

Memo

To: Plan Commission

Fr: Trevor Fuller, Planning and Zoning Administrator

Re: ACTION RE: AMENDMENT TO TID#1 (Tax Incremental Financing District)

Date: May 28, 2015

Attached is the schedule and proposal for Ehlers to amend Allouez TID#1.

Background:

The project plan for TID#1 was officially adopted by the Village Board on October 18, 2011, with the district becoming effective for valuation purposes on January 1, 2012. Ehlers was contracted by the village to aid in the creation of the TID. The TID was created as a rehabilitation TID, focused on infill development and redevelopment projects within the boundaries. These boundaries were set to address known projects at the time (e.g. Marine Street, the old Village Hall site, etc.).

Request:

Through the corridor study, the village has identified other potential areas, outside of the TID where rehabilitation projects could take place. Parcels AL-1955-Q-46, AL-50-12, AL-50-17, AL-56-2, AL-78, AL78-1, AL-79 are outside of the current TID boundaries and were identified as being areas for potential development and redevelopment (please see attached map).

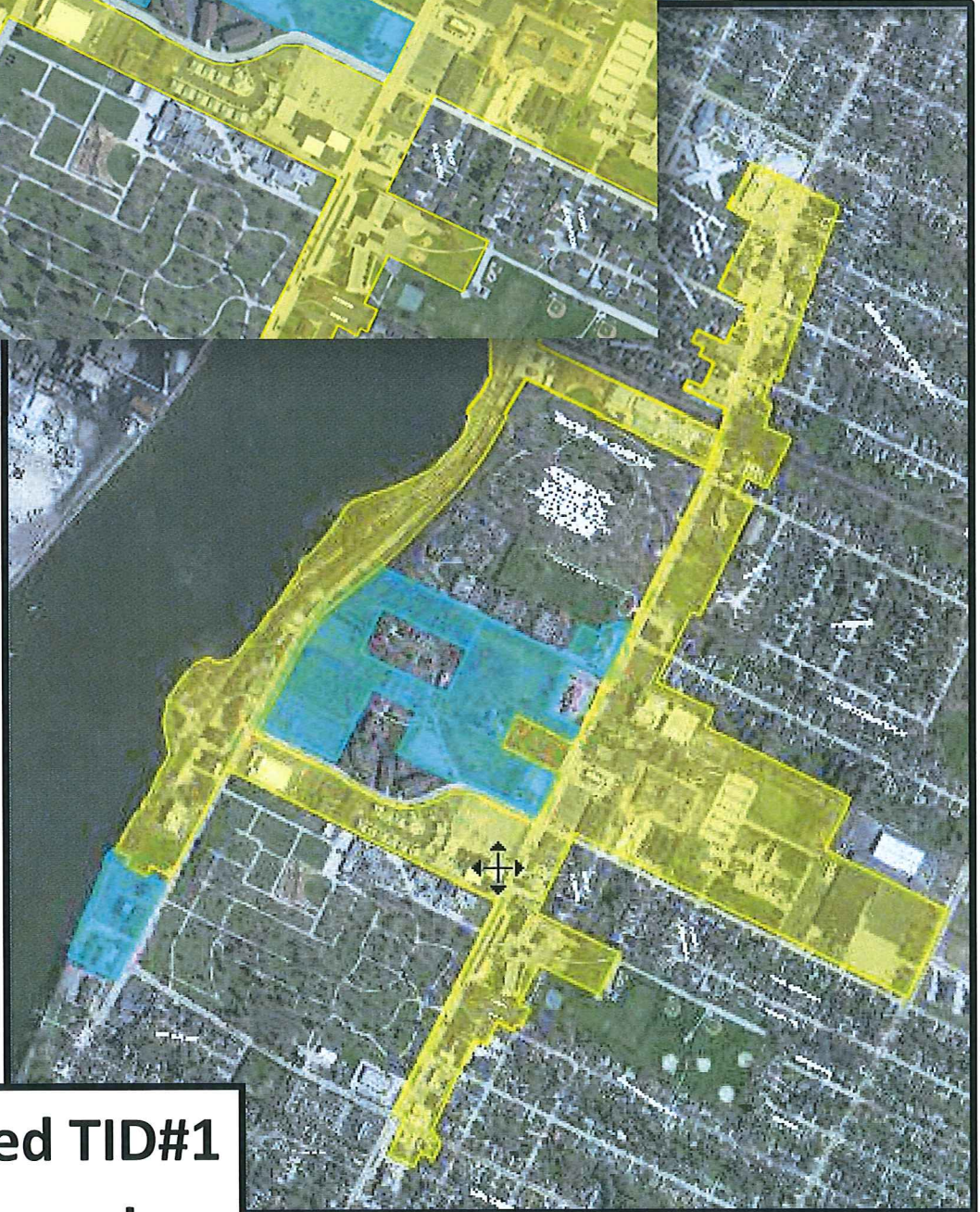
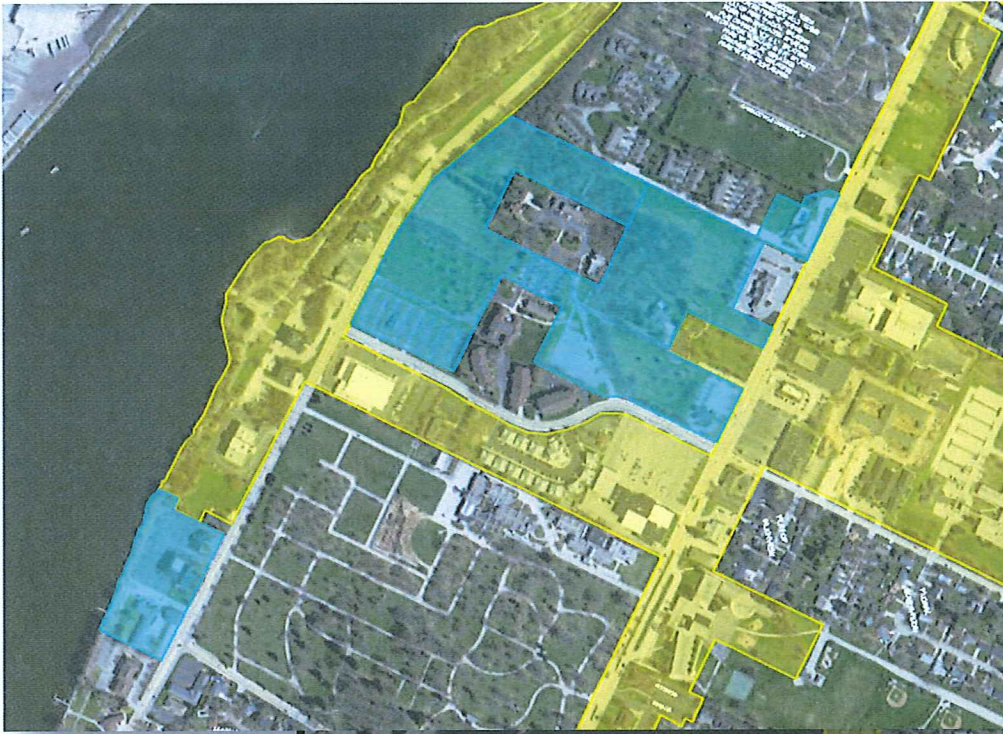
The village must adopt an amended project plan by September 30th, in order for the amendment to be effective January 1st.

The attached schedule and proposal from Ehlers keeps us on track of this deadline.

Village Board is asked to approve staff to move forward with entering into a contract with Ehlers as a consultant to conduct a feasibility analysis of the amendment (Phase I).



**Current TID#1
Boundary**



**Proposed TID#1
Boundary**

VILLAGE OF ALLOUEZ, WI
TAX INCREMENTAL **REHAB** DISTRICT NO. 1
PROJECT PLAN & BOUNDARY AMENDMENT
Proposed Timetable - 5/15/15

<u>ACTION DATE</u>	<u>STEP</u>
June	Village will provide Ehlers with a list of the parcel tax key #'s within the amended area to the District, pertinent parcel information, the maps, list of projects and costs, etc.
	Ehlers will prepare & provide an applicable findings report.
	Ehlers will prepare & provide the Village with a feasibility analysis report, options, and/or draft project plan document
	Zoning & Planning Committee makes a motion to call for a public hearing (optional)
Aug. 3	Ehlers' will e-mail a Notice to Official Village Newspaper of organizational JRB meeting & public hearing. (cc: Village)
	Ehlers will provide Village with a draft of a notice that must be sent to property owners within the proposed TID, for the Village's use.
	Ehlers will mail notification letters, along with required enclosures, to overlapping taxing jurisdictions of JRB organizational meeting & public hearing, as well as the agenda - to be posted by the Village. (cc: Village & attorney) <i>(Letters must be postmarked prior to first publication).</i>
Aug. 3 – 9	Village will send notices, along with required enclosures, to applicable properties within proposed boundaries. (cc: Ehlers & attorney). <i>(Letters must be postmarked prior to first publication & at least 15 days prior to hearing). Properties may be removed, but may not be added after publications.</i>
Aug.	Ehlers will provide Village, overlapping taxing entities, and/or Village Attorney with [revised] draft Project Plan document, if not yet provided and/or necessary, as well as agenda language (Village to post) & resolution (Village to distribute) for first meetings, and will also request legal opinion of the plan.
Aug. 10	First Publication of Public Hearing & JRB Meeting Notice <i>(Week prior to second notice & at least 5 days prior to JRB meeting)</i>
Aug. 17	Second Publication of Public Hearing & JRB Meeting Notice. <i>(At least 7 days prior to public hearing)</i>
Aug. 24	Joint Review Board meets to review plan, appoint chairperson and public member and set next meeting date. <i>(Prior to public hearing)</i>
	Zoning & Planning Committee Public Hearing on Project Plan and TID boundary. <i>(Within 14 days of second publication)</i>
	Zoning & Planning Committee reviews Plan & approval of District Project Plan and boundaries.
Aug. – Sept.	Ehlers will provide Village & Village Attorney with revised draft Project Plan, if necessary, as well as agenda language (Village to post) & resolution (Village to distribute) for Village Board meeting.
Sept. 15	Village Board reviews plan & adopts resolution approving District Project Plan and boundaries.
Sept. 16	Ehlers' will e-mail a Class 1 Notice to Official Village Newspaper of JRB meeting. (cc: Village)
	Ehlers will mail notices & required attachments to JRB of the final meeting, along with the Agenda (Village to post). (cc: Village & Attorney) <i>(Letters must be postmarked prior to publication).</i>
Sept. 23	Publication of JRB Meeting Notice <i>(At least 5 days prior to meeting)</i>
Sept. 28 – Oct. 14	Joint Review Board considers approval of District Project Plan and boundaries. <i>(Within 30 days of notification of meeting / receipt of Zoning & Planning Committee & Village Board resolutions)</i>
Sept. – Oct.	Ehlers will gather, prepare, and submit state forms & required documents to the state, once the 2015 assessed parcel values are available (following the BOR) and we receive all remaining maps, legal descriptions, parcel information, documents, etc. from the Village. DOR filing deadline October 31.

Village Board meets 1st & 3rd Tuesday @ 6:30 p.m.
Zoning and Planning Committee meets 4th Monday @ 6:30 p.m.
The Green Bay Press Gazette
publish M – F, deadline 3 business days prior
legals@greenbaypressgazette.com

January 5, 2015

Trevor Fuller, Planning and Zoning Administrator
Village of Allouez
1900 Libal Street
Allouez, WI 54301

RE: Proposed Project: Tax Incremental District Amendment

Dear Brad:

In accordance with your request, we are herewith transmitting our Agreement to provide Tax Incremental Financing Services. Please have one copy signed and returned to our office.

Ehlers has been involved in the evaluation, creation and amendment of more tax increment districts than any other firm in the state, which makes Ehlers the right choice to guide the Village through this process. Throughout the evaluation and creation process, it is important to have a partner that is not driven by potential future fees guiding you through the process. This means that the advice given is free of any conflicts and is based on a fiduciary duty to you, the client.

Please note that our contract is divided into phases. A breakdown of the services to be provided by phase has been outlined in this agreement. The Village would have the right to terminate the project at the conclusion of each phase. At this time, Ehlers is prepared to begin the Feasibility Analysis. Should the Village decide to move forward with this project, following the completion of the analysis, Ehlers is prepared to begin all other phases outlined.

Ehlers & Associates has been providing tax increment assistance to Wisconsin municipalities since the tool was developed in the 1970's. We look forward to the opportunity to work with the Village on this important project. If you have any questions regarding the agreement feel free to contact me at any time.

Sincerely,

EHLERS & ASSOCIATES, INC.



Greg Johnson, CIPMA
Vice President - Financial Advisor

cc: Paula Czaplewski, TIF & Continuing Disclosure Coordinator, Ehlers



Agreement to Provide Tax Incremental Financing Services

Date of Agreement: January 5, 2015
Client: Village of Allouez, WI
Proposed Project: Tax Incremental District Amendment (the "Project")

This Agreement is between the Village of Allouez (the "Client") and Ehlers & Associates, Inc. ("Ehlers"). Ehlers agrees to provide the following scope of services for the above Project:

Scope of Services

Phase I – Feasibility Analysis

The purpose of Phase I is to determine whether or not the Project is a statutorily and economically feasible option to achieve the Client's objectives. This phase begins upon your authorization of this engagement, and ends on completion and delivery of a feasibility analysis report. As part of Phase I services, Ehlers will:

- Consult with appropriate Client officials to identify the Client's objectives for the Project.
- Provide feedback as to the appropriateness of using Tax Incremental Financing in the context of the "but for" test.
- If the Project includes creation of or addition of territory to a district, identify preliminary boundaries and gather parcel data from Client. Determine compliance with the following statutory requirements as applicable:
 - Equalized Value test.
 - Purpose test (industrial, mixed use, blighted area, or in need of rehabilitation or conservation).
 - Vacant land test.
 - Newly platted residential land use test.
- Prepare feasibility analysis report. The report will include the following information, as applicable:
 - Identification of the type or types of districts that may be created.
 - A description of the type, maximum life, expenditure period and other features corresponding to the type of district proposed.
 - A summary of the development assumptions used with respect to timing of construction and projected values.
 - Projections of tax increment revenue collections to include annual and cumulative present value calculations.

- Qualification of the district as a donor or recipient of shared increment, and projected impact of any allocations of shared increment.
 - Qualification of the district for distressed, or severely distressed, status and the projected impact of that designation.
 - If debt financing is anticipated, a summary of the sizing, structure and timing of proposed debt issues.
 - A cash flow *pro forma* reflecting annual and cumulative district fund balances and projected year of closure.
 - A draft time table for the Project.
 - Identification of how the creation date may affect the district's valuation date, the base value, the number of revenue collection periods, compliance with the equalized value test, and the ability to capture current year construction values and changes in economic value.
 - When warranted, evaluate and compare options with respect to boundaries, type of district, project costs and development levels.
 - Ehlers will provide guidance on district design within statutory limits to creatively achieve as many of the Client's objectives as possible, and will provide liaison with State Department of Revenue as needed in the technical evaluation of options.
- Present the results of the feasibility analysis to the Client's staff, Plan Commission or governing body.

Phase II – Project Plan Development and Approval

If the Client elects to proceed following completion of the feasibility analysis, the Project will move to Phase II. This phase includes preparation of the Project Plan, and consideration by the Plan Commission¹, governing body, and the Joint Review Board. This phase begins after receiving notification from the Client to proceed, and ends after the Joint Review Board takes action on the Project. As part of Phase II services, Ehlers will:

- Based on the goals and objectives identified in Phase I, prepare a draft Project Plan that includes all statutorily required components.
- We will coordinate with your staff, engineer, planner or other designated party to obtain a map of the proposed boundaries of the district, a map showing existing uses and conditions of real property within the district, and a map showing proposed improvements and uses in the district.
- Submit to the Client an electronic version of the draft Project Plan for initial review and comment.
- Coordinate with Client staff to confirm dates and times for the meetings indicated below and on the following. Ehlers will ensure that selected dates meet all statutory timing requirements, and will provide documentation and notices as indicated.

¹ If Client has created a Redevelopment Authority or a Community Development Authority, that body may fulfill the statutory requirements of the Plan Commission related to creation or amendment of the district.

Meeting	Ehlers Responsibility	Client Responsibility
Initial Joint Review Board	<p>Prepare Notice of Meeting and transmit to Client's designated paper.</p> <p>Mail meeting notice, informational materials, and draft Project Plan to overlapping taxing jurisdictions.</p> <p>Provide agenda language to Client.</p> <p>Attend meeting to present draft Project Plan.</p>	<p>Post or publish agenda and provide notification as required by the Wisconsin Open Records Law.</p> <p>Prepare meeting minutes.</p> <p>Designate Client Joint Review Board representative.</p> <p>Identify and recommend Public Joint Review Board representative for appointment.</p>
Plan Commission Public Hearing	<p>Prepare Notice of Public Hearing and transmit to Client's designated paper.</p>	<p>Post or publish agenda and provide notification as required by the Wisconsin Open Records Law.</p>
Plan Commission Public Hearing	<p>For districts created on the basis of blight elimination, or on the basis of properties in need of conservation or rehabilitation, provide a format for the required individual property owner notification letters.</p> <p>Attend hearing to present draft Project Plan.</p>	<p>Prepare and mail individual property owner notices (only for districts created on the basis of blight elimination, or on the basis of properties in need of conservation or rehabilitation).</p> <p>Prepare meeting minutes.</p>
Plan Commission	<p>Provide agenda language to Client.</p> <p>Attend meeting to present draft Project Plan.</p> <p>Provide approval resolution for Plan Commission consideration.</p>	<p>Post or publish agenda and provide notification as required by the Wisconsin Open Records Law.</p> <p>Distribute Project Plan & resolution to Plan Commission members in advance of meeting.</p> <p>Prepare meeting minutes.</p>
Governing Body Action	<p>Provide agenda language to Client.</p> <p>Attend meeting to present draft Project Plan.</p> <p>Provide approval resolution for governing body consideration.</p>	<p>Post or publish agenda and provide notification as required by the Wisconsin Open Records Law.</p> <p>Provide Project Plan & resolution to governing body members in advance of meeting.</p> <p>Prepare meeting minutes.</p>
Joint Review Board Action	<p>Mail meeting notice and copy of final Project Plan to overlapping taxing jurisdictions.</p> <p>Prepare Notice of Meeting and transmit to Client's designated paper.</p> <p>Provide agenda language to Client.</p> <p>Attend meeting to present final Project Plan.</p> <p>Provide approval resolution for Joint Review Board consideration.</p>	<p>Post or publish agenda and provide notification as required by the Wisconsin Open Records Law.</p> <p>Prepare meeting minutes.</p>

- Throughout the meeting process, provide drafts of the Project Plan and related documents in sufficient quantity for the Client’s staff, Plan Commission, governing body and Joint Review Board members.
- Provide advice and updated analysis on the impact of any changes made to the Project Plan throughout the approval process.

Phase III – State Submittal

This phase includes final review of all file documents, preparation of filing forms, and submission of the base year or amendment packet to the Department of Revenue. This phase begins following approval of the district by the Joint Review Board, and ends with the submission of the base year or amendment packet. As part of Phase III services, Ehlers will:

- Assemble and submit to the Department of Revenue the required base year or amendment packet to include a final Project Plan document containing all required elements and information.
- Provide the Client with an electronic copy of the final Project Plan (and up to 15 bound hard copies if desired).
- Provide the municipal Clerk with a complete electronic and/or hard copy transcript of all materials as submitted to the Department of Revenue for certification.
- Act as a liaison between the Client and the Department of Revenue during the certification process in the event any questions or discrepancies arise.

Compensation

In return for the services set forth in the “Scope of Services,” Client agrees to compensate Ehlers as follows:

	Boundary Project Plan Amendment
Phase I	\$ 5,200
Phase II	\$ 7,300
Phase III	\$ 1,500
Total	\$ 14,000

Payment for Services

For all compensation due to Ehlers, Ehlers will invoice Client for the amount due at the completion of each Phase. Our fees include our normal travel, printing, computer services, and mail/delivery charges. The invoice is due and payable upon receipt by the Client.

Client Responsibility

The following expenses are not included in our Scope of Services, and are the responsibility of Client to pay directly:

- Services rendered by Client’s engineers, planners, surveyors, appraisers, assessors, attorneys, auditors and others that may be called on by Client to provide information related to completion of the Project.
- Preparation of maps necessary for inclusion in the Project Plan.
- Preparation of maps necessary for inclusion in the base year or amendment packet.
- Publication charge for the Notice of Public Hearing and Notices of Joint Review Board meetings.
- Legal opinion advising that Project Plan contains all required elements (normally provided by municipal attorney).
- Preparation of District metes & bounds description (needed in Phase III)
- Department of Revenue filing fee and annual administrative fees. The current Department of Revenue fee structure is:

Current Wisconsin Department of Revenue Fee Schedules	
Base Year Packet	\$1,000
Amendment Packet with Territory Addition	\$1,000
Amendment Packet	No Charge
Distressed or Severely Distressed Designation	\$500
Annual Administrative Fee	\$150

Execution and Authority

By executing this Agreement, the person signing on behalf of Client represents that he/she has the authority to execute agreements of this type on behalf of Client and that this Agreement constitutes a binding obligation of Client enforceable in accordance with its terms/

The above Contract is hereby accepted

by the Village of Allouez, Wisconsin,

by its authorized officer this _____ day of _____, 20__.

By: _____ Title: _____