



City of Waukesha
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Committee: Plan Commission	Date: 7/24/2024
Common Council Item Number: ID#24-10187	Date: 8/6/2024
Submitted By: Jennifer Andrews, Community Development Director	City Administrator Approval: Anthony Brown, City Administrator
Finance Department Review: Joe Ciurro, Finance Director	City Attorney's Office Review: Brian Running, City Attorney
Subject: Review and act on a Resolution Approving an Amendment to the Project Plan and Boundaries of Tax Incremental District No. 29.	

Details: Tax Incremental Finance (TID) 29 was created in 2020 as a Rehabilitation-Conservation District. The intent of the TID was to assist with the redevelopment of properties near City Hall. This included:

- City-owned vacant lands along the west side of Delafield Street (former City Hall Annex, former retail strip mall, and auto repair shop).
- Remnant land from the former City Hall site at the corner of Barstow St. and Buena Vista Ave.
- Properties at the northwest corner of North Street and Madison Street

The purpose of the TID 29 amendment is to expand the district to include adjacent parcels that are (or soon will be) in need of rehabilitation including:

- Waukesha Water Utility building, which will be vacated upon completion of their new headquarters on Chapman Drive
- Vacant and underutilized properties near Barstow Street and North Street

The project plan amendment also includes estimated increases in project costs for existing parcels. Since the original district was created in 2020 there have been significant increases in construction costs including labor, materials, and interest rates.

Tax Incremental Financing is needed to pay the increased costs to redevelop these lands. In order to make the sites ready to build on, things like environmental cleanup, parcel consolidation, and razing of buildings will need to be undertaken. These increased costs make the use of Tax Incremental Financing necessary. But for the use of TIF, these parcels would not be redeveloped.

While the Project Plan has estimated costs and financial assistance, each project within the district will need to stand on its own. Projects must go through a third-party development proforma review to verify there is a true

financial gap. Each project will also need a TIF Development Agreement, which will need to be reviewed and approved by the Finance Committee and Common Council.

Prior to the Plan Commission meeting, the Joint Review Board will be introduced to this project. Should the Plan Commission pass the resolution, it will then move on to the Common Council, followed by Joint Review Board, for approval.

Options & Alternatives: The Plan Commission can make any changes to the plan, or choose to not adopt the resolution, which could result in many parcels sitting vacant and not being redeveloped.

Financial Remarks: Once the district closes the City of Waukesha and all of the other taxing jurisdictions will see increased tax revenues based on the increased assessed value of the property. Approving this amendment does not commit the City to assist with any of the projects in the Project Plan.

Staff Recommendation:

Staff recommends the Plan Commission adopt the proposed resolution amending the boundaries and project plan for Tax Incremental District Number 29.