

CITY OF GLENDALE
JOINT REVIEW BOARD
5909 N. Milwaukee River Parkway
Glendale, Wisconsin 53209

MEETING AGENDA

Tuesday, June 30, 2020
1:00 p.m.

1. Call To Order / Roll Call
2. Approval of Minutes from August 20, 2019 meeting.
3. Discussion to review the 2019 Annual Report and the performance and status of Tax Incremental District No. 7.
4. Discussion to review the 2019 Annual Report and the performance and status of Tax Incremental District No. 8.
5. Set next meeting date.
6. Adjournment.

NOTICE: Although this is NOT a meeting of the Glendale Common Council, a majority of Council members may be in attendance. No action or deliberation by the Council will take place.

-Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals.-

CITY OF GLENDALE JOINT REVIEW BOARD

Meeting Minutes

August 20, 2019

Regular meeting of the Joint Review Board of the City of Glendale held in the David Hobbs Honda for the People Community Room, located at Richard E. Maslowski Park, 2200 West Bender Road, Glendale, Wisconsin.

The meeting was called to order by Deputy City Administrator Shawn Lanser at 1:01 p.m.

Roll Call: Present: Deputy City Administrator Shawn Lanser, Mr. Jeff Pruefer, Nicolet School District; Dr. Wilma Bonaparte, Vice President of Milwaukee Area Technical College (arrived at 1:05 p.m.); Mr. Aaron Hertzberg, Economic Development Director of Milwaukee County; Rosey Teays, Glendale-River Hills School District; Dr. Elliot Moeser, Citizen of Glendale.

Other Officials Present: City Attorney John F. Fuchs; City Clerk Miranda Etzel; and Attorney Deborah Tomczyk, Attorney for Developer.

OPEN MEETING NOTICE.

Deputy City Administrator Lanser advised that in accordance with the Open Meeting Law, the local news media was advised on Friday, August 16, 2019, of the date of this meeting; that the agenda was posted on the official bulletin board of City Hall, the Glendale Police Department, and the North Shore Library; that copies of the agenda were made available to the general public in the Municipal Building and the Police Department, and those persons who requested, were sent copies of the agenda.

ADOPTION OF JOINT REVIEW BOARD MINUTES.

Motion was made by Ms. Teays, seconded by Mr. Pruefer, to approve the minutes of the meeting held on June 25, 2019. Ayes: Deputy City Administrator Lanser, Mr. Pruefer, Dr. Bonaparte, Mr. Hertzberg, Ms. Teays, Dr. Moeser. Noes: None. Abstain: None. Motion carried unanimously.

COMMUNICATIONS, APPLICATIONS AND PETITIONS.

Resolution Approving Project Plan Amendment #2 to the Tax Incremental District Number Eight of the City Of Glendale, Wisconsin.

City Attorney Fuchs provided a brief explanation of the Resolution Approving Project Plan Amendment #2 to the Tax Incremental District Number Eight of the City of Glendale, Wisconsin (“the Resolution”).

Dr. Moeser asked about the TID blight criteria being met. Attorney Fuchs stated that the territory amendment was being made per the Department of Revenue TID parcel rules, not a specific blight finding. The territory amendment would have been presented a decade ago, but the City of Glendale had over 12% of its valuation already in a TID, so no boundary amendments could be made. With TID 6 closing in 2019, the territory amendment can now be processed by the Department of Revenue.

Dr. Moeser inquired as to when improvements at Bayshore will begin. Attorney Fuchs replied that improvements are moving rapidly with new investors, further explaining that contractors have come to City Hall to obtain permits, but were unable to do so because there is not yet an agreement in place between the City and Bayshore. Kirk Williams, of Cypress Equities, stated that tenants are being moved out of the mall, and that workers have started demolishing the interior of the mall; he intends to have all tenants out of the mall by the end of the calendar year. Dr. Moeser asked if all work will be completed by the end of 2021. Mr. Williams answered that all capital is in place—this is the last contingent piece.

Dr. Moeser asked when the value of Bayshore will go up again. Attorney Fuchs stated after January 1, 2020. Attorney Fuchs explained that the value of Bayshore will be reassessed annually each January. Attorney Fuchs further explained that the incentive to develop is directly tied to the increment generated; as Bayshore reinvests funds into the development, new increment will be generated. The new increment will be returned to the developer as an incentive payment. There is no new borrowing, and there will be no additional debt. Attorney Fuchs also stated that the amount of City debt acquired by Cypress Equities was \$75M-\$80M, which has now decreased considerably to \$40M-\$45M.

Dr. Moeser requested clarification of the last paragraph of the Resolution. Attorney Fuchs explained that a portion of TID 6 included the Trader Joe's corner of Bayshore Town Center. As a part of this process, the State of Wisconsin Department of Revenue is requiring the City include the entire parcel of Bayshore Town Center into TID 8, since TID 6 is closed in 2019. With the closing of TID 6, the money that would have gone into TID 6 will be distributed amongst general tax base.

Dr. Moeser asked why the City did not choose to do everything currently being done with Bayshore, sooner. Attorney Fuchs stated that things changed for many reasons. Olshan Properties inherited Bayshore. The City did not know condominiums were not being built until after the market crash in 2008.

Dr. Moeser expressed concern with the potential of what the City may lose. Attorney Fuchs explained that the City actually caught a break. The lender put the property in a receivership, and brought in a management company, who is working with the City to rebrand Bayshore, instead of a fire sale, which could have left the City in a considerable amount of debt.

Dr. Moeser inquired as to what type of leases have been negotiated. Mr. Williams explained that the leases depend on the tenant, and each tenant's situation. Mr. Williams went on to explain that in an ideal situation, by late 2020, when all tenants are in place, he would like to see 10-year leases.

Mr. Hertzberg inquired about the closure date of TID 8. Deputy City Administrator Lanser stated 2033 (previously 2029).

Motion was made by Mr. Hertzberg, seconded by Mr. Pruefer, to approve the Resolution Approving the Amendment to the Tax Incremental District Number Eight of the City of Glendale, Wisconsin. Ayes: Deputy City Administrator Lanser, Mr. Pruefer, Dr. Bonaparte, Mr. Hertzberg, Ms. Teays, Dr. Moeser. Noes: None. Abstain: None. Motion carried unanimously.

A future date was not set for the next Joint Review Board meeting.

ADJOURNMENT.

There being no further business, motion was made by Dr. Wilma Bonaparte, seconded by Ms. Teays, to adjourn the meeting. Ayes: Deputy City Administrator Lanser, Mr. Pruefer, Dr. Bonaparte, Mr. Hertzberg, Ms. Teays, Dr. Moeser. Noes: None. Abstain: None. Motion carried, and adjournment of the Joint Review Board was ordered at 1:30 p.m.

Miranda Etzel
City Clerk

Recorded: August 21, 2019.



5909 North Milwaukee River Parkway
Glendale, WI 53209

SUBJECT: Discussion to review the 2019 Annual Report and the performance and status of Tax Incremental Districts

FROM: Shawn Lanser, Deputy City Administrator

MEETING DATE: June 30, 2020

FISCAL SUMMARY:

Budget Summary:	N/A
Budgeted Expenditure:	N/A
Budgeted Revenue:	N/A

STATUTORY REFERENCE:

Wisconsin Statutes:	66.1105(4m)(f)
Municipal Code:	N/A

BACKGROUND/ANALYSIS:

Reports for Glendale Tax Incremental Districts are to be reviewed by the Joint Review Board annually. Those reports are attached for your review.

TID #7 is restructuring debt obligations in 2020.

TID #8 is considering amending the project plan in 2020 to correct a partial parcel value adjustment required by the Wisconsin Department of Revenue related to the 2019 TIF #8 project plan amendment.

RECOMMENDATION:

There is no action being requested.

ACTION REQUESTED:

Motion to place reports on file.

ATTACHMENTS:

1. 2019 Annual Report for TID #7.
2. 2019 Annual Report for TID #8.
3. Outstanding TID debt as of December 31, 2019.

Form PE-300	TID Annual Report	2019 WI Dept of Revenue
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Section 1 - Municipality and TID					
Co-muni code 40231	Municipality GLENDALE	County MILWAUKEE	Due date July 1, 2020	Report type ORIGINAL	
TID number 007	TID type 2	TID name Technology District	Creation date 08/26/1996	Mandatory termination date 08/26/2030	Expected termination date 12/31/2029

Section 2 - Beginning Balance	Amount
TID fund balance at beginning of year	\$2,394,446

Section 3 - Revenue	Amount
Tax increment	\$2,430,831
Investment income	\$49,691
Debt proceeds	\$6,620,000
Special assessments	
Exempt computer aid	\$322,269
Sale of property	
Allocation from another TID	
Developer guarantees name	
Transfer from other funds source	
Other grants sources	
Other revenue sources	
Source Personal Property Aid	\$34,652
Source Debt Premium	\$842,187
Total Revenue (deposits)	\$10,299,630

Form PE-300	TID Annual Report	2019 WI Dept of Revenue
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Section 4 - Expenditures	Amount
Capital expenditures	
Administration	\$3,240
Professional services	
Interest and fiscal charges	\$700,437
DOR fees	\$150
Discount on long-term debt	\$66,200
Debt issuance costs	\$39,134
Principal on long-term debt	\$9,015,000
Environmental costs	
Real property assembly costs	
Allocation to another TID	
Developer grants name	
Developer name N/A	
Transfer to other funds source	
Other expenditures source	
Total Expenditures	\$9,824,161

Section 5 - Ending Balance	Amount
TID fund balance at end of year	\$2,869,915
Future costs	\$33,000,000
Future revenue	\$30,200,000
Surplus or deficit	\$69,915

Section 6 - Preparer/Contact Information	
Preparer name Shawn Lanser	Preparer title Deputy City Administrator
Preparer email s.lanser@glendalewi.gov	Preparer phone (414) 228-1717
Contact name Shawn Lanser	Contact title Deputy City Administrator
Contact email s.lanser@glendalewi.gov	Contact phone (414) 228-1717

Form PE-300	TID Annual Report	2019 WI Dept of Revenue
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Section 1 - Municipality and TID					
Co-muni code 40231	Municipality GLENDALE		County MILWAUKEE	Due date July 1, 2020	Report type ORIGINAL
TID number 008	TID type 2	TID name Bayshore	Creation date 08/26/2002	Mandatory termination date 08/26/2033	Expected termination date 08/26/2033

Section 2 - Beginning Balance	Amount
TID fund balance at beginning of year	\$16,229,681

Section 3 - Revenue	Amount
Tax increment	\$5,910,213
Investment income	\$934,963
Debt proceeds	
Special assessments	\$10,641,185
Exempt computer aid	\$23,234
Sale of property	\$2
Allocation from another TID	
Developer guarantees name	
Transfer from other funds source	
Other grants sources	
Other revenue sources	
Source Personal Property Aid	\$97,334
Source Developer Reimbursement	\$31,686,046
Total Revenue (deposits)	\$49,292,977

Form PE-300	TID Annual Report	2019 WI Dept of Revenue
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Section 4 - Expenditures	Amount
Capital expenditures	\$300,054
Administration	\$8,041
Professional services	
Interest and fiscal charges	\$4,376,148
DOR fees	\$150
Discount on long-term debt	
Debt issuance costs	
Principal on long-term debt	\$56,600,000
Environmental costs	
Real property assembly costs	
Allocation to another TID	
Developer grants name	
Developer name N/A	
Transfer to other funds source	
Other expenditures source	
Total Expenditures	\$61,284,393

Section 5 - Ending Balance	Amount
TID fund balance at end of year	\$4,238,265
Future costs	\$34,000,000
Future revenue	\$30,000,000
Surplus or deficit	\$238,265

Section 6 - Preparer/Contact Information	
Preparer name Shawn Lanser	Preparer title Deputy City Administrator
Preparer email s.lanser@glendalewi.gov	Preparer phone (414) 228-1717
Contact name Shawn Lanser	Contact title Deputy City Administrator
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CITY OF GLENDALE

SUMMARY OF TIF PRINCIPAL AND INTEREST DEBT MATURITIES
2020 - 2028

Year	TIF #7 Principal		
	G.O.	CDA Lease Revenue	Total
2020	\$ 1,995,000	\$ 2,095,000	\$ 4,090,000
2021	-	4,100,000	4,100,000
2022	-	5,215,000	5,215,000
2023	-	-	-
2024	-	-	-
2025	965,000	-	965,000
2026	2,160,000	-	2,160,000
2027	2,260,000	-	2,260,000
2028	1,235,000	-	1,235,000
	<u>\$ 8,615,000</u>	<u>\$ 11,410,000</u>	<u>\$ 20,025,000</u>

Year	TIF #7 Interest		
	G.O.	CDA Lease Revenue	Total
2020	\$ 307,405	\$ 300,292	\$ 607,697
2021	276,750	250,012	526,762
2022	276,750	143,412	420,162
2023	276,750	-	276,750
2024	276,750	-	276,750
2025	262,275	-	262,275
2026	193,800	-	193,800
2027	94,600	-	94,600
2028	24,700	-	24,700
	<u>\$ 1,989,780</u>	<u>\$ 693,716</u>	<u>\$ 2,683,496</u>

Total TIF #7	\$ 22,708,496
Reserve Fund	(2,728,000)
Net Total	<u>\$ 19,980,496</u>