



**Wednesday, May 5, 2021 - 6:00 p.m.**

Common Council Meeting, held jointly with Plan and Architectural Review Commission and Community Development Authority

**Due to Coronavirus Concerns, this will be a VIRTUAL MEETING. (not in person). Citizens are welcome (and encouraged) to join us via computer, smart phone, or telephone. Citizen participation is welcome during topic discussion periods.**

You are invited to a Zoom webinar.

When: May 5, 2021 06:00 PM Central Time (US and Canada)

Topic: Common Council Meeting

Please click the link below to join the webinar:

<https://zoom.us/j/98182573052?pwd=SGRvYnMxOHlQUzFHQy9iYnNPMUtLQT09>

Passcode: 386880

Or One tap mobile :

US: +13126266799,,98182573052#,,,,\*386880# or  
+19292056099,,98182573052#,,,,\*386880#

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US: +1 312 626 6799 or +1 929 205 6099 or +1 301 715 8592 or +1 346 248 7799 or +1 669 900 6833 or +1 253 215 8782 or 833 548 0276 (Toll Free) or 833 548 0282 (Toll Free) or 877 853 5257 (Toll Free) or 888 475 4499 (Toll Free)

Webinar ID: 981 8257 3052

Passcode: 386880

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**All Agenda Items are Subject to Discussion and/or Action**

**If using a traditional telephone, press \*6 to mute or unmute telephone;**

**Press \*9 to raise or lower hand**

AMENDED AGENDA AS OF 1:30 P.M. 4/30/21  
Add Item 5a “Appointment of Councilmember to Alcohol  
Licensing Committee

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**CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE.**

1. Brief review of Tax Increment Financing by Greg Johnson, Senior Financial Advisor for Ehlers, Inc.
  2. Presentation and discussion regarding Whitewater parcel data, capital projects, development opportunities, and growth areas.
  3. Presentation and discussion of timeline for TID development.
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**Adjournment of Joint Meeting with Plan Commission and CDA, and continuation of Common Council Meeting.**

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4. Request for approval of Agreement with Vandewalle Associates for planning services as they relate to Tratt Street/Road single family residential housing.
5. Consideration of alcohol license applications that were filed with the City on or before April 15, 2021.
- 5a. Appointment of councilmember representative to Alcohol Licensing Committee. (Councilmember Schulgit Request)**
6. Councilmember Requests for Future Agenda Items and Future POLCO questions.
7. Adjournment.

**Anyone requiring special arrangements is asked to call the Office of the City Manager / City Clerk at least 72 hours prior to the meeting.**

**\*Items denoted with asterisks will be approved on the Consent Agenda unless any council member requests that it be removed for individual discussion.**

## Tax Incremental Financing (TIF)

TIF is a partnership between a municipality and its overlapping taxing jurisdictions used to pay costs associated with stimulating economic development. The additional (incremental) taxes generated by the economic development that takes place are then used to repay those costs. TIF is commonly used to address challenging development sites, public infrastructure needs or lack of economic activity in an area. There are several types of tax incremental finance districts (TIDs) that municipalities can create depending on the type of development expected to occur and the characteristics of the area:

- Industrial
- Mixed Use
- Blighted Area
- In Need of Rehabilitation or Conservation
- Environmental Remediation

A TID may remain open for a term of either 20- or 27-years dependent upon the type of district created.

### TIF Premise

The premise of TIF is that “but for” the creation of a TID the desired development:

- may not occur at all.
- may not occur in the same time frame.
- may not achieve with the same value.
- may not provide the same amenities.
- may not result in the same level of job creation.

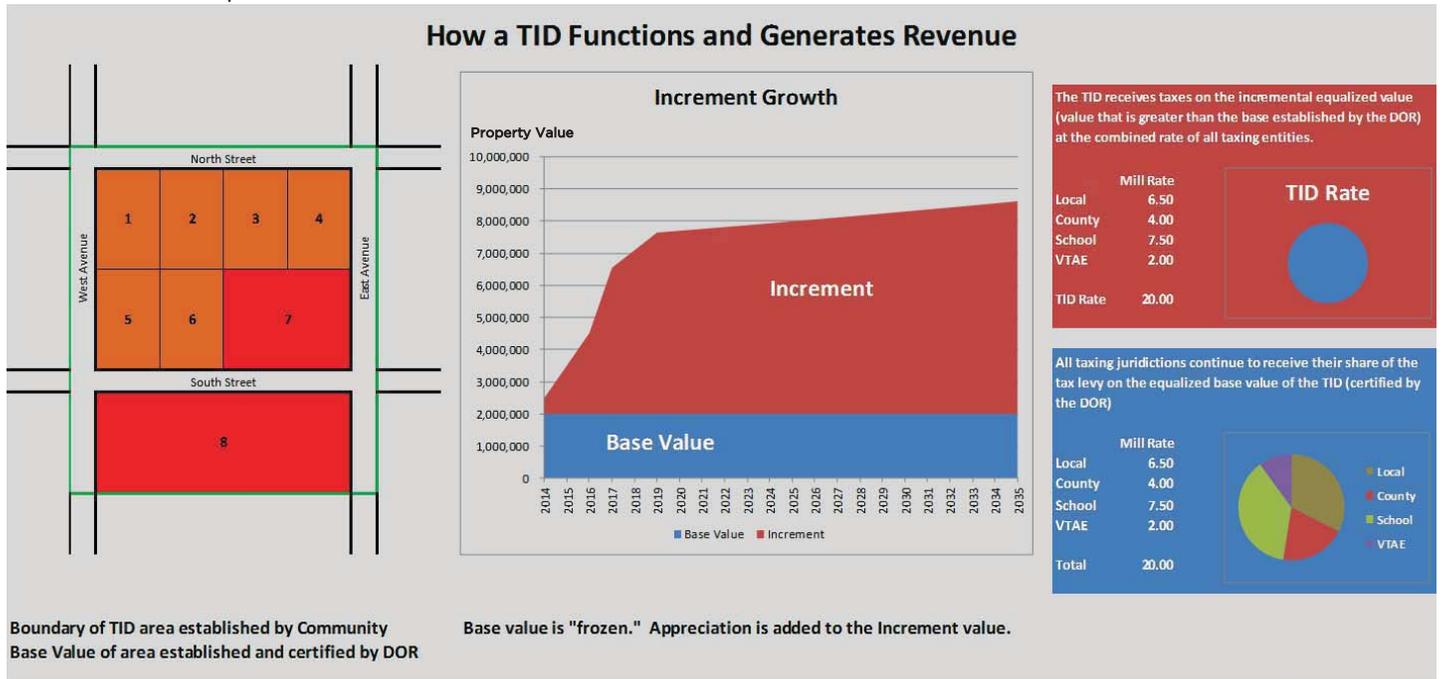
A best practice to substantiate the “but for” test is to engage a qualified firm to undertake an independent review of a development project’s sources, uses, and cash flows with and without TIF assistance to determine if TIF participation is warranted. An oversight body composed of representatives of each taxing jurisdiction called the Joint Review Board (JRB) must ultimately conclude that the “but for” standard has been met before a community can finalize creation of a TID.

### How TIF Works

A TID may contain only whole parcels and all parcels must be contiguous. Once the boundary is defined, the current value of the real and personal property of the TID is totaled to establish the “base value”. All taxing jurisdictions (school district, technical college, county and the municipality) continue to receive their proportional share of tax revenue on this base value.

When a TID’s value increases above the base value due to new development or appreciation of existing values, this is called the “incremental value”. The municipality retains all taxes generated from the incremental value to pay for projects within the TID. The other taxing jurisdictions agree to forego their proportional share of taxes on the new development until the TID closes and the

increment value returns to the tax rolls benefitting all taxing jurisdictions. The inset graphs illustrate how this tax capture mechanism functions.



## Types of TID Projects

TIF can be used to pay for infrastructure and other public improvements, financing costs, real property assembly costs, professional service costs, administrative costs, relocation costs, development incentives, environmental remediation, and certain types of projects outside of the TID’s boundaries. The term during which costs may be incurred, referred to as the “expenditure period”, ends five years before the maximum life of the TID. Provided that a commitment to a project is made prior to the end of the expenditure period, associated debt service, repayment of advances, and development incentives can be paid beyond the end of the expenditure period. Projects costs within a TID are detailed in a “Project Plan” that specifies what projects are eligible to be paid for by a TID.

## TID Limitations & Amendments

To create a TID, or to add territory to an existing TID, a community must comply with the “12% test”. This test specifies that the incremental value of any existing TID’s, plus the base value of the new TID or that of the territory being added to an existing district, cannot exceed 12% of a community’s total equalized value. If a community exceeds the 12% limitation, new TID’s cannot be created nor can territory be added to an existing district. A community that is “TIF’d out” may be able to achieve compliance by closing or subtracting territory from an existing TID.

An existing TID can be amended to add or subtract territory up to four times during its life. A TID can also be amended to modify its list of project costs at any time during its expenditure period. Other types of amendments allow for sharing of excess revenue with another TID, extension of maximum life, and a reset of base value. A TID must meet certain requirements to qualify for these latter types of amendments.

## TID Process

The general process municipalities must undertake to create or amend a TID is as follows:

1. Undertake a feasibility study and develop a Project Plan.
2. Convene an organizational meeting of the JRB.
3. Hold a public hearing before the Plan Commission, Community Development Authority or Redevelopment Authority.
4. Plan Commission, Community Development Authority or Redevelopment Authority approval of the TID Project Plan and provision of a recommendation as to the TID's boundaries.
5. Approval of the TID by the municipality's Governing Body.
6. JRB approval.
7. Submittal to the Department of Revenue for review and certification.

For planning purposes, it is recommended that a community allow for at least three months from the time development of a Project Plan begins to final approval by the JRB. The JRB meetings and the public hearing require publication of legal notices and certain other timing requirements must be followed that will impact when meetings can be scheduled.

## TID Benefits & Risks

The primary benefit of a TID is it can be used to expand and diversify the tax base and accomplish economic development objectives in comprehensive plans. A TID is a partnership that allows economic development projects to be funded with assistance from other taxing jurisdictions, recognizing that all jurisdictions ultimately benefit from that development. However, if a TID underperforms the municipality bears the risk. Municipalities are still obligated to pay debt service costs if increment is insufficient and TIDs may require support from other funds to pay for project costs. Advances from other funds, if required, may never be repaid. Steps can be taken to mitigate risk by requiring developers to provide letters of credit, valuation guarantees or shortfall payments, or by levying special assessments against the development project. A common way of further mitigating risk is to provide TIF assistance on a "pay as you go" basis where the development must fund all costs up front and is repaid from the tax increments as they are received over time.

## Tax Incremental Financing Districts – Frequently Asked Questions

### 1. What is a Tax Incremental Financing District?

A Tax Incremental Financing District (TID) is an economic development tool used by municipalities to promote economic development and redevelopment initiatives within a geographic area defined by the City.

### 2. How does a TID work?

Taxes collected on the increase of property value within the TID are used to pay for projects and expenses incurred within the TID. All of the taxing jurisdictions (City, County, School District, and Technical College) continue to collect their share of taxes on property value established when the TID is created (referred to as the base value). The City retains all of the taxes collected on increased value, including the amount attributable to the other taxing jurisdictions. This is called the tax increment. If a property has a \$500,000 value when the TID is created, for example, all taxing jurisdictions will continue to collect their share of taxes on the \$500,000 base value. If the value increases to \$750,000, the City will retain all of the taxes collected on the \$250,000 of new value generated. These additional taxes (tax increment) must be used to pay for projects that benefit the TID.

### 3. Do I pay a different tax rate if my property is located within a TID?

No. Property owners within a TID pay the same tax rate as properties located outside of a TID. The only difference is how the taxes paid are distributed to the taxing jurisdictions.

### 4. How long will the TID remain in place?

Depending on the type of district created, a TID can have a maximum life of 20 or 27 years.

### 5. What types of projects will the City undertake within the TID?

State Statutes provide the City with significant flexibility with respect to how TID funds are spent. The City can undertake core infrastructure such as street and utility improvements within the District. The City may also choose to provide development incentives within the District paid out annually from tax increment generated by a specific project to pay for specific improvements to a property. All TID projects or incentives must be approved by the Common Council. The projects that the City may consider undertaking are detailed in the “Project Plan” for the TID. The City is under no obligation to complete a project identified in the TID project plan. If the TID is created, the Project Plan serves as a guide and planning tool for the Common Council.

**6. Will City dollars be used to support project costs within the TID?**

The City can use non-TID dollars to support projects and initiatives within the TID. Eligible TID costs, if any, paid by the General Fund or Utilities can be reimbursed by the TID with interest once increment is available.

**7. Does the TID change the zoning for my property?**

No. The TID does not change existing zoning already in place.

**8. Does the TID make it easier for the City to use eminent domain?**

No. The process identified within State Statutes for eminent domain is the same whether a property is within a TID or outside a TID.

**9. Who decides how the TID is used and what projects occur within the TID?**

The Common Council determines how funds are spent within the District and establishes the overall vision for the TID. The TID is a long-term economic development initiative and partnership with the other taxing jurisdictions. Priorities and expectations for the TID will need to be updated and reestablished during the life of the District as economic conditions change.



# VANDEWALLE & ASSOCIATES INC.

## City of Whitewater Tratt Road Design Review and Residential Development Concept Plan Scope of Services

The development of the Tratt Road Site for the City of Whitewater represents an opportunity to offer new housing options for the community. Vandewalle & Associates’ deep experience in placemaking and neighborhood design has resulted in nearly 4,000 acres of built mixed residential neighborhoods throughout the Midwest. Our team has been involved in every aspect of project implementation for some of Wisconsin’s largest traditional neighborhoods and residential developments, guiding projects from site analysis, concept creation, character guidelines, zoning entitlements, and project implementation. We also provide design review services on a variety of proposed projects that offer our expertise in ways to improve designs to provide the best outcomes for the community.

Vandewalle & Associates strives to develop neighborhoods that are more than a sum of lots, but rather creates unique resident focused, walkable neighborhoods that create a wide range of price options, housing formats, and open spaces. These mixed residential neighborhoods build upon the existing property characteristics, grade, vegetation, and views to create diversity of housing choices that are both sustainable and economically feasible.

Vandewalle & Associates has been involved in Whitewater for many years and knows the community well. We have worked on comprehensive plans, quadrant plans, sign ordinance and in current planning services. This plan will incorporate this wealth of local community knowledge.

Vandewalle & Associates proposes the following scope of services to assist the City of Whitewater:

### Task 1: Existing Conditions Analysis

- Base Mapping
- Review Adopted Plans
- Site Visit
  - Meet with City staff
  - Tour the site and surrounding area

### Task 2: Prepare Concept Plan

- Review multi-family design(s) provided by developer
- Create Concept
  - Primary site access points
  - Internal circulation (vehicular and ped/bike)
  - Stormwater management areas
  - Open spaces
  - Potential lots
  - Images of proposed development types

### Task 3: Prepare Preferred Concept Plan

- Review Concept with City staff (via digital platform or remote conferencing)
- Refine Concept into Preferred Concept Plans
- Review with City staff (via digital platform or remote conferencing)

**ESTIMATED TIMELINE:** 1-2 Months

**BUDGET:** \$12,000

### Optional Task 4: Present Preferred Concept Plans

- Present Concept Plan to the Plan Commission or Council (via digital platform or remote conferencing)

**BUDGET:** \$900

## **125.51 Retail licenses and permits.**

### **(1) MUNICIPAL AUTHORITY TO ISSUE.**

- (a)** Subject to sub. (2) (e) 2., every municipal governing body may grant and issue "Class A" and "Class B" licenses for retail sales of intoxicating liquor, and "Class C" licenses for retail sales of wine, from premises within the municipality to persons entitled to a license under this chapter as the issuing municipal governing body deems proper and may authorize an official or body of the municipality to issue temporary "Class B" licenses under sub. (10). No "Class B" license may be issued to a winery under sub. (3) (am) unless the winery has been issued a permit under s. 125.53 and the winery is capable of producing at least 5,000 gallons of wine per year in no more than 2 locations.
- (b)** No member of the municipal governing body may hold a permit under s. 125.54 or, with respect to the issuance or denial of licenses under this section, do any act in violation of s. 19.59 (1).
- (c)**

  - 1.** Except as provided in subd. 2., the municipal governing body, or the duly authorized committee of a city council, shall meet not later than May 15 annually, and be in session from day to day thereafter so long as may be necessary, for the purpose of acting upon license applications filed with it on or before April 15. Subject to sub. (2) (e) 2., the governing body or committee shall grant, issue, or deny each application not later than June 15 for the ensuing license year. Licenses may be granted for issuance at a later date when the applicant has complied with all requirements for the issuance of the license. The governing body or committee may accept and act upon any application filed at any other time. The governing body or committee may not deny an application for renewal of an existing license unless a statement of the reason for the denial is included in its clerk's minutes.

## Alcohol License Renewal Packets Received on or Before April 15, 2021

### **Class A Beer**

Casey's Marketing Group d/b/a Casey's General Store #3715  
650 E Milwaukee St.  
Anthony Wayne Hawks, Agent

Ravi Petro Inc. d/b/a The Station  
844 E Milwaukee St.  
Sanjeev K Sharma, Agent

### **Class A Beer and Liquor**

Casey's Marketing Group d/b/a Casey's General Store #3714  
1353 W Main St.  
Anthony Wayne Hawks, Agent

### **Class B Beer**

Luis Islas Martinez d/b/a La Preferida  
132 W Main St.

### **Class B Beer and Liquor**

Fine Food Culture d/b/a The Black Sheep  
206-210 W Whitewater St.  
Bishop Bledsoe George Yoder, Agent

GAC Enterprises Inc. d/b/a Mitchell's/Pumping Station  
158-162 W Whitewater St.  
Gregory A. Condos, Agent

Fire Station 1 LLC d/b/a Station 1  
140 W Center St.  
Patrick Lee Wellnitz, Owner