

**SPECIAL JOINT MEETING OF THE  
VILLAGE BOARD AND PLAN COMMISSION**

**AGENDA**

**Monday, May 18, 2015**

**The latter of 7:30 P.M.  
or immediately following the Joint Architectural Board/Plan Commission  
meeting beginning at 7:00pm.**

**BOARD ROOM, MUNICIPAL BUILDING, 210 COTTONWOOD AVENUE**

Roll Call

1. Presentation and Discussion on the Proposed Revisions to TIF #4 and the Anticipated Aspects of the Project Plan and Financial Structure of the Proposed TIF #6 in the Downtown Area.
2. Review of Projected Timeline for Consideration.
3. Adjourn

David E. Cox, Village Administrator

Notice: Please note that upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service, contact Lynn Meyer, Deputy Village Clerk, at 262/367-2714. The Municipal Building is handicap accessible.

## MEMORANDUM

**TO:** President and Village Board  
Plan Commission Members

**FROM:** David E. Cox, Village Administrator 

**DATE:** May 15, 2015

**SUBJECT:** Riverwalk Development TIF Support

At our meeting this past Wednesday, staff reached a tentative deal with Developer Joe McCormick for TIF support of the Riverwalk development at 208 E Capitol Drive. The proposed project includes demolition of the existing shopping center and one single family house and construction of two, three story apartment buildings containing 74 units and underground parking and construction of a new 4,000 square foot commercial building adjacent to and parallel with E Capitol Drive that includes three second story apartment units. The project received land use and site/building plan approval earlier this year pending an agreement on Village financial support.

As you will recall, the developer initially requested \$1.935 million in cash support plus the no-cost transfer of two Village-owned parcels to assist in the redevelopment of the site. During further discussions it was clarified that the developer requested interest of five percent (5%) on any amount of the support that was paid over time via a Municipal Revenue Obligation or similar tool as opposed to being paid up front.

After discussion, we have tentatively agreed as follows:

- Total support - \$1.75 million
- Approximately \$550,000 would be paid by the Village immediately upon completion of certain aspects of the project including building demolition, Village utility construction, other on-site utility relocation, utility engineering and bridge construction.
- The \$1.2 million balance of the support would be paid over time at no interest (0%).
- Ninety percent (90%) of the annual taxes on increment would be committed to the developer for payment of the support. The ten percent (10%) balance of the annual increment taxes would be retained by the Village for its expenses.

Based on a review of the project using information from the Developer, the expected project will be valued between \$8 million and \$8.5 million with an anticipated incremental value of approximately \$7 million. This value would be expected to increase over time and for calculation purposes, the value was estimated to grow at one percent (1%) annually. No increase in the tax rate was used for calculations. Using the expected incremental value and taxes paid on that amount, it is anticipated that the payments to the developer would be completed in about the twelfth year of the TIF District's twenty-year life. Thereafter, the Village would finish receiving

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the repayment of the funds it expended at the beginning of the project. The District is expected to pay all of its obligations by approximately year 18.

The intent of the joint meeting on Monday is to brief the Village Board and Plan Commission members on the proposed Village support of the project and the proposed District and to allow review and questions. Jim Mann of the Village's financial consultant Ehlers and Associates will be present and will distribute information to the members. If, after review and discussion, the members are comfortable with proceeding, staff will complete the drafting of various required documents including the Project Plan. Further, the Plan Commission will be asked to hold a public hearing on Thursday, June 4 (7:00pm) and the Village Board will be asked to consider the District at its meeting on Monday, June 22. Additionally, staff will undertake the required notices to the overlying taxing bodies (schools, technical college and County), publish the hearing and meeting notices and set meetings of the Joint Review Board.

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cc: Ryan Bailey, Finance Director  
Darlene Igl, Village Clerk  
James Mann, Ehlers and Associates  
William Taibl, von Briesen and Roper