

Draft as of March 6, 2015

# Project Plan Amendment of Tax Incremental District No. 9

## CITY OF LA CROSSE, WISCONSIN

Organizational Joint Review Board Meeting Held:	Scheduled for: February 24, 2015
Public Hearing Held:	Scheduled for: March 2, 2015
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Consideration for Adoption by Common Council:	Scheduled for: April 9, 2015
Consideration by the Joint Review Board:	Scheduled for: April 28, 2015



# Tax Incremental District No. 9 Project Plan Amendment

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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. 9 (The “District”) is an existing industrial district, created by a resolution of the City of La Crosse (“City”) Common Council adopted on June 10, 1999 (the “Creation Resolution”).

### Purpose of this Amendment

The purpose of the amendment is to amend the list of project costs in the Project Plan in order to increase the District’s eligible expenditure budget. The proposed additional costs may include, but are not limited to: various public improvements and cash grants to owners, lessees or developers of land located within the District (development incentives), other infrastructure improvements, property acquisition and restoration, business park signs, professional and organizational services, administrative costs, and finance costs.

### Estimated Total Project Expenditures.

The current Project Plan provides for estimated total project cost expenditures of \$4,335,000. To date, project costs have totaled approximately \$3,045,000. This proposed amendment would provide for additional estimated expenditures of \$5,610,000, for a revised total of \$9,945,000.

Specific details as to the types, locations and cost estimates are found in Sections 7, 8 and 9 of this plan. It is anticipated that the remaining and additional projects will be completed prior to the end of the expenditure period in 2017. The projects are expected to be financed with cash and General Obligation debt, however, the City may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the City, or provide other advantages as determined by the Common Council. A discussion and listing of other possible financing mechanisms, as well as a summary of total project financing is located in Section 10 of this plan. The expenditure period of the District terminates on June 10, 2017.

The additional project costs include costs for development incentives, moving of a pipeline, property acquisition and restoration, road construction, railroad construction, and business park signs.

### Economic Development

The City projects that additional land and improvements value of approximately \$10,000,000 will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the additional improvements made and projects undertaken as detailed in this amendment. A table detailing assumptions as to the timing of new development and redevelopment, and associated values is located in Section 10 of this Plan. In addition, amendment of the District’s Project Plan is expected to result in further economic benefits as detailed in the Summary of Findings hereafter.

### Expected Termination of District

The District has a maximum statutory life of 23 years, and must close not later than June 10, 2022, resulting in a final collection of increment in budget year 2023. Considering only existing increment value and assuming no additional projects are undertaken, the District’s revenues have exceeded expenditures and existing obligations. However, the District has existing resources that can be utilized to

fulfill the objectives of the original Project Plan. In order to meet those objectives, the City now feels it is necessary to amend the Project Plan. Based on the Economic Feasibility Study located in Section 10 of this Plan, amendment of the District would shift the projected closure year from 2016 to 2022.

## 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 the Donor District’s Project Plan, the remaining development projected to occur 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 additional expenditures contemplated by the plan amendment are necessary to fully achieve the original goals of the District Project Plan, including creation of new tax base and other economic benefits. The City expects that without the amendment, the full development as projected will be less likely to occur.
  - These additional expenditures are associated with projects that were unanticipated at the time of District creation, but have now been determined necessary to enable the District to fully implement its Project Plan.
2. **The economic benefits of amending the 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 amendment, the tax increments projected to be collected are more than sufficient to pay for the remaining proposed project costs. 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 it is not likely that the District will achieve all of the objectives of its Project Plan or in the same manner without the continued use of tax incremental financing (see finding # 1), and since the District is expected to 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 Project Plan is not amended.
4. The boundaries of the District are not being amended. At the time of creation, and any subsequent additions of territory, not less than 50%, by area, of the real property within the District is suitable for industrial sites and zoned for industrial use within the meaning of Wisconsin Statutes Section 66.1101. Any real property within the District that is found suitable for industrial sites and is zoned for industrial use at the time of the creation of the District, or at the time its boundaries were amended, will remain zoned for industrial use for the life of the District.

5. Based upon the findings as stated above, and the original findings as stated in the Creation Resolution and in any subsequent resolutions amending the boundaries of the District, the District remains declared an industrial district based on the identification and classification of the property included within the District.
6. The Project Costs of the District relate directly to promoting industrial development in the District consistent with the purpose for which the District was created.
7. The improvements of such area are likely to enhance significantly the value of substantially all of the other real property in the District.
8. The amount of retail business will not change as a result of this amendment.
9. 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 June 10, 1999 by resolution of the Common Council. The District's valuation date, for purposes of establishing base value, was January 1, 1999.

The District is an "Industrial District," created on a finding that at least 50%, by area, of the real property within the District was zoned and suitable for industrial sites within the meaning of Wisconsin Statutes Section 66.1101. Since this amendment does not add any territory to the District, the District remains in compliance with this provision. Any real property within the District that was found suitable for industrial sites and was zoned for industrial use at the time of the creation of the District, or at the time its boundaries were amended, will remain zoned for industrial use for the life of the District.

The District was created as the primary financing tool for the expansion of industrial businesses within the La Crosse International Business Park (formerly known as the Zietlow property). The business park includes approximately 53 developable acres. It was determined that the only way to successfully develop the property as a publicly sponsored project with the least risk to the taxpayer was through Tax Increment Financing. It was not expected at the time the District was created that land sales within the park would cover the cost of development that the City would incur.

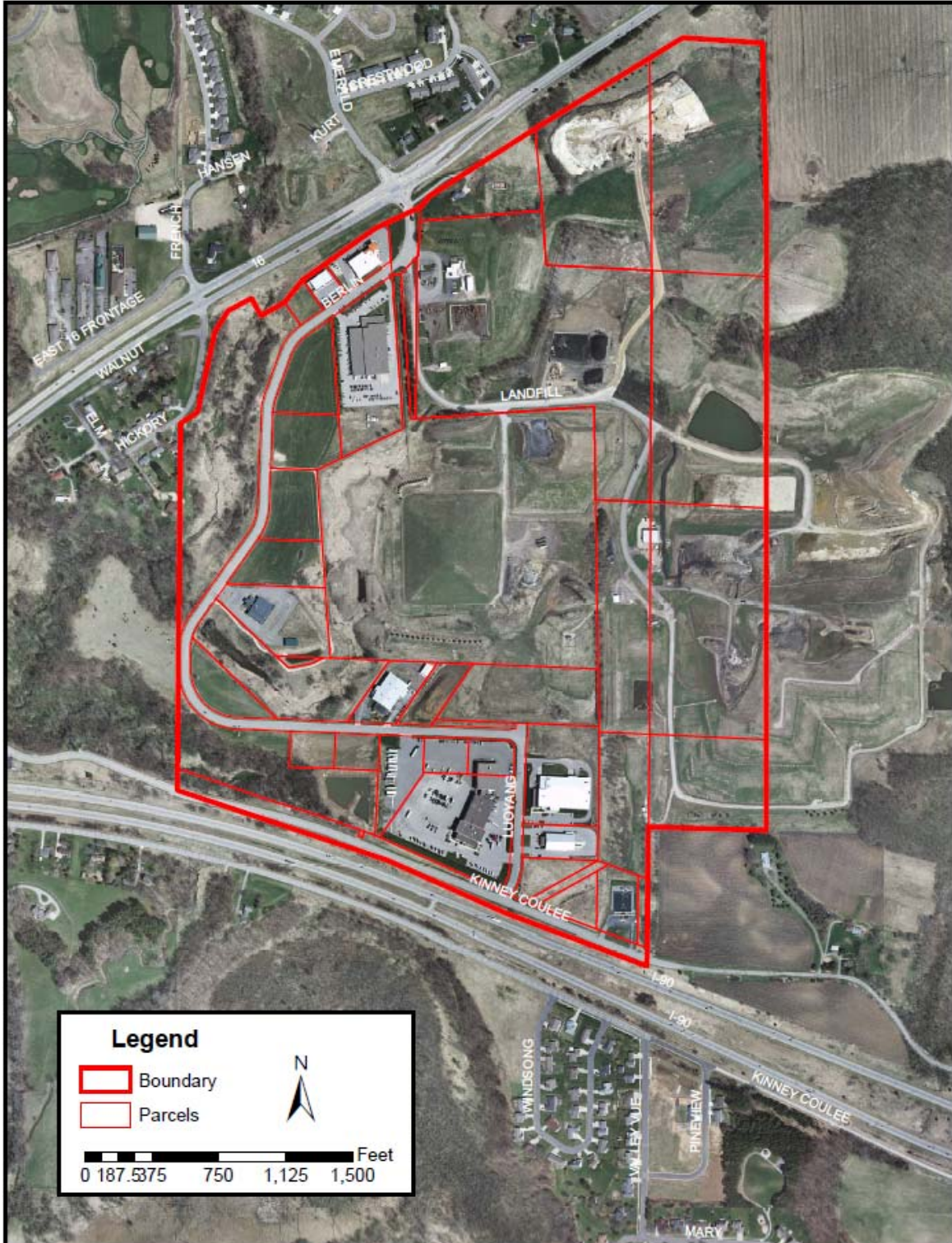
Wisconsin Statutes Section 66.1105(4)(h)2. provides authority for a City to amend the boundaries of an existing Tax Increment District for purposes of adding and/or subtracting territory up to a total of four times during the life of the District. The boundaries of the District have not previously been amended. Since this amendment does not involve the addition or subtraction of territory from the District, it is not counted against the number of available boundary amendments.

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

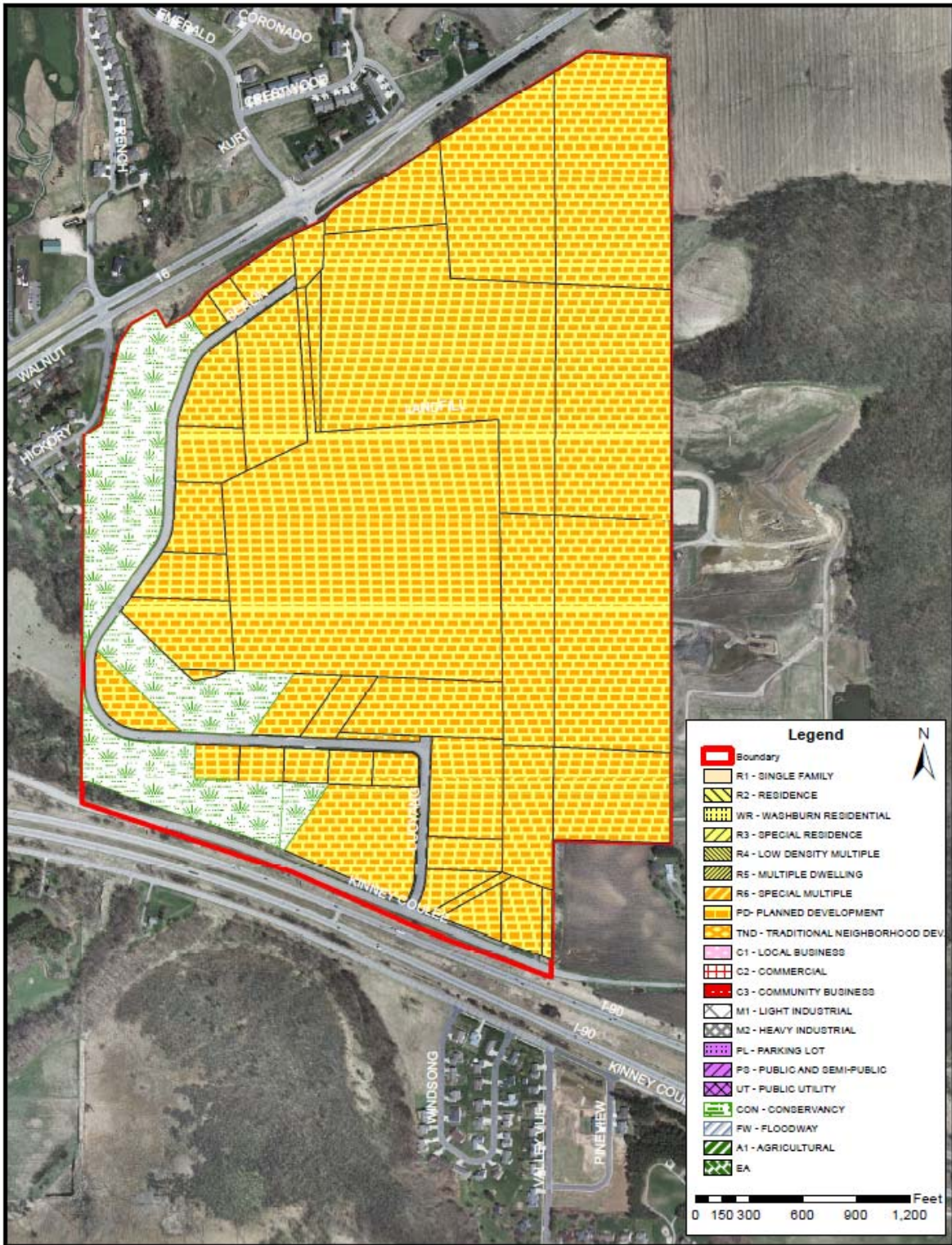
A map depicting the current boundaries of the District is found in Section 3 of this Plan. Based upon the findings stated above, the original findings stated in the Creation Resolution, and the findings contained in any subsequent resolution adding territory to the District, the District remains an industrial district based on the identification and classification of the property included within the District.



# SECTION 3: Map of Current District Boundary



# SECTION 4: Map Showing Existing Uses and Conditions



## SECTION 5: Equalized Value Test

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No additional territory will be added to the District. Demonstration of compliance with the equalized value test is not required for this Amendment.

## SECTION 6: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

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The City proposes modifying the categories, locations and/or costs of the projects to be undertaken within the District through the remainder of its expenditure period to include:

- LIBP Development
- Grant for construction of manufacturing facility, including trails, sidewalks and other amenities
- Moving of pipeline for future development
- Property acquisition
- South trail study and construction
- Outlot restoration
- Business park signs
- New road for expansion
- Park maintenance

The following is a list of public works and other TIF-eligible projects that the City may expect to incur while undertaking the projects listed above. Any costs necessary or convenient to the amendment of the District or directly or indirectly related to the public works and other projects are considered “Project Costs” and are eligible to be paid with tax increment revenues of the District.

### Property, Right-of-Way and Easement Acquisition

#### Property Acquisition for Development

In order to promote and facilitate development, the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred in order to make the property suitable for development and/or redevelopment. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development and/or redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered “real property assembly costs” as defined in Wisconsin Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

#### Acquisition of Rights-of-Way

The City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

#### Acquisition of Easements

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.

## Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195.

## Site Preparation Activities

### Environmental Audits and Remediation

If it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediations are eligible Project Costs.

### Demolition

In order to make sites suitable for development, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

### Site Grading

Land within the District may require grading to make it suitable for development and/or redevelopment, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

## Utilities

### Sanitary Sewer System Improvements

There may be inadequate sanitary sewer facilities serving areas of the District. To allow development to occur, the City may construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs. The improvements to the wastewater treatment facilities, although not within the ½ mile radius, are an eligible project cost under Section 66.1105(2)(f)1 k.

### Water System Improvements

There may be inadequate water distribution facilities serving areas of the District. To allow development to occur, the City may construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter,

rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

### **Stormwater Management System Improvements**

Development within the District may cause stormwater runoff and pollution. To manage this stormwater runoff, the City may construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

### **Electric Service**

In order to create sites suitable for development, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the City to undertake this work are eligible Project Costs.

### **Gas Service**

In order to create sites suitable for development, the City may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the City to undertake this work are eligible Project Costs.

### **Communications Infrastructure**

In order to create sites suitable for development, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the City to undertake this work are eligible Project Costs.

## **Streets and Streetscape**

### **Street Improvements**

There are inadequate street improvements serving areas of the District. To allow development to occur, the City may need to construct and/or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

### **Streetscaping and Landscaping**

In order to attract development consistent with the objectives of this Plan, the City may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of

planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the City are eligible Project Costs.

## **RDA Type Activities**

### **Contribution to Redevelopment Authority**

As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 66.1333(13), the City may provide funds to its RDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the RDA for this purpose are eligible Project Costs.

### **Revolving Loan/Grant Program**

To encourage private redevelopment consistent with the objectives of this Plan, the City, through its RDA, may provide loans and/or matching grants to eligible property owners in the District. Loan and/or matching grant recipients will be required to sign an agreement specifying the nature of the property improvements to be made. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the RDA in the program manual. Any funds returned to the RDA from the repayment of loans made are not considered revenues to the District, and will not be used to offset District project costs. Instead, these funds may be placed into a revolving loan fund and will continue to be used for the program purposes stated above. Any funds provided to the RDA for purposes of implementing this program are considered eligible Project Costs.

## **Miscellaneous**

### **Rail Spur**

To allow for development, the City may incur costs for installation of a rail spur to serve development sites located within the District.

### **Cash Grants (Development Incentives)**

The City may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover Project Costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

### **Professional Service and Organizational Costs**

The costs of professional services rendered, and other costs incurred, in relation to the creation, amendment, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include, but are not limited to: architectural; environmental; planning; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

### **Administrative Costs**

The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees in connection with the implementation of the Plan.

## Financing Costs

Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

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.

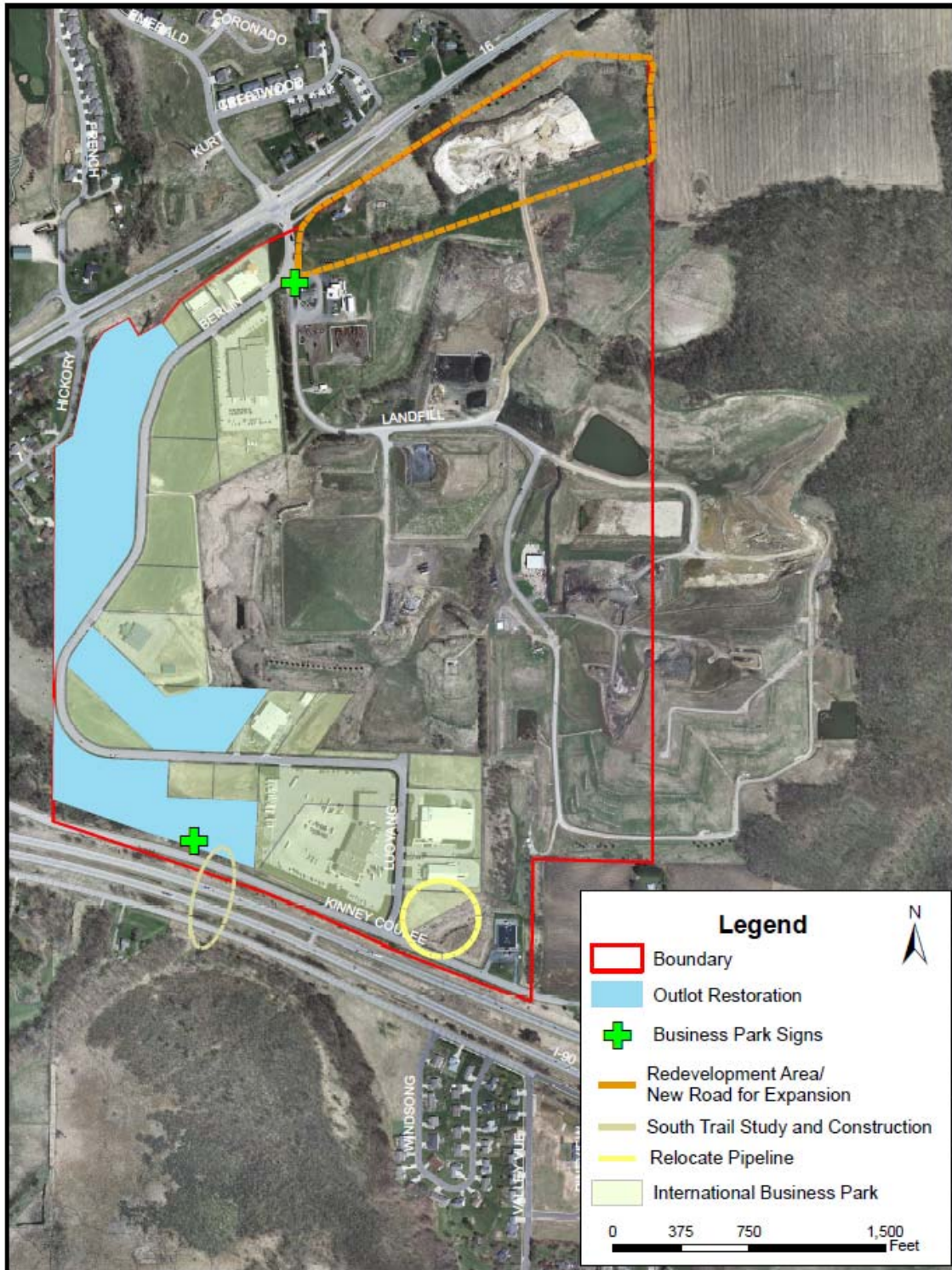
In the event any of the public works project expenditures are not reimbursable out of the special tax increment finance fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the City for such purpose or a court of record so rules in a final order, then such project 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 listed 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 7: Map Showing Proposed Improvements and Uses



## SECTION 8: Detailed List of Additional and Existing Project Costs

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This Section contains information relative to the specific projects and expenditures that the City anticipates it will undertake within the District during the remainder of the expenditure period. In addition, included for reference purposes, is a listing of the project cost estimates for the original District, and the current status of their implementation.

All costs are based on 2015 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2015 and the time of construction. The City also reserves the right to increase certain Project Costs to the extent others are reduced or not implemented without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

**This Plan is not meant to be a budget, nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The City retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Common Council, without further amending this Plan.**

# Proposed TIF Project Cost Estimates

City of La Crosse, WI						
Tax Increment District No. 9						
Estimated Project List						
Project ID	Project Name/Type	2015	2016	2017	Ongoing	Total (Note 1)
1	LIBP Development	500,000				500,000
2	Grant for Construction of Manufacturing Facility		400,000			400,000
3	Move Pipeline for Future Development	50,000	350,000			400,000
4	Property Acquisition	500,000				500,000
5	South Rail Study and Construction	50,000	1,500,000			1,550,000
6	Outlot Restoration	200,000	200,000	100,000		500,000
7	Business Park Signs		200,000			200,000
8	New Road for Expansion	150,000	1,400,000			1,550,000
9	Park Maintenance				10,000	10,000
10	Infrastructure Improvements in Original Project Plan (Note 2)		650,000	670,808		1,320,808
<b>Total Projects</b>		<u>1,450,000</u>	<u>4,700,000</u>	<u>770,808</u>	<u>10,000</u>	<u>6,930,808</u>
<b>Notes:</b>						
Note 1	Project costs are estimates and are subject to modification					
Note 2	Expenditures from original project plan that have not yet been completed; restated for planning purposes, but Amendment does not supersede original plan					
Note 3	2015 & 2017 projects: financed with cash					
Note 4	2016 projects: grant, business park signs, and original Plan projects financed with cash; remaining projects financed with debt					

## SECTION 9: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

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This amendment modifies the specific projects and expenditures that the City anticipates it will undertake within the District during the remainder of the expenditure period.

The information and exhibits contained within this Section demonstrate that the District, as proposed to be amended, 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 more phases, and can adjust the timing of implementation as needed to coincide with the pace of private development. 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 incur 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 expected to occur, 2) an updated projection of tax increments to be collected resulting from that development 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

The following is a list of the types of obligations the City may choose to utilize.

### 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 Lease Revenue Bond by its 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 support the 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 District. It is anticipated these expenditures will be made during the remaining expenditure period. However, public debt and expenditures should be made at the pace private development 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

<b>City of La Crosse, WI</b> <b>Tax Increment District No. 9</b> <b>Estimated Financing Plan</b>		
	G.O. Promissory Note 2016	Totals
<b>Projects</b>		
Move Pipeline for Future Development	350,000	350,000
South Rail Study and Construction	1,500,000	1,500,000
Outlot Restoration	200,000	200,000
New Road for Expansion	1,400,000	1,400,000
<b>Total Project Funds</b>	<b>3,450,000</b>	<b>3,450,000</b>
Estimated Finance Related Expenses	79,000	
<b>Total Financing Required</b>	<b>3,529,000</b>	
Rounding	1,000	
<b>Net Issue Size</b>	<b>3,530,000</b>	<b>3,530,000</b>
<b>Notes:</b>		
1. All other projects financed with cash		

## Development Assumptions

### City of La Crosse, WI Tax Increment District No. 9 Development Assumptions

Construction Year		Annual Total
17	2015	0
18	2016	0
19	2017	2,000,000
20	2018	0
21	2019	3,000,000
22	2020	0
23	2021	5,000,000
Totals		<u>10,000,000</u>

Notes:



# Increment Revenue Projections

City of La Crosse, WI										
Tax Increment District No. 9										
Tax Increment Projection Worksheet										
Type of District	Ind (Pre 10-1-04)			Base Value	1,442,900					
Creation Date	June 10, 1999			Appreciation Factor	0.00%		Apply to Base Value			
Valuation Date	Jan 1,	1999		Base Tax Rate	\$25.89					
Max Life (Years)	23			Rate Adjustment Factor	0.00%					
Expenditure Periods/Termination	18	6/10/2017		Tax Exempt Discount Rate	2.25%					
Revenue Periods/Final Year	23	2023		Taxable Discount Rate	3.75%					
Extension Eligibility/Years	Yes 0									
Recipient District	No									

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt	Taxable NPV	
								NPV Calculation	Calculation	
15	2013	0	2014	0	17,265,300	2015	\$25.89	446,955	320,121	257,301
16	2014	0	2015	0	17,265,300	2016	\$25.89	446,955	633,197	505,302
17	2015	0	2016	0	17,265,300	2017	\$25.89	446,955	939,384	744,340
18	2016	0	2017	0	17,265,300	2018	\$25.89	446,955	1,238,834	974,737
19	2017	2,000,000	2018	0	19,265,300	2019	\$25.89	498,729	1,565,619	1,222,531
20	2018	0	2019	0	19,265,300	2020	\$25.89	498,729	1,885,213	1,461,369
21	2019	3,000,000	2020	0	22,265,300	2021	\$25.89	576,392	2,246,446	1,727,421
22	2020	0	2021	0	22,265,300	2022	\$25.89	576,392	2,599,731	1,983,858
23	2021	5,000,000	2022	0	27,265,300	2023	\$25.89	705,829	3,022,831	2,286,530
<b>Totals</b>		<b>10,000,000</b>	<b>0</b>		<b>Future Value of Increment</b>		<b>4,643,890</b>			

Notes:

Actual results will vary depending on development, inflation of overall tax rates.  
 NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

# Cash Flow

City of La Crosse, WI																
Tax Increment District No. 9																
Cash Flow Projection																
Year	Projected Revenues					Expenditures							Balances		Year	
	Tax Increments	Interest Earnings/ (Cost)	Exempt Computer Aids	Other Revenue	Total Revenues	G.O. Promissory Note 3,530,000 Date: 06/01/16			Debt Service Transfers	New Projects	Original Plan Expenditures	Park Maintenance	Total Expenditures	Annual		Cumulative
2015	446,955	7,193	4,775		458,922				400,000	1,450,000		3,000	1,853,000	(1,394,078)	2,202,558	2015
2016	446,955	4,405	4,297		455,657				325,000	600,000	650,000	3,000	1,578,000	(1,122,343)	1,080,215	2016
2017	446,955	2,160	3,867		452,982	375,000	0.40%	56,666	312,898	100,000	670,808	4,000	1,519,372	(1,066,390)	13,825	2017
2018	446,955	28	3,481		450,463	410,000	0.65%	35,445					445,445	5,018	18,843	2018
2019	498,729	38	3,133		501,900	465,000	0.80%	32,253					497,253	4,647	23,490	2019
2020	498,729	47	2,819		501,596	470,000	1.00%	28,043					498,043	3,553	27,043	2020
2021	576,392	54	2,537		578,983	555,000	1.10%	22,640					577,640	1,343	28,386	2021
2022	576,392	57	2,284		578,732	560,000	1.45%	15,528					575,528	3,205	31,591	2022
2023	705,829	63	2,055		707,948	695,000	1.65%	5,734					700,734	7,214	38,805	2023
Total	4,643,890	14,045	29,248	0	4,687,183	3,530,000		196,308	1,037,898	2,150,000	1,320,808	10,000	8,245,014			Total
Notes:																

## SECTION 10: Annexed Property

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No territory will be added or subtracted from the District as a result of this amendment.

## SECTION 11: 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 Project Plan amendment and any real property within the District that is found suitable for industrial sites and is zoned for industrial use will remain zoned for industrial use for the life of the District.

## SECTION 12: 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 13: 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 chapter 32.

## SECTION 14: Orderly Development of the City of La Crosse

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This Project Plan Amendment will have no impact on the viability of the original District Project Plan as it relates to the orderly development of the City.

## SECTION 15: 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 tax incremental finance funds.

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

SECTION 16:  
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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March 8, 2015

**SAMPLE**

Timothy Kabat, Mayor  
City of La Crosse  
400 La Crosse Street  
La Crosse, Wisconsin 54601

**RE: City of La Crosse, Wisconsin Tax Incremental District No. 9 Amendment**

Dear Mayor:

As City Attorney for the City of La Crosse, I have reviewed the Project Plan and, in my opinion, have determined that it is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

Sincerely,

Attorney Stephen Matty  
City of La Crosse

Exhibit A:  
**Calculation of the Share of Projected Tax Increments  
 Estimated to be Paid by the Owners of Property in the  
 Overlying Taxing Jurisdictions**

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.							
Statement of Taxes Data Year:		2015		Percentage			
County		3.68		14.22%			
Municipality		11.73		45.31%			
School District		10.32		39.85%			
Technical College		0.16		0.62%			
Total		25.89					
Revenue Year	County	Municipality	School District	Technical College	Total	Revenue Year	
2015	63,561	202,516	178,128	2,750	446,955	2015	
2016	63,561	202,516	178,128	2,750	446,955	2016	
2017	63,561	202,516	178,128	2,750	446,955	2017	
2018	63,561	202,516	178,128	2,750	446,955	2018	
2019	70,923	225,975	198,762	3,069	498,729	2019	
2020	70,923	225,975	198,762	3,069	498,729	2020	
2021	81,968	261,164	229,713	3,546	576,392	2021	
2022	81,968	261,164	229,713	3,546	576,392	2022	
2023	100,375	319,813	281,299	4,343	705,829	2023	
		<u>660,399</u>	<u>2,104,157</u>	<u>1,850,761</u>	<u>28,572</u>	<u>4,643,890</u>	
Notes:							
The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.							