

MINUTES OF THE CITY OF NEENAH JOINT REVIEW BOARD
July 18, 2024
Hauser Room, Neenah City Hall

Present: **Board members: Mike Faulks, Jon Joch, Adam Bellcorelli (representative from Winnebago County) and Ald. Mark Ellis.**

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

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

Approval of June 25, 2024 meeting minutes: MSC Faulks/Joch, the Joint Review Board approved the minutes of the June 25, 2024 Joint Review Board meeting. Motion passed.

Review of TID Reports:

While a report of the TIDs were given at the June 25, 2024 meeting, the forms that are required to be submitted to the state were included in this agenda packet. Member Joch asked if there was anything of concern that should be discussed. Directors Haese and Rasmussen said that there was nothing of concern to note and that the TIDs were doing as expected or better. TID #8, which struggled due to the financial conditions in 2008-2010 and changes at the state, is doing significantly better than expected (it was designated distressed and TID #7 is a donor district).

Review of Public Record Pertaining to the amendment of TID #13:

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 #13 Project Plan. Table 1 lists the specific work items that make up the \$6,250,000 in project costs. Appendix A provides a listing of projected tax increments for the district. It is projected that \$35 million in incremental property value will be generated over the maximum life period of the district, generating over \$10 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 Project Plan, which provides cumulative incremental value data. Beginning in 2039, after the district has been dissolved and terminated, the value increment generated from the properties in TID #13 will be \$34.8 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.***

This particular district is challenged by high development costs due to the necessary mitigation of wetlands, street upgrades, property assemblage and intersection improvements. These costs limit the ability of the private sector to fully front-end the cost of development. Without some level of public participation, the redevelopment projects and economic development 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 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 #13 will generate over \$10 million in tax increments over the maximum life period (2024-2043). Beginning in 2039, the first annual

amount of tax revenues, estimated at \$557,440, 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.

6. The City Assessor shall calculate the value of all tax-exempt City-owned property in the tax increment district as of January 1, 2024.

There is no City-owned land within Tax Increment District #13 which meets the statutory definition of this finding.

Board Findings:

1. Would the development expected in TID #13 occur without the use of tax incremental financing?

Development of this area is challenged by the high cost of mitigation of wetlands, street upgrades, property assemblage and intersection improvements. For development to be economically feasible, tax incremental financing is warranted.

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 the life of the district will retire all costs associated with the district. Additional employment opportunities are also expected.

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 #13 will generate an estimated \$10 million in tax revenues over the maximum life period (2043). For the next 16 years, tax revenues received will be used to retire total project costs. Beginning in 2039, the first annual amount of incremental tax revenues, estimated at \$557,440, will begin to be apportioned to all taxing jurisdictions. From that year forward, these added tax revenues would be available to all 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 #2024-1 to create TID #13:

MSC Ellis/Joch, the Neenah Joint Review Board to approve Neenah Joint Review Board Resolution #2024-1 to create TID# 13. All voting aye.

Announcements and Future Agenda Items: Additional TIF Districts may potentially be created in 2024/2025.

Adjournment: Meeting adjourned at 3:15 p.m.

Respectfully Submitted,



Samantha Jefferson
Community Development Specialist