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ANNUAL DEVELOPMENT AGREEMENT COMPLIANCE REVIEW TAX YEAR 2023

Riverside Center Development Agreements – Phases I, II, III

- Parties: This agreement is between the City of La Crosse, Redevelopment Authority of the City of La Crosse, and LCN UHS La Crosse (WI), LLC.
- Governing Bodies: Redevelopment Authority and the Board of Public Works.

Project Definition:

Phase I: Office building and restaurant.

Phase II: Office building and also resulted in community theater.

Phase III: Seven story building, three stories of commercial space, four levels of parking and the first floor of parking can be converted to commercial space.

Essential Terms:

- Cash Grants:
 1. Phase I – not applicable
 2. Phase II – agreement completed
 3. Phase III - \$100% of tax increment for tax years 2016-2025. Maximum amount is \$5.1 million. City retains 1% for administrative and professional services costs.

- Reverse TIF Payment:

Phase III: 99% to Developer:	\$348,948.05
1% to City:	\$ 3,524.73

Riverside Center Development Agreements – Phases I, II, & III
Annual Development Agreement Compliance – Tax Year 2023

- Tax Guarantee:
 1. Phase I: \$11.4 million as of tax year 2007 (2023 improvements \$13,708,000)
 2. Phase II: \$8 million as of tax year 2009 (2023 improvements \$14,244,600)
 3. Phase III: \$18 million as of tax year 2012 (2023 improvements \$17,068,900)
- Deficiency PILOT owed to City:

Phase III: \$19,227.22
- Net amount due to Developer: $\$348,948.05 - \$19,227.22 = \$329,720.83$
- Jobs: Originally maintain 2,000 jobs for ten years starting on December 31, 2016 for all three sites. After 2022 annual compliance review, new job guarantee number is 1,237. June 5, 2024 report indicates 1,276 jobs.

RECOMMENDATION:

- BPW to determine if WIPFLI is needed for job audit. If not, disburse net payment.