

PLANNING COMMISSION MINUTES
Mayville City Hall, 15 S. School Street, Mayville, WI
January 28, 2009

1.) Call to Order and Roll Call.

Meeting called to order at 7:00 PM.

Present: Luce, Kahlhamer, Heron, Voss, Engel

Absent: Henkel, Benter

Others Present: Phil Cosson, Gary Freund, Sal Okon, Susan Smith, Robert Smith, Jerry Moede, David Pasbrig, Mr. & Mrs. Gary Frederick, Attorney Ron Stadler, Vern Hilker

2.) Approve Agenda.

Motion by Luce seconded by Engel to approve the agenda.

Unanimously carried.

3.) Approve the Minutes of the December 3, 2008 meeting.

Motion by Kahlhamer seconded by Luce to approve the 12/3/08 minutes.

Unanimously carried.

4.) Public Hearing regarding the proposed project plan boundaries and creation of Tax Incremental District No.4, City of Mayville, WI.

Bob Smith addressed the Commission regarding the risk of TID's.

- Increment returned to MEC as earned would have no risk vs. borrowing
- There is risk after 2012
- Future value of MEC property was assumed for project plan projections
- Property is 95 years old and values are a future concern
- 11% of TIDs in Wisconsin fail, 31 % are marginal, rest are successful
- Suggest getting opinion of assessor to check the accuracy of the projections

No other persons chose to speak. The hearing was closed.

5.) Consideration of Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 4, City of Mayville, WI.

Motion by Luce seconded by Kahlhamer to approve the Resolution. Discussion – Phil Luce questioned Phil Cosson on what Ehlers stake is with borrowing vs. refunding tax payment option. Phil Cosson answered indicating that they are paid to handle the bond issue and for preparation of the Project Plan.

Phil Luce questioned what Mayville's maximum liability will be. Phil Cosson answered indicating that the valuation of the MEC property is there and identified before the borrowing. The risk is that the valuation of the building will drop. The property needs to see an additional \$1,000,000.00 in value to make the \$250,000.00 payment pay for itself. The agreement with MEC drops the City liability proportionately if the value increase of

the property is not seen. The agreement still could be modified to mitigate risk by requiring them not to contest future assessment. There are possibilities that are not now in the agreement.

Phil Luce asked what MEC's actual intentions are for the property. Mayor Heron answered indicating he had seen renderings of the exterior and that work should start when the weather allows. He said they have much of their reloading division there already.

Merle Kahlhamer questioned whether or not there was a repayment if the value of the property dropped. Attorney Stadler indicated that there is a remedy in item 9 of the agreement that says if the value drops below \$1,000,000.00 on 1/1/2012, then there is a proportionate repayment required from MEC.

Voss indicated on P.22 of the project plan the \$250,000.00 will cost \$462,000.00 over 20 years if everything goes OK. He wants MEC to get the money but feels the repayment of property taxes to them over time would be better because we could eliminate the borrowing now. He would like to see a revised financing plan.

Phil Luce questioned the retail use already located at the property. Phil Cosson responded saying that in 2004 the law changed. He said he used 0% retail but the project plan could change if the long range plan of MEC actually assumed that there would be commercial. This is not critical to this TID.

Mayor Heron said he did not want to restate the items he stated from the JRB meeting but that CIB borrowing does not create or maintain jobs within the community as this project does. The TID borrowing is completely different. This is a project exclusive of previous TIF districts and should be considered on its own merits.

There was discussion on when values on the property are set, and Merle questioned when payment had to be made. The answer was 2012 at the latest but it could be earlier.

Phil Cosson added that new values will likely be available in August of 2009. Ninety days after that to market, then first payment in 2011.

Mike Engel stated that Maysteel left on old landlocked building and questioned what MEC sees that Maysteel did not.

The Mayor answered that indicating that he couldn't speak for Maysteel, but that MEC is already quickly reviving the property.

The Mayor asked Phil to restate the timelines so that we could act on the motion.

Phil Cosson indicated that if favorably recommended to Council, the Council would act on it on March 9th, 2009 and then the JRB would act on it on March 18, 2009.

There was a previous motion by Luce seconded by Kahlhamer to recommend approval of the Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District #4, City of Mayville.

Aye: Luce, Kahlhamer, Heron

Nay: Voss, Engel

Motion carried.

6.) Request by Gary Freund for reconsideration of the extraterritorial property split for tax parcel 048-1216-2812-000, STH 28 and Schwarze Road in the Town of Williamstown. The request asks to create 4 residential lots vs. the 2 allowed by Section 425-20 of the Municipal Code.

Hilker reviewed the list of what was in the handout material, and read the minutes of the previous meeting so that everyone was at the same point of understanding. He also stated that he had discussed placing this on the agenda again at the request of the surveyor and

owner, with Attorney Stadler. Attorney Stadler was present and confirmed that he said that the Commission needs to have presented to them some material facts that change the issue, or if not, the ordinance still should be followed which allows 2 lots vs. the 4 requested.

Phil Luce stated that if no variance procedure exists, we can't legally act on or address this in any other manner than we already have. Attorney Stadler indicated that he was correct.

Luce stated that he felt that private enterprise was being interfered with, and that we are stuck with having to make a decision that the Town and Dodge County have already approved. He would like to see some form of variance possibility in our ordinance.

Attorney Stadler indicated that he could review that for the Planning Commission but also noted that the County appears to have not followed their ordinance as well.

Sal Okon stated that the 4 lot property is located next to an existing subdivision of 14 lots, Eagles Nest Subdivision, plus there are 5 lots west of and across the road from this property. He stated that the Town has a variance policy and the City does not. The houses to the west are 15 – 20 feet below the road. The zoning is already changed by the Town. The property is located at the far outskirts of the 1-1/2 mile limit.

Kahlhamer questioned the timeframe. Okon responded with ASAP and requested that the City work with them to change the ordinance, and that there would not likely be development from the City there for 40-50 years or more.

Attorney Stadler indicated that we can work on it but cautioned that there needs to be consistency applied in our ordinance enforcement practices.

Phil Luce stated that he felt that this was a justifiable case.

Attorney Stadler will have something prepared for the Council to consider. He indicated that it was not necessary for the Commission to make a recommendation to Council on changing the ordinance. No action needed tonight – the matter will die for lack of a motion.

The Mayor asked if there were others wishing to speak.

Gary Fredrick indicated he agrees with Okon and that he is on the T.O.W. Planning Commission, and he would like to reiterate that there is a cluster type of development in the area already.

Gary Freund said that they viewed the property as their pension plan after years of farming, and denying this would take some of that away.

Cheryl Congdon stated that their letters were in the packets, and that the T.O.W. is constantly changing ordinances to accommodate a special few. She commended Mayville for sticking to the ordinances in the past and encouraged the Commission to continue following the established ordinance. She said each person has a story, but a line is needed to stop things, to eliminate the favoritism and hard feelings between neighbors that go with these matters. She said we are lucky to have solid ordinances and it is comforting to come here for a yes or no answer. She also stated that the T.O.W. has 2.5 million dollars in their treasury and the planners have told them they don't need additional tax base.

Mayor Heron stated that it is not comforting to have to make these types of decisions, and asked what her main objection to the split is.

Mrs. Congdon stated that land is good farm land, lower section was just sold and that any problems with farming the property have been because of poor decisions with oversize loads etc. Preservation of farm land is a needed goal.

Gary Frederick stated that those that appeared before the Town and objected were those located directly west of these lots and across the road.

7.) **Adjournment.**

Motion by Kahlhamer seconded by Luce to adjourn.

Unanimously carried.

Meeting Adjourned 8:18 PM.

Vern Hilker, Director of Public Works, Secretary to the Planning Commission