

## MINUTES OF THE CITY OF NEENAH JOINT REVIEW BOARD

November 2, 2023

Hauser Room, Neenah City Hall

Present: **Board members: Mike Faulks, Jon Joch, Adam Bellcorelli (representative from Winnebago County) and Amy Van Straten.**

Also present: Community Development Director Chris Haese, Finance Director Vicky Rasmussen, City Attorney David Rashid and Community Development Specialist Samantha Jefferson.

Board Chairman Faulks called the meeting to order at 3:00 p.m.

**Approval of October 10, 2023, meeting minutes:** MSC Faulks/Joch, the Joint Review Board approved the minutes of the October 10, 2023 Joint Review Board meeting. Motion passed.

### **Review of Public Record Pertaining to the amendment of TID #9:**

Director Haese detailed the specifics of the TID amendment which are required by the state.

#### **Statutory Submittal Information:**

- 1. The City shall provide the specific items that constitute the project costs, the total dollar amount of these project costs to be paid with the tax increments, and the amount of tax increments to be generated over the life of the tax incremental district.***

This information can be found in Table 1 and Appendix A in the Tax Increment District #9 Project Plan Amendment #3. Table 1 lists the specific work items that make up the \$4.15 million in project costs. Appendix A provides a listing of projected tax increments for the district. It is projected that \$14.5 million in incremental property value will be generated over the maximum life period of the district, generating over \$6.3 million in additional tax revenue.

- 2. The City shall provide the amount of the value increment when the project costs are paid in full, and the tax incremental district is terminated.***

This information can be found in Appendix A in the Amended Project Plan, which provides cumulative incremental value data. Beginning in 2040, after the district has been dissolved and terminated, the value increment generated from the properties in TID #9 as amended will be \$14.50 million.

- 3. The City shall state the reasons why the project costs may not or should not be paid by the owners of property that benefits by improvements within the tax incremental district.***

Over the past several decades, the properties within the District have been affected by poor drainage and illegal filling, resulting in the creation of regulated wetlands. Growing traffic volumes in and adjacent to the District have also impacted the safe and efficient movement of commercial traffic and the traveling public. Both issues, along with infrastructure costs and challenging soil conditions have minimized the economic vitality of the District. As a result, excessive development costs are likely, seriously limiting the ability of the private sector to fully front-end the costs of revitalization and economic growth of the District. Without some level of public participation, the redevelopment projects could not succeed.

- 4. The City shall list the share of the projected tax increments estimated to be paid by the owners of taxable property in each of the taxing jurisdictions overlying the tax incremental district.***

Estimates of the tax increments to be paid by owners of taxable property in each of the overlying taxing jurisdictions can be found in Appendix C in the Amended Project Plan.

- 5. The City shall state the benefits that the owners of taxable property in the overlying taxing jurisdictions will receive to compensate them for their share of the projected increments.***

Increased property values and associated tax revenues are the most direct benefits to all taxing jurisdictions. TID #9 will generate over \$6.3 million in tax increments over the maximum life period (2015-2041). Beginning in 2040, the first annual amount of tax revenues, estimated at \$290,000, will be apportioned to all taxing jurisdictions. From that year forward, these added tax revenues will be received without having to raise tax rates to generate them.

Board Findings:

**1. *Would the development expected in TID #9 as amended occur without the use of tax incremental financing?***

The properties that make up this project area are beginning to experience physical, economic, and functional obsolescence, leading to reduced maintenance and continuing disrepair. A lack of sufficient site and use arrangement to effectively accommodate safe traffic movement and parking affect several of the properties and is affecting the ability of the project area to achieve its highest and best use as an industrial area. Project area conditions are considered in need of conservation and rehabilitation within statutory definitions and are in need of reinvestment to ensure the long-term economic viability of the project area.

In creating the district, the City of Neenah recognized that the public sector has an essential and necessary role to play in urban and economic redevelopment. Without making tax incremental financing available, market conditions, competitive interests and the high cost of reinvestment would drive away development interest in this project and redevelopment would not occur.

**2. *Are the economic benefits of the tax incremental district, as measured by increased employment, business and personal income and property value, sufficient to compensate for the cost of the improvements?***

Projected property value growth is sufficient to compensate for the cost of the improvements since the tax increments generated over a period of 16 years will retire all costs associated with the district. Development within the amended area of the district will provide added benefits with the expected increase of at least 200 new jobs, business opportunities for retail and service trades, and new capital investment.

**3. *Will the benefits of the proposed district outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts?***

TID #9 as amended will generate an estimated \$8.6 million in tax revenues over the maximum life period (2041). For the next 16 years, tax revenues received will be used to retire total project costs. Beginning in 2040, the first annual amount of incremental tax revenues, estimated at \$290,000, will begin to be apportioned to all taxing jurisdictions. From that year forward, these added tax revenues would be available to all of the taxing entities to support their respective operations. Appendix C in the Project Plan estimates the tax increments to be apportioned to each of the overlying taxing jurisdictions. Ultimately, the benefits of the proposed district will outweigh the anticipated increments to be paid (delayed) by the owners of property in the overlying taxing districts.

**Consideration of Neenah Joint Review Board Resolution #2023-1 to amend TID #9:**

**MSC Faulks/Joch, the Neenah Joint Review Board to approve Neenah Joint Review Board Resolution #2023-1 to amend TID #9. All voting aye.**

**Announcements and Future Agenda Items:** Additional TIF Districts may potentially be created in 2024 and would therefore require Joint Review Board meetings. Otherwise, the Joint Review Board is required to meet each year before July 1. This will be scheduled within the next several months.

**Adjournment:** Meeting adjourned at 3:10 p.m.

Respectfully Submitted,



Samantha Jefferson  
Community Development Specialist