

Resolution extending the life of TIF District #4 for one year to implement affordable housing and market rate housing programs.

AMENDED RESOLUTION

WHEREAS, the Common Council of the City of La Crosse directed staff to research Wisconsin's TIF Statute and fiscal implications of extending the life of TID #4 for one year for the purpose of utilizing tax increment for housing; and

WHEREAS, the Planning and Development Department has completed its research (attached) and is recommending that the City utilize the tax increment law to assist the City in revitalizing its neighborhoods, housing stock and tax base through the expenditure of approximately \$1,100,000 in positive tax increments for affordable housing and to improve the housing stock in the City of La Crosse; and

WHEREAS, the City is experiencing middle and upper class flight, aging housing stock, crime and perception of crime issues, concentrations of poverty resulting in a high demand for social services, and a shrinking proportion of the tax base compared to the surrounding cities and unincorporated townships; and

WHEREAS, all of this is documented in the City's Comprehensive Plan, Neighborhood Plans, the TID #7 and TID #14 Project Plans, the UW Extension Report: *Challenging Trends Facing Housing in La Crosse*, the City/County Housing Task Force Report and Recommendations and the most recent work by the La Crosse Neighborhood Revitalization Commission (strategic action plan) which all focus on improving the City's overall housing stock and implementing neighborhood improvement strategies in priority areas; and

WHEREAS, the Common Council of the City of La Crosse deems that protection and improvement of the City's neighborhoods and housing stock is critical to maintaining a healthy and sustainable community and has created two successful and award winning housing programs known as the Replacement Housing Program (Affordable Housing Program), the Housing RENEW Program (Market Rate Housing Program) both of which are governed by the Housing Rehabilitation Review Board and have approved program guidelines by the Common Council in 2013 and 2001 respectively; and

WHEREAS, the City of La Crosse created Tax Increment District (TID) #4 on August 18, 1987, and has completed implementation of the Project Plan and will pay off the aggregate of all its project costs; and

WHEREAS, State of Wisconsin Statutes require that a TID be terminated after all project costs have been paid off, except that under Wisconsin Statute Section 66.1105(6)(g), a TID may be extended for up to one (1) year to utilize the last year of tax increment to improve the city's housing stock, and that no less than 75% of the increment must be utilized for affordable housing and the remaining 25% of the increment may be used to improve the City's housing stock.

WHEREAS, the City of La Crosse will gain one more year of tax increment to invest in the City's dilapidated housing stock and the other taxing jurisdictions will delay receiving their TIF increment one more year – until 2016.

NOW, THEREFORE BE IT RESOLVED, by the Common Council of the City of La Crosse that it hereby extends the life of TID #4 for one year, pursuant to Wisconsin Statute Section 66.1105(6)(g) for the purpose of providing funds to improve the housing stock of the community.

BE IT FURTHER RESOLVED, that the City of La Crosse shall use no less than 75% of the tax increment for the Replacement Housing Program to benefit households whose income is at or below 80% of the Area Median Income based on household size.

BE IT FURTHER RESOLVED that the City of La Crosse shall use up to 25% of the tax increments for the Housing RENEW Program to improve housing stock for which there are no household income restrictions.

BE IT FURTHER RESOLVED that the Planning and Development Department transmit the program guidelines for the Replacement Housing Program (RHP) and the Housing RENEW Program, as approved by the Common Council to the Wisconsin Department of Revenue for approval.

BE IT FURTHER RESOLVED that the Common Council finds that funding these housing programs will not adversely affect the City's finances as the utilization of tax increments obviate the need for the City to implement these housing programs with City funds or from capital borrowing and that the State created this tool to assist cities in revitalizing communities and growing tax base and that these funds will assist priority neighborhoods and benefit all residents by helping to maintain or increase property values in transitional and distressed neighborhoods.

BE IT FURTHER RESOLVED that the Common Council hereby appropriates \$1,100,000 from the City's Reserve Fund for these housing programs as and for a TID affordable housing expenditure and that positive tax increments received in TID #4 up to \$1,100,000 be reimbursed to the City's Reserve Fund.

BE IT FURTHER RESOLVED, that the allocated funds may be used for all related costs for the housing programs including but not limited to property acquisition, clearance, asbestos removal, landfill tipping fees, site preparation, site improvements, boulevard trees, ~~and~~ sidewalks, curb, gutter and street adjacent to the sites, surveys, title work, legal costs, construction material cost, engineering and architectural services, and contractor payments.

BE IT FURTHER RESOLVED, that the Director of Finance is hereby authorized to create a special revenue fund entitled "Tax Increment Financing District Housing" for which all revenues and expenditures associated with these housing programs be placed and recorded".

BE IT FURTHER RESOLVED, that the Housing Rehabilitation Review Board has oversight of the administration of the Replacement Housing Program and the Housing RENEW Program including but not limited to acquisition of property, sale of property, the governance of the revenues and expenditures of the programs, etc...

BE IT FURTHER RESOLVED, that any proceeds shall be deposited in the "City Wide Housing RENEW Program" fund to be utilized for the continuation of said housing program.

BE IT FURTHER RESOLVED that the Director of Planning & Development, Director of Finance and Purchase, and all other Departments are hereby authorized to take any and all steps necessary to effectuate this resolution in accordance with State Statutes, including but not limited to informing and filing the appropriate paperwork with the Department of Revenue.