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ANNUAL DEVELOPMENT AGREEMENT COMPLIANCE REVIEW TAX YEAR 2023

Gundersen Lutheran Development Agreement

- Parties: This agreement is between the City of La Crosse, Gundersen Clinic, Ltd., Gundersen Lutheran Administrative Services, Inc and Gundersen Lutheran Medical Center, Inc.
- Governing Body: Board of Public Works.

Project Definition:

Development and improvement of the Base Development Property and Additional Gundersen Campus Development in Excess of Base Development Property.

Essential Terms:

- Cash Grants:

\$21.4 Million or the actual tax increment from the Base Development Property and Additional Gundersen Campus Development in Excess of Base Development Property.
- Reverse TIF Payment: \$874,068.85
- Annual PILOT (Section 2.5A) on Parking Ramp #2: \$235,339.79
- Tax Guarantee:

\$25,107,700 commencing tax year 2010 for Base Development Property. (2023 improvement value \$34,761,900)
- Jobs: 2,500 jobs for the duration of TID 14. Annual certification due June 15th.

Annual certification received February 14, 2023.

CALCULATION:

PILOT for Parking Ramp #2:

2023 Value	\$11,396,600	
X mill rate	<u>.02065</u>	
	\$ 235,339.79	owed to City

Base Development Property: (Habitat Homes, Gund, GB & Data, Clinic & Ramp 1)

Improvement Value 2023: \$ 527,200 + \$9,770,700 + \$24,464,000 = \$34,761,900
X mill rate .02065

\$ 717,833.23

Ramp #2:

Improvement Value 2023: \$11,396,600
X mill rate .02065

\$ 235,339.79

Hotel:

Improvement Value 2023: \$ 4,060,800
X mill rate .02065

\$ 83,855.52

Total: 1,037,028.50

85% = \$ 881,474.22

15% = \$ 155,554.28

\$881,474.22 Payment due to Developer

RECOMMENDATION:

- Collect PILOT owed to City before issuing payment.