

City of Manitowoc
Tax Incremental Financing Joint Review Board
10:00AM – Wednesday, May 22, 2019
Second Floor Conference Room - City Hall

Meeting Summary

1. Call to Order
The meeting of the City of Manitowoc Tax Incremental Financing (TIF) Joint Review Board (JRB) was called to order by Chairman T. Reckelberg at 10:00 AM.
2. Roll Call
Roll Call was conducted. Meeting attendance is noted below.
3. Approval of September 27, 2018, Meeting Summary
Motion by J. Lukas, seconded by S. Corbeille, to approve the September 27, 2018, Meeting summary. Motion carried unanimously.
4. Public Comments Related to TID Projects
There being no public comment the public comment session was closed.
5. Introduction and discussion on the proposed boundary and project plan amendment to TID No. 20 (PC 25 - 2019)

A. Kroner introduced the item for those in attendance. She stated the City of Manitowoc was approached by a company interested in the purchase of a portion of the former Manitowoc Company site. She continued that historically the property was occupied by a single company and that all infrastructure was connected. Recent and proposed development by separate companies now requires the infrastructure to be separated which is a large expense. Staff considered the expansion of the district boundary to pull in additional increment. T. Reckelberg inquired what the company's (ALS – Alliance Laundry Systems) incentive would be. A. Kroner responded that the proposed TIF incentive would be a \$900,000 pay as you go incentive. She added that per the State Manufacturing Assessor, the city will see increased valuation of \$2.5 - \$3 million with the sale of the property alone, that can be taxed and that approximately 30% of the building improvement value would also increase the valuation. The potential company project investment for ALS (Alliance Laundry Systems) is approximately \$30 million and includes the property purchase, infrastructure improvements, and structure improvements.

D. Lindstrom, Vierbicher, began by emphasizing that the city had the rare opportunity to have another large user, suitable for industrial and manufacturing use, occupy the property that was vacated by the former Manitowoc Company. He continued that from a manufacturing assessment standpoint the longer the property remains vacant it will decrease in value and that by developing the site its value will be protected.

D. Lindstrom presented an overview of the Proposed TID No. 20 Boundary & Project Plan Amendment No. 1.

Tax Incremental Financing District No. 20 was created for the purpose of promoting industrial development. TID No. 20 is an approximately 27 acres area comprised of four parcels, boundary amendment No. 1 proposes to add approximately 92.5 acres (four additional parcels totaling 79.1 acres of real property) to facilitate the redevelopment of the former Manitowoc Company site and yards.

No other industrial developments were known or anticipated in the surrounding area at the time of creation; however, the loss of Manitowoc Company to the south facilitated the need to recruit new development to the south and the need to expand TID No. 20 to include lands south of Dewey Street.

The planned redevelopment of the Manitowoc Company site is the primary factor in the Amendment to TID No. 20. The Project Plan Amendment No. 1 anticipates an additional approximate \$900,000 in project costs to facilitate the redevelopment and utilization of the lands inside Amendment No. 1 area resulting in an additional \$3,484,500 in immediate tax increment value improvement, and the potential for an additional \$3,000,000 to \$6,000,000 over the life of the District.

The City will not exceed the 12% maximum threshold for the total equalized increment value in the District as a ratio of the total equalized value of the property in the City. The total increment value of all the existing tax increment districts within the City equals 5.34%. The addition of the parcels within TID No. 20 Amendment No. 1 equals 6.10%.

Additionally, the reuse of the former Manitowoc Company site would not happen but for the provision of TIF assistance to fill a financing gap in the

project.

The purpose of the amendment is to:

1. Further facilitate redevelopment within areas adjacent to the District, the City desires to amend the TID boundaries to add territory south of the District.
2. This amendment will cause territory to be added to the District, providing incentive and opportunities for additional private development and redevelopment of industrial properties.
3. This amendment will modify and update the costs of the Projects to be undertaken, providing incentive and opportunities for additional private development and redevelopment.
4. This amendment will also expand the allowable areas within a half mile of the boundaries of the District as permitted under Section 66.1105(2)(f)1.n. Wisconsin Statutes.

A discussion ensued regarding the ALS (Alliance Laundry Systems) project status, the TIF Agreement and the TID 20 Project Plan.

Discussion only. No action taken.

6. Set Next Meeting
Wednesday, June 26th at 1:00 PM
7. T. Reckelberg adjourned the meeting at 10:40 AM.

Attendance

Members Present

Todd Reckelberg
Mark Maurer
John Lukas
Steve Corbeille

Members Excused

Shawn Alfred

Staff Present

April Kroner
Paul Braun
Jeremy DuChateau
Nick Mueller
Lisa Mueller

Others Present

Daniel Lindstrom, Vierbicher
Joshua Lauger, Vierbicher