

City of Oconomowoc Joint Review Board
Annual Meeting 2021

Tuesday July 13, 2021 @ 3:30 pm

Virtual Attendance

Teams Participation link: https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZWNiMWRINzEtZjg1Ni00MzE2LTkxNTctM2VhYWRIZjlxNjJk%40thread.v2/0?context=%7b%22Tid%22%3a%2246860c76-644d-4c96-b97f-d678fc0c0a06%22%2c%22Oid%22%3a%2297c24546-2836-49a5-a111-3ec6b94cad31%22%2c%22IsBroadcastMeeting%22%3a%22true%7d&btype=a&role=a

Notice: If a person with a disability requires that the meeting be accessible or that materials at the meeting be in an accessible format, call the City Clerk's office at least 48 hours in advance to request adequate accommodations. Tel: 569-2186

Agenda:

1. Call to Order – Chair Frederick
2. Roll Call
3. Approval of January 20, 2021 Meeting Minutes
4. Review/Act on Annual Report of Oconomowoc TIF Districts 4, 5, & 6
5. Status Updates on TIF District #7
6. Discuss Future Potential Districts
7. Adjourn

Diane Coenen, City Clerk

Notice is hereby given that a majority of the Common Council and Plan Commission may be present at the above-noticed meeting to gather information about a subject over which they have decision-making responsibility.

This constitutes a meeting of the Common Council pursuant to State ex rel. Badke v. Greendale Village board, 173 Wis.2d 553, 494 N.W. 2d 408 (1993) and must be noticed as such, although the Common Council will not take any formal action at this meeting.

City of Oconomowoc Joint Review Board Meeting Minutes – January 20, 2021

Chairman Frederick called the Joint Review Board meeting to order at 2:00 pm.

Members Present: Sheridan (2:10 pm), Thelke, Kittel, Frederick and Magnus

Others Present: Duffy, Trebatoski, Sullivan, Ald Zapfel and Dehnert

3. Approval of December 9, 2020 Meeting Minutes: Motion by Magnus to approve the December 9, 2020 meeting minutes; second by Thelke. Motion carried unanimously.

4. Review the Public Record, Planning Documents, Plan Commission Resolution and Common Council Resolution: Duffy explained Plan Commission held a public hearing and recommended approval of the Project Plan, and the Common Council approved it on January 5, 2021. Cosson said there was robust discussion at the meetings and unanimous approval by each. Nothing has changed in the plan except on Page 35 they are required to include the City Attorney's opinion, not approving the plan, but that all elements as required are included in the plan. Cosson concluded commitments from the developer have not changed, and there have been no structural changes to the plan since the last Joint Review Board meeting.

5. Consider/act on Resolution Approving Tax Incremental District No. 7 Creation: Motion by Magnus to approve the Resolution Approving creation of Tax Incremental District No. 7; second by Thelke. Cosson added that an Addendum has been added to the Resolution which addresses the 3 tests that are required by the Statutes. Motion carried unanimously.

Motion by Thelke to adjourn the Joint Review Board; second by Magnus. Motion carried unanimously. The meeting adjourned at 2:17 pm.

Chris Dehnert, Secretary

ANNUAL REPORT OF
TAX INCREMENTAL FINANCING (TIF) DISTRICT NO. 4

CITY OF OCONOMOWOC

December 31, 2020

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 4**

**HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES,
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS**

For The Year Ended December 31, 2020
And From Date Of Creation Through December 31, 2020

	<u>Year Ended</u>	<u>From Date of Creation</u>
<u>PROJECT COSTS</u>		
Capital expenditures	\$ 797,546	\$ 9,746,558
Administration	185	1,023,828
Interest and fiscal charges	35,219	833,620
Debt discounts and issuance costs	-	54,890
Capitalized interest	-	558,889
	832,950	12,217,785
 Total Costs	 832,950	 12,217,785
 <u>PROJECT REVENUES</u>		
Tax increments	503,339	4,035,477
Intergovernmental	26,302	191,597
Interest	11,678	164,090
Subsidy from TIF District #3	-	6,633,949
Premium on long-term debt	-	69,890
Miscellaneous revenues	5	3,718
	541,324	11,098,721
 Total Revenues	 541,324	 11,098,721
 NET COSTS RECOVERABLE THROUGH TAX INCREMENTS - DECEMBER 31, 2020		 <u>\$ (1,119,064)</u>

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 4**

HISTORICAL SUMMARY OF SOURCES, USES AND STATUS OF FUNDS

For The Year Ended December 31, 2020
And From Date Of Creation Through December 31, 2020

	<u>Year Ended</u>	<u>From Date of Creation</u>
<u>SOURCES OF FUNDS</u>		
Tax increments	\$ 503,339	\$ 4,035,477
Intergovernmental	26,302	191,597
Interest	11,678	164,090
Subsidy from TIF District #3	-	6,633,949
Miscellaneous revenues	5	3,718
Proceeds from long-term debt	-	5,000,000
Premium on long-term debt	-	69,890
	<u>541,324</u>	<u>16,098,721</u>
Total Sources	<u>541,324</u>	<u>16,098,721</u>
 <u>USES OF FUNDS</u>		
Capital expenditures	797,546	9,746,558
Administration	185	1,023,828
Interest and fiscal charges	35,219	833,620
Debt discounts and issuance costs	-	54,890
Capitalized interest	-	558,889
Principal on long-term debt	-	5,000,000
	<u>832,950</u>	<u>17,217,785</u>
Total Uses	<u>832,950</u>	<u>17,217,785</u>
 BEGINNING FUND BALANCE (DEFICIT)	<u>(827,438)</u>	<u>-</u>
 ENDING FUND BALANCE (DEFICIT)	<u>\$ (1,119,064)</u>	<u>\$ (1,119,064)</u>

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 4**

DETAILED SUMMARY OF PROJECT COSTS

From Date Of Creation Through December 31, 2020

	<u>Actual</u>	<u>Project Plan Estimate</u>
Capital Expenditures:		
Waterfront Improvements	\$ -	\$ 1,450,000
City Share for Wisconsin Avenue Reconstruction	488,658	488,659
ROW Acquisition for Wisconsin Ave. (incl. relocation)	2,720,775	2,720,775
Wisconsin Avenue Reconstruction - Engineering	250,037	249,775
Streetscape Improvements	191,151	191,151
Parking Lot Reconstruction	1,271,533	625,000
Property Assembly	3,477,724	3,456,469
Misc Building Demolition	465,616	718,719
Site Improvement Loans and Grants	881,064	100,000
Contingency	-	106,750
Administration	1,023,828	1,054,290
Debt discount and issuance costs	54,890	110,890
Capitalized interest	558,889	558,889
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TOTAL PROJECT COSTS	\$ 11,384,165	\$ 11,831,367
	<hr/> <hr/>	<hr/> <hr/>

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 4**

NOTES TO ANNUAL REPORT

December 31, 2020

NOTE 1 - TIF District Information

The City of Oconomowoc Tax Incremental District No. 4 (the "District") was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment.

Project costs may not be incurred longer than five years prior to the termination date of the district. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or maximum life based on the resolution date and type of TID, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the municipality.

	<u>Creation Date 1</u>	<u>Last Date to Incur Project Costs</u>	<u>Final Dissolution Date</u>
District #4	September 2, 2003	September 2, 2025	September 2, 2030

PLAN AMENDMENT

<u>Amendment</u>	<u>Adoption Date</u>	<u>Last Date to Incur Project Costs</u>
1	October 5, 2006	September 2, 2025
2	A plan amendment to adjust the boundaries of TID #4 was approved on September 5, 2012.	
3	A plan amendment for TIF #3 & TIF #4 was approved on January 7, 2013. The purpose of the amendment was to allow TIF #3 to become a donor TIF and allocate excess increments to TIF #4.	

NOTE 2 - Long-Term Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the municipality. Notes and bonds borrowed to finance District expenditures will be retired by tax increments accumulated by the debt service fund. If those revenues are not sufficient, payments will be made by future tax levies.

	<u>Original Amount Borrowed</u>	<u>Repaid</u>	<u>Balance 12/31/20</u>
\$5,000,000 bond anticipation note with interest at 4.0%. Issue date of December 15, 2006, with a maturity date of October 1, 2009. Notes were refinanced September 15, 2009.	\$ 5,000,000	\$ 5,000,000	\$ -

1 Per section 66.1105 (4) of the Wisconsin Statutes District #4 was officially created as of January 1, 2003. However, for purposes of determining eligible expenditure periods, section 66.1105 (6) of the statutes uses the creation resolution adoption date.

2 District #4 was officially amended as of January 1, 2006. However, the amendment was adopted by Common Council on September 19, 2006 and Joint Review Board on October 5, 2006.

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 4**

NOTES TO ANNUAL REPORT

December 31, 2020

<u>NOTE 2 - Long-Term Debt (cont.)</u>	<u>Original Amount Borrowed</u>	<u>Repaid</u>	<u>Balance 12/31/20</u>
<p>\$5,000,000 refunding bond anticipation note with interest at 1.75%. Issue date of September 15, 2009, with a maturity date of December 1, 2011. Notes were refinanced November 15, 2011.</p>	\$ 5,000,000	\$ 5,000,000	\$ -
<p>\$4,985,000 refunding general obligation promissory note with interest at 2.0%. Issue date of November 15, 2011, with a maturity date of October 1, 2016. Notes were paid in full on October 1, 2014.</p>	4,985,000	4,985,000	-

ANNUAL REPORT OF
TAX INCREMENTAL FINANCING (TIF) DISTRICT NO. 5

CITY OF OCONOMOWOC

December 31, 2020

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 5**

**HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES,
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS**

For The Year Ended December 31, 2020
And From Date Of Creation Through December 31, 2020

	<u>Year Ended</u>	<u>From Date of Creation</u>
<u>PROJECT COSTS</u>		
Capital expenditures	\$ 160,571	\$ 160,571
Administration	19,211	118,307
Interest and fiscal charges	108	593
Debt discounts and issuance costs	-	-
Capitalized interest	-	-
	<hr/>	<hr/>
Total Costs	<u>179,890</u>	<u>279,471</u>
 <u>PROJECT REVENUES</u>		
Tax increments	279,810	398,531
Intergovernmental	-	-
Interest	1,301	2,323
Subsidy from TIF District #3	-	-
Premium on long-term debt	-	-
Miscellaneous revenues	-	1
	<hr/>	<hr/>
Total Revenues	<u>281,111</u>	<u>400,855</u>
 NET COSTS RECOVERABLE THROUGH TAX INCREMENTS - DECEMBER 31, 2020		 <u><u>\$ 121,384</u></u>

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 5**

HISTORICAL SUMMARY OF SOURCES, USES AND STATUS OF FUNDS

For The Year Ended December 31, 2020
And From Date Of Creation Through December 31, 2020

	<u>Year Ended</u>	<u>From Date of Creation</u>
<u>SOURCES OF FUNDS</u>		
Tax increments	\$ 279,810	\$ 398,531
Intergovernmental	-	-
Interest	1,301	2,323
Subsidy from TIF District #3	-	-
Miscellaneous revenues	-	1
Proceeds from long-term debt	-	-
Premium on long-term debt	-	-
	281,111	400,855
Total Sources	281,111	400,855
 <u>USES OF FUNDS</u>		
Capital expenditures	160,571	160,571
Administration	19,211	118,307
Interest and fiscal charges	108	593
Debt discounts and issuance costs	-	-
Capitalized interest	-	-
Principal on long-term debt	-	-
	179,890	279,471
Total Uses	179,890	279,471
BEGINNING FUND BALANCE	20,163	-
ENDING FUND BALANCE	\$ 121,384	\$ 121,384

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 5**

DETAILED SUMMARY OF PROJECT COSTS

From Date Of Creation Through December 31, 2020

	<u>Actual</u>	<u>Project Plan Estimate</u>
Capital Expenditures:		
Façade Improvements	\$ -	\$ 500,000
Parking and Water Access Improvements	-	1,500,000
Street Improvement & Streetscape	-	175,000
Pedestrian Amenities	-	200,000
Other Eligible Projects	-	100,000
Development Incentives	160,571	3,000,000
Administration	<u>118,307</u>	<u>560,000</u>
TOTAL PROJECT COSTS	<u><u>278,878</u></u>	<u><u>6,035,000</u></u>

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 5**

NOTES TO ANNUAL REPORT

December 31, 2020

NOTE 1 - TIF District Information

The City of Oconomowoc Tax Incremental District No. 5 (the "District") was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment.

Project costs may not be incurred longer than five years prior to the termination date of the district. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or maximum life based on the resolution date and type of TID, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the municipality.

	<u>Creation Date</u>	<u>Last Date to Incur Project Costs</u>	<u>Final Dissolution Date</u>
District #5	May 25, 2017	May 25, 2039	May 25, 2045

ANNUAL REPORT OF
TAX INCREMENTAL FINANCING (TIF) DISTRICT NO. 6

CITY OF OCONOMOWOC

December 31, 2020

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 6**

**HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES,
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS**

For The Year Ended December 31, 2020
And From Date Of Creation Through December 31, 2020

	<u>Year Ended</u>	<u>From Date of Creation</u>
<u>PROJECT COSTS</u>		
Capital expenditures	\$ -	\$ 1,024,019
Administration	18,401	217,615
Interest and fiscal charges	6,018	21,676
Debt discounts and issuance costs	-	-
Capitalized interest	-	-
	24,419	1,263,310
Total Costs	24,419	1,263,310
 <u>PROJECT REVENUES</u>		
Tax increments	215,917	237,684
Intergovernmental	-	-
Interest	752	1,150
Subsidy from TIF District #3	-	-
Premium on long-term debt	-	-
Miscellaneous revenues	-	2
	216,669	238,836
Total Revenues	216,669	238,836
 NET COSTS RECOVERABLE THROUGH TAX INCREMENTS - DECEMBER 31, 2020		 <u><u>\$ (1,024,474)</u></u>

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 6**

HISTORICAL SUMMARY OF SOURCES, USES AND STATUS OF FUNDS

For The Year Ended December 31, 2020
And From Date Of Creation Through December 31, 2020

	<u>Year Ended</u>	<u>From Date of Creation</u>
<u>SOURCES OF FUNDS</u>		
Tax increments	\$ 215,917	\$ 237,684
Intergovernmental	-	-
Interest	752	1,150
Subsidy from TIF District #3	-	-
Miscellaneous revenues	-	2
Proceeds from long-term debt	-	-
Premium on long-term debt	-	-
	216,669	238,836
Total Sources	216,669	238,836
<u>USES OF FUNDS</u>		
Capital expenditures	-	1,024,019
Administration	18,401	217,615
Interest and fiscal charges	6,018	21,676
Debt discounts and issuance costs	-	-
Capitalized interest	-	-
Principal on long-term debt	-	-
	24,419	1,263,310
Total Uses	24,419	1,263,310
BEGINNING FUND BALANCE (DEFICIT)	(1,216,724)	-
ENDING FUND BALANCE (DEFICIT)	\$ (1,024,474)	\$ (1,024,474)

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 6**

DETAILED SUMMARY OF PROJECT COSTS

From Date Of Creation Through December 31, 2020

	<u>Actual</u>	<u>Project Plan Estimate</u>
Capital Expenditures:		
Property Acquisition	\$ -	\$ 1,500,000
Environmental Remediation	-	1,500,000
Parking	-	700,000
Fowler Lake Shoreline Improvements	-	250,000
Streetscaping	-	50,000
Infrastructure: Water, Sewer, Electric	256,134	300,000
Infrastructure: Streets	534,733	550,000
Developer Incentive	233,152	4,250,000
Economic Dev. Fund Loans	-	500,000
Administration	217,615	880,000
	217,615	880,000
TOTAL PROJECT COSTS	\$ 1,241,634	\$ 10,480,000

**CITY OF OCONOMOWOC
TAX INCREMENTAL DISTRICT NO. 6**

NOTES TO ANNUAL REPORT

December 31, 2020

NOTE 1 - TIF District Information

The City of Oconomowoc Tax Incremental District No. 6 (the "District") was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment.

Project costs may not be incurred longer than five years prior to the termination date of the district. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or maximum life based on the resolution date and type of TID, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the municipality.

	<u>Creation Date</u>	<u>Last Date to Incur Project Costs</u>	<u>Final Dissolution Date</u>
District #6	May 25, 2017	May 25, 2039	May 25, 2045

PLAN AMENDMENT

<u>Amendment</u>	<u>Adoption Date</u>	<u>Last Date to Incur Project Costs</u>
1	September 1, 2017	May 25, 2039