

TID #2 Amended Project Plan

Public Hearing Presentation
September 2021

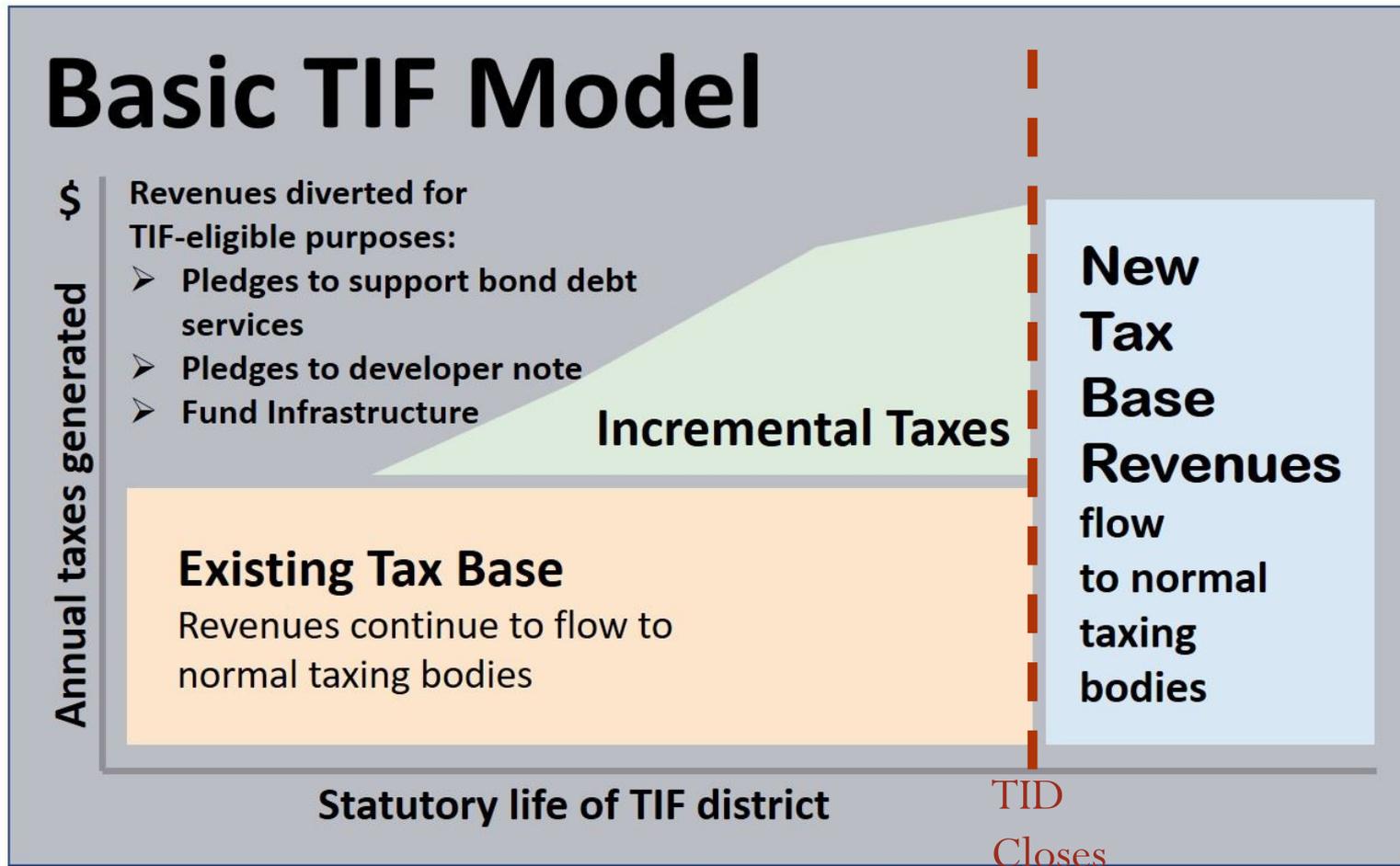


Overview

What is Tax Incremental Financing (“TIF”)?

- Way for villages to fund public infrastructure and private development incentives in economic development areas
- Funding comes from the additional taxes generated by development projects (“tax increment”), not from increased taxes on owners inside or outside the tax incremental district (“TID”)
- Sometimes, the village through the TID must first borrow money to fund the infrastructure and incentives, to be paid back later by the tax increment
- In established, healthy TIDs, there is often a cash balance that can be used in lieu of or in combination with borrowing
- Village has two TIDs since 2004—TID #1 and TID #2—covering different parts of Weston with targeted economic development, and both are healthy

What is Tax Incremental Financing (“TIF”)?



What are benefits of Tax Incremental Districts?

- Increase property values
- Spur (re)development to improve community
- Provide more places to shop, eat, play, work, and live
- Enhance business opportunities for local entrepreneurs
- Help property owners fill gaps where (re)development is too costly otherwise, based on factors like the need for demolition and clean-up and rising material and labor costs
- Help fund TID- and community-benefitting infrastructure in era of limited fiscal resources

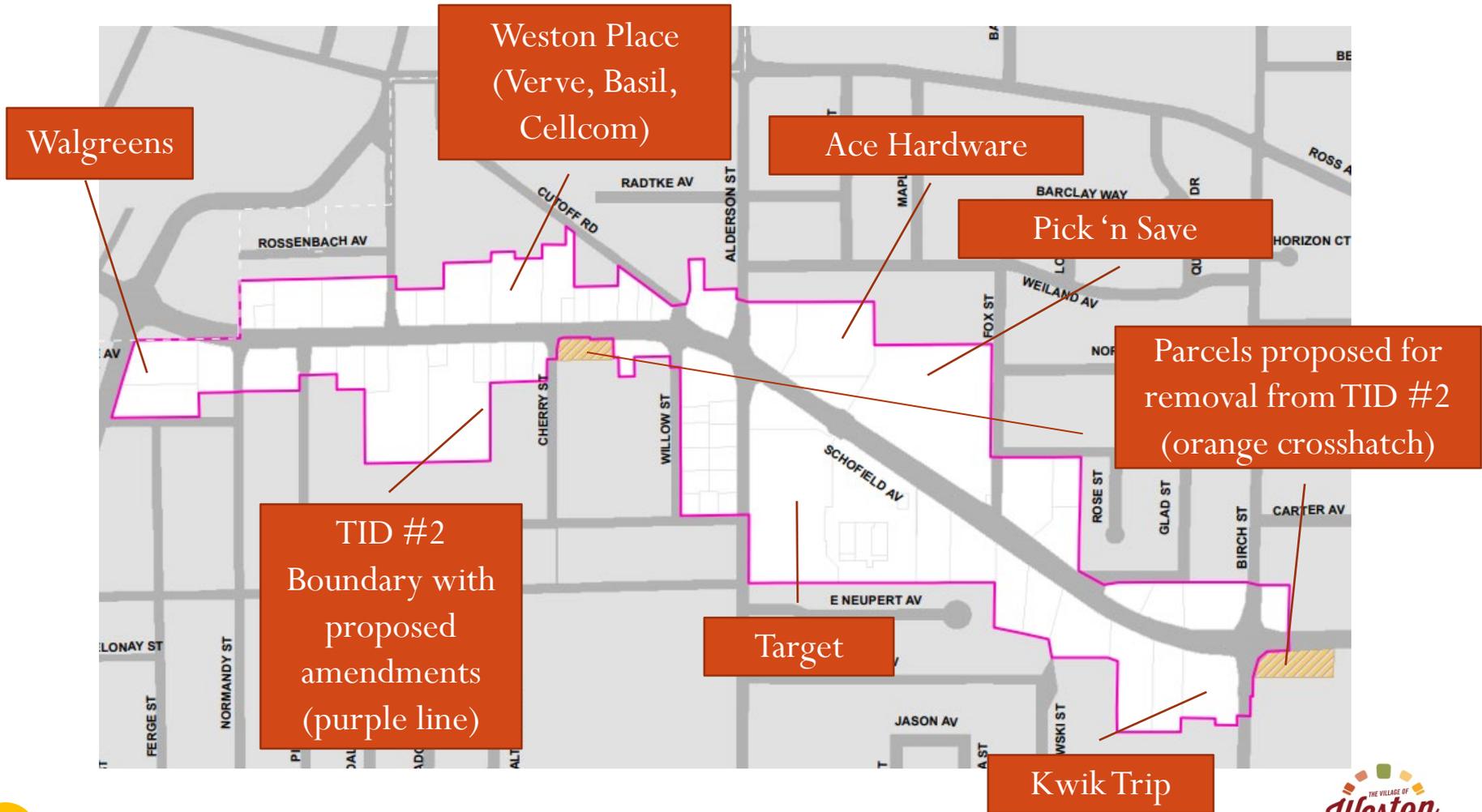


What is a TID Project Plan?

- Guiding tool for *potential* future village project activities and expenditures within a TID
- Must meet a range of State Statute requirements that can make the project plan a little unwieldy
- No TIF expenditure can later take place in a TID unless it is listed within the TID project plan
- Total future expenses should be limited to the total amount in the project plan-not a blank check

DRAFT Amended TID #2 Project Plan

Where is TID #2?



Why is the Village proposing to amend the TID #2 Plan?

- Recalibrate to meet changing needs in the 2020s (vs. the 2000s)
- Increase commercial activity, jobs, and residents within and near TID #2 to spur related growth and activity within TID #2
- ID potential funding to advance business and mixed use (re)development and supporting infrastructure
- Advance opportunities suggested in the *Schofield Avenue Corridor Plan*, adopted by the Plan Commission and Board earlier in 2021



What benefits would there be to landowners and business owners?

- For interested landowners, business owners, and developers, a reinvigorated TID #2 could assist with:
 - Closing financing gaps for redevelopment, expansion & new development.
 - Assistance with site preparation, including demolition, remediation, and relocation when necessary.
 - Land acquisition and land cost write-downs.
 - Building quality and other amenities that exceed minimum standards.
 - Fee reimbursement, marketing expenses, and job training.
- TID #2 can also assist with supporting infrastructure to ensure continued good access, water, and sewer to properties in the TID

What the Village is NOT proposing

- **No** rezoning of any lands unless landowners are interested—development allowed under current zoning will still be allowed
- **No** requirement that landowners (re)develop or sell their land
- **No** immediate spending on land acquisition, infrastructure, or development incentives within TID #2
 - TID #2 project plan just makes any listed action possible
 - Any listed expenditure would require later authorization from the Village Board on a case-by-case basis
 - Expenditures should be tied to revenues and priorities
 - Not all listed expenditures will actually occur—just a plan that shows outer limits

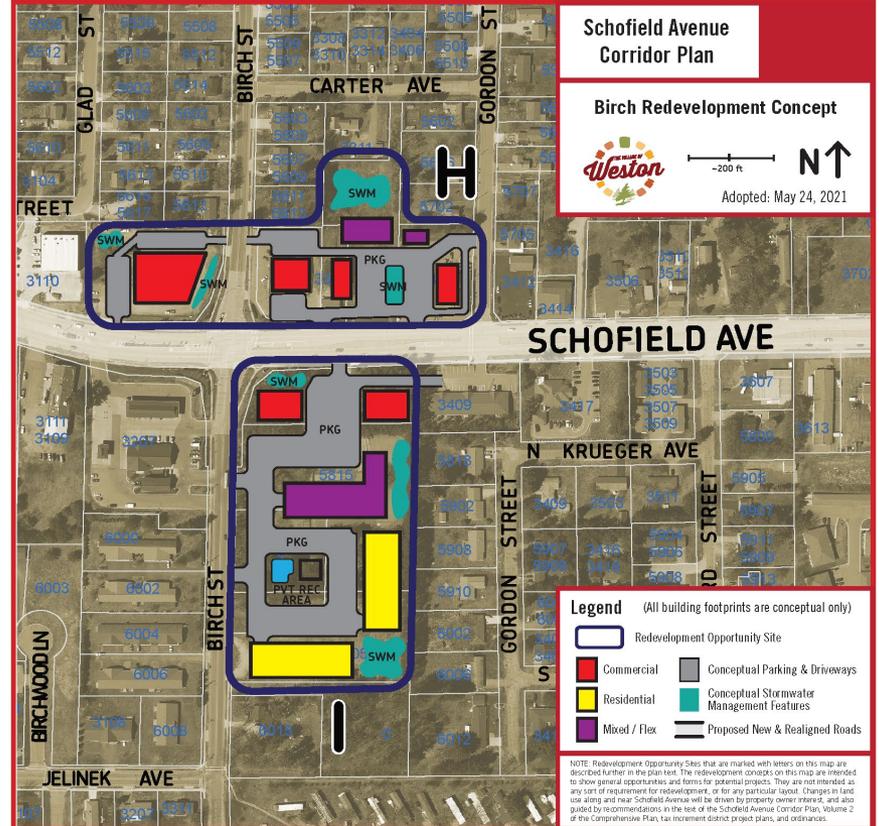
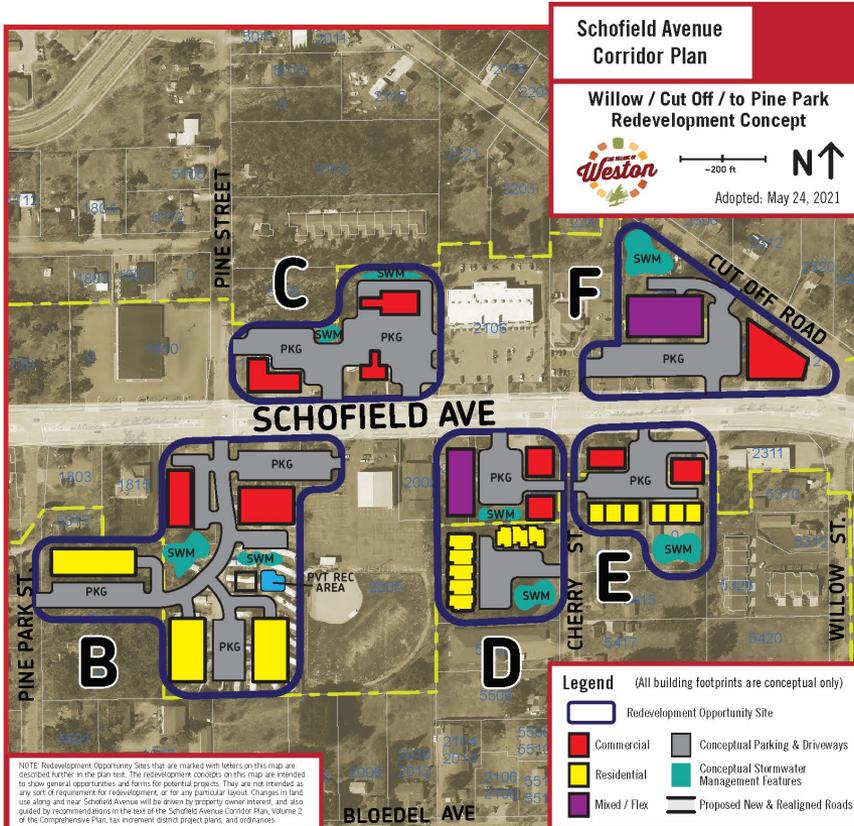
What exactly are the proposed amendments to TID #2 Project Plan?

- 1.9-acre reduction in boundary to keep potential redevelopment sites either all-in or all-out of TID
- Expanded budget to aid with redevelopment and expansion projects that would not occur “but for”
- Modest list of potential infrastructure projects:
 - Improved transportation safety and access
 - Utility service reliability and quality
 - Enhancements to improve business & living environment

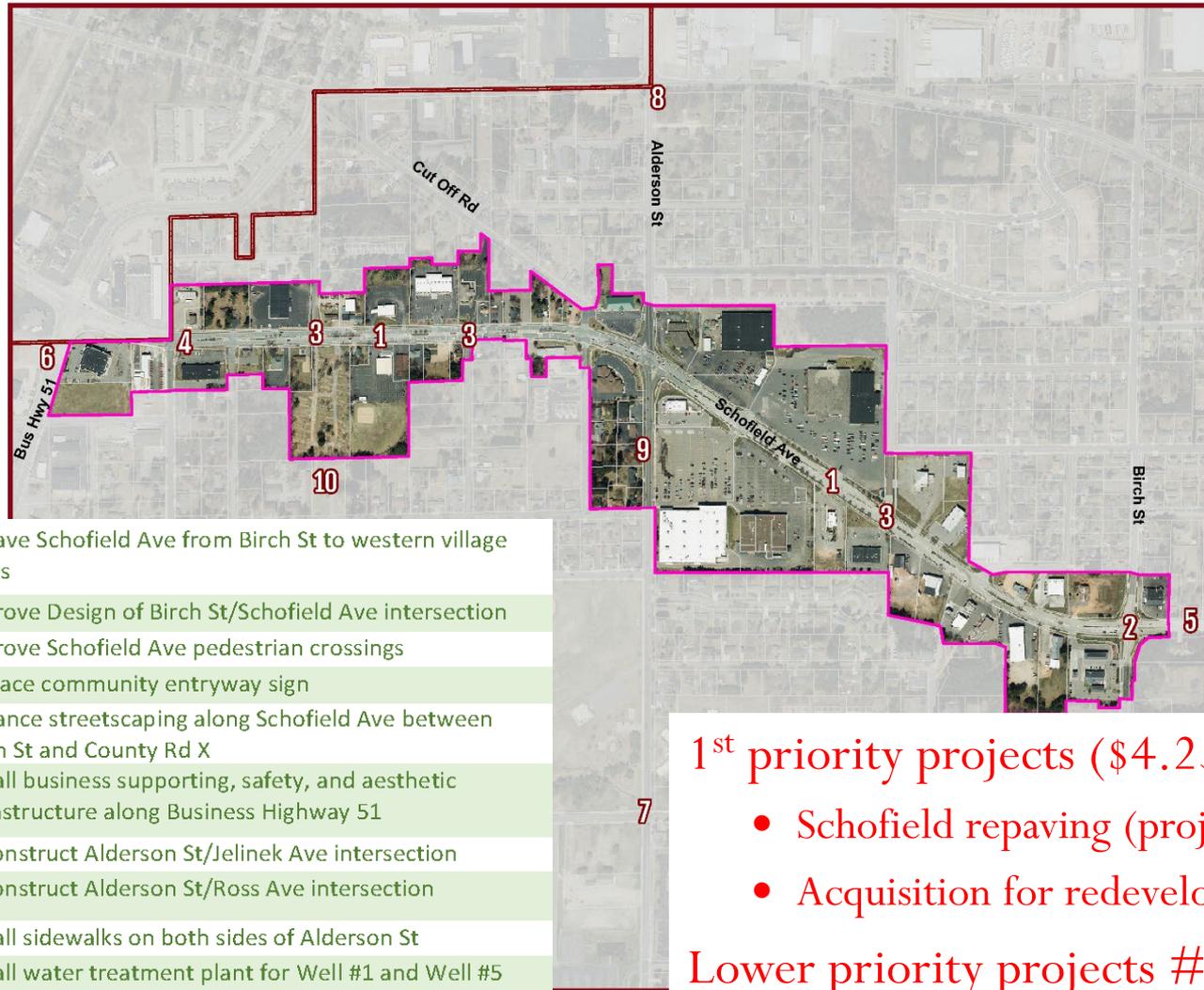
(Re)development Incentives

- *Potential* budget expanded by \$2.75 million to advance redevelopment in TID #2 per *Schofield Avenue Corridor Plan*.
- Village conservatively anticipates redevelopment projects over next 10 years totaling over \$30 million in assessed value on properties that have less than \$6 million in assessed value today.
- This type of transformational redevelopment will not occur “but for” development incentives from TID #2—budget could help fund several projects

(Re)development Opportunity Areas



Potential Supporting Infrastructure



Village of Weston
Marathon County, Wisconsin

Map 7 : Proposed Infrastructure and Related Projects

Map Creation Date: 8/25/2021
Adoption Date (TID): xx/xx/xxxx
Map Author: Nate Crowe
Map by the Technology Services Department
Village of Weston

0 250 500 1,000 Feet

- Legend**
- Weston Boundary
 - TID #2 Boundary
- 1 Repave Schofield Ave from Birch St to western village limits
 - 2 Improve Design of Birch St/Schofield Ave intersection
 - 3 Improve Schofield Ave pedestrian crossings
 - 4 Replace community entryway sign
 - 5 Enhance streetscaping along Schofield Ave between Birch St and County Rd X
 - 6 Install business supporting, safety, and aesthetic infrastructure along Business Highway 51
 - 7 Reconstruct Alderson St/Jelinek Ave intersection
 - 8 Reconstruct Alderson St/Ross Ave intersection
 - 9 Install sidewalks on both sides of Alderson St
 - 10 Install water treatment plant for Well #1 and Well #5
 - 11 Acquire and prepare land for redevelopment (locations may vary)

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1st priority projects (\$4.25 million est.)

- Schofield repaving (project #1)
- Acquisition for redevelopment (project 11)

Lower priority projects #2-10 (\$4.6 mil.)



What does cash flow analysis for TID #2 suggest?

- \$32.9 million in added property value through redevelopment projects over next 10 years
- \$11.3 million in tax increment from redevelopment (measured from 2019 forward)
- With this projected increment, \$8.1 million in additional authorized expenditures would allow TID #2 to close by 2030
 - This assumes all these expenditures would be later authorized by the Village Board and then made
 - Actual expenditures would be tied to actual increment growth and other Village priorities

Next Steps

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- Hear public hearing comments
- After hearing, respond to comments
- Plan Commission may adopt and recommend project plan via resolution
- Village Board may adopt
- Joint Review Board may adopt