



**CDA MEMBERS PRESENT:** R. Richardson, M. Gleason, D. DeGroot, J. Henke, J. Thorsen & F. Risler

**CDA MEMBERS ABSENT:** P. Barlament

**VILLAGE BOARD MEMBERS PRESENT:** M. Gleason, R. McCluskey, A.M. Clausen, J. Hewitt, S. Havn, D. DeGroot

**VILLAGE BOARD MEMBERS ABSENT:** G. Feest

Staff: L. Martin & D. Gunderson (Ehlers)

**1. Call to Order/Roll Call**

The CDA was called to order at 4:00 p.m. by R. Richardson. The Village Board was called to order at 4:01 p.m. by M. Gleason.

**2. Pledge of Allegiance**

**3. Public Comment – None**

**4. Approval of June 10, 2014 Joint Village Board & CDA Meeting Minutes**

J. Thorsen motioned, and F. Risler seconded for the CDA to approve the June 10, 2014 Joint Meeting Minutes. Motion carried unanimously. J. Hewitt motioned, A.M. Clausen seconded for the Village Board to approve the June 10, 2014 Joint Meeting Minutes. Motion carried unanimously.

**5. Discussion & Possible Action: Review of Ehlers Feasibility Analysis for Tax Increment District No. 3 Creation/Amendment to Tax Increment District No. 1**

L. Martin presented results of the overall feasibility analysis compiled by Ehlers and staff relating to the possible creation of TID 3 or the amendment of TID 1. Based on the methods used for development assumptions\* and the expected cash flow estimations, both the amendment to TID 1 and the creation of TID 3 are feasible. Either option will provide the ability for infrastructure installation and development incentives, allowing for additional commercial and industrial growth opportunities. Three options were presented for consideration:

(1) Amend TID No. 1 to include the Land & Lakes project site (52.23), properties fronting Washington Avenue and also the inclusion of three additional parcels along the frontage road/I-94 for redevelopment/development – total of 90.70 acres, infrastructure costs of approx. \$2.5 million, and assumed development increment value of \$47,410,704\*.

(2) Create TID No. 3, including the Land & Lakes project site as well as additional viable land for development, totaling 296.56 acres southeast of the International Drive/STH 20 intersection heading east to West Road. The assumed development increment value of this district would total an estimated \$155,017,843\*, easily covering the projected infrastructure costs of \$19.9 million.



*\*Development assumptions were based on 60% of the area being developable land (due to roadways, necessary public ponds, wetlands, etc), a 40% Floor Area Ratio (F.A.R.), and a \$50.00 per square foot value.*

(3) The CDA and Village Board could also decide to end the investigation of either option.

L. Martin recommended that the CDA and Village Board authorize staff to proceed forward with completion of a project plan for the creation of Tax Increment District No. 3, furthering our contract with Ehlers for Phase 2 and 3 at a cost of \$8,800 plus miscellaneous engineering fees (*the costs for creation would be temporarily allocated to account 100-56-56600-521100 (Urban Development Professional Services), driving this account over-budget. The costs for creation would be reallocated from Urban Development to a future TID 3 fund account should the creation be completed*). Staff also recommended that the CDA make a motion to call for a public hearing to be held on Tuesday, September 8, 2014.

J. Henke motioned, J. Thorsen seconded to move forward with the creation of TID 3. Motion passed unanimously. D. DeGroot motioned, R. McCluskey seconded to continue forward with creation of TID 3. Motion passed unanimously. F. Risler motioned, J. Henke seconded to call for a public hearing to be held on September 8<sup>th</sup>, 2014 (time to be determined) for the creation of TID 3.

## **6. Discussion & Possible Action: Review of Ehlers Feasibility Analysis for Amendment to Tax Increment District No. 2**

L. Martin explained that in May 2014, Village staff presented the conceptual expansion of the former Bosch/Sapko facility at 7505 Durand Avenue (Parcel No. 151-03-22-26-051-000). Wichita Falls Investors, LLC (an affiliate of Phoenix Investors), the current owner of the property has requested that their property be added into Tax Increment District No. 2. The owner is proposing expansion in 3 phases:

1. 130,000 square foot stand alone building on a to be created southern parcel - Value: \$ 5.85 Million
2. 50,000 square foot addition to the south of the existing facility at 7505 Durand Avenue - Value: \$ 2.25 Million
3. 100,000 square foot addition to the north of the existing facility at 7505 Durand Avenue - Value: \$ 4.5 Million

The Developer previously requested financial support from the Village in the form of a Pay-As-You-Go Development Agreement within TID No. 2. Terms of potential assistance (outlined conceptually in a Village assistance letter) would be finalized and secured through a formal Development Agreement at a future date. The CDA and Village Board (at a joint meeting on May 20, 2014) authorized staff to proceed alongside Ehlers to prepare a Phase 1 feasibility analysis investigating the possible amendment to TID 2. L. Martin outlined the completed feasibility analysis prepared by Ehlers. The inclusion of the land into TID No. 2 is required as an initial step if the Village is in agreement with the basic Pay-Go concept. Parcels #3-4 (Miller Property) on the attached map along Durand Avenue and Oakes Road have also been included in the possible amendment.

The development assumptions include only the expected value addition by Phoenix Investors on Parcel #2 (see map) of \$12.6 million, and do not include value of additional commercial or retail developments



on parcels #3-4. Parcel 1 is owned by the Village/Storm Water Utility and is shown to be included for continuity purposes. The cash flow projection uses a conservative estimate for future tax rate involving the conceptual Pay-Go Agreement, and also includes bond payments relating to outstanding debt within TID No. 2. Based on the values presented by Phoenix Group, and the offering of a Pay-Go incentive, the amendment is sustainable and beneficial to the district.

J. Henke motioned, J. Thorsen seconded to authorize staff to proceed forward with drafting of a project plan for the amendment of Tax Increment District No. 2, furthering our contract with Ehlers for Phase 2 and 3 at a cost of \$8,800 (*The amendment costs of the district totaling \$14,000 are to be covered in full through a deposit by Phoenix Investors. This deposit will be required prior to proceeding with drafting of the project plan*). In addition, it was motioned to call for a public hearing to be held on September 8, 2014. Motion carried unanimously.

D. DeGroot motioned, A.M. Clausen seconded to finalize the project plan for the amendment of Tax Increment District No. 2. Motion carried unanimously.

**7. To convene into closed session per WI §19.85(1)(e) deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session specifically: Terms of TID No. 1 Conceptual Development Agreement for Engineering Design Services**

J. Thorsen motioned, and F. Risler seconded for the CDA to enter into closed session. Roll-Call Vote: R. Richardson - Aye, J. Henke - Aye, F. Risler - Aye, D. DeGroot - Aye, J. Thorsen - Aye, & M. Gleason - Aye. Motion carried unanimously.

J. Hewitt motioned, and S. Havn seconded for the Village Board to enter into closed session. Roll-Call Vote: D. DeGroot - Aye, R. McCluskey - Aye, S. Havn - Aye, J. Hewitt - Aye, A.M. Clausen - Aye, & M. Gleason - Aye. Motion carried unanimously.

**8. Reconvene into open session to consider any motions related to the closed session.**

At 5:22 p.m., F. Risler motioned, and J. Henke seconded for the CDA to move into open session to consider any motion related to the closed session. Motion passed unanimously.

R. McCluskey motioned, and J. Hewitt seconded for the Village Board to move into open session to consider any motion related to the closed session. Motion passed unanimously. It was reported that the CDA and the Village Board have provided direction to staff regarding the closed session item.

**9. Adjournment**

At 5:23 p.m., F. Risler motioned, and J. Henke seconded for the CDA to adjourn. Motion passed unanimously.

J. Hewitt motioned, and R. McCluskey seconded for the Village Board to adjourn. Motion passed unanimously.