

April 19, 2019

Project Plan for the Project Plan Amendment of Tax Incremental District No. 15

CITY OF LA CROSSE, WISCONSIN

Organizational Joint Review Board Meeting Held:	Scheduled for: April 29, 2019
Public Hearing Held:	Scheduled for: April 29, 2019
Consideration for Adoption by Plan Commission:	Scheduled for: April 29, 2019
Consideration for Adoption by Common Council:	Scheduled for: May 9, 2019
Consideration for Approval by the Joint Review Board:	Scheduled for: TBD

Tax Incremental District No. 15 Project Plan Amendment

City of La Crosse Officials

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Andrea Richmond	Member
Scott Neumeister	Member
Barb Janssen	Member
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City Staff

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Andrea Schnick	Economic Development Planner
Jason Gilman, AICP	Director of Planning
Stephen Matty	City Attorney
Valerie Fenske	Finance Director

Joint Review Board

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Dan Hanson	Western Technical College District
Patty Sprang	School District of La Crosse
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Table of Contents

EXECUTIVE SUMMARY4

TYPE AND GENERAL DESCRIPTION OF DISTRICT6

MAP OF CURRENT DISTRICT BOUNDARY7

MAP SHOWING EXISTING USES AND CONDITIONS8

EQUALIZED VALUE TEST8

STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND OTHER PROJECTS8

MAP SHOWING PROPOSED IMPROVEMENTS AND USES14

DETAILED LIST OF ADDITIONAL PROJECT COSTS15

ECONOMIC FEASIBILITY STUDY, FINANCING METHODS, AND THE TIME WHEN COSTS OR MONETARY OBLIGATIONS RELATED ARE TO BE INCURRED15

ANNEXED PROPERTY21

PROPOSED ZONING ORDINANCE CHANGES21

PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND CITY OF LA CROSSE ORDINANCES21

RELOCATION21

ORDERLY DEVELOPMENT AND/OR REDEVELOPMENT OF THE CITY OF LA CROSSE22

LIST OF ESTIMATED NON-PROJECT COSTS22

OPINION OF ATTORNEY FOR THE CITY OF LA CROSSE ADVISING WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN STATUTES 66.110523

SECTION 1: Executive Summary

Description of District

Type of District, Size and Location

Tax Incremental District (“TID”) No. 15 (The “TID” or “ District” or “District”) is an existing mixed-use district, created by a resolution of the City of La Crosse (“City ”) Common Council adopted on August 8, 2013 (the “Creation Resolution”).

Amendments

The District has not previously been amended.

Purpose 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.

Estimated Total Project Expenditures.

The current Project Plan provides for estimated total project cost expenditures of \$12,902,000. This proposed amendment would provide for additional estimated expenditures of \$1,500,000, for a revised total of \$14,402,000.

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 in multiple phases, extending through the end of the expenditure period. A discussion and listing of possible financing mechanisms, as well as a summary of total project financing is located in Section 10 of this plan. The expenditure period of this Existing District terminates on August 8, 2028.

The additional project costs include costs for housing replacement and rehabilitation. These project areas are located outside of, but within, ½ mile of the District’s boundaries.

Economic Development

The City does not anticipate additional value increment accruing to the District as a result of this amendment. The project areas identified under this amendment are not within the boundaries of the TID

Expected Termination of District

The District has a maximum statutory life of 20 years, and must close not later than August 8, 2033, resulting in a final collection of increment in budget year 2034. Pre-amendment cash flow projections indicate that the entire available life of the District will be required to retire current and projected District liabilities. Based on the Economic Feasibility Study located in Section 10 of this Plan, amendment of the District would not result in a shift in the projected District closure year of 2034.

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:
 - 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, investment in the City’s housing stock (as a form of “mixed use”), 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. Investment in the City’s residential housing stock is anticipated to contribute to the areas vitality, character, and economic growth.
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.
 - The City has established policy priorities related to investment in and rehabilitation of it’s single- and multi-family housing stock. This investment will contribute to the general economic vitality of other sectors of the City’s economy and mitigate blighted conditions in certain residential corridors, which weighs on property values and economic conditions of adjacent areas.
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 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 will not exceed 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., is located in a conservation subdivision as defined in Wisconsin Statutes Section 66.1027(1)(a)., or is located in a traditional neighborhood development as defined in Wisconsin Statutes Section 66.1027(1)(c).

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 will not change as a result of this amendment.
7. There are no additional improvements as a result of this amendment.
8. The City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wisconsin Statutes Section 66.1105(5)(b).
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

The District was created under the authority provided by Wisconsin Statutes Section 66.1105 on August 8, 2013 by resolution of the Common Council. The District's valuation date, for purposes of establishing base value, was January 1, 2013.

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.

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

SECTION 4: Map Showing Existing Uses and Conditions

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 project plan Document.

SECTION 5: Equalized Value Test

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

The proposed additional projects costs within the District may also 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), professional and organizational services, administrative costs, and finance costs.

The City proposes to 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 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. 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 intends to 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

There have been no known environmental studies performed within the District. If, however, 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 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 are 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 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 are 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 are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

Development and/or redevelopment within the District will 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 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 are 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 (RDA)

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

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.

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 make the following project cost expenditures outside the District:

- Housing replacement and rehabilitation, which may include acquisition and relocation 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.

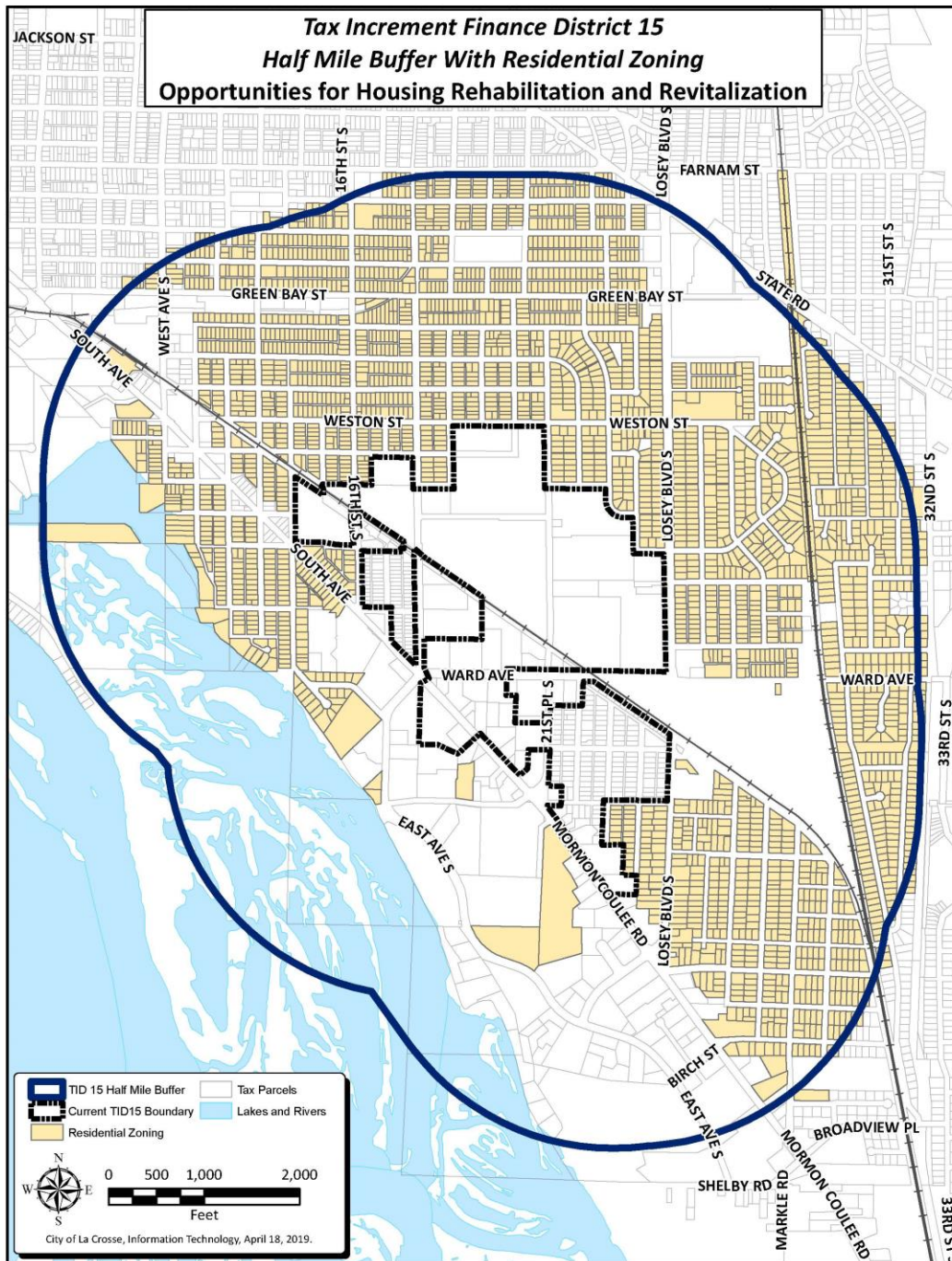
In the event any of the public works project expenditures are not reimbursable out of the special tax increment finance fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the City for such purpose or a court of record so rules in a final order, then such project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

Projects identified in this Plan may occur in the entirety of the 1/2 mile area.



SECTION 8: Detailed List of Additional Project Costs

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 2019 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2019 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

Housing Replacement and Rehabilitation <i>(and any other ancillary costs related to same)</i>	\$1,500,000
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SECTION 9: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

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.
- The City does not anticipate additional development and resulting value increment as a result of this amendment. Current value increment and anticipated tax increment revenues are projected to be sufficient to meet both recovery of existing and anticipated expenditures of the District.

Available Financing Methods

Implementation of this Plan may require that the City issue debt obligations to provide direct or indirect financing for the Projects to be undertaken. 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.

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.

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.

Development Assumptions

The City does not anticipate new development as a result of this amendment. No additional development is required to meet the existing and anticipated expenditures of the District.

Increment Revenue Projections

Tax Increment District No. 15 (Chart / Trane)							
Tax Increment Projection Worksheet							
Type of District	Mixed Use			Actual Base Value	N/A		
Actual Creation Date	8/8/2013			Pre-Amendment Base Value (Actual)	N/A		
Valuation Date	Jan. 1, 2013			Property Appreciation Factor	0.00%		
Maximum Life (In Years)	20			Current Tax Rate (Per \$1,000 EV)	\$26.26		
Expenditure Period (In Years)	15			Tax Rate Adjustment Factor (Next 2 Years)	0.00%		
Revenue Periods/Final Rev Year	20 2034			Tax Rate Adjustment Factor (Following 2 Years)	0.00%		
End of Expenditure Period	8/8/2028			Tax Rate Adjustment Factor (Thereafter)	0.00%		
Latest Termination Date	8/8/2033			Discount Rate 1 for NPV Calculation	N/A		
Eligible for Extension/No. of Years	Yes 3			Discount Rate 2 for NPV Calculation	N/A		
Eligible Recipient District	No						

Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment	
1	2016	0	2017	0	29,165,600	2018	27.01	787,667
2	2017	0	2018	0	29,727,200	2019	26.26	780,687
3	2018	0	2019	0	29,727,200	2020	26.26	780,687
4	2019	0	2020	0	29,727,200	2021	26.26	780,687
5	2020	0	2021	0	29,727,200	2022	26.26	780,687
6	2021	0	2022	0	29,727,200	2023	26.26	780,687
7	2022	0	2023	0	29,727,200	2024	26.26	780,687
8	2023	0	2024	0	29,727,200	2025	26.26	780,687
9	2024	0	2025	0	29,727,200	2026	26.26	780,687
10	2025	0	2026	0	29,727,200	2027	26.26	780,687
11	2026	0	2027	0	29,727,200	2028	26.26	780,687
12	2027	0	2028	0	29,727,200	2029	26.26	780,687
13	2028	0	2029	0	29,727,200	2030	26.26	780,687
14	2029	0	2030	0	29,727,200	2031	26.26	780,687
15	2030	0	2031	0	29,727,200	2032	26.26	780,687
16	2031	0	2032	0	29,727,200	2033	26.26	780,687
17	2032	0	2033	0	29,727,200	2034	26.26	780,687
0			0		Future Value of Increment		13,278,653	

Cash Flow

As of Dec. 31, 2017:

Tax Increment District No. 15 (Chart / Trane)
Cash Flow Pro Forma

Cash and Investments: \$1,382,134 (A)
Future Debt Service Requirements: \$0 (B)
Advances from Other Funds (General Fund): \$0 (C)

Year	Revenues					Total Revenues (D)	Expenditures					Total Expenses (E)	Balances			Year
	Tax Increments	Exempt Computer Aids	Min. Tax Payment Chart	Min. Tax Payment Trane	Other Revenue		Debt Service Transfers	DA Payments Chart	DA Payments Trane	Other Exp. #1	Admin		Annual (F) (D - E)	Cumulative (G)	Future Debt Service (H)	
2018	787,667	0	0	49,216		836,883		0	186,300	3,645,000	500	3,831,800	(2,994,917)	(1,612,783)	0	2018
2019	780,687	0	0			780,687			227,997	150,000	500	378,497	402,190	(1,210,593)	0	2019
2020	780,687	0	0			780,687			227,997	150,000	500	378,497	402,190	(808,403)	0	2020
2021	780,687	0	0			780,687			227,997	150,000	500	378,497	402,190	(406,214)	0	2021
2022	780,687	0	0			780,687			227,997	150,000	500	378,497	402,190	(4,024)	0	2022
2023	780,687	0	0			780,687			227,997	150,000	500	378,497	402,190	398,165	0	2023
2024	780,687	0	0			780,687			227,997	150,000	500	378,497	402,190	800,355	0	2024
2025	780,687	0	0			780,687			227,997	150,000	500	378,497	402,190	1,202,545	0	2025
2026	780,687	0	0			780,687			227,997	150,000	500	378,497	402,190	1,604,734	0	2026
2027	780,687	0	0			780,687			227,997	150,000	500	378,497	402,190	2,006,924	0	2027
2028	780,687	0	0			780,687			227,997	150,000	500	378,497	402,190	2,409,113	0	2028
2029	780,687	0	0			780,687			227,997		500	228,497	552,190	2,961,303	0	2029
2030	780,687	0	0			780,687			227,997		500	228,497	552,190	3,513,493	0	2030
2031	780,687	0	0			780,687			227,997		500	228,497	552,190	4,065,682	0	2031
2032	780,687	0	0			780,687			227,997		500	228,497	552,190	4,617,872	0	2032
2033	780,687	0	0			780,687			227,997		500	228,497	552,190	5,170,061	0	2033
2034	780,687	0	0			780,687					500	500	780,187	5,950,248	0	2034
Total	13,278,653	0	0	49,216	0	13,327,869	0	0	3,606,255	5,145,000	8,500	8,759,755				

Final Balance (G - C): 5,950,248

NOTES:

1. City development agreement with Chart calls for distribution of 85% of tax increment not to exceed a cumulative amount of \$1,500,000 - payments are estimated
2. City development agreement with Trane calls for distribution of 90% of tax increment not to exceed a cumulative amount of \$5,500,000 - payments are estimated
3. Debt Service Transfers reduce Future Debt Service Requirements

SECTION 10: Annexed Property

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

SECTION 11: Proposed Zoning Ordinance Changes

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

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

There may 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

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

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.

Examples would include:

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

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

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

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

SECTION 16:
Opinion of Attorney for the City of La Crosse Advising
Whether the Plan is Complete and Complies with Wisconsin
Statutes 66.1105

April 19, 2019

SAMPLE

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

RE: City of La Crosse, Wisconsin Tax Incremental District No. 15 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