

**Proposed Tax Increment District
Village of Bayside Update / Q&A**

September 7, 2018

The Village of Bayside has entered into discussions with Cobalt Partners LLC about a potential mixed-use development in Bayside. The proposed project, called “One North,” has been suggested for the northwest quadrant of W. Brown Deer Road and Port Washington Road.

To begin the consideration of this development, the Village of Bayside’s Community Development Authority (CDA) has set a date for a meeting to discuss the idea of a Tax Incremental Financing District (TID) that would help make development possible. Specific boundaries of a TID will be reviewed and a Project Plan will be discussed at the meeting. A Project Plan is a tentative program for a development within a TID area. If approved, the Project Plan sets the agenda of matters that need to be considered by the Village for any project to move ahead, including the One North project.

The public is invited to participate in the public hearing portion of the meeting September 27 at 6 p.m.

To learn about TID, the Village will be hosting an information session September 12 at 6 pm at Village Hall, which will include time for questions.

The Village has been informed that Cobalt Partners will be hosting its own information sessions to review the development concept on September 11 and 20 at the MSI Data building, 500 W. Brown Deer Road. Both meetings begin at 6 p.m.

The Village expects to publish the Project Plan for Bayside TID #1 on its web site on September 14.

Commonly asked Questions:

- **What is a TID?**

A Tax Incremental Financing District (TID) is an economic development tool that helps local governments enable economic growth in a community, make improvements to historic districts, replace and restore troubled areas, make needed infrastructure improvements and attract private investment and new businesses. Without TIDs, development often doesn’t happen because of the high costs involved in the acquisition of property and installation of infrastructure, as well as development of property.

When a TID is created, the property values of all the parcels within the district are frozen, creating a base value. As development occurs and property values increase, the overall assessed value of the district increases as well. This new value that is created is called the “increment”. The increment is the difference between the growing value and the base value. Taxes on the increment are collected by the municipality and placed into a special fund that is then invested back into the district under special rules. The process, expenditures and utilization are governed by State Statute.

- **What is the difference between a TIF and a TID?**

While a TIF is the economic tool that helps promote local tax base expansion, a TID – Tax Incremental District – is the actual physical area (whole parcels) designated for expansion where improvements are being considered.

- **Does the Village of Bayside need a TID?**

In the case of the land being considered for a TID in Bayside, a significant amount of the property is either vacant or underutilized.

The proposed TID #1 in Bayside would allow the Village to direct a portion of an increment in property taxes to assist proposed projects. Specifically, the TID would help with the costs tied to the public improvements, including the community gathering spaces and infrastructure such as public roads and utilities (storm water management, sanitary sewer, etc.).

- **Will the TID affect the property taxes of property outside of the TID?**

There will be no impact on property taxes outside the TID.

- **Where are the TID boundaries?**

The proposed district encompasses roughly 27 acres of commercial property in the northwest quadrant of Brown Deer Road and Port Washington Road. Specific boundaries would be: Brown Deer Road on the South, Port Washington Road on the East, I-43 on the West and White Oak Lane on the North.

- **Why is the Village of Bayside even considering a development of this size?**

When municipalities are approached by a developer about a project, they consider the project being proposed. When Cobalt Partners approached Village officials, discussions began and have now evolved into a tangible form. Over the years, the Village has been approached by developers considering projects for this area, but none of them resulted in a tangible project for the Village to consider.

Should discussions with Cobalt Partners advance, there will be public meetings to review the proposal and more opportunities for the public to comment. It's important to note that considering the creation of a TID is separate from the consideration of a specific development project. If this current project proceeds, the development proposal would ultimately be included in a formal Development Agreement containing all of the obligations and terms of the project.

- **Does Bayside need alternative housing options?**

In the Village, 65.8% of households are occupied by 1 or 2 people – a significant number of them are Baby Boomers. Market research shows that Baby Boomers want to downsize into maintenance-free living, but remain within the communities where they are rooted. Apartments offer a flexible living option to meet this need. The average vacancy rate of the current apartments in the North Shore is 3% (A normal vacancy rate is 5%-6%.)

More families with children will consider moving to homes in Bayside if more homes for sale were available. More children in the school districts strengthen our schools due to how the schools are funded.

How can I learn more about the project?

The Village will post weekly updates on its website at www.baysidewi.gov. Updates will also be shared through the Bayside Buzz newsletter and the Village's Facebook page.

In addition, the public is encouraged to attend these upcoming scheduled meetings:

- **September 12**, 6 p.m. The Village to host Information Session at Village Hall (discussion of TID)
- **September 27**, 6 p.m. The Village CDA to host a public hearing and address boundaries and Project Plan. The CDA may take action at this meeting or at a subsequent CDA meeting. When the CDA makes a recommendation, boundaries and Project Plan will be put on the agenda of the next Village Board meeting.