

November 30, 2016

# Project Plan for the Project Plan Amendment of Tax Incremental District No. 13

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

Organizational Joint Review Board Meeting Held:	Scheduled for: December 5, 2016
Public Hearing Held:	Scheduled for: December 5, 2016
Consideration for Adoption by Plan Commission:	Scheduled for: December 5, 2016
Consideration for Adoption by Common Council:	Scheduled for: January 12, 2017
Consideration for Approval by the Joint Review Board:	Scheduled for: TBD

# Tax Incremental District No. 13 Project Plan Amendment

## City of La Crosse Officials

### Common Council

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Andrea Richmond	Member
Richard Swantz	Member
Ryan Cornett	Member
Martin Gaul	Member
Jai Johnson	Member
Douglas Happel	Member
Elaine Anderson	Member
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Richard Becker	Member
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La Crosse County

Western Technical College District

School District of La Crosse

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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. 13 (The “TID” or “District”) is an existing mixed-use district, created by a resolution of the City of La Crosse (“City”) Common Council adopted on May 11, 2006 (the “Creation Resolution”).

### Amendments

The District was previously amended in 2009 and 2012, whereby resolutions were adopted to add additional territory to the District, and to amend the list of projects to be undertaken. These amendments were the first and second of four territory amendments permitted for this District.

The District was also previously amended on May 12, 2016, whereby a resolution was adopted to amend the list of projects to be undertaken.

### Purposes of this Amendment

This Amendment will allow for the District to incur project costs outside of, but within ½ mile of, the boundaries of the District as allowed under Wisconsin Statutes Section.66.1105(2)(f)1.n. The proposed additional project costs include public improvements and grants/loans to developers of land located within ½ mile of the District.

### Estimated Total Project Expenditures.

The additional project costs under this plan amendment are development incentives. These projects are located outside of, but within, ½ mile of the District’s boundaries.

### Economic Development

The projects are expected to benefit the District despite being located outside of its boundaries. The City projects that the District will continue to gain land and improvement values of approximately \$4.5 million over the remaining life of the District (\$500,000 per year). These projects will contribute to the continued growth of the District by improving the surrounding areas, as detailed in the Summary of Findings hereafter.

### Expected Termination of District

The District has a maximum statutory life of 20 years, and must close not later than May 11, 2026, resulting in a final collection of increment in budget year 2026. The District is currently projected to be able to retire all of its obligations, and this Amendment will not materially change that outlook.

## 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 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:

- These additional expenditures are associated with projects that were unanticipated at the time of the District creation and subsequent Amendments, but that have now been determined to be beneficial to enabling the District to fully implement its Project Plan. The projects are located outside the boundaries of the District, but they will positively impact the District by improving the adjacent areas.
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 even 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 a combination of industrial, commercial and residential uses, defined as “mixed-use development” within the meaning of Wisconsin Statutes Section 66.1105(2)(cm). Lands proposed or developed for newly platted residential development comprise less than 35%, by area, of the real property within the District. 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 and in any subsequent resolutions amending the boundaries of the District, 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 of the District relate directly to promoting mixed-use 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 May 11, 2006 by resolution of the Common Council. The District's valuation date, for purposes of establishing base value, was January 1, 2006. The District was created to be the primary local financing tool for redeveloping the Shiftar/Kwik Trip, Schaeffer/Thompson and Ebner properties. The City undertook the first amendment to provide assistance to the expansion of the Kwik Trip bakery operation and to finance additional public improvements. The purpose of the second amendment was to further facilitate expansion of the Kwik Trip bakery operation and to finance additional public improvements.

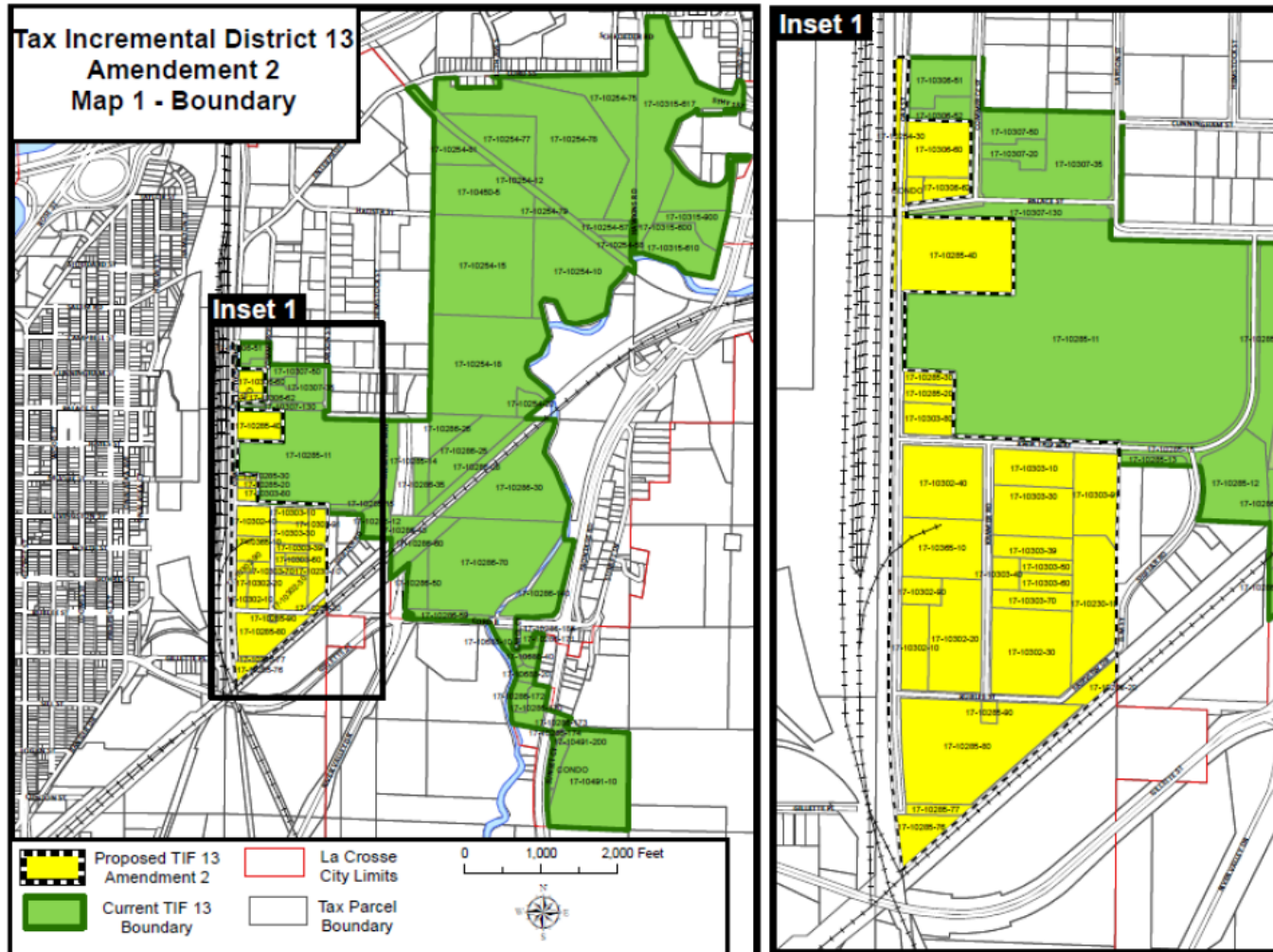
The existing District is a "Mixed Use District" based upon a finding that at least 50%, by area, of the real property within the District was suitable for a combination of industrial, commercial and residential uses within the meaning of Wisconsin Statutes Section 66.1105(2)(cm). Since this amendment does not add any territory to the District, the District remains in compliance with this provision. The District also remains 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.

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. 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.

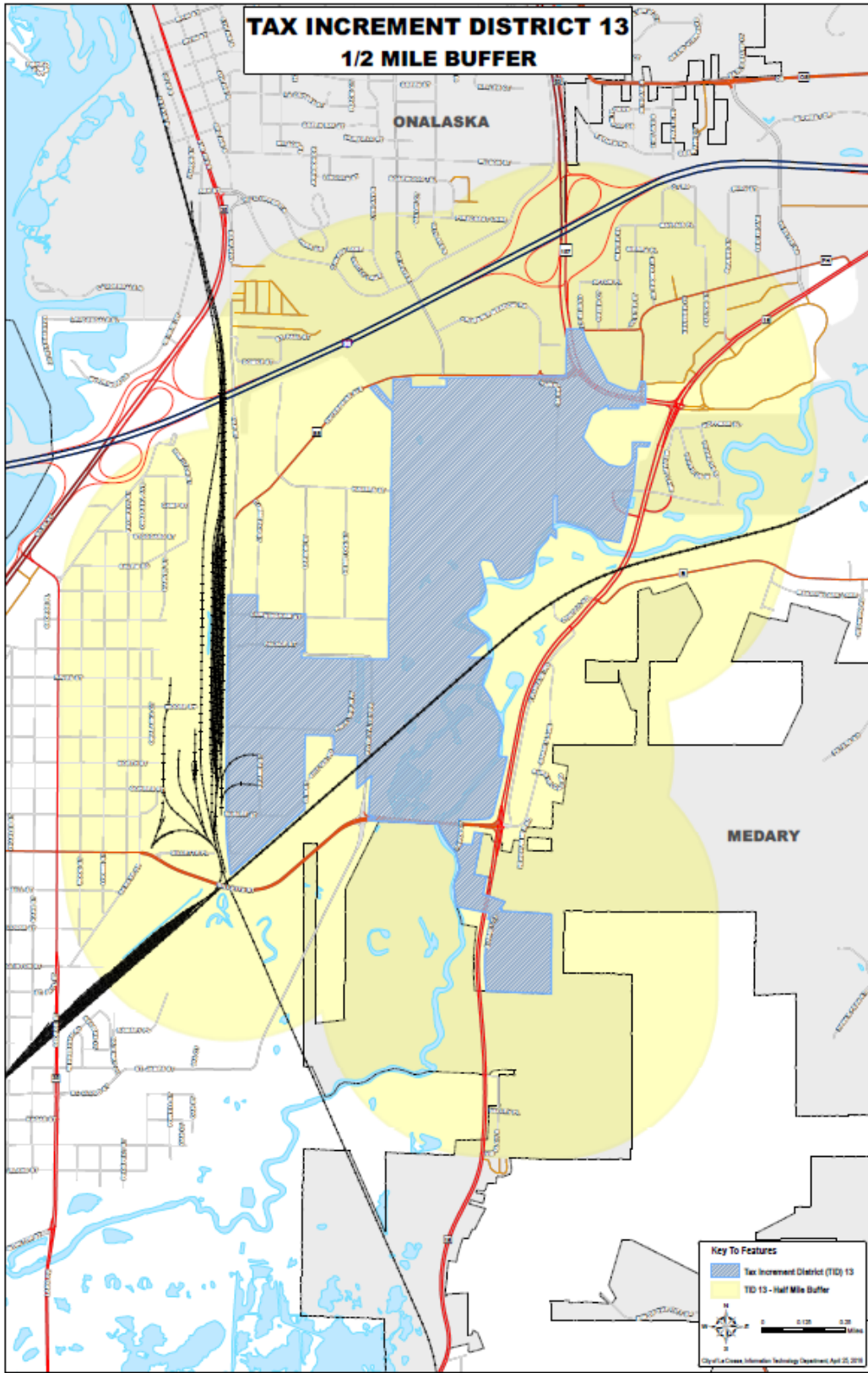
This Project Plan Amendment supplements, and does not supersede or replace any component of the original Project Plan, or any component of previously adopted Project Plan Amendments, unless specifically stated. All components of the original Project Plan, and its previously adopted Project Plan Amendments,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

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

# SECTION 3: Maps of Current District Boundary







## SECTION 4: Map Showing Existing Uses and Conditions

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There will be no change to District boundaries, nor any changes to the existing uses and conditions 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 Documents.

## 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 proposed additional project costs are for projects located outside of but within ½ mile of the District boundaries as allowed under Wisconsin Statutes Section 66.1105(2)(f)1.n. The proposed projects include:

- Development incentives in the form of both grants and low/no interest loans within the ½ mile area (estimated to be \$1 million)

The following is a summary list of public works and other TIF-eligible projects that the City has implemented, or intended to implement based on the original project Plan, and includes the modifications detailed above. The projects included in this Amendment, as well as projects in the original Project Plan and subsequent Amendments may include any of these types of expenses. Any costs 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 and/or Redevelopment

In order to promote and facilitate development and/or redevelopment 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.

### **Property Acquisition for Conservancy**

In order to promote the objectives of this Plan, the City may acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife, maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

### **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 remediation are eligible Project Costs.

### **Demolition**

In order to make sites suitable for development and/or redevelopment, 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 and/or redevelopment 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 is necessitated by the implementation of the Project Plan is an eligible Project Cost.

### Water System Improvements

There may be inadequate water distribution facilities serving areas of the District. To allow development and/or redevelopment 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 is necessitated by the implementation of the Project Plan is an eligible Project Cost.

### Stormwater Management System Improvements

Development and/or redevelopment 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 is necessitated by the implementation of the Project Plan is an eligible Project Cost.

### Electric Service

In order to create sites suitable for development and/or redevelopment, 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 and/or redevelopment, 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 and/or redevelopment, 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 may be inadequate street improvements serving areas of the District. To allow development and/or redevelopment 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 and/or redevelopment 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 and/or redevelopment, 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 or within ½ mile of 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.

### Projects Outside the Tax Increment District

Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, the City may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the City's corporate boundaries and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs, and may include any project cost that would otherwise be eligible if undertaken within the District. The City intends to provide a development incentive (\$300,000) and to install infrastructure related to flood mitigation (\$100,000) outside of but within ½ mile of the District.

### 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.

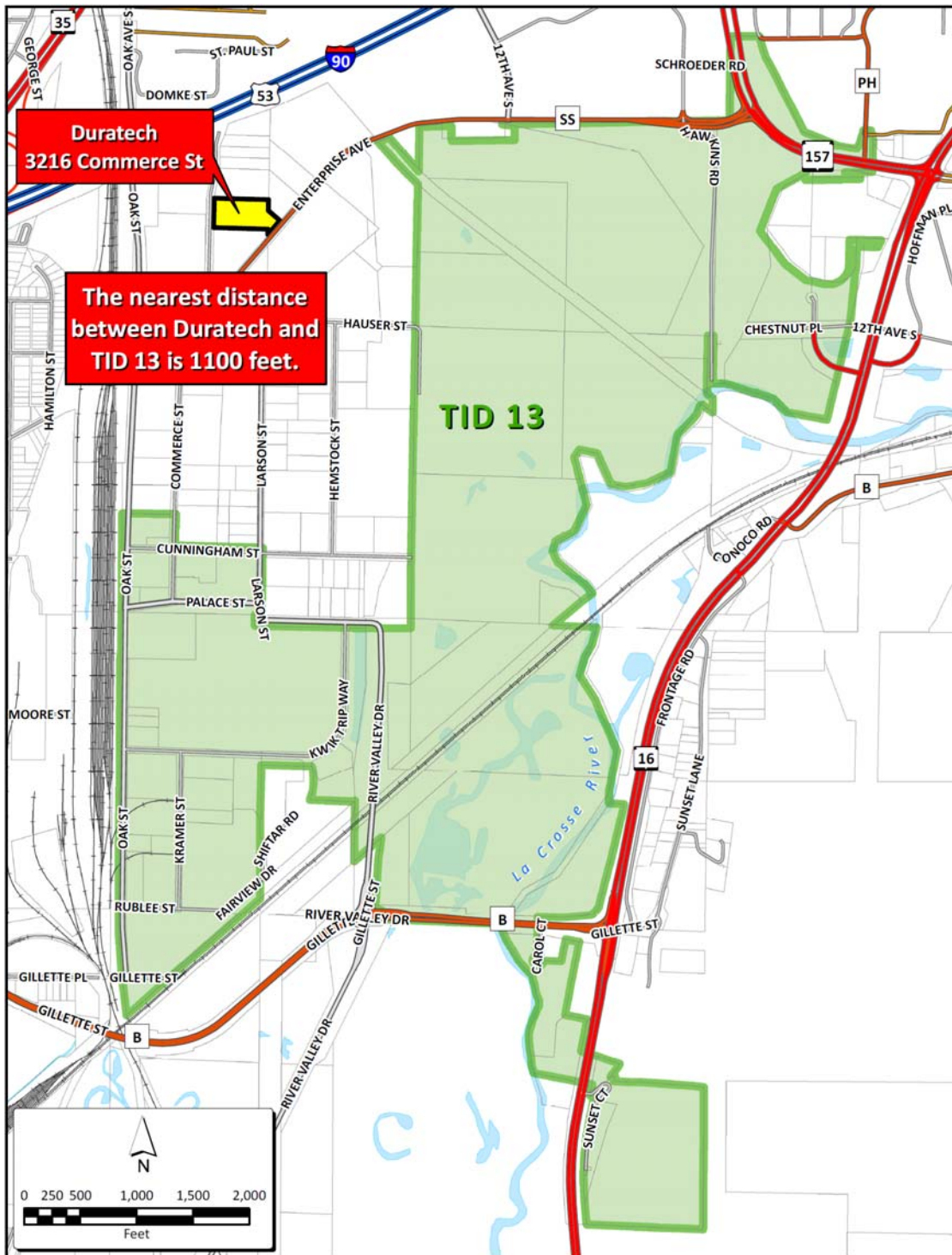
In the event any of the public works project expenditures are not reimbursable out of the special tax increment finance fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the City for such purpose or a court of record so rules in a final order, then such project 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 projects that remain viable as the Plan 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



*\*The project identified is the only current development project under consideration within the ½ mile area. The City reserves the right to offer development incentives with respect to other projects in the ½ mile area.*



## SECTION 8: Detailed List of Additional 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. All costs are based on 2016 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2016 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, Wisconsin			
Tax Increment District # 13			
Estimated Project List - 2016 Plan Amendment			
Project ID	Project Name/Type	2016	Future
	1 Development incentives within 1/2 mile area		1,000,000
			Total (Note 1)
			1,000,000
	Total Projects	0	1,000,000
			1,000,000
Notes:			
Note 1 Project costs are estimates and are subject to modification			

## 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 adds to 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 City expects to use cash generated by the District or advances from other funds to pay the project costs (advances repaid from future tax increments). However, the City may choose to issue debt obligations. 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 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.

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.

**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

The City anticipates using the accumulated cash balance of the District to finance the development incentive, housing rehabilitation and replacement programs and flood mitigation infrastructure. Other infrastructure is expected to be financed using existing bond proceeds reallocated to the District.

## Development Assumptions

Projections assume the addition of \$500,000 per year in increment for the remaining life of the District (valuation years 2017 – 2025).

# Increment Revenue Projections

City of La Crosse, Wisconsin										
Tax Increment District # 13										
Tax Increment Projection Worksheet										
Type of District	Mixed Use			Base Value	48,356,400			Apply to Base Value		
District Creation Date	May 11, 2006			Appreciation Factor	0.00%					
Valuation Date	Jan 1,	2006		Base Tax Rate	\$31.23					
Max Life (Years)	20			Rate Adjustment Factor	0.00%					
Expenditure Period/Termination	15	5/11/2021		Tax Exempt Discount Rate	3.00%					
Revenue Periods/Final Year	19	2026		Taxable Discount Rate	4.00%					
Extension Eligibility/Years	Yes 3									
Recipient District	No									

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt		
								NPV Calculation	Taxable NPV Calculation	
1	2014	2015	0	41,181,000	2016	\$31.23	1,286,219	985,779	903,680	
2	2015	2016	0	45,977,500	2017	\$31.23	1,436,029	2,054,320	1,873,810	
3	2016	2017	0	46,477,500	2018	\$31.23	1,451,646	3,103,020	2,816,771	
4	2017	2018	0	46,977,500	2019	\$31.23	1,467,262	4,132,128	3,733,219	
5	2018	2019	0	47,477,500	2020	\$31.23	1,482,879	5,141,897	4,623,798	
6	2019	2020	0	47,977,500	2021	\$31.23	1,498,496	6,132,579	5,489,142	
7	2020	2021	0	48,477,500	2022	\$31.23	1,514,112	7,104,430	6,329,875	
8	2021	2022	0	48,977,500	2023	\$31.23	1,529,729	8,057,707	7,146,610	
9	2022	2023	0	49,477,500	2024	\$31.23	1,545,346	8,992,666	7,939,949	
10	2023	2024	0	49,977,500	2025	\$31.23	1,560,962	9,909,567	8,710,484	
11	2024	2025	0	50,477,500	2026	\$31.23	1,576,579	10,808,668	9,458,795	
<b>Totals</b>							<b>4,500,000</b>	<b>0</b>	<b>Future Value of Increment</b>	<b>16,349,260</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, Wisconsin																
Tax Increment District # 13																
Cash Flow Projection																
Year	Projected Revenues				Expenditures								Balances		Year	
	Tax Increments	Exempt Computer Aids	Other Revenue	Total Revenues	Reallocated Bond Proceeds 1,500,000			Debt Service Transfers	Flood Mitigation Infra.	Devel. Incentive	Housing Rehab. Programs	Repay General Fund Advance	Total Expenditures	Annual		Cumulative
2014	0	17,382		17,382				270,000					270,000	(252,618)	(163,810)	2014
2015	0	15,644		15,644				270,000					270,000	(254,356)	(418,167)	2015
2016	1,286,219	14,079		1,300,298				270,000	100,000	300,000	250,000		920,000	380,298	(37,869)	2016
2017	1,436,029	12,671		1,448,700	133,888	2.50%	37,500	270,000	100,000	200,000			741,388	707,312	669,443	2017
2018	1,451,646	11,404		1,463,050	137,235	2.50%	34,153	270,000	100,000	200,000			741,388	721,662	1,391,105	2018
2019	1,467,262	10,264		1,477,526	140,666	2.50%	30,722	270,000	100,000	200,000			741,388	736,138	2,127,243	2019
2020	1,482,879	9,237		1,492,116	144,183	2.50%	27,205	270,000	100,000	200,000			741,388	750,728	2,877,972	2020
2021	1,498,496	8,314		1,506,809	147,787	2.50%	23,601	270,000	100,000	200,000			741,388	765,421	3,643,393	2021
2022	1,514,112	7,482		1,521,595	151,482	2.50%	19,906	270,000					441,388	1,080,207	4,723,599	2022
2023	1,529,729	6,734		1,536,463	155,269	2.50%	16,119	270,000					441,388	1,095,075	5,818,674	2023
2024	1,545,346	6,061		1,551,406	159,151	2.50%	12,237	270,000					441,388	1,110,018	6,928,693	2024
2025	1,560,962	5,455		1,566,417	163,130	2.50%	8,258	270,000					441,388	1,125,029	8,053,721	2025
2026	1,576,579	4,909		1,581,488	167,208	2.50%	4,180	253,125				605,055	1,029,568	551,920	8,605,641	2026
Total	16,349,260	129,635	0	16,478,895	1,500,000		213,881	3,493,125	600,000	1,300,000	250,000	605,055	7,962,061			Total

Notes:  
1. Reallocated bond proceeds are expected to be used for infrastructure projects

## **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.

## **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 and/or Redevelopment 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 and/or redevelopment 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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Will Be Inserted Upon Receipt From City Attorney