



City of Racine

City Hall
730 Washington Ave.
Racine, WI 53403
www.cityofracine.org

Meeting Minutes - Draft

Standing Joint Review Board

Wednesday, November 14, 2018

3:00 PM

City Hall, Room 303

Call To Order

Mayor Cory Mason called the meeting to order at 3:00 p.m.

PRESENT: 5 - Cory Mason, Brian O'Connell, Alexandra Tillmann (alternate for Jonathan Delagrave), William Whyte, and James Palenick

Approval of Minutes for June 27, 2018 Meeting

The approval of the June 27th meeting minutes were deferred.

Appointments:

Election of a Chairperson

Mayor Mason expressed interest in the Chairman position.

A motion was made by Whyte, seconded by Tillman, nominating Mayor Cory Mason as chairman of the Standing Joint Review Board. Mayor Mason was elected chair by a Voice Vote.

Election of a Public Member

Chairman Mason nominated Jim Palenick for the Public member of the JRB.

A motion was made by Mason, seconded by O'Connell, nominating Jim Palenick as the public member of the Standing Joint Review Board. Jim Palenick was approved as the public member by a Voice Vote.

Discuss responsibilities of the Joint Review Board

Todd Taves, Ehler's, briefly gave an overview of the responsibilities of the Standing Joint Review Board (JRB). He stated the purpose of the JRB is to review Tax Incremental Districts (TID) creation and amendment requests and act as the final determination on whether the various actions of the City regarding TIDs are approved.

He stated the JRB is to comply with the but for standard – but for the use of tax incremental financing, what's proposed to happen would not otherwise do so. However, what is being proposed before the JRB (amendments, etc.) are a little bit different and the big picture must be looked at in terms of the overall objectives of the City.

[1158-18](#)

Subject: (Direct Referral) Review and discussion of the proposed

project plan amendment for Tax Incremental District No. 9.

Attachments: [TID No. 9 Project Plan Amendment 3rd Draft 2018-10-31](#)

Taves reviewed the requests for the TID amendments and creation. He explained the primary purpose of sharing for TIDs 9, 12, 14 is to designate as a donor district to provide excess increment to other TIDs. He stated when a TID has enough increment coming in to satisfy all of its project costs, it can transfer to other districts to achieve their project objectives.

He stated the recipient TIDs project plans do not need to be amended. Taves explained the transfers (the amount that would be transferred from each of the districts is attached to this item). He stated the sharing will facilitate redevelopment projects and allow them to proceed.

Taves reviewed the requests for and explained the purpose of sharing between TIDs. He stated that the request for TID No. 17 involves a base reset and a portion of TID No. 18 would be removed due to a proposed project for the site and it not requiring TID assistance. He stated the districts were created around the recession and in both situations the original base value and current value is lower than the original value. TID 17 has lost about \$1 million in value and without resetting, the original base value would be negated. TID No. 18 has lost \$7 million.

Taves explained the proposed creation of TID No. 21. He stated the district would be formed as a blighted area TID and would have a 27 year life. Due to the contamination on the site, development restrictions exist. Taves explained the plan for TID No. 21. He stated \$23.8 million in tax increment collection at the present tax rate over 27 years. Development incentives, infrastructure would be the majority of the use for the increment in TID 21 with a 19 year cost recovery.

Taves explained the City Plan Commission will take action on the TIDs at their meeting later today and then the Common Council on December 4th. The JRB would then have to meet again after Council approval.

He stated January 1, 2019 would be the effective date for the new TID 21 and TID 18 subtraction.

and the Base resets would be effective 1/1/2018.

No action was taken at the JRB at this time.

In response to O'Connell, Taves explained regarding the TID 9 plan that the transfers out of \$2.8 million to TID 17 and \$1.6 million to TID 21 totaled \$4.4 million. He stated the other aspect is the primary reason is to create 9 as a donor district and there may be an opportunity to provide assistance to potential projects and added in the plan as they were not added in the plan originally. Available residual cash and divided within the additional years of the TID – 1.27 million.

In response, O'Connell asked if an amendment would need to take place to the plan for more specifics or a developer's agreement presented to the JRB.

Taves stated the statute requires that prior to payment there has to be a written agreement between the City and the recipient. There would not be a need to return to the JRB.

O'Connell asked regarding TID No. 14 and if it did not need development incentives or other assistance of its own.

Taves explained that there is a project currently proposed for TID No. 14 and the purpose is not to accommodate as it can already be done under the current plan. The revenues that have already been accumulated and the expected increment that is expected to generate from the project going forward will pay for it. It will be self-sufficient. Enough financial resources in the district to pay to the

There is no TID 22 that was placed as a placeholder.

The next meeting date was scheduled for Wednesday, December 12th at 3:00 p.m.

[1159-18](#)

Subject: (Direct Referral) Review and discussion of the proposed project plan amendment for Tax Incremental District No. 12

Attachments: [TID No. 12 Project Plan Amendment 3rd Draft 2018-10-31](#)

Please see the discussion for 1158-18.

[1160-18](#)

Subject: (Direct Referral) Review and discussion of the proposed project plan amendment for Tax Incremental District No. 14.

Attachments: [TID No. 14 Project Plan Amendment 3rd Draft 2018-10-31](#)

Please see the discussion for 1158-18.

[1161-18](#)

Subject: (Direct Referral) Review and discussion of the proposed project plan amendment for Tax Incremental District No. 17.

Attachments: [TID No. 17 Project Plan Amendment 3rd Draft 2018-10-31](#)

Please see the discussion for 1158-18.

[1162-18](#)

Subject: (Direct Referral) Review and discussion of proposed project plan amendment for Tax Incremental District No. 18.

Attachments: [TID No. 18 Project Plan Amendment 2nd Draft 2018-10-31](#)

Please see the discussion for 1158-18.

[1163-18](#)

Subject: (Direct Referral) Review and discussion of the proposed establishment of the project plan, boundaries, and creation of Tax Incremental District No. 21.

Attachments: [TID No. 21 Project Plan 2nd Draft 2018-10-31](#)

Please see the discussion for 1158-18.

Next Meeting Date

The next meeting date was scheduled for Wednesday, December 12th at 3:00 p.m.

Adjournment

There being no further business, the meeting adjourned at 3:21 p.m.