



June 12,2020

DRAFT Project Plan for the Territory Amendment to Tax Incremental District No. 13

CITY OF LA CROSSE, WISCONSIN

Organizational Joint Review Board Meeting Held:	Scheduled for: June 29, 2020
Public Hearing Held:	Scheduled for: June 29, 2020
Consideration for Approval by Plan Commission:	Scheduled for: June 29, 2020
Consideration for Adoption by Common Council:	Scheduled for: July 9, 2020
Consideration for Approval by the Joint Review Board:	Scheduled for: TBD

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SECTION 1:

Executive Summary

Description of District

Type of District, Size and Location

Tax Incremental District (“TID”) No. 13 (the “TID” or “District”) is an existing mixed-use district, which was created by a resolution of the City of La Crosse (“City”) Common Council adopted on May 11, 2006 (the “Creation Resolution”).

Amendments

The District was previously amended in 2009 & 2012 & 2017, whereby a resolution was adopted to add additional territory to the District, and to amend the list of projects to be undertaken. These were the first, second and third amendments of four territory amendments permitted for this District. This amendment will account for the final boundary amendment afforded this District.

The District was previously amended in 2016 and 2017 whereby a resolution was adopted to amend the list of projects to be undertaken.

The District was previously amended in 2020, whereby a resolution was adopted to allow the District to share excess increment with TID No. 12.

Purposes of this Amendment

To further facilitate development and/or redevelopment within areas adjacent to the District, the City desires to amend its boundaries to add territory. A map, located in Section 3 of this plan, identifies the Territory to be added and its geographic relationship to the existing District’s boundaries.

Estimated Total Project Expenditures

There will be no additional projects as a result of this amendment

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 this District, the additional development projected to occur within the amendment areas 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:

- In order to make the amendment areas suitable for development and/or redevelopment, the City will need to make a substantial investment to pay for the costs of: property, right-of-way and easement acquisition; site preparation; installation of utilities; installation of streets and related streetscape items; development incentive payments; façade grants and loans, and other associated costs. Due to the extensive initial investment in public infrastructure and/or rehabilitation that is required in order to allow development and/or redevelopment to occur, the City has determined that development and/or redevelopment of the amendment area will not occur solely as a result of private investment. Accordingly, the City finds that absent the use of TIF, development and/or redevelopment of the amendment area is unlikely to occur.

2. **The economic benefits of amending the Tax Incremental 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, the total tax increments projected to be collected are more than sufficient to pay for the actual and proposed Project Costs within the original District and the amended areas. On this basis alone, the finding is supported.

3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**

- If approved, the boundary amendment would become effective for valuation purposes as of January 1, 2020. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the amendment area due to new construction, renovation or appreciation of property values occurring after January 1, 2020 would be collected by the TID and used to repay the costs of TIF-eligible projects undertaken within the District.

- Given that additional development is not likely to occur or in the same manner without the use of tax incremental financing (see finding # 1), and since the District will 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 District is not amended. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and can be found in Appendix A of the Project Plan.
4. Not less than 50% by area of the real property within the District, as amended, is suitable for mixed-use development as defined by Wisconsin Statutes Section 66.1105(2)(cm). Lands proposed or developed for newly platted residential development will in no event exceed 35% of the territory in the District, as amended. 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, 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 of the District relate directly to promoting mixed-use development in the District consistent with the purpose for which the District was created.
 7. There are no additional improvements as a result of this amendment.
 8. The equalized value of the taxable property within the territory to be added to the District by this amendment, plus the value increment of all other existing tax incremental districts within the City , does not exceed 12% of the total equalized value of taxable property within the City .
 9. 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).
 10. 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 May 11, 2006 by resolution of the Common Council. The District's valuation date, for purposes of establishing base value, was January 1, 2006.

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 uses within the meaning of Wisconsin Statutes Section 66.1105(2)(cm). The District will remain in compliance with this finding after the addition of the territory identified in this Amendment. The District will also remain in compliance with the prohibition that no more than 35% of the area of the District be allocated for newly-platted residential development. To the extent that the City has incurred, or may incur, Project Costs for newly platted residential development, the residential development will have a density of at least 3 units per acre as defined in Wisconsin Statutes Section 66.1105(2)(f)3.a., be located in a conservation subdivision as defined in Wisconsin Statutes Section 66.1027(1)(a), or be located in a traditional neighborhood development as defined in Wisconsin Statutes Section 66.1027(1)(c). *(choose one of the three, as appropriate)*. The Preliminary Parcel list found in Section 5 of this plan provides a calculation demonstrating continued compliance with both the 50% test and the 35% test.

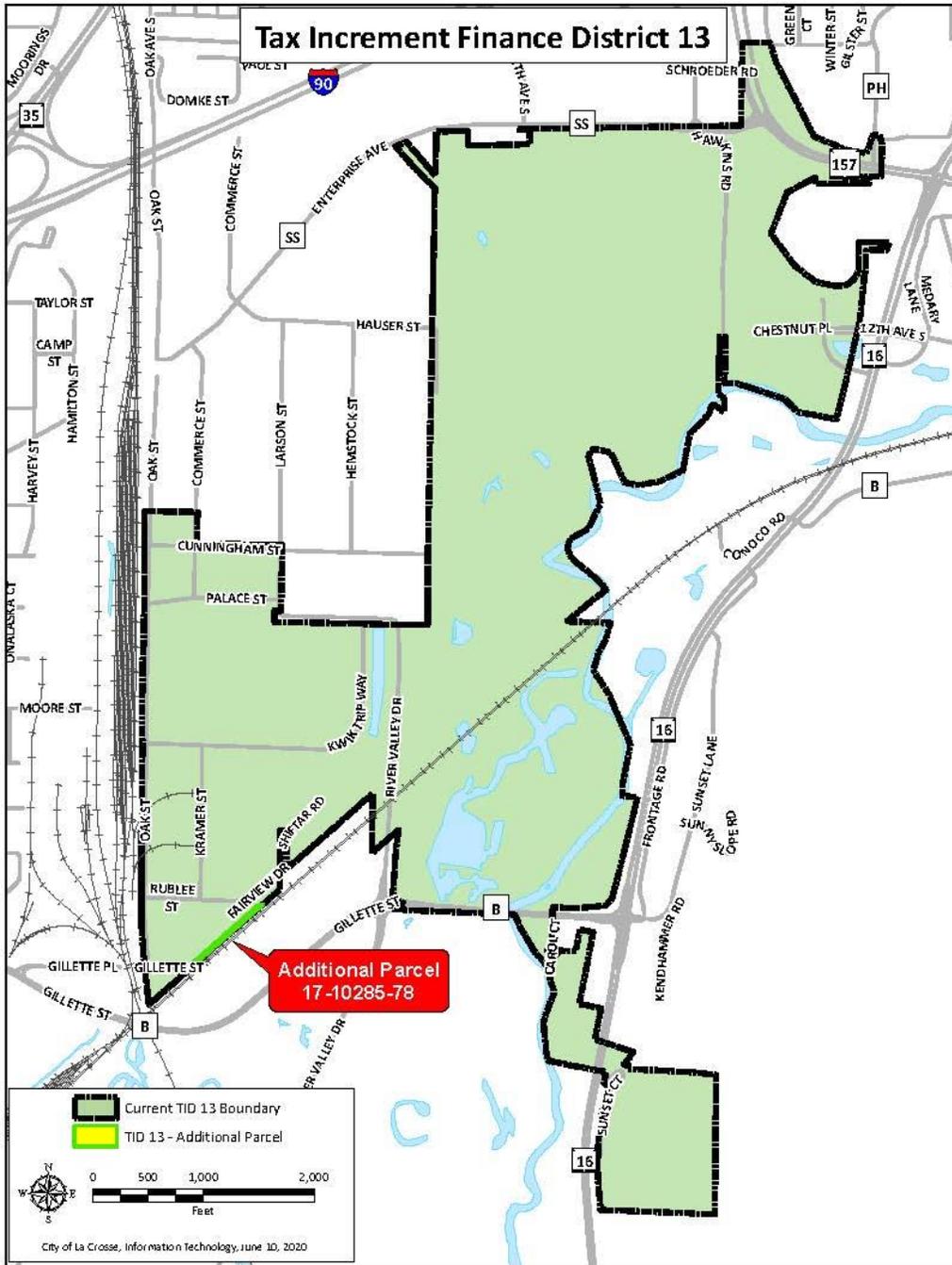
Wisconsin Statutes Section 66.1105(4)(h)2. provides authority for a City to amend the boundaries of an existing Tax Increment District for purposes of adding and/or subtracting territory up to a total of four times during the life of the District. The boundaries of the District have been amended three times prior to this Amendment.

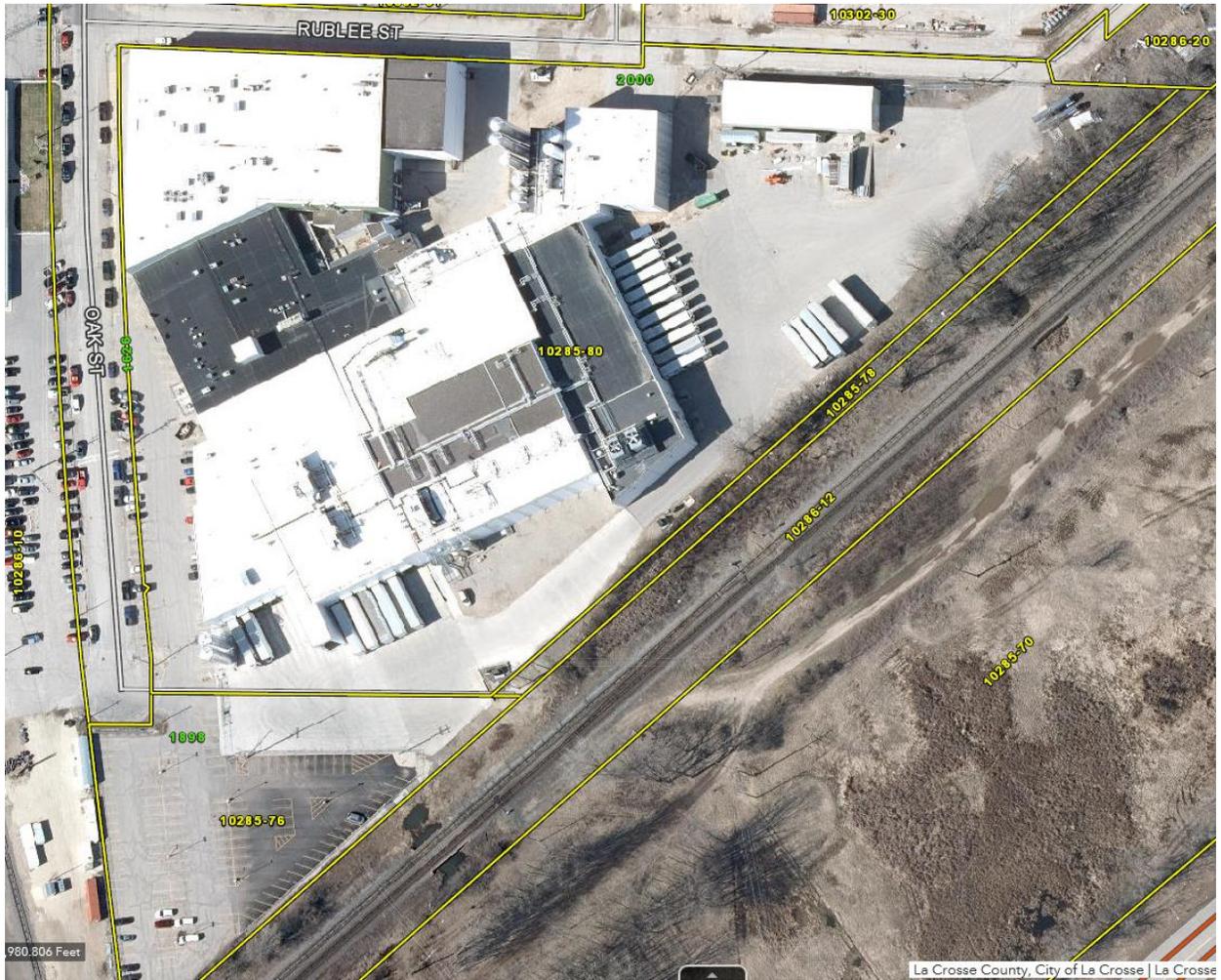
This Project Plan Amendment supplements, and does not supersede or replace any component of the original Project Plan, or any component of previously adopted Project Plan Amendments, unless specifically stated. All components of the original Project Plan, and its previously adopted Project Plan Amendments, remain in effect.

The purpose of the Amendment is to facilitate development within areas adjacent to the existing District. The amendment to the District boundaries and the Project Plan will enable the City to install additional public improvements, and to make additional necessary related expenditures that will create development and/or redevelopment opportunities consistent with the original purposes for which the District was created.

A map depicting the boundaries of the District is found in Section 3 of this Plan. Based upon the findings as stated above, and the original findings as stated in the Creation Resolution, the District remains a mixed-use District based on the identification and classification of the property included within the District.

SECTION 3: Preliminary Maps of Original District Boundary and Territory Amendment Area Identified





SECTION 4: Map Showing Existing Uses and Conditions Within The Territory To Be Added

There will be no change 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 and/or Amended Project Plan Documents.

SECTION 5: Preliminary Parcel List and Analysis Within The Territory To Be Added

City of La Crosse, Wisconsin																		
Tax Increment District # 13																		
Base Property Information																		
Property Information					Assessment Information				Equalized Value				District Classification					
Map Ref #	Parcel Number	Street Address	Owner	Acreage	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	Industrial (Zoned and Suitable)	Commercial/Business	Existing Residential	Newly Platted Residential	Suitable for Mixed Use
	17-10285-78		Kwik Trip Inc	0.40	23,800	0		23,800	92.10%	25,843	0	0	25,843					0.40
			Total Acreage	0.40	23,800	0	0	23,800		25,843	0	0		0	0	0	0	0.4
													Estimated Base Value					100.00%
													25,843					

SECTION 6: Equalized Value Test

The following calculations demonstrate that the City is in compliance with Wisconsin Statutes Section 66.1105(4)(gm)4.c., which requires that the equalized value of the Territory to be added to the District, plus the value increment of the District being amended, plus the value increment of all other existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City .

The equalized value of the Territory to be incorporated by this Amendment, plus the increment value of TID No. 13, plus the value increment of all other existing tax incremental districts within the City , totals \$467,368,343. This value is less than the maximum of \$482,725,596 in equalized value that is permitted for the City of La Crosse. The City is therefore in compliance with the statutory equalized valuation test and may proceed with amendment of this District.

City of La Crosse, Wisconsin	
Tax Increment District No. 13	
Valuation Test Compliance Calculation	
District Creation Date	10/12/2004
	Valuation Data Currently Available 2019
Total EV (TID In)	4,022,713,300
12% Test	482,725,596
Increment of Existing TIDs	
TID #6	63,750,300
TID #10	6,697,500
TID #11	148,872,900
TID #12	20,446,700
TID #13	68,136,100
TID #14	58,162,800
TID #15	32,307,700
TID #16	6,662,000
TID #17	62,306,500
Total Existing Increment	467,342,500
Projected Base of New or Amended District	25,843
Less Value of Any Underlying TID Parcels	0
Total Value Subject to 12% Test	467,368,343
Compliance	PASS

SECTION 7:
Statement of Kind, Number and Location of Proposed Public Works and Other Projects

There will be no new project costs as a result of this amendment

SECTION 8: Map Showing Proposed Improvements and Uses Within The Territory To Be Added

There will be no change to the proposed improvements or uses within the District as a result of this amendment. A copy of this map can be found in the Original and/or Amended Project Plan Documents.

SECTION 9: Detailed List of Additional **and/or** Updated Project Costs

The project costs will not change, nor are there any additional improvements as a result of this amendment. The statement of kind, number and location of proposed public works and other projects as documented in the Original and/or Amended Project Plan Documents remains in effect.

SECTION 10:

Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

N/A - there will be no new projects as a result of this amendment

Implementation and Financing Timeline

There are no proposed changes to the projects or projects costs identified in the Original and/or Amended Project Plan documents.

SECTION 11: Annexed Property

There are no lands within the Territory proposed to be included within the District by Amendment that were annexed by the City on or after January 1, 2004.

SECTION 12: Estimate of Additional Property to be Devoted to Retail Business

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). This finding is made to fulfill the reporting requirement as contained in Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.

SECTION 13: 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 Amended Project Plan.

SECTION 14:

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 15:

Relocation

It is not anticipated there will 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 Section chapter 32.

SECTION 16:

Orderly Development and/or Redevelopment of the City of La Crosse

This 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 17: 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 TIF 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 18:

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

June 18, 2020

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. 13 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 Section 66.1105 of the Wisconsin Statutes. This opinion is provided pursuant to Wisconsin Statutes Section 66.1105(4)(f).

Sincerely,

Attorney Stephen Matty
City of La Crosse

