



LEGAL DEPARTMENT

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ANNUAL DEVELOPMENT AGREEMENT COMPLIANCE REVIEW TAX YEAR 2022

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: \$828,778.11
- Annual PILOT (Section 2.5A) on Parking Ramp #2: \$223,145.42
- Tax Guarantee:

\$25,107,700 commencing tax year 2010 for Base Development Property. (2021 improvement value \$34,761,900)

- Jobs: 2,500 jobs for the duration of TID 14. Annual certification due June 15th. Job Certification dated February 14, 2023 received.

CALCULATION:

PILOT for Parking Ramp #2:

2022 Value	\$11,396,600	
X mill rate	<u>.01958</u>	
	\$ 223,145.42	owed to City

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

Improvement Value 2022:	\$ 34,761,900	
X mill rate	<u>.01958</u>	
		\$ 680,638.00

Ramp #2:

Improvement Value 2022:	\$11,396,600	
X mill rate	<u>.01958</u>	
		\$ 223,145.42

Hotel:

Improvement Value 2022:	\$ 4,060,800	
X mill rate	<u>.01958</u>	
		\$ 79,510.46

Total: 983,293.88

85% = \$ 835,799.79

15% = \$ 147,494.09

\$835,799.79 Payment due to Developer

RECOMMENDATION:

- Collect PILOT owed to City before issuing payment.