

**Item 23-0736: Request to approve Resolution designating the proposed district boundaries and approving the Project Plan for Tax Incremental Financing District #13 in Southpoint Commerce Park, City of Appleton, Wisconsin**

**City Plan Commission**

Wed, Jun 28, 2023, 3:30PM

**Isaac Uitenbroek (City Plan Commissioner) 06:02**

All right. Next, we have public hearing 23-0735 proposed district boundaries and the project plan for Tax Incremental Financing District 13 in Southpointe Commerce Park. We'll go number one to Kara Homan.

**Director Kara Homan (Community And Economic Development) 06:23**

So, what you have before you is a proposed project plan for proposed Tax Incremental district number 13. Little bit of background on this before I turn it over to Matt Rehbein, our economic development specialist who prepared the report. The plan was prepared as a collaborative effort between both our department from a planning and economic development perspective, but we work very closely with our Finance team, Public Works, Engineering team, as well as our Park Rec and facilities team and put this all together in light of existing city plans such as the Comprehensive Plan, the outdoor rec plan, and the trails master plan, among others. So, I'm going to turn it over to Matt to give you an overview of some of the detail information within the plan.

**Isaac Uitenbroek (City Plan Commissioner) 07:14**

All right. Two?

**Matt Rehbein (Economic Development Specialist) 07:18**

Thank you, Chair. So, we are proposing Tax Incremental Financing district number 13. This would encompass all of the Southpoint commerce park in the southeast portion of the city, approximately 366 acres. We are proposing this as an industrial TID suitable for industrial development and the promotion of industry and industrial sites. Really, it's a continuation of what we've already started in Southpoint.

**Matt Rehbein (Economic Development Specialist) 07:48**

The primary purpose of this TID is to put the infrastructure in between Coop road and Eisenhower road just north of Midway. Right now, that land is currently farmed. We had put in a fair amount of infrastructure in the area to the west of Eisenhower—yes to the west of Eisenhower using TID 6, which is now closed. And so, this is a continuation.

**Matt Rehbein (Economic Development Specialist) 08:16**

We've seen a number of sales over the past several years. The largest parcel that I have available right now is about 10 acres. And so, to continue to have inventory to both retain business and attract new business we're suggesting this TIF district to be able to have those buildable sites available.

**Matt Rehbein (Economic Development Specialist) 08:39**

In addition, in that area between Cooper and Eisenhower, there's roughly 30 acres of high-quality wooded wetlands. We are not going to be able to use that for industrial development. There are a lot of restrictions because of the because of its category as high-quality wooded wetland. And so, we're looking at some options to use that potentially as passive recreation, perhaps some sort of trails, something like that. As Director Homan alluded to, we had talked to and worked closely with our parks department, and we continue to speak with

them as far as some possibilities for that area. But the remainder of that land we'd be looking to develop for industrial.

**Matt Rehbein (Economic Development Specialist) 09:24**

I think that's an—that's most of the overview. One thing that you will notice I had handed out up there is on page 9, we had made some amendments to or some changes to the financial forecast and that affected the amount of interest that we're anticipating both from borrowing from the general fund as well as general obligation debt, and it went down a little bit. So, you'll see on that handout page. That's the that's the only change between what was attached to your agenda and the amount of interest that will—that we're anticipating would be paid. It went down a little bit. So, with that, I can field questions or let you discuss from there.

**Isaac Uitenbroek (City Plan Commissioner) 10:15**

I don't anything. Alright. Thank you. This is a public hearing. Is there anyone who wishes to speak? This is a public hearing. Is there anyone who wishes to speak? This is a public hearing. Is there anyone who wishes to speak? Hearing none, I now declare the public hearing closed.

**Isaac Uitenbroek (City Plan Commissioner) 10:35**

And we'll move on to the associated action item 23-0736 request to approve resolution designating the proposed district boundaries and approving the project plan for Tax Incremental Financing district 13.

**Pete Neuberger (Commissioner) 10:50**

Move to approve.

**Aldersperson Denise Fenton (District 6) 10:51**

Second.

**Isaac Uitenbroek (City Plan Commissioner) 10:52**

We have a motion to approve and a second. Is there any discussion? Commissioner Fenton, your...? Clerk.

**Aldersperson Denise Fenton (District 6) 11:01**

So just for the purpose, for the enlightenment of those of us who were somewhat familiar with TIDs but really more related to private development. So, I mean, in another, in another TID we would have a developer come to us with a development agreement and requests for—so can you just for anyone listening and also for my own edification talk to me about how this industrial to differs? Will the city be doing all the work here?

**Matt Rehbein (Economic Development Specialist) 11:37**

Sure. And thank you for that question. So, with this TID, we are not proposing any developer incentives in the financial pro forma at this time. Based on the current market for industrial space, the market's handling it, so it really doesn't need the incentive. Really the only incentive this provides is we're able to provide those ready to build lots fully improved with the infrastructure utilities to the site already. But in terms of having a pay-go obligation to a developer, we put it in the narrative should the market change in 10 years, and we, you know, that's something that we deem is necessary later on the TID. But at this point, we are not anticipating that in the pro forma for direct developer incentives.

**Alderson Denise Fenton (District 6)** 12:27

So, can I—may I follow up, chair? So, what we would see going forward, budget wise, we would see like a capital improvement projects that would come out of this TID 13 budget as opposed to somewhere else in the city budget, or...?

**Matt Rehbein (Economic Development Specialist)** 12:46

That is correct. So just as in the budget, we have specific pages dedicated to our TIF districts, there would be one created for TID 13. Actually, I was just working on it this morning. So that would have those capital improvements within it.

**Alderson Denise Fenton (District 6)** 13:02

Okay, thank you.

**Matt Rehbein (Economic Development Specialist)** 13:02

And you will see that a Council?

**Alderson Denise Fenton (District 6)** 13:03

Yeah, thank you very much for that.

**Director Kara Homan (Community And Economic Development)** 13:04

DPW providing the numbers.

**Alderson Denise Fenton (District 6)** 13:06

Excuse me?

**Director Kara Homan (Community And Economic Development)** 13:06

DPW prepares the numbers and then we put it in.

**Alderson Denise Fenton (District 6)** 13:09

Alright, thank you very much for that clarification.

**Isaac Uitenbroek (City Plan Commissioner)** 13:12

Thank you. Any other questions? Yeah, Commissioner Palm, what?

**Adrienne Palm (Commissioner)** 13:22

Okay, I was just curious whether or not they're—you know, knowing what the market looks like, and you've indicated that there's, you know, the market itself is handling this. I'm curious, have you had any incoming inquiries? Or is there a back list of developers or folks that are waiting for property that fits these qualifications? Just curious, like the process of identifying those needs and whether or not there's kind of a backlog of folks searching for these types of properties or debts.

**Matt Rehbein (Economic Development Specialist)** 13:53

So, I have four proposals out right now for businesses that are interested in—

**Adrienne Palm (Commissioner)** 13:59

Okay.

**Matt Rehbein (Economic Development Specialist) 13:59**

—8 to 10 acres or more. And I've received a number of other inquiries that aren't necessarily at the level of a written proposal, but based on the current market, I think the demand will be there.

**Director Kara Homan (Community And Economic Development) 14:12**

Okay. Great. Thank you.

**Isaac Uitenbroek (City Plan Commissioner) 14:16**

All right. Any other questions? Mr. Dane? You're the attorney. **[Note: he was referencing the fact that Commissioner Dane was using the microphone generally used by the City Attorney.]**

**Andrew Dane (City Plan Commissioner) 14:22**

Get to play the attorney today. I'm just curious, since nobody's—I don't think there'll be any private businesses coming forward to advocate on behalf of powerline trail highlighted future trail on page 30 of TIF district number 13 Project Plan. So I'm just curious what the discussion has been with the parks department, regarding any sort of timeline or schedule for building that trail segment out and whether or not that would be contingent upon some sort of development benchmarks, or how would that project rise to the top among all the competing infrastructure needs that are authorized under this project plan?

**Matt Rehbein (Economic Development Specialist) 15:10**

So, the powerline trail as well as building out the trailhead and any sort of passive trails and things like that would be contingent upon finding additional increment or the creation of that additional increment within, you know, the development in the first few years of the park, hopefully. We do not have a specific timeline for that to be built out, or Parks and Rec has not indicated a specific timeline that they anticipate, you know, that they want to commit to at this point.

**Andrew Dane (City Plan Commissioner) 15:40**

Okay. So that particular project would be a function of whatever new increment is generated within the district?

**Matt Rehbein (Economic Development Specialist) 15:50**

Yeah, increment generated in the district. Additionally, they may do some grant writing. They had written for a grant that they did not receive, but you know, that does not mean there won't be future opportunities as well.

**Isaac Uitenbroek (City Plan Commissioner) 16:03**

All right. Any other questions? All right, we have a motion to approve and a second. So, all those in favor. Aye. Opposed? Motion passes.