

**Special Village Board
April 11, 2016**

President Bradley called the meeting to order at 5:30 p.m. at East Side Community Center, 6156 Douglas Avenue, Racine, Wisconsin.

Board Present: Trustee Prott, Trustee Trentadue, Trustee Wanggaard, Trustee Dobbs, and President Bradley.

Absent: Trustee Wishau was excused and Ed Willing was absent

Staff/Others Village Administrator Tom Christensen, Finance Director Larry Borchert and Finance Advisor Dave Wagner from Ehlers

1. TID #4 Cash Flow Update

Christensen talked about the Memorandum of Understanding with the Deback property and WisPark and stated that the Development Agreement is almost finished. Gerry Frankie indicated that we have a good chance for development in that area. Discussion continued regarding a seven to ten year fill rate and the worst case scenarios. One thing that set this park apart from others is the large parcel it has and that it will be shovel ready. Norco manufacturing is moving to the park possibly this summer.

Wagner explained 3 scenarios.

1. Before The Deback farms Dev.

Total revenue \$3.2 million

Project costs \$24.2 million

Interest and financing \$12.5 million

Total revenues under \$33.5 million (.71 per thousand to tax roll)

2. With Deback farms Dev.

Total revenue \$30.6 million 5 yr. 80% (full buildout)

\$27.0 million 10 yr. 80%

\$20.2 million 5 yr. 50%

Special Assessments \$2.2 million

Interest and financing \$6.3 million

Total costs \$10.0 million

Village will work with WisPark on a development incentive plan.

If nothing happens .93 per thousand to tax roll

5 yr. 80% = .28

10 yr. 80% = .35

5 yr. 50% = .50

3. Future Dev. Area

Total revenue \$64.9 million 5 yr. 80% (full buildout)

\$52.7 million 10 yr. 80%

\$41.6 million 5 yr. 50%

Special Assessments \$2.6 million

Interest and financing \$14.6 million

Total costs \$28 million

5 yr. 80% = 36.3

10 yr. 80% = 24.1

5 yr. 50% = 13.0

Further discussion continued regarding WisPark's obligation to bring in \$20 million of development to Caledonia. Caledonia owes WisPark funds for various studies.

Wagner explained the existing commitments. The initial borrowing resolutions will go to the board on May 16th, for \$5.6 million and \$3.4 million, the new village hall and the utility totaling approx. \$14.0 million. Interest rate of approximately 3.25% is figured. Debt ratio for village should be no more than 50%.

2. Adjournment

Motion by Trustee Trentadue to adjourn. Seconded by Trustee Dobbs. Motion carried. Meeting adjourned at 7:07 p.m.

Respectfully submitted,

Karie Torkilsen
Village Clerk