

January 19, 2017

# Project Plan for the Territory Amendment of Tax Incremental District No. 14

## **CITY OF LA CROSSE, WISCONSIN**

|   |                  |
|---|------------------|
| Organizational Joint Review Board Meeting Held:       | January 20, 2017 |
| Public Hearing Held:                                  | January 30, 2017 |
| Consideration for Approval by Plan Commission:        | January 30, 2017 |
| Consideration for Approval by Finance & Personnel:    | March 2, 2017    |
| Consideration for Adoption by Common Council:         | March 9, 2017    |
| Consideration for Approval by the Joint Review Board: | March 28, 2017   |



# Tax Incremental District No. 14 Territory & Project Plan Amendment

## City of La Crosse Officials

### Common Council

|                     |        |
|---------------------|--------|
| Timothy Kabat       | Mayor  |
| Andrea Richmond     | Member |
| Richard Swantz      | Member |
| Ryan Cornett        | Member |
| Martin Gaul         | Member |
| Jai Johnson         | Member |
| Douglas Happel      | Member |
| Paul Medinger       | Member |
| David Krump         | Member |
| Francis J. Formanek | Member |
| James T. Cherf      | Member |
| Gary W. Padesky     | Member |
| Robert J. Seaquist  | Member |
| Audrey Kader        | Member |
| Richard Becker      | Member |
| Philip A. Ostrem    | Member |

### City Staff

|                    |                              |
|--------------------|------------------------------|
| Teri Lehrke        | City Clerk                   |
| Andrea Schnick     | Economic Development Planner |
| Jason Gilman, AICP | Director of Planning         |
| Stephen Matty      | City Attorney                |
| Valerie Fenske     | Finance Director             |



## Joint Review Board

Timothy Kabat

Brian Fukuda

Daniel Hanson

Janet Rosseter

John Kovari

City Representative

La Crosse County

Western Technical College District

School District of La Crosse School District

Public Member



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# SECTION 1: Executive Summary

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## Description of District

### Type of District, Size and Location

Tax Incremental District (“TID”) No. 14 (the “TID” or “District”) is an existing mixed-use district, which was created by a resolution of the City of La Crosse (“City”) Common Council adopted on August 24, 2007 (the “Creation Resolution”).

### Amendments

The District was previously amended in 2012, whereby a resolution was adopted to amend the list of projects to be undertaken.

### Purpose of this Amendment

The development expected to occur within the original boundaries of the District has been expanded to include property not initially included within the boundary. The unanticipated development would be partially in the boundaries of the District and partially outside of the boundaries on separate tax parcels. The City is required to maintain whole parcels within the boundaries of a tax increment district. The proposed boundary amendment will ensure the City complies with this requirement and allows the City to implement the development envisioned in the original project plan. The City has additionally reviewed adjacent properties and decided to include a number of other parcels that may see development/redevelopment occur in the near future.

### Estimated Total Project Expenditures

The City does not anticipate revising the original and amended list of projects for the District as a result of this amendment.

### Economic Development

While new development and redevelopment will occur on the parcels that will now be included in the District boundary, the City cannot be certain as to the timing and amount of this development. Additionally, this new development will not be needed to feasibly provide revenues in relation to anticipated project costs. Current revenues are anticipated to be sufficient to recover all previous and future expenditures.

### Expected Termination of District

TID No. 14 has a maximum statutory life of 20 years, and must close not later than August 24, 2026, resulting in a final collection of increment in budget year 2017. Based on the Economic Feasibility Study located in Section 10 of this Plan, amendment of the District would result in a shift in the projected District closure year of 2026.

## Summary of Findings

As required by Wisconsin Statutes Section 66.1105, and as documented in this Project Plan Amendment and the exhibits contained and referenced herein, the following findings are made:

1. **That “but for” amendment of this District, the additional development projected to occur within the amendment areas as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner at the values, or within the timeframe desired by the City .** In making this determination, the City has considered the following information:
  - The City has previously met the “but for” test in relation to creation and amendment of the Districts. The City believes that amending the boundaries of the District is required under law, as well as seeking opportunities to assist with future development of the adjacent area.
2. **The economic benefits of amending the Tax Incremental District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** In making this determination, the City has considered the following information:
  - As demonstrated in the Economic Feasibility Section of this Project Plan, the total tax increments projected to be collected are more than sufficient to pay for the actual and proposed Project Costs within the original District and the amended areas. On this basis alone, the finding is supported.
3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**
  - Given that additional development is not likely to occur or in the same manner without the use of tax incremental financing (see finding # 1), and since the District will generate additional economic benefits that are more than sufficient to compensate for the additional cost of the improvements (see Finding #2), the City reasonably concludes that the overall additional benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not amended. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and can be found in Appendix A of the Project Plan.
4. Not less than 50% by area of the real property within the District, as amended, is suitable for a combination of industrial, commercial and residential uses, defined as “mixed-use development” within the meaning of Wisconsin Statutes Section 66.1105(2)(cm). Land proposed or developed for newly platted residential development comprise more than 35% of the area of the District, as amended. Any project Costs related to newly platted residential development are eligible expenditures based on the finding that the development has a residential housing density of at least 3 units per acre as defined in Wisconsin Statutes Section 66.1105(2)(f)3.a.
5. Based upon the findings, as stated above, and the original findings as stated in the Creation Resolution, the District remains declared a mixed-use District based on the identification and classification of the property included within the District.
6. The project costs will not change as a result of this amendment.

7. There are no additional improvements as a result of this amendment.
8. The equalized value of the taxable property within the territory to be added to the District by this amendment, plus the value increment of all other existing tax incremental districts within the City , does not exceed 12% of the total equalized value of taxable property within the City .
9. The City estimates that none of the territory within the District, as amended, will be devoted to retail business at the end of the District’s maximum expenditure period, pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.
10. The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the City .

## SECTION 2: Type and General Description of District

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The District was created under the authority provided by Wisconsin Statutes Section 66.1105 on August 24, 2006 by resolution of the Common Council. The District’s valuation date, for purposes of establishing base value, was January 1, 2026.

The existing District is a “Mixed Use District” based upon a finding that at least 50%, by area, of the real property within the District was suitable for a combination of industrial, commercial and residential uses within the meaning of Wisconsin Statutes Section 66.1105(2)(cm). The District will remain in compliance with this finding after the addition of the territory identified in this Amendment. The District will also remain in compliance with the prohibition that no more than 35% of the area of the District be allocated for newly-platted residential development. To the extent that the City has incurred, or may incur, Project Costs for newly platted residential development, the residential development will have a density of at least 3 units per acre as defined in Wisconsin Statutes Section 66.1105(2)(f)3.a. The Preliminary Parcel list found in Section 5 of this plan provides a calculation demonstrating continued compliance with both the 50% test and the 35% test.

Wisconsin Statutes Section 66.1105(4)(h)2. provides authority for a City to amend the boundaries of an existing Tax Increment District for purposes of adding and/or subtracting territory up to a total of four times during the life of the District. The boundaries of the District have been amended twice prior to this Amendment.

This Project Plan Amendment supplements, and does not supersede or replace any component of the original Project Plan, or any component of previously adopted Project Plan Amendments, unless specifically stated. All components of the original Project Plan, and its previously adopted Project Plan Amendments, remain in effect.

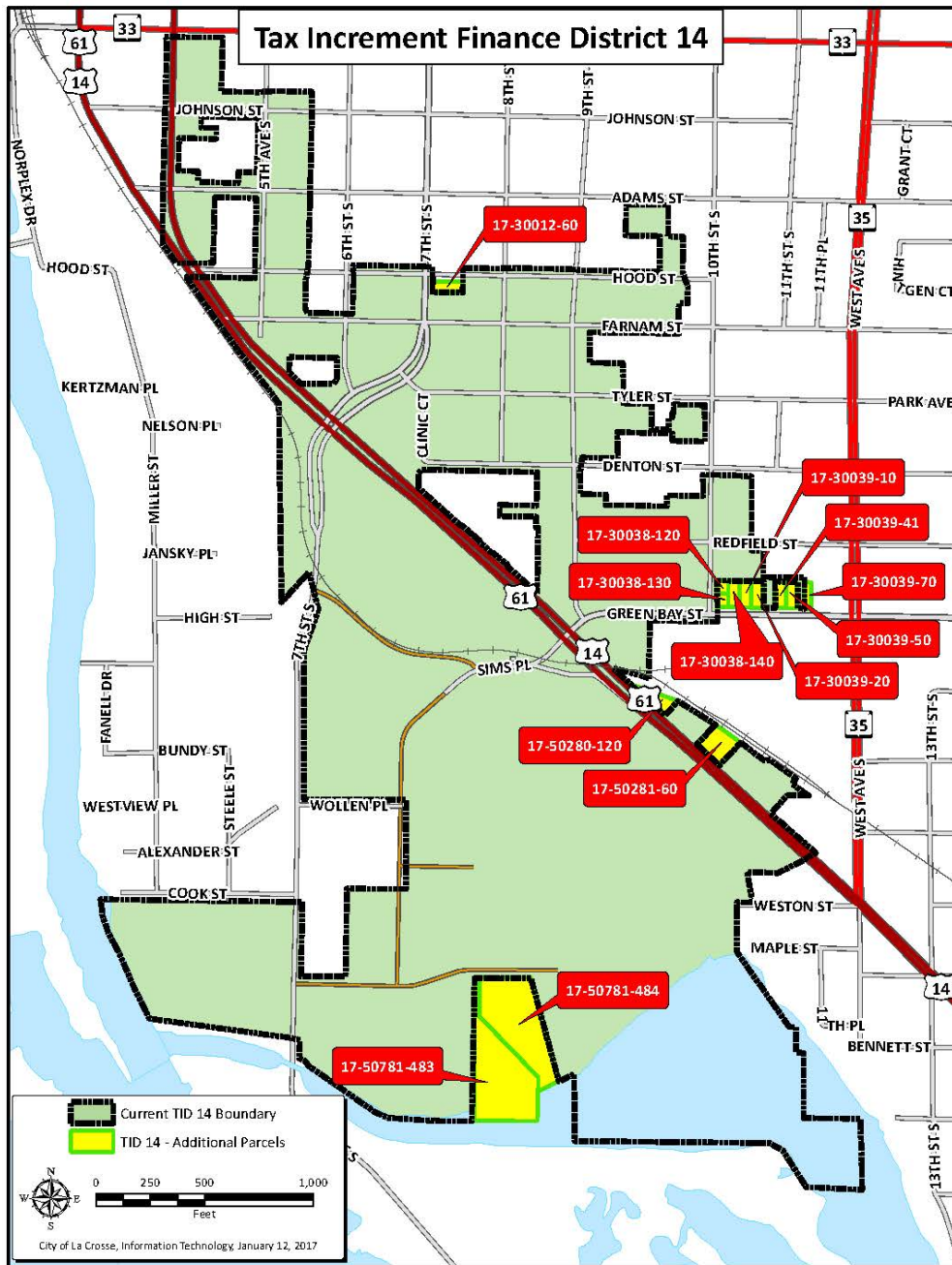
The purpose of the Amendment is to facilitate development within areas adjacent to the existing District and to comply with the requirement that only whole parcels be included within the boundaries of any tax increment district.

A map depicting the boundaries of the District is found in Section 3 of this Plan. Based upon the findings as stated above, and the original findings as stated in the Creation Resolution, the District remains a

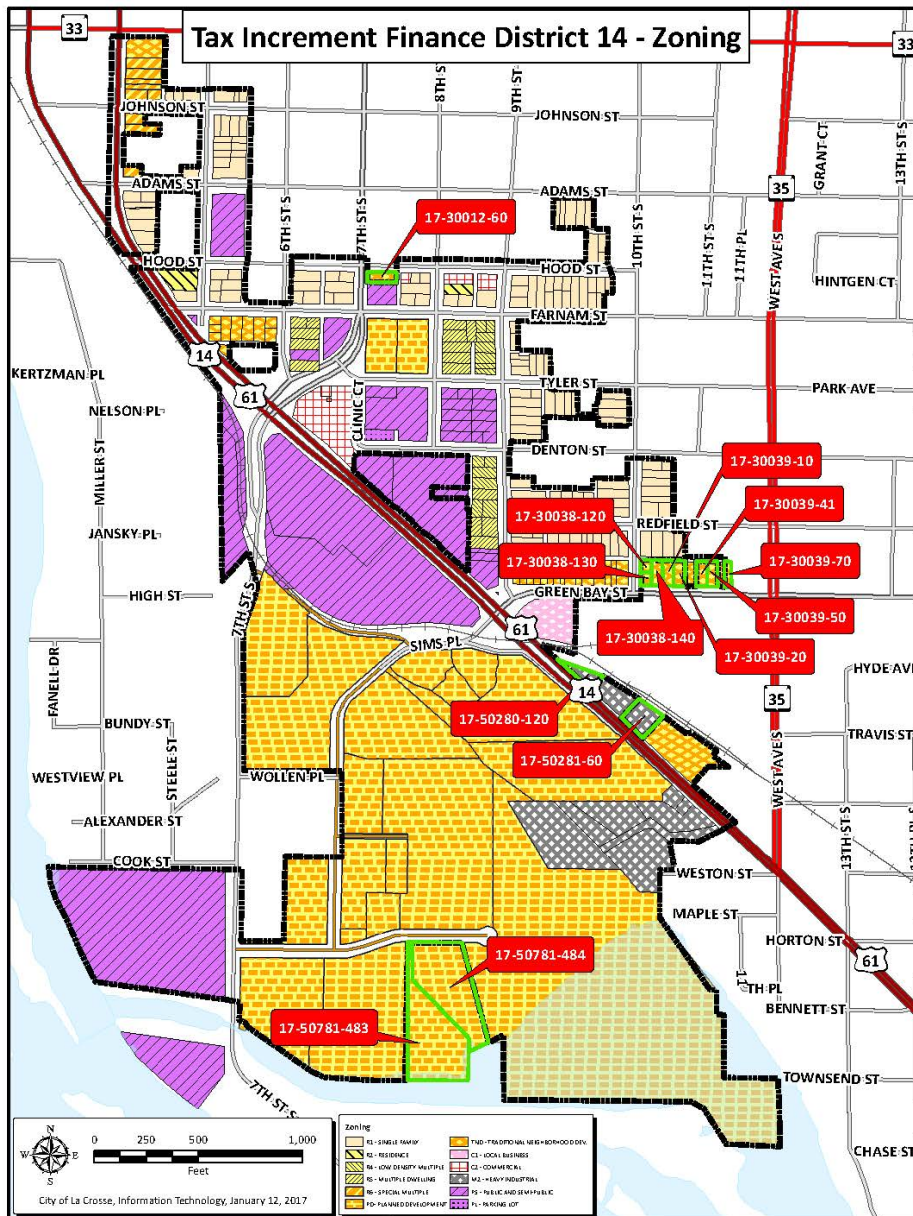
mixed-use District based on the identification and classification of the property included within the District.



# SECTION 3: Preliminary Map of Original District Boundary and Territory Amendment Area Identified



# SECTION 4: Map Showing Existing Uses and Conditions Within The Territory To Be Added



# SECTION 5: Preliminary Parcel List and Analysis Within The Territory To Be Added

| City of La Crosse, Wisconsin          |                       |   |                      |                                       |   |                        |                  |               |                  |                       |                |                  |               |                             |                                 |                     |                      |                           |                         |              |                    |              |              |                                |
|---------------------------------------|-----------------------|---|----------------------|---------------------------------------|---|------------------------|------------------|---------------|------------------|-----------------------|----------------|------------------|---------------|-----------------------------|---------------------------------|---------------------|----------------------|---------------------------|-------------------------|--------------|--------------------|--------------|--------------|--------------------------------|
| Tax Increment District # 14 Amendment |                       |   |                      |                                       |   |                        |                  |               |                  |                       |                |                  |               |                             |                                 |                     |                      |                           |                         |              |                    |              |              |                                |
| Base Property Information             |                       |   |                      |                                       |   |                        |                  |               |                  |                       |                |                  |               |                             |                                 |                     |                      |                           |                         |              |                    |              |              |                                |
| 2017 Parcel Number                    | Street Address        | Owner   | Acreage              | Annexed Post 1/1/04? ...Indicate date | Part of Existing TID? ...Indicate TID # | Assessment Information |                  |               |                  | Equalized Value       |                |                  |               | District Classification     |                                 |                     |                      |                           | District Classification |              |                    | Comments     |              |                                |
|                                       |                       |   |                      |                                       |   | Land                   | Imp              | PP            | Total            | Equalized Value Ratio | Land           | Imp              | PP            | Total                       | Industrial (Zoned and Suitable) | Commercial/Business | Existing Residential | Newly Platted Residential | Suitable for Mixed Use  | Blighted     | Rehab/Conservation |              | Vacant       |                                |
| 17.50781.483                          | 2575 7th Street S     | Todd Wilson C/O Bethany Lutheran Homes, Inc.                                    | 2.46                 | No                                    | No                                      | 0                      | 0                | 0             | 0                | 100.00%               | 0              | 0                | 0             | 0                           | 0                               |                     |                      |                           |                         | 0.00         |                    |              |              | PD - Planned Development       |
| 17.50781.484                          | 1910 South Avenue     | Gundersen Lutheran Accounting Department Gundersen Lutheran Medical Center Inc. | 2.37                 | No                                    | No                                      | 387,500                | 731,801          | 7,400         | 1,126,701        | 100.00%               | 387,500        | 731,801          | 7,400         | 1,126,701                   |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.00         | PD - Planned Development       |
| 17.30039.41                           |                       | Green Bay Street Apartments   | 0.15                 | No                                    | No                                      | 14,400                 | 0                | 0             | 14,400           | 100.00%               | 14,400         | 0                | 0             | 14,400                      |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.15         | TND - Traditional Neighborhood |
| 17.30038.130                          | W1147 Runningen Ct    | JARED J, LORI A MILLUREN  | 0.08                 | No                                    | No                                      | 9,900                  | 72,600           | 900           | 83,400           | 100.00%               | 9,900          | 72,600           | 900           | 83,400                      |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.00         | TND - Traditional Neighborhood |
| 17.30038.120                          | 14359 County Road 74  | Sara C Hanoski  | 0.75                 | No                                    | No                                      | 9,900                  | 72,600           | 900           | 83,400           | 100.00%               | 9,900          | 72,600           | 900           | 83,400                      |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.00         | TND - Traditional Neighborhood |
| 17.30038.140                          | 1009 Green Bay Street | Stephen, Cynthia Lenser   | 0.15                 | No                                    | No                                      | 14,400                 | 64,500           | 0             | 78,900           | 100.00%               | 14,400         | 64,500           | 0             | 78,900                      |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.00         | TND - Traditional Neighborhood |
| 17.30039.10                           | 340 S. Lemon Ave      | Neighborhood Rentals LLC  | 0.15                 | No                                    | No                                      | 14,400                 | 53,400           | 0             | 67,800           | 100.00%               | 14,400         | 53,400           | 0             | 67,800                      |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.00         | TND - Traditional Neighborhood |
| 17.30039.20                           | 1019 Green Bay Street | William L, Karen P Nay  | 0.15                 | No                                    | No                                      | 14,400                 | 66,700           | 0             | 81,100           | 100.00%               | 14,400         | 66,700           | 0             | 81,100                      |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.00         | TND - Traditional Neighborhood |
| 17.30039.50                           | 1035 Green Bay St     | Arc - La Crosse Inc   | 0.14                 | No                                    | No                                      | 16,000                 | 116,000          | 1,600         | 133,600          | 100.00%               | 16,000         | 116,000          | 1,600         | 133,600                     |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.00         | TND - Traditional Neighborhood |
| 17.30039.70                           | S11028 Sobkowiak Road | Steven L, Bonnie J Brown  | 0.09                 | No                                    | No                                      | 8,500                  | 68,200           | 0             | 76,700           | 100.00%               | 8,500          | 68,200           | 0             | 76,700                      |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.00         | TND - Traditional Neighborhood |
| 17.30012.60                           | 22520 Losey Ct        | Steve Eide  | 0.16                 | No                                    | No                                      | 32,100                 | 113,100          | 0             | 145,200          | 100.00%               | 32,100         | 113,100          | 0             | 145,200                     |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.00         | TND - Traditional Neighborhood |
| 17.50280.120                          | 1832 Nakomis Ave      | R & E Thorud Trust  | 0.22                 | No                                    | No                                      | 66,500                 | 241,800          | 0             | 308,300          | 100.00%               | 66,500         | 241,800          | 0             | 308,300                     |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.00         | M2 - Heavy Industrial          |
| 17.50281.60                           | 2131 South Ave        | ERIC STEVENS (E) ROBERT L   | 0.44                 | No                                    | No                                      | 131,200                | 233,700          | 44,700        | 409,600          | 100.00%               | 131,200        | 233,700          | 44,700        | 409,600                     |                                 |                     |                      |                           | 0.00                    |              |                    |              | 0.00         | M2 - Heavy Industrial          |
|                                       |                       |   | <b>Total Acreage</b> | <b>7.25</b>                           |   | <b>719,200</b>         | <b>1,834,401</b> | <b>10,800</b> | <b>2,609,101</b> |                       | <b>588,000</b> | <b>1,600,701</b> | <b>10,800</b> |                             |                                 |                     |                      | <b>0.00%</b>              | <b>0.00%</b>            | <b>0.00%</b> | <b>0.00%</b>       | <b>0.00%</b> | <b>0.00%</b> | <b>2.04%</b>                   |
|                                       |                       |   |                      |                                       |   |                        |                  |               |                  |                       |                |                  |               | <b>Estimated Base Value</b> |                                 | <b>1,746,001</b>    |                      |                           |                         |              |                    |              |              |                                |

## SECTION 6: Equalized Value Test

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The following calculations demonstrate that the City is in compliance with Wisconsin Statutes Section 66.1105(4)(gm)4.c., which requires that the equalized value of the Territory to be added to the District, plus the value increment of the District being amended, plus the value increment of all other existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City .

The equalized value of the Territory to be incorporated by this Amendment, plus the increment value of TID No. 14, plus the value increment of all other existing tax incremental districts within the City , totals \$367,802,801. This value is less than the maximum of \$414,833,292 in equalized value that is permitted for the City of La Crosse. The City is therefore in compliance with the statutory equalized valuation test and may proceed with amendment of this District.

| <b>City of La Crosse, Wisconsin</b>          |   |
|--|---|
| <b>Tax Increment District # 13 Amendment</b> |   |
| <b>Valuation Test Compliance Calculation</b> |   |
| District Creation Date                       | 1/1/2017                                      |
|  | Valuation Data<br>Currently Available<br>2016 |
| Total EV (TID In)                            | 3,456,944,100                                 |
| 12% Test                                     | 414,833,292                                   |
| Increment of Existing TIDs                   |   |
| TID #5                                       | 7,664,500                                     |
| TID #6                                       | 64,204,900                                    |
| TID #7                                       | 10,789,200                                    |
| TID #8                                       | 3,750,600                                     |
| TID #9                                       | 17,083,400                                    |
| TID #10                                      | 2,287,600                                     |
| TID #11                                      | 117,036,000                                   |
| TID #12                                      | 20,430,700                                    |
| TID #13                                      | 45,977,500                                    |
| TID #14                                      | 42,381,000                                    |
| TID #15                                      | 23,082,300                                    |
| TID #16                                      | 1,432,900                                     |
| TID #17                                      | 9,936,200                                     |
| Total Existing Increment                     | <u>366,056,800</u>                            |
| Projected Base of New or Amended District    | 1,746,001                                     |
| Total Value Subject to 12% Test              | <u>367,802,801</u>                            |
| Compliance                                   | <b>PASS</b>                                   |

## SECTION 7: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

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The project costs will not change, nor are there any additional improvements as a result of this amendment. The statement of kind, number and location of proposed public works and other projects as documented in the Original and/or Amended Project Plan Documents remains in effect.

With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, site preparation, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages, and other expenses are included as Project Costs.

In the event any of the public works project expenditures are not reimbursable out of the special tax increment finance fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the City for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan Amendment.

**The City reserves the right to implement only those projects that remain viable as the Plan period proceeds.**

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City and as outlined in this Plan or the original Project Plan. To the extent the costs benefit the City outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Prorations of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received by the City in connection with the implementation of this Plan.

## SECTION 8: Map Showing Proposed Improvements and Uses Within The Territory To Be Added

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There will be no change to the proposed improvements or uses within the District as a result of this amendment. A copy of this map can be found in the Original and/or Amended Project Plan Document.

## SECTION 9: Detailed List of Project Costs

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The project costs will not change, nor are there any additional improvements as a result of this amendment. The statement of kind, number and location of proposed public works and other projects as documented in the Original and/or Amended Project Plan Documents remains in effect.

## SECTION 10: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

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The information and exhibits contained within this Section demonstrate that the District, as proposed to be amended by the addition of territory, will remain economically feasible insofar as:

- The City has available to it the means to secure the necessary financing required to accomplish the remaining projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The City expects to complete the remaining projects in one or multiple phases, and can adjust the timing of implementation as needed to coincide with the pace of private development and/or redevelopment. A discussion of the phasing and projected timeline for project completion is discussed under “Plan Implementation” within this Section. A table identifying the financing method for each phase and the time at which that financing is expected to be incurred is included.
- The development anticipated to occur as a result of the continued implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects. Within this Section are tables identifying: 1) the development and/or redevelopment expected to occur, 2) an updated projection of tax increments to be collected resulting from that development and/or redevelopment and other economic growth within the District, and 3) an updated cash flow model demonstrating that the projected tax increment collections and all other revenues available to the District will be sufficient to pay all Project Costs.

### Available Financing Methods

#### General Obligation (G.O.) Bonds or Notes

The City may issue G.O. Bonds or Notes to finance the cost of projects included within this Plan. The Wisconsin State Constitution limits the principal amount of G.O. debt that the community may have outstanding at any point in time to an amount not greater than five percent of its total equalized value (TID IN).

### **Bonds Issued to Developers (“Pay as You Go” Financing)**

The City may issue a bond or other obligation to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds or other obligations are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the City’s obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds or other obligations issued to developers in this fashion are not general obligations of the City and, therefore, do not count against the City’s statutory borrowing capacity.

### **Tax Increment Revenue Bonds**

The City has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the City, or as a form of lease revenue bond by its Community Development Authority (CDA) or by a Redevelopment Authority (RDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the City and therefore do not count against the City’s statutory borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the City may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

### **Utility Revenue Bonds**

The City can issue revenue bonds to be repaid from revenues of its various utility systems, including revenues paid by the City that represent service of the system to the City. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the City must demonstrate to bond purchasers its ability to repay revenue debt with the assigned rates. To the extent the City utilizes utility revenues other than tax increments to repay a portion of the bonds, the City must reduce the total eligible Project Costs in an equal amount.

### **Special Assessment “B” Bonds**

The City has the ability to levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the City determines that special assessments are appropriate, the City can issue Special Assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the City’s statutory borrowing capacity. If special assessments are levied, the City must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.

## **Plan Implementation**

As stated in the original project plan, projects identified will provide the necessary anticipated governmental services and/or development incentives to the remaining district. The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements, if any. The City reserves the right to alter the implementation of this Plan to accomplish this objective.

Projects identified will provide the necessary anticipated governmental services and/or development incentives to the additional territory. It is anticipated these expenditures will be made during 2017. However, public debt and expenditures should be made at the pace private development and/or redevelopment occurs to assure increment is sufficient to cover expenses. The order in which expenditures are made should be adjusted in accordance with development and execution of developer

agreements. The City reserves the right to alter the implementation of this Plan to accomplish this objective. In any event, all additional Project Costs are to be incurred within the period specified in Wisconsin Statutes Section 66.1105(6)(am).

It is anticipated developer agreements between the City and property owners will be in place prior to major public expenditures. These agreements can provide for development guarantees or a payment in lieu of development. To further assure contract enforcement these agreements might include levying of special assessments against benefited properties.

The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements. The City reserves the right to alter the implementation of this Plan to accomplish this objective.

Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax-exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities or other obligations are issued.

**If financing as outlined in this Plan proves unworkable, the City reserves the right to use alternate financing solutions for the projects as they are implemented.**

## Implementation and Financing Timeline

There are no proposed changes to the projects or projects costs identified in the Original and/or Amended Project Plan document.

## Development Assumptions

There are no additional valuation increases projected as a result of this amendment.



# Increment Revenue Projections

## Tax Increment District No. 14 (Gundersen Lutheran) Tax Increment Projection Worksheet

|                                     |              |  |            |
|-------------------------------------|--------------|--|------------|
| Type of District                    | Mixed Use    | Actual Base Value                              | 57,869,800 |
| Actual Creation Date                | 8/24/2006    | Pre-Amendment Base Value (Actual)              | N/A        |
| Valuation Date                      | Jan. 1, 2006 | Property Appreciation Factor                   | 0.00%      |
| Maximum Life (In Years)             | 20           | Current Tax Rate (Per \$1,000 EV)              | \$31.23    |
| Expenditure Period (In Years)       | 15           | Tax Rate Adjustment Factor (Next 2 Years)      | 0.00%      |
| Revenue Periods/Final Rev Year      | 20   2027    | Tax Rate Adjustment Factor (Following 2 Years) | 0.00%      |
| End of Expenditure Period           | 8/24/2021    | Tax Rate Adjustment Factor (Thereafter)        | 0.00%      |
| Latest Termination Date             | 8/24/2026    |  |            |
| Eligible for Extension/No. of Years | Yes   3      | Discount Rate 1 for NPV Calculation            | N/A        |
| Eligible Recipient District         | No           | Discount Rate 2 for NPV Calculation            | N/A        |

|    | Construction Year | Value Added | Valuation Year | Inflation Increment | Valuation Increment | Revenue Year              | Tax Rate | Tax Increment |
|----|-------------------|-------------|----------------|---------------------|---------------------|---------------------------|----------|---------------|
| 1  | 2014              | 0           | 2015           | 0                   | 39,462,200          | 2016                      | 31.23    | 1,232,535     |
| 2  | 2015              | 0           | 2016           | 0                   | 42,381,000          | 2017                      | 31.23    | 1,323,699     |
| 3  | 2016              | 0           | 2017           | 0                   | 42,381,000          | 2018                      | 31.23    | 1,323,699     |
| 4  | 2017              | 0           | 2018           | 0                   | 42,381,000          | 2019                      | 31.23    | 1,323,699     |
| 5  | 2018              | 0           | 2019           | 0                   | 42,381,000          | 2020                      | 31.23    | 1,323,699     |
| 6  | 2019              | 0           | 2020           | 0                   | 42,381,000          | 2021                      | 31.23    | 1,323,699     |
| 7  | 2020              | 0           | 2021           | 0                   | 42,381,000          | 2022                      | 31.23    | 1,323,699     |
| 8  | 2021              | 0           | 2022           | 0                   | 42,381,000          | 2023                      | 31.23    | 1,323,699     |
| 9  | 2022              | 0           | 2023           | 0                   | 42,381,000          | 2024                      | 31.23    | 1,323,699     |
| 10 | 2023              | 0           | 2024           | 0                   | 42,381,000          | 2025                      | 31.23    | 1,323,699     |
| 11 | 2024              | 0           | 2025           | 0                   | 42,381,000          | 2026                      | 31.23    | 1,323,699     |
| 12 | 2025              | 0           | 2026           | 0                   | 42,381,000          | 2027                      | 31.23    | 1,323,699     |
|    |                   | 0           |                |                     | 0                   | Future Value of Increment |          | 15,793,220    |

# Cash Flow

**Tax Increment District No. 14 (Gundersen Lutheran)  
Cash Flow Pro Forma**

**As of Dec. 31, 2016:**

**Cash and Investments: \$7,822,748 (A)  
Future Debt Service Requirements: \$424,276 (B)  
Advances from Other Funds (General Fund): \$250,000 (C)**

| Year         | Revenues          |                      |                       |                |                    | Expenditures           |                    |                |                |               |                              |              |                    | Balances           |                           |                                |                    | Year |
|--------------|-------------------|----------------------|-----------------------|----------------|--------------------|------------------------|--------------------|----------------|----------------|---------------|------------------------------|--------------|--------------------|--------------------|---------------------------|--------------------------------|--------------------|------|
|              | Tax Increments    | Exempt Computer Aids | Minimum Tax Pamyments | Other Revenue  | Total Revenues (D) | Debt Service Transfers | DA Payments - Base | DA Payments #2 | DA Payments #3 | Other Exp. #1 | Reinvested Contrib. Expenses | Admin        | Total Expenses (E) | Annual (F) (D - E) | Cumulative (G) (2013 = A) | Future Debt Service (2013 = B) | Reinvest. Contrib. |      |
| 2016         | 1,232,535         | 0                    |                       | 347,314        | 1,579,849          | 0                      | 948,818            |                |                |               |                              | 500          | 949,318            | 630,531            | 8,453,279                 | 424,276                        | #REF!              | 2016 |
| 2017         | 1,323,699         | 0                    |                       |                | 1,323,699          | 424,276                |                    |                |                |               |                              | 500          | 424,776            | 898,923            | 9,352,202                 | 0                              | #REF!              | 2017 |
| 2018         | 1,323,699         | 0                    |                       |                | 1,323,699          |                        |                    |                |                |               |                              | 500          | 500                | 1,323,199          | 10,675,401                | 0                              | #REF!              | 2018 |
| 2019         | 1,323,699         | 0                    |                       |                | 1,323,699          |                        |                    |                |                |               |                              | 500          | 500                | 1,323,199          | 11,998,599                | 0                              | #REF!              | 2019 |
| 2020         | 1,323,699         | 0                    |                       |                | 1,323,699          |                        |                    |                |                |               |                              | 500          | 500                | 1,323,199          | 13,321,798                | 0                              | #REF!              | 2020 |
| 2021         | 1,323,699         | 0                    |                       |                | 1,323,699          |                        |                    |                |                |               |                              | 500          | 500                | 1,323,199          | 14,644,996                | 0                              | #REF!              | 2021 |
| 2022         | 1,323,699         | 0                    |                       |                | 1,323,699          |                        |                    |                |                |               |                              | 500          | 500                | 1,323,199          | 15,968,195                | 0                              | #REF!              | 2022 |
| 2023         | 1,323,699         | 0                    |                       |                | 1,323,699          |                        |                    |                |                |               |                              | 500          | 500                | 1,323,199          | 17,291,394                | 0                              | #REF!              | 2023 |
| 2024         | 1,323,699         | 0                    |                       |                | 1,323,699          |                        |                    |                |                |               |                              | 500          | 500                | 1,323,199          | 18,614,592                | 0                              | #REF!              | 2024 |
| 2025         | 1,323,699         | 0                    |                       |                | 1,323,699          |                        |                    |                |                |               |                              | 500          | 500                | 1,323,199          | 19,937,791                | 0                              | #REF!              | 2025 |
| 2026         | 1,323,699         | 0                    |                       |                | 1,323,699          |                        |                    |                |                |               |                              | 500          | 500                | 1,323,199          | 21,260,990                | 0                              | #REF!              | 2026 |
| 2027         | 1,323,699         | 0                    |                       |                | 1,323,699          |                        |                    |                |                |               |                              | 500          | 500                | 1,323,199          | 22,584,188                | 0                              | #REF!              | 2027 |
| <b>Total</b> | <b>15,793,220</b> | <b>0</b>             | <b>0</b>              | <b>347,314</b> | <b>16,140,534</b>  | <b>424,276</b>         | <b>948,818</b>     | <b>0</b>       | <b>0</b>       | <b>0</b>      | <b>0</b>                     | <b>6,000</b> | <b>1,379,094</b>   |                    |                           |                                |                    |      |

**Final Balance (G - C): 22,334,188**

**NOTES:**

1. Cumulative Balance includes existing Cash and Investments plus annual excess cash flow
2. Debt Service Transfers reduce Future Debt Service Requirements

## **SECTION 11: Annexed Property**

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There are no lands within the Territory proposed to be included within the District by Amendment that were annexed by the City on or after January 1, 2004.

## **SECTION 12: Estimate of Additional Property to be Devoted to Retail Business**

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The City estimates that approximately 15% of the territory within the District, as amended, will be devoted to retail business at the end of the District's maximum expenditure period. This finding is made to fulfill the reporting requirement as contained in Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.

## **SECTION 13: Proposed Zoning Ordinance Changes**

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The City does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this Amended Project Plan.

## **SECTION 14: Proposed Changes in Master Plan, Map, Building Codes and City of La Crosse Ordinances**

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It is expected that this Plan will be complementary to the City's Master Plan. There are no proposed changes to the Master Plan, map, building codes or other City ordinances for the implementation of this Plan.

## SECTION 15: Relocation

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It is not anticipated there will be a need to relocate persons or businesses in conjunction with this Plan. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the City will follow applicable Wisconsin Statutes Section chapter 32.

## SECTION 16: Orderly Development and/or Redevelopment of the City of La Crosse

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This amendment will have no impact on the viability of the original District Project Plan as it relates to the orderly development and/or redevelopment of the City .

## SECTION 17: List of Estimated Non-Project Costs

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Non-Project Costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds.

### Examples would include:

A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.

A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.

Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

The City does not expect to incur any non-project costs in the implementation of this Project Plan.

SECTION 18:  
Opinion of Attorney for the City of La Crosse Advising  
Whether the Plan is Complete and Complies with  
Wisconsin Statutes 66.1105

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**LEGAL DEPARTMENT**  
City of La Crosse, Sixth Floor City Hall  
400 La Crosse Street, La Crosse, WI 54601  
Ph: 608.789.7511 Fax: 608.789.7390  
Email: attorney@cityoflacrosse.org

**Stephen F. Matty**  
City Attorney

**Krista A. Gallager**  
Deputy City Attorney

**Paul M. Fredrickson**  
Assistant City Attorney

I, Stephen F. Matty, City Attorney for the City of La Crosse, Wisconsin, do hereby state that I have reviewed the Project Plan for Tax Incremental Finance District Number Fourteen, City of La Crosse, Wisconsin, dated January 19, 2017, and have found that it is complete and complies with Section 66.1105, Wisconsin Statutes.

Dated this 3 day of February, 2017.

  
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Stephen F. Matty

