

**MINUTES OF THE COMMUNITY DEVELOPMENT AUTHORITY MEETING
HELD AT THE GREENFIELD CITY HALL COUNCIL CHAMBERS ON
THURSDAY, JULY 23, 2015**

1. The meeting was called to order at 6:30 p.m. by Mr. Pietroske, Chairperson

Ald. Karl Kastner	Present
Ald. Bruce Bailey	Present
James Hodson	Present
Robert Selin	Present
Troy Chowanec	Present
Ben Rucka (Alt.)	Present
Donald Carlson (Alt.)	Excused
Steven Pietroske, Chair	Present

ALSO PRESENT: Mayor Michael Neitzke
Richard Sokol – Director of Neighborhood Services
Charles Erickson – Community Development Authority
Paula Schaefer – Greenfield Finance Director
Dawn Gunderson-Schiel – Ehlers & Associates
Scott Yauck – Cobalt Partners
Denise Collins – Joint Review Board ‘Public’ Member

2. **Motion by Mr. Bailey, seconded by Ald. Kastner to approve the minutes of the June 30, 2015 meeting. Motion carried unanimously.**
3. **Public Hearing regarding the proposed project plans, boundaries and creation of Tax Incremental Districts No. 4, 5 & 6 (See the Public Hearing Notice which was published on July 9, 2015 & July 16, 2015).**

Motion by Ald. Bailey, seconded by Ald. Kastner to open the Public Hearing regarding the proposed project plans, boundaries and creation of Tax Incremental Districts No. 4, 5 & 6 (See the Public Hearing Notice which was published on July 9, 2015 & July 16, 2015). Motion carried unanimously.

Mr. Pietroske indicated that we would like Ms. Gunderson-Schiel to first provide background on what is before the CDA, then the CDA members can raise questions, and then he would ask that anyone in the audience could come forward at that time with their questions/comments.

Dawn Gunderson-Schiel with Ehlers & Associates gave some background information on how TIFs work. Tax Incremental Financing is one of the only economic development financing tools that are available to local governments to support and provide finances to promote new development and enhance a redevelopment within a community. State statutes are very specific about defining the process in order to do this. We are here this evening to go thru this process. With the TIFs tonight, the City has defined three separate areas within the City that are believed to have opportunity to promote development and/or redevelopment. The City has also identified costs which need to be undertaken in order for that development to take place. TIFs provide that financing tool to help pay for those project costs. The process is as follows: a plan is created, an area is identified, parcels are determined to be included in this area, and a boundary is identified. All those parcels must be full parcels and be contiguous to one another to be included in the property boundary. The process to create the district then is to convene the overlapping taxing districts, which in this case are represented by Milwaukee County, MATC, the Greenfield School District, the City of Greenfield and the Citizen Members.

The organizational meeting, the Joint Review Board (JRB), was held earlier this afternoon, where the 'public' member was appointed (i.e. Denise Collins) and a chairman elected (i.e. Ald. Karl Kastner). The plans were reviewed with the JRB, so now starts the second stage of the process to create the plans, which is the public hearing process. Following the public hearing the Community Development Authority will consider a resolution that, if approved, would be approving the area, the boundaries, and the plan. Following this action, the next step would go before the Common Council, where it would be reviewed and a Resolution voted on. If those Resolutions are approved, it comes back to the overlapping taxing districts, or JRB, who are required to give their final okay before the plan may be implemented. Project costs will not be bore by the City until there is an opportunity for development to take place. This is a plan, not a budget nor a commitment. There will be many more decisions made before any dollars are spent. Any development that comes forward would follow all applicable City processes and procedures for review and approval.

Tonight there are three projects being discussed: TIF #4, identified as 60th Street & Layton Avenue, TIF #5 identified as the Loomis Crossing project, and TIF #6, identified as the Chapman/Cobalt project.

Taxes continue being collected on properties within a TIF district. As the City undertakes projects costs within a TIF area, when there are any improvements in the value of the parcels within the boundaries, the taxes collected on that would in turn pay for those project costs. It was noted there were two prior CDA meetings where this was discussed. Ms. Gunderson-Schiel stated that the costs for TIF #4 and TIF #5 remain that same as were presented at the last meeting.

TIF #4 costs will cover infrastructure and a small amount of development incentives. Road construction costs on Layton Avenue, 60th Street resurfacing, driveway enhancements for the School District, traffic signal improvements, street scaping and street lighting. When these costs are undertaken, there is opportunity for new value to be generated. The City could see improvement of approximately \$24 million in tax base and Meijer could potentially develop to \$18 million. With the numbers they've prepared, Ehlers feels that this could be completely retired by 2028. At that point in time, the new taxes from that new property would pay for the cost of needed infrastructure. The district could stay open the full 20 years to 2036, however, the projection is that it could close in 2028.

The costs of TIF #5, the Loomis Crossing project, work in the same fashion as TIF #4. Currently much of this area is tax exempt as it is owned by the State of Wisconsin so any improvements then would become taxable properties going forward in the future and thus benefit the City during its development. As this is a mixed use development, there potentially would be both residential and commercial components, including office and hospitality. The main project cost is assemblage of property, repurchasing the property from WisDOT and then reselling it for development. There are also some relocation costs, costs for installation of streets and utilities, and some demolition and site grading work. The potential for new value in this district is expected to be as much as \$55 million. With that value and future taxes collected on that value, the anticipated property tax revenue could be \$1.2 - \$1.4 million per year. There would also be the land sale revenue coming back into the district to help support project costs. Based upon the development occurring and the timing phasing, this district would be open for 20 years.

The costs of TIF #6, the Chapman/Cobalt project, work in the same fashion as TIFs #4 and #5. Presently the main property located on that site is the Chapman School. This is considered a rehabilitation district. 27 years are being given to recover the project costs that are being undertaken. Those costs include property acquisition, demolition, stormwater management, site and utility improvements, and some environmental remediation. There is a substantial cost in acquiring the parcels in order to promote the development and also Steinhafels. Project costs are

estimated at \$29 million. The annual tax revenues at full build out are estimated at \$3 million. There would be sufficient revenue to pay for the plan by 2036.

Mr. Rucka questioned if there were any concerns at the earlier JRB meeting, to which Ms. Gunderson-Schiel replied that they didn't have any concerns. They did not take action on anything, the time to do that would be following the Common Council's action.

Mr. Chowanec questioned if the geographic area of the TIF could be amended after its creation to which Ms. Gunderson-Schiel replied that yes, that can be done as needed, up to four times during the life of the district.

Mr. Pietroske then asked for anyone in the audience for the questions/comments.

Michael Goetz – 4616 S. 84 Street. He questioned what the road work that would be done in the area is, to which Mayor Neitzke replied that there is a traffic study underway on 84th Street, and we don't have an idea yet as to what the needed improvements will be. It hasn't been determined if there would need to be a widening of 84th Street. There is currently no design for 84th Street. We would need to know the particulars of the development before we could begin re-designing the street. He then questioned the DNR issues at the site, to which Mayor Neitzke said there is always a wetland delineating assessment done, as was the case here, with it showing a concern among the DNR that perhaps a small/narrow portion of the site could be labelled as a navigable waterway. However, it appears that if this were the case it would be able to be addressed in such a way that wouldn't jeopardize the project.

Mr. Goetz questioned what happens if the Chapman/Cobalt project, for which the financial projections are based on the buildings being completed and occupied, goes on longer than was anticipated. Mayor Neitzke replied that we are requiring guarantees of value and have very specific milestones and internal controls in place where we wouldn't release money until they are satisfied. There will be also a letter of credit in place to secure the project. Mayor Neitzke spoke on the area and how with the traffic counts and the demographics, the time is right for a hospitality element and for this development.

Gary Datka – 4715 S. 92nd Street. He questioned if there are any estimates as to those residents who will be across the street (92nd & Layton area) and the impact on their properties. Mr. Erickson responded that the value of the current properties in the Chapman/Cobalt area is approximately \$8 Million. Generally, where there is a major reinvestment in properties it helps the nearby properties by ensuring the assessed value stability.

Kathy Goetz – 4616 S. 84 Street. She questioned that if the money is going to be released in increments, what happens with the empty houses, since people have already started the moving out process. Mayor Neitzke stated that that is an issue. The goal is to stabilize the site as quickly as possible and get things moving with infrastructure work. Ms. Goetz pointed out that as people are leaving things are being neglected, and she referenced a house on 84th Street, where the owners have left and now the grass is in need of mowing. The City asks that everyone notify their Alderperson, Code Enforcement, etc. to alert us of any property maintenance concerns, as we want to maintain the area's appearance.

Mr. Sokol stated that the Police Department has made contact with the Department of Neighborhood Services regarding the abandoned house Ms. Goetz referenced, so they are working to provide support to the neighbors during the transition.

Mary Fagan – 4644 S. 89th Street. She stated that in the 42 years she has lived at this address, she felt that the vacant land surrounding Chapman School could have been used as an asset for the City. She also stated she has found working with Cobalt to have been very fair and feels their plans are well thought out and advantageous to the City.

Mayor Neitzke stated that over the years the interest in the site has been primarily stick-built apartments, constructed of lesser-quality material and built to in-turn be sold and a quick profit made. Short term it provides tax base but doesn't provide long-term value. This is chance for quality development, using the best use approach, and thus providing long-term value.

Upon hearing no further questions/comments, Mr. Pietroske asked for a motion to close the public hearing.

Motion by Ald. Kastner, seconded by Ald. Bailey to close the Public Hearing regarding the proposed project plans, boundaries and creation of Tax Incremental Districts No. 4, 5 & 6. Motion carried unanimously.

4. **Consideration of Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 4, City of Greenfield, Wisconsin.**

Motion by Ald. Kastner, seconded by Mr. Chowanec to recommend approval of the Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 4, City of Greenfield, Wisconsin. Motion carried unanimously.

5. **Consideration of Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 5, City of Greenfield, Wisconsin.**

Motion by Ald. Kastner, seconded by Mr. Hodson to recommend approval of the Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 5, City of Greenfield, Wisconsin. Motion carried unanimously.

6. **Consideration of Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 6, City of Greenfield, Wisconsin.**

Motion by Ald. Kastner, seconded by Mr. Hodson to recommend approval of the Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 6, City of Greenfield, Wisconsin. Motion carried unanimously.

7. **Motion by Ald. Kastner, seconded by Mr. Chowanec to adjourn the meeting at 7:35 p.m. Motion carried unanimously.**

8. **The next meeting of the Community Development Authority will be held at the Greenfield City Hall at the call of the Chairperson.**

Respectfully submitted,

Alison J. Meyer
Administrative Assistant

Distributed August 5, 2015