that with the three developments that that we know about, plus the second phase development in the 35 acres could generate \$8 Million equalized value. Would need to spend about \$1.2 million on improvements and \$650,000 in development incentives for the development to occur and looking at an investment of \$1.85 Million dollars to generate \$8 million dollars of increment. He emphasized that we are very conservative especially when looking at the second phase of the development. Once the district is closed then all taxing jurisdictions enjoy the higher equalized value.

Jim continued that without the improvements or the developer’s incentives the likely hood that these developments would occur is very slim. In fact one of the users has said they will not come. This gets to the “But For” without the creation of the district and the use of tax increments this development would not occur.

Mayor Moede commented to let the people know that the \$650,000 will be coming back to the community. Jim continued that the TID freezes the value of the district at its current value and in this case it is at \$2.5 Million dollars. All of the taxing jurisdictions continue to receive taxes on the \$2.5 Million dollars, foregoing any increased value that would generate taxes for the life of the tax increment district because you are using those dollars to pay for the infrastructure costs as well as any development type incentives.

Baerwald noted the potential development partners in phase 1, she noted the one labeled assisted living and questioned if it is a non-for-profit or for profit. Attorney Jim Hammes commented that it will not be tax exempt. He continued that they would have to enter into a development agreement with the city. In the developer agreements there is a provision that the property owners agree that they will not apply for or accept tax exempt status for the lifetime of the district and that is on the developer or anyone they might sell it to.

Baerwald questioned job creation. Jim Mann noted at this time they do not have that information. They can certainly try to generate.

Benter questioned what type of jobs will be created, part-time or full-time. Jim Mann noted that Shopko will have a variety of part-time and full-time. Fastenal is a relocation from another jurisdiction. Assisted living would be a new creation and it would be full-time and part time jobs.

The other two other TIFS in the City were noted. Jim Mann pointed out the valuation calculation and that the City is well in compliance of the valuation test.

6.) Set Next Meeting Date.

Next meeting date is set for September 26, 2013, at 4:30 p.m.

7.) Adjournment.

Motion by Baerwald, second by Kottke to adjourn at 4:50 p.m. Motion carried unanimously.

Deanna Boldrey, City Clerk – City of Mayville