

AGENDA
JOINT REVIEW BOARD
CITY OF HUDSON
TAX INCREMENTAL DISTRICT NO. 6 CREATION
June 19, 2018 at 4:00 p.m.
Council Chambers of Hudson City Hall
505 3rd Street

1. Call to order
2. Consideration and appointment and/or reaffirmation of the Joint Review Board's public member
3. Election and/or reaffirmation of Chairperson
4. Discuss responsibilities of the Joint Review Board
5. Discuss & review project plan
6. Set next meeting date
7. Adjourn

Posted in City Hall lobbies and emailed to *Hudson Star Observer* on 6/15/2018

Notice is hereby given that a majority of the City Council may be present at the aforementioned meeting of the Plan Commission to gather information about a subject over which they have decision making responsibility. This constitutes a meeting of the City Council pursuant to State ex rel. Badke v. Greendale Village Bd., 173 Wis. 2d 553, 494 N. W. 2d 408 (1993), and must be noticed as such, although the Council will not take any formal action at this meeting.



EHLERS
LEADERS IN PUBLIC FINANCE

City of Hudson, WI

Joint Review Board (JRB) Meeting and Planning Commission Public Hearing

Creation of Tax Increment District (TID) No. 6

June 19, 2018

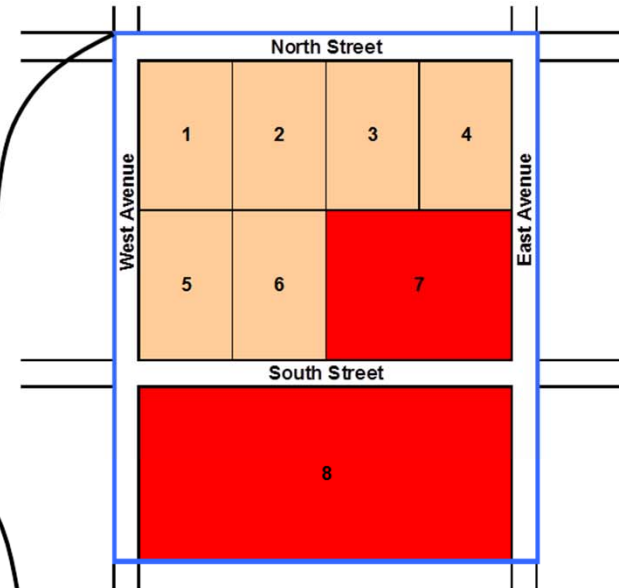
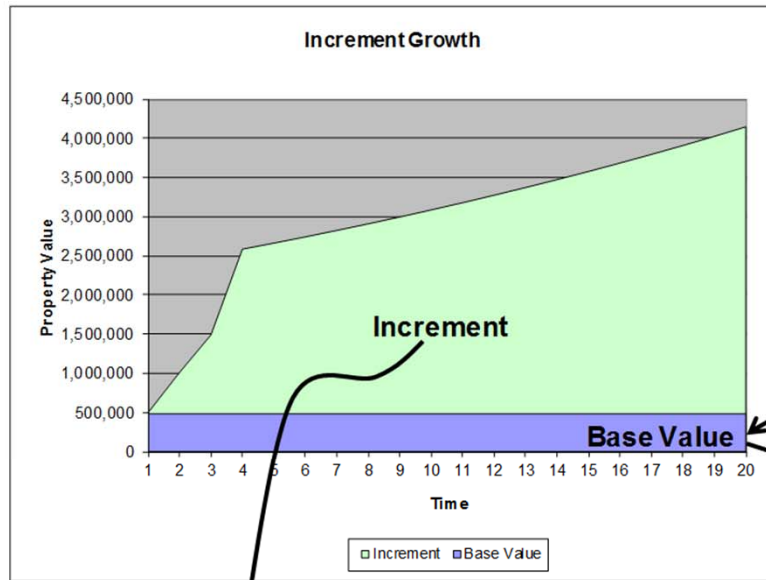


Review Topics

- Tax Increment Financing Basics
- Proposed TID No. 6
 - Boundaries
 - Projects
 - “Mixed-Use”
 - Preliminary Redevelopment & Development Assumptions
 - Preliminary Cash Flow
- Timeline & Next Steps
- Questions



How does TIF work?



	Mill Rate
TID	20.00
Total	20.00

The TID receives taxes on the increment value at the combined rate of all taxing entities

	Mill Rate
Local	6.50
County	4.00
School	7.50
VTAE	2.00
Total	20.00

All taxing jurisdictions continue to receive their share of the tax levy on the base value of the TID



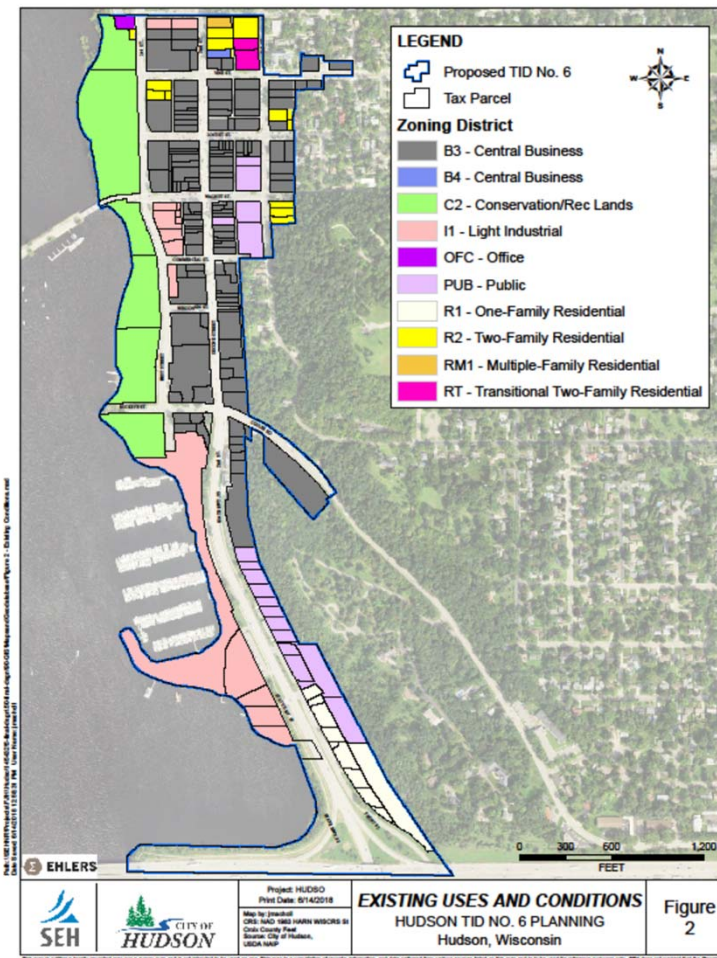
Eligible Project Costs

- Public works & improvements
- Financing costs
- Real property assembly costs (land write-down)
- Professional service costs
- Administrative costs
- Relocation costs
- Contribution to Community Development Authority
- Organizational costs
- Pro-rated costs of utility infrastructure
- Cash grants (requires developer agreement)
- Environmental remediation
- Projects within ½ mile of district



TID No. 6 – Mixed-Use District

- **Purpose:** Promote development and redevelopment in Hudson’s Historic Downtown through public improvements and other incentives
- **Goal: Increase tax base and provide employment opportunities**
- **Required Finding:** at least 50%, by area, of the real property within the District is suitable for Mixed-Use development (Combination of Industrial, Commercial, & Residential)



Preliminary Projects:

- Cash Grant / Redevelopment / Business Incentives
- Second Street Reconstruction
- Waterfront Upgrades & Improvements
- Storm water Improvements
- Parking & Meters
- Creation / Administration / Marketing
- Total: \$34,000,000
- Other Funding including Grants are projected to fund a significant share of the Waterfront Upgrades
- **Projects and Incentives must be individual approved by City**



TID No. 6 – Preliminary Development Assumptions

City of Hudson, Wisconsin									
Tax Increment District # 6									
Development Assumptions									
Construction Year		Actual	River City Center	FLAZ/ Business	Gerrard	Other Future Redevelop.	Annual Total	Construction Year	
1	2018		7,300,000	8,000,000			15,300,000	2018	1
2	2019				20,000,000		20,000,000	2019	2
3	2020					10,000,000	10,000,000	2020	3
4	2021						0	2021	4
5	2022						0	2022	5
6	2023					8,000,000	8,000,000	2023	6
7	2024						0	2024	7
8	2025					5,000,000	5,000,000	2025	8
9	2026					3,700,000	3,700,000	2026	9
10	2027						0	2027	10
11	2028						0	2028	11
12	2029						0	2029	12
13	2030						0	2030	13
14	2031						0	2031	14
15	2032						0	2032	15
16	2033						0	2033	16
17	2034						0	2034	17
18	2035						0	2035	18
19	2036						0	2036	19
20	2037						0	2037	20
Totals		0	7,300,000	8,000,000	20,000,000	26,700,000	62,000,000		

Notes:



Tax Increment District No. 6 – Preliminary Cash Flow

City of Hudson, Wisconsin

Tax Increment District # 6

Cash Flow Projection

Year	Projected Revenues			Expenditures													
	Tax Increments	Interest Earnings/ (Cost)	Total Revenues	Municipal Revenue Obligation (MRO) 2,000,000			Municipal Revenue Obligation (MRO) 2,000,000			Municipal Revenue Obligation (MRO) 3,000,000			G.O. Bond 1,055,000				
				Dated Date:	Est. Rate	Interest	Dated Date:	Est. Rate	Interest	Dated Date:	Est. Rate	Interest	Dated Date:	Est. Rate	Interest		
2018			0														
2019			0														
2020	283,050		283,050	100,000	0.00%	0	100,000	0.00%	0								
2021	655,881		655,881	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	25,000	2.30%		53,996	
2022	847,439		847,439	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	45,000	2.50%		35,423	
2023	855,914		855,914	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	45,000	2.65%		34,298	
2024	864,473		864,473	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	45,000	2.75%		33,105	
2025	1,021,118		1,021,118	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	45,000	2.85%		31,868	
2026	1,031,329		1,031,329	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	50,000	2.90%		30,585	
2027	1,134,142		1,134,142	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	50,000	3.00%		29,135	
2028	1,213,933		1,213,933	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	50,000	3.15%		27,635	
2029	1,226,073		1,226,073	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	55,000	3.25%		26,060	
2030	1,238,334		1,238,334	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	55,000	3.35%		24,273	
2031	1,250,717		1,250,717	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	55,000	3.45%		22,430	
2032	1,263,224		1,263,224	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	60,000	3.55%		20,533	
2033	1,275,856		1,275,856	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	60,000	3.65%		18,403	
2034	1,288,615		1,288,615	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	65,000	3.70%		16,213	
2035	1,301,501		1,301,501	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	65,000	3.80%		13,808	
2036	1,314,516		1,314,516	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	65,000	3.90%		11,338	
2037	1,327,661		1,327,661	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	70,000	3.95%		8,803	
2038	1,340,938		1,340,938	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	75,000	4.00%		6,038	
2039	1,354,347		1,354,347	100,000	0.00%	0	100,000	0.00%	0	157,895	0.00%	0	75,000	4.05%		3,038	
Total	22,089,059	0	22,089,059	2,000,000		0	2,000,000		0	3,000,000		0	1,055,000			446,976	

Notes:



- Projected combination of City “Pay as You Go” Financing & City Debt for TID 6 projects



Tax Increment District No. 6 – Preliminary Cash Flow

										Balances			
Municipal Revenue Obligation (MRO) 1,500,000			G.O. Bond 8,000,000							Total	Annual	Cumulative	Year
Dated Date: Dec. 1, 2021			Dated Date: Oct. 1, 2023			Stormwater				Expenditures			
Principal	Est. Rate	Interest	Principal	Est. Rate	Interest	Marketing	Projects	Creation	Admin.				
								25,000		25,000	(25,000)	(25,000)	2018
						5,000			7,500	12,500	(12,500)	(37,500)	2019
						5,000			7,500	212,500	70,550	33,050	2020
						5,000			7,500	449,391	206,490	239,540	2021
83,333	0.00%	0				5,000			7,500	534,151	313,289	552,828	2022
83,333	0.00%	0				5,000			7,500	533,026	322,888	875,716	2023
83,333	0.00%	0	280,000	2.30%	390,476	5,000			7,500	1,202,309	(337,836)	537,880	2024
83,333	0.00%	0	415,000	2.50%	253,878	5,000	100,000		7,500	1,299,473	(278,356)	259,524	2025
83,333	0.00%	0	425,000	2.65%	243,503	5,000			7,500	1,202,816	(171,487)	88,038	2026
83,333	0.00%	0	435,000	2.75%	232,240	5,000	100,000		7,500	1,300,103	(165,961)	(77,923)	2027
83,333	0.00%	0	450,000	2.85%	220,278	5,000			7,500	1,201,641	12,293	(65,631)	2028
83,333	0.00%	0	460,000	2.90%	207,453	5,000	100,000		7,500	1,302,241	(76,168)	(141,798)	2029
83,333	0.00%	0	475,000	3.00%	194,113	5,000			7,500	1,202,113	36,220	(105,578)	2030
83,333	0.00%	0	490,000	3.15%	179,863	5,000	100,000		7,500	1,301,021	(50,304)	(155,882)	2031
83,333	0.00%	0	505,000	3.25%	164,428	5,000			7,500	1,203,688	59,536	(96,346)	2032
83,333	0.00%	0	520,000	3.35%	148,015	5,000	600,000		7,500	1,800,146	(524,289)	(620,635)	2033
83,333	0.00%	0	540,000	3.45%	130,595				7,500	1,200,536	88,079	(532,556)	2034
83,333	0.00%	0	560,000	3.55%	111,965				7,500	1,199,501	102,000	(430,555)	2035
83,333	0.00%	0	580,000	3.65%	92,085				7,500	1,197,151	117,365	(313,190)	2036
83,333	0.00%	0	600,000	3.70%	70,915				7,500	1,198,446	129,216	(183,974)	2037
83,333	0.00%	0	620,000	3.80%	48,715				7,500	1,198,481	142,457	(41,517)	2038
83,333	0.00%	0	645,000	3.90%	25,155				7,500	1,196,921	157,427	115,909	2039
1,500,000		0	8,000,000		2,713,674	75,000	1,000,000	25,000	157,500	21,973,150			Total
Projected TID Closure													



Preliminary Timeline / Questions

- **June 19, 2018:**
 - 4:00 Joint Review Board (JRB) Meeting
 - 7:00 Planning Commission Public Hearing
 - Approval of Resolution recommending TID 6 Creation to City Council
- **July 9, 2018** – City Council Meeting: TID 6 Creation Resolution on Agenda
- **Within 45 Days:** JRB convenes to vote on Creation
- **Questions**





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LEADERS IN PUBLIC FINANCE

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