

June 3, 2024

PROJECT PLAN AMENDMENT [DRAFT]

# City of La Crosse, Wisconsin

Tax Incremental District No. 20

Boundary Amendment #1

Subtraction of Property



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Prepared by:

Ehlers  
3060 Centre Point Drive  
Roseville, MN 55113

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**BUILDING COMMUNITIES. IT'S WHAT WE DO.**

## KEY DATES

|   |                             |
|---|-----------------------------|
| Organizational Joint Review Board Meeting Held: | Scheduled for June 3, 2024  |
| Public Hearing Held:                            | Scheduled for June 3, 2024  |
| Approval by Plan Commission:                    | Scheduled for June 3, 2024  |
| Adoption by City Council:                       | Scheduled for June 13, 2024 |
| Approval by the Joint Review Board:             | Scheduled for TBD           |

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# SECTION 1:

## Executive Summary

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### DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 20 (“District”) is a 30-acre Blighted Area District created on July 9, 2020. The District was created to:

- provide a means of feasibly funding public infrastructure, property acquisition, and development incentives to eliminate blighted conditions throughout the area.

### Purpose of Amendment

The purpose of this amendment, referred to hereafter as the Plan, the Amendment, or the Plan Amendment, is to subtract territory from the District as permitted under Wis. Stat. § 66.1105(4)(h)2. Kwik Trip is seeking to build a newer, larger store on two parcels, which will subsequently be combined into a single tax parcel. Parcel number 17-10264-35 is located in TID 20, while the parcel it is to be combined with is outside the District boundary. In order to comply with Wisconsin Statutes, which only allow for whole tax parcels to be located in TIDs, the proposed Plan Amendment will subtract parcel 10264-35 from TID 20.

This is the first of four permitted territory amendments available for the District.

### Expected Termination of District

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates the District will generate sufficient tax increment to pay all Project Costs within its allowable 27 years.

### Summary of Findings

As required by Wis. Stat. § 66.1105, and as documented in this Plan and the exhibits contained and referenced herein, the following findings are made:

1. That “but for” the creation of this District, the development projected to occur as detailed in this 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 reaching this determination, the City has considered:
  - The substantial investment needed to provide the public infrastructure necessary to allow for development within the District. Absent the use of tax incremental financing, the City is unable to fully fund this program of infrastructure improvements. *The Joint Review Board accepted this finding at the time the District was created.*

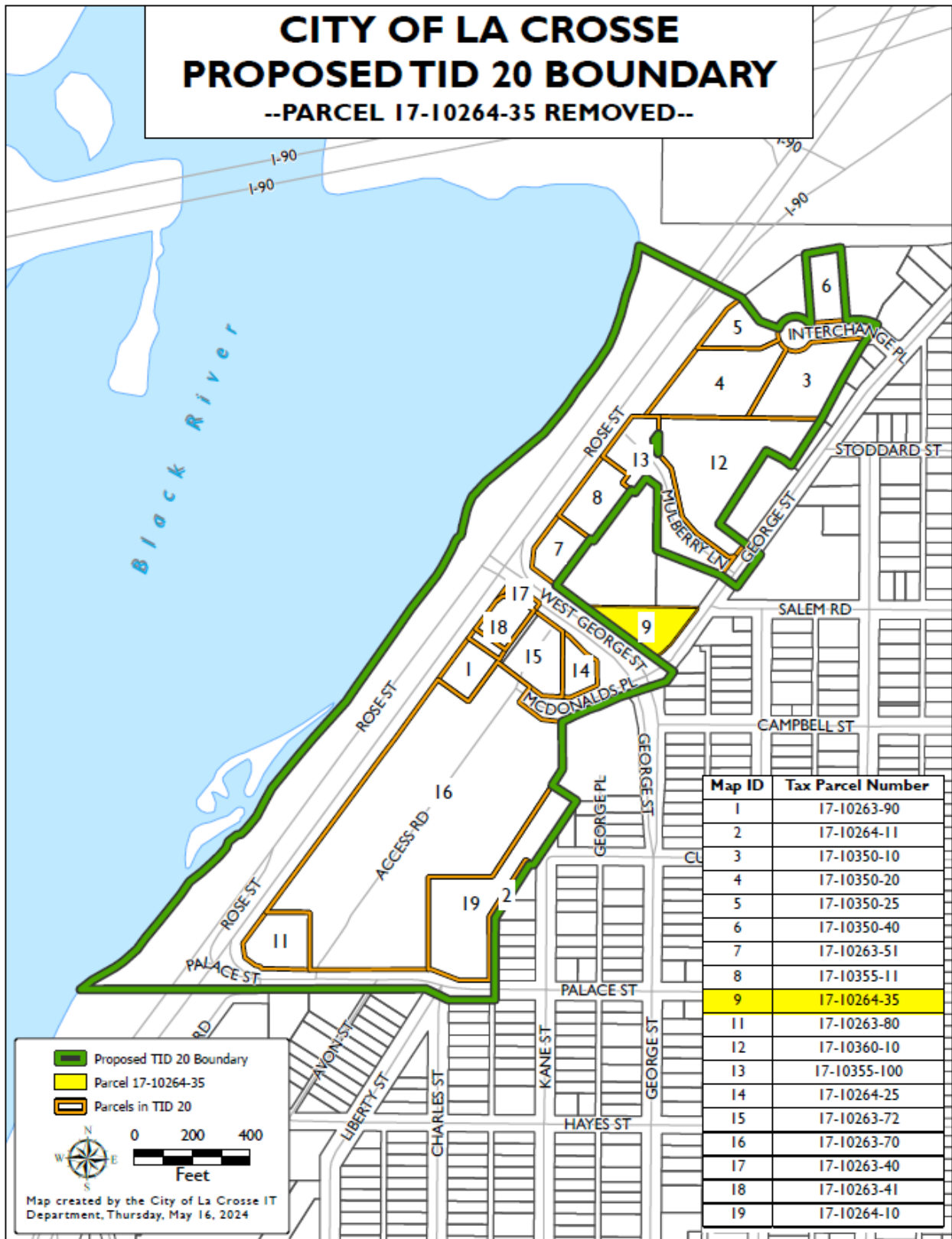
2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered the following information:
  - Tax increment collections are expected to be sufficient to pay for the cost of all improvements made in the District.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 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 prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.
4. Not less than 50% by area of the real property within the District, as amended, is a blighted area as defined by Wis. Stat. § 66.1105(2)(ae)1., or was a blighted area at the time the District was created.
5. Based on the foregoing finding, the District remains designated as a blighted area district.
6. The Project Costs relate directly to the elimination of blight in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The limitation as the percentage of equalized taxable property value that can be located within tax incremental districts does not apply to this Plan Amendment as no territory will be added to the District.
9. The Plan for the District is feasible and is in conformity with the Master Plan of the City.
10. 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 Wis. Stat. § 66.1105(5)(b).

## **SECTION 2: Preliminary Map of Original District Boundary and Territory to be Subtracted**

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Map Found on Following Page.

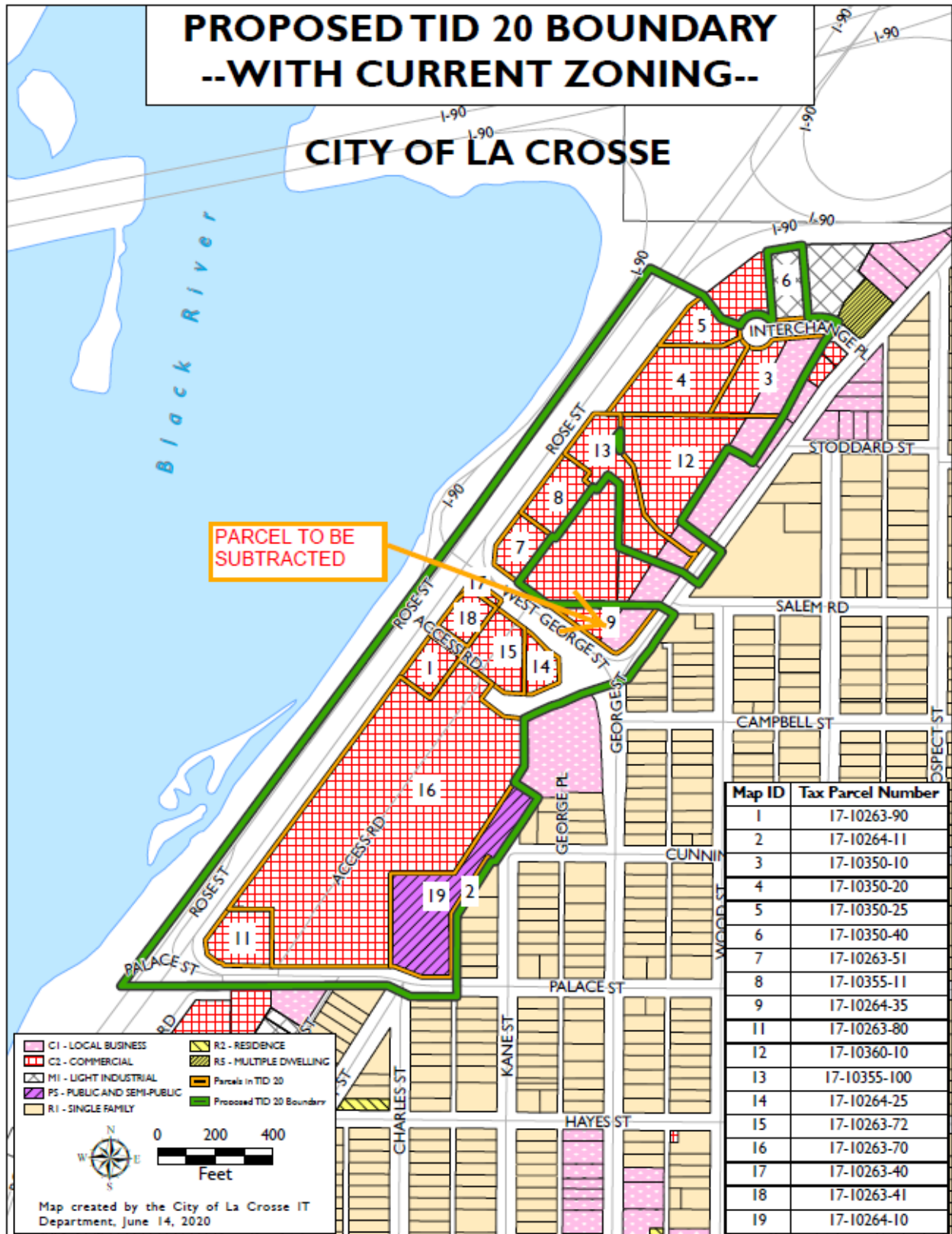
# CITY OF LA CROSSE PROPOSED TID 20 BOUNDARY --PARCEL 17-10264-35 REMOVED--



## **SECTION 3: Map Showing Existing Uses and Conditions Within the Territory to be Subtracted**

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Map Found on Following Page.





# SECTION 4: Preliminary Identification of Parcels to be Subtracted

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Calculation of Estimated Value

| Parcel Information |           |         | Assessed Value   |                  |                  | Equalized Value <sup>1</sup> |                  |                  |
|--------------------|-----------|---------|------------------|------------------|------------------|------------------------------|------------------|------------------|
| Parcel Number      | Owner     | Acreage | Land             | Improvement      | Total            | Land                         | Improvement      | Total            |
| 17-10264-35        | Kwik Trip | 0.78    | 286,600          | 472,000          | <b>758,600</b>   | 325,300                      | 535,700          | <b>861,000</b>   |
| <b>TOTALS</b>      |           |         | <b>\$286,600</b> | <b>\$472,000</b> | <b>\$758,600</b> | <b>\$325,300</b>             | <b>\$535,700</b> | <b>\$861,000</b> |

1) Calculation based on aggregate assessment ratio of 88.11%.

# SECTION 5: Equalized Value Test

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No territory will be added to the District. Demonstration of compliance with the equalized value test is not required for this Plan Amendment.

# SECTION 6: Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

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No project costs are being added or amended under the current Plan Amendment.

# SECTION 7: Map Showing Proposed Improvements and Uses Within the Territory to be Subtracted

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 Project Plan documents.

# SECTION 8: Detailed List of Prior Project Costs

The following chart summarizes the project costs included in the original Project Plan and estimated project costs. No project costs are being added or amended under the Plan Amendment.

| City of La Crosse, Wisconsin                                       |                        |                 |                  |                   |                  |                           |                    |
|--|------------------------|-----------------|------------------|-------------------|------------------|---------------------------|--------------------|
| Tax Increment District #20   |                        |                 |                  |                   |                  |                           |                    |
| Estimated Project List from 2020 Creation Project Plan             |                        |                 |                  |                   |                  |                           |                    |
| Project ID   | Project Name/Type      | Phase I<br>2020 | Phase II<br>2022 | Phase III<br>2023 | Phase IV<br>2025 | Phase V<br>Thru Exp. Per. | Total (Note 1)     |
| 1  | Public Infrastructure  |                 | 250,000          | 250,000           | 250,000          | 90,000                    | 840,000            |
| 2  | Development Incentives |                 |                  |                   |                  | 2,500,000                 | 2,500,000          |
| 3  | Property Acquisition   |                 | 125,000          | 125,000           | 125,000          | 2,125,000                 | 2,500,000          |
| 4  | Creation Costs         | 20,000          |                  |                   |                  |                           | 20,000             |
| 5  | Administration         |                 |                  |                   |                  | 140,000                   | 140,000            |
| <b>Total Projects</b>  |                        | <u>\$20,000</u> | <u>\$375,000</u> | <u>\$375,000</u>  | <u>\$375,000</u> | <u>\$4,855,000</u>        | <u>\$6,000,000</u> |
| Notes:   |                        |                 |                  |                   |                  |                           |                    |
| Note 1 Project costs are estimates and are subject to modification |                        |                 |                  |                   |                  |                           |                    |

## SECTION 9: Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred

The information and exhibits contained within this Section demonstrate that the District, as amended by the subtraction of territory, will remain economically feasible. The analysis in this section demonstrates that the overall cash flow of the District is not negatively impacted by subtracting the identified parcels.

### TID 20 Cash Flow

| Year          | Projected Revenues |                   | Projected Expenditures |                                      |                    | Balances |            |                            | Year          |
|---------------|--------------------|-------------------|------------------------|--------------------------------------|--------------------|----------|------------|----------------------------|---------------|
|               | Tax<br>Increments  | Total<br>Revenues | Other                  | Ongoing Planning &<br>Administration | Total Expenditures | Annual   | Cumulative | Liabilities<br>Outstanding |               |
| 2021          |                    | -                 |                        |                                      |                    |          |            | 0                          | 2021          |
| 2022          |                    | -                 |                        |                                      |                    |          |            | 0                          | 2022          |
| 2023          | 6,414              | 6,414             |                        | 7,500                                | 7,500              | (1,086)  | (1,086)    | 0                          | 2023          |
| 2024          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (8,586)    | 0                          | 2024          |
| 2025          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (16,086)   | 0                          | 2025          |
| 2026          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (23,586)   | 0                          | 2026          |
| 2027          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (31,086)   | 0                          | 2027          |
| 2028          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (38,586)   | 0                          | 2028          |
| 2029          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (46,086)   | 0                          | 2029          |
| 2030          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (53,586)   | 0                          | 2030          |
| 2031          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (61,086)   | 0                          | 2031          |
| 2032          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (68,586)   | 0                          | 2032          |
| 2033          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (76,086)   | 0                          | 2033          |
| 2034          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (83,586)   | 0                          | 2034          |
| 2035          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (91,086)   | 0                          | 2035          |
| 2036          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (98,586)   | 0                          | 2036          |
| 2037          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (106,086)  | 0                          | 2037          |
| 2038          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (113,586)  | 0                          | 2038          |
| 2039          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (121,086)  | 0                          | 2039          |
| 2040          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (128,586)  | 0                          | 2040          |
| 2041          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (136,086)  | 0                          | 2041          |
| 2042          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (143,586)  | 0                          | 2042          |
| 2043          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (151,086)  | 0                          | 2043          |
| 2044          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (158,586)  | 0                          | 2044          |
| 2045          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (166,086)  | 0                          | 2045          |
| 2046          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (173,586)  | 0                          | 2046          |
| 2047          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (181,086)  | 0                          | 2047          |
| 2048          | -                  | -                 |                        | 7,500                                | 7,500              | (7,500)  | (188,586)  | 0                          | 2048          |
| <b>Totals</b> | <b>\$6,414</b>     | <b>\$6,414</b>    | <b>\$0</b>             | <b>\$195,000</b>                     | <b>\$195,000</b>   |          |            |                            | <b>Totals</b> |

The cash flow is based on the present certified increment value and tax rate for the District. The only costs incurred by the District have been related to its creation and administrative costs.

## **SECTION 10: Annexed Property**

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No territory is being added to the District as part of this Plan Amendment.

## **SECTION 11: Estimate of Property to be Devoted to Retail Business**

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Pursuant to Wis. Stat. § 66.1105(5)(b), 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.

## **SECTION 12: Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances**

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### **Zoning Ordinances**

The City does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this amended Project Plan.

### **Master (Comprehensive) Plan and Map**

The proposed Plan Amendment is in general conformance with the City's Comprehensive Plan.

### **Building Codes and Ordinances**

Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan Amendment conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

## **SECTION 13:**

### **Statement of the Proposed Method for the Relocation of any Persons to be Displaced**

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Should the continued implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

## **SECTION 14:**

### **How Amendment of the Tax Incremental District Promotes the Orderly Development of the City**

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This Plan Amendment relates only to a subtraction of property from the District in order to comply with statutory requirements associated with the boundaries of any tax increment district.

## **SECTION 15:**

### **List of Estimated Non-Project Costs**

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Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- 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.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District.

## **SECTION 16: Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)**

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**SAMPLE**

Mayor  
City of La Crosse  
400 La Crosse St  
La Crosse, Wisconsin 54601

RE: Project Plan Amendment for Tax Incremental District No. 20

Dear Mayor:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105. As City Attorney for the City of La Crosse, I have been asked to review the above-referenced project plan amendment for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the amended Project Plan for the City of La Crosse Tax Incremental District No. 20 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

City Attorney

# SECTION 17: Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.

| Revenue Year  | La Crosse County | City of La Crosse | School District of La Crosse | Western Technical College | Total          | Revenue Year |
|---------------|------------------|-------------------|------------------------------|---------------------------|----------------|--------------|
| 2023          | 804              | 3,081             | 2,257                        | 331                       | 6,474          | 2023         |
| 2024          | 0                | 0                 | 0                            | 0                         | 0              | 2024         |
| 2025          | 0                | 0                 | 0                            | 0                         | 0              | 2025         |
| 2026          | 0                | 0                 | 0                            | 0                         | 0              | 2026         |
| 2027          | 0                | 0                 | 0                            | 0                         | 0              | 2027         |
| 2028          | 0                | 0                 | 0                            | 0                         | 0              | 2028         |
| 2029          | 0                | 0                 | 0                            | 0                         | 0              | 2029         |
| 2030          | 0                | 0                 | 0                            | 0                         | 0              | 2030         |
| 2031          | 0                | 0                 | 0                            | 0                         | 0              | 2031         |
| 2032          | 0                | 0                 | 0                            | 0                         | 0              | 2032         |
| 2033          | 0                | 0                 | 0                            | 0                         | 0              | 2033         |
| 2034          | 0                | 0                 | 0                            | 0                         | 0              | 2034         |
| 2035          | 0                | 0                 | 0                            | 0                         | 0              | 2035         |
| 2036          | 0                | 0                 | 0                            | 0                         | 0              | 2036         |
| 2037          | 0                | 0                 | 0                            | 0                         | 0              | 2037         |
| 2038          | 0                | 0                 | 0                            | 0                         | 0              | 2038         |
| 2039          | 0                | 0                 | 0                            | 0                         | 0              | 2039         |
| 2040          | 0                | 0                 | 0                            | 0                         | 0              | 2040         |
| 2041          | 0                | 0                 | 0                            | 0                         | 0              | 2041         |
| 2042          | 0                | 0                 | 0                            | 0                         | 0              | 2042         |
| 2043          | 0                | 0                 | 0                            | 0                         | 0              | 2043         |
| 2044          | 0                | 0                 | 0                            | 0                         | 0              | 2044         |
| 2045          | 0                | 0                 | 0                            | 0                         | 0              | 2045         |
| 2046          | 0                | 0                 | 0                            | 0                         | 0              | 2046         |
| 2047          | 0                | 0                 | 0                            | 0                         | 0              | 2047         |
| 2048          | 0                | 0                 | 0                            | 0                         | 0              | 2048         |
| <b>Totals</b> | <b>\$804</b>     | <b>\$3,081</b>    | <b>\$2,257</b>               | <b>\$331</b>              | <b>\$6,474</b> |              |